

**EXHIBIT A**  
**MATURITY SCHEDULE**

Date of Maturity (___ 1)	Principal Amount	Interest Rate	Yield	Price
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\*

\$ \_\_\_\_,000 \_\_\_\_% Term Bond, due \_\_\_ 1, 20\_\_\*, Priced at \_\_\_\_ to Yield \_\_\_\_%

\$ \_\_\_\_,000 \_\_\_\_% Term Bond, due \_\_\_ 1, 20\_\_\*, Priced at \_\_\_\_ to Yield \_\_\_\_%

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\* Priced to the par call date of \_\_\_ 1, 20\_\_.

**REDEMPTION PROVISIONS**

**Redemption Generally.** If the City directs the Bank to redeem the Bonds in accordance with the Loan Agreement, the Bank has agreed under the Indenture to accept redemption and to redeem the Bonds in accordance with the Indenture.

**Optional Redemption.** The Bonds (or any portions thereof in integral multiples of \$5,000 each) maturing on or after \_\_\_ 1, 20\_\_, are subject to optional redemption, prior to their stated dates of maturity, in whole or in part, in principal amounts and maturities selected by the Bank on any date on or after \_\_\_ 1, 20\_\_, at par, plus accrued interest to the date of redemption. Under the Indenture, selection of Bonds to be redeemed within a maturity will be made by lot by

the Trustee. In accordance with DTC's standard practices and its agreement with the Bank, DTC and the DTC Participants will make this selection so long as the Bonds are in book-entry form.

**Mandatory Sinking Fund Redemption.** The Bonds maturing on \_\_\_1, 20\_\_\_ in the principal amount of \$\_\_\_\_,000 are subject to mandatory sinking fund redemption, in part, prior to maturity, or redemption, in whole, as otherwise provided in the Indenture, on each \_\_\_ 1 in the principal amount for each year together with accrued interest to the date of redemption, as follows:

**Term Bonds**

Date	Principal Amount
20__	
20__	
20__*	

---

\* Final Maturity.

The Bonds maturing on \_\_\_1, 20\_\_\_ in the principal amount of \$\_\_\_\_,000 are subject to mandatory sinking fund redemption, in part, prior to maturity, or redemption, in whole, as otherwise provided in the Indenture, on each \_\_\_ 1 in the principal amount for each year together with accrued interest to the date of redemption, as follows:

**Term Bonds**

Date	Principal Amount
20__	
20__	
20__*	

---

\* Final Maturity.

**Notice of Redemption.** Notice of the call for any redemption, identifying the Bonds (or any portions thereof in integral multiples of \$5,000 each) to be redeemed, will be given by the Trustee at least 30 days but not more than 45 days prior to the date fixed for redemption by mailing a copy of the redemption notice by registered or certified mail to the registered owner of each Bond to be redeemed at the address shown on the Bond Register (as defined in the Indenture) and to the Underwriter of the Bonds. Failure to mail such notice to any particular owner of Bonds, or any defect in the notice mailed to any such owner of Bonds, will not affect the validity of the call for the redemption of any other Bonds. So long as DTC or its nominee is the Registered Owner of the Bonds, notice of the call for any redemption will be given to DTC, and not directly to Beneficial Owners (as defined in the Indenture).

**Redemption Payments.** Prior to the date fixed for redemption, there must be on deposit with the Trustee sufficient funds to pay the Redemption Price (as defined in the Indenture) of the Bonds called, together with accrued interest on the Bonds to the Redemption Date (as defined in the Indenture). After the Redemption Date, if proper notice of redemption by mailing has been

given and sufficient funds have been deposited with the Trustee, interest will cease to accrue on the Bonds that have been called for redemption.

**EXHIBIT B**

**DEEMED FINAL CERTIFICATE**

**\$\_\_\_\_,000**

**MISSISSIPPI DEVELOPMENT BANK  
SPECIAL OBLIGATION BONDS, SERIES 2018  
(TUPELO, MISSISSIPPI REVENUE PROJECT)**

**Rule 15c2-12 Certificate of the Bank and the City**

The undersigned hereby certify to Raymond James & Associates, Inc. (the "**Underwriter**"), that they are authorized to execute and deliver this Certificate and further certify on behalf of the Bank and the City:

1. This Certificate is delivered to enable the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12, as amended, under the Securities Exchange Act of 1934 (the "**Rule**") in connection with the offering and sale of the Bank's \$\_\_\_\_,000 Special Obligation Bonds, Series 2018 (Tupelo, Mississippi Revenue Project) (the "**Bonds**").
2. In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated \_\_\_\_, 2018, setting forth information concerning the Bonds, the Bank and the City and certain other matters (the "**Preliminary Official Statement**").
3. As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery date, ratings and other terms of the Bonds depending on such matters, all with respect to the Bonds.
4. The information contained in the Preliminary Official Statement is final within the meaning of the Rule as of its date except for the Permitted Omissions.
5. To the best of the knowledge of the Bank and the City, the information contained in the Preliminary Official Statement pertaining to the Bank and the City does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the Preliminary Official Statement, in the light of the circumstances under which they were made, not misleading.

If, at any time before the earlier of (1) receipt of notice from the Underwriter that Final Official Statements (as defined in the Rule) with respect to the Bonds are no longer required to be delivered under the Rule or (2) 90 days after the underwriting period of the Bonds by the Underwriter, any event occurs as a result of which the information contained in the Final Official Statement would no longer be true and correct or would no longer be the most recently available information, the Bank or the City shall promptly notify the Underwriter of such event or shall

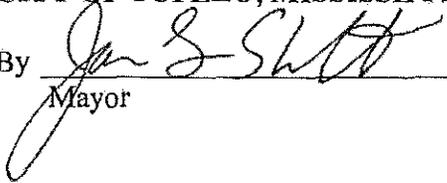
update such information so that it is the most recent available and provide such updated information to the Underwriter.

**IN WITNESS WHEREOF**, we have hereunto set our hands to be effective this \_\_\_ day of \_\_\_\_\_, 2018.

**MISSISSIPPI DEVELOPMENT BANK**

By \_\_\_\_\_  
Executive Director

**CITY OF TUPELO, MISSISSIPPI**

By  \_\_\_\_\_  
Mayor

40563151.v1

EXHIBIT E  
FORM OF PRELIMINARY OFFICIAL STATEMENT

40230158.v1

PRELIMINARY OFFICIAL STATEMENT  
DATED \_\_\_\_\_, 2018

ONE NEW ISSUE/BOOK- ENTRY ONLY

RATINGS: Insured/Underlying  
Moody's " " "  
(See "RATINGS" herein)

In the opinion of Butler Snow LLP, Ridgeland, Mississippi, Bond Counsel, under existing laws, regulations, rulings, and judicial decisions and assuming the accuracy of certain representations and continuous compliance with certain covenants described herein, interest on the Series 2018 Bonds (defined below) is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Series 2018 Bonds, and such interest is not a specific preference item for purposes of the federal alternative minimum tax except that, for tax years beginning before January 1, 2018, such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the federal alternative minimum taxable income of corporations. Such exclusion is conditioned on continuing compliance with certain tax covenants by the Bank (as defined herein) and the City (as defined herein). In the opinion of Bond Counsel under existing laws, regulations, rulings and judicial decisions, interest on the Series 2018 Bonds is exempt from all income taxation in the State of Mississippi. See "TAX MATTERS" herein.

\$ \_\_\_\_\_,000  
MISSISSIPPI DEVELOPMENT BANK  
SPECIAL OBLIGATION BONDS, SERIES 2018  
(TUPELO, MISSISSIPPI REVENUE PROJECT)

Dated: Date of Delivery

Due: \_\_\_\_\_ 1, as shown on  
inside front cover

The \$ \_\_\_\_\_,000 Mississippi Development Bank Special Obligation Bonds, Series 2018 (Tupelo, Mississippi Revenue Project), (the "Series 2018 Bonds") will be dated as of the date of delivery thereof, and will bear interest from that date to their respective maturities in the amounts and at the rates set forth on the inside cover of this Official Statement. The Series 2018 Bonds are issuable only as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the Series 2018 Bonds will be made in book-entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the Series 2018 Bonds will not receive physical delivery of certificates representing their interests in the Series 2018 Bonds. Interest on the Series 2018 Bonds is payable on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year, commencing \_\_\_\_\_ 1, 20\_\_\_\_. So long as DTC or its nominee is the Registered Owner (as defined herein) of the Series 2018 Bonds, interest, together with the principal of and premium, if any, on the Series 2018 Bonds will be paid directly to DTC by The Peoples Bank, Biloxi, Mississippi, as trustee (the "Trustee") under the Indenture (as defined herein). See "DESCRIPTION OF THE SERIES 2018 BONDS - Book-Entry-Only System."

The Series 2018 Bonds are issued by the Mississippi Development Bank (the "Bank") for the principal purpose of providing funds (a) for a loan to the City, (b) to pay capitalized interest, if any and (c) to pay for the costs of the sale and issuance of the Series 2018 Bonds and the Note (as defined herein), all as more fully described in this Official Statement.

The Series 2018 Bonds are subject to redemption as more fully described herein. See "DESCRIPTION OF THE SERIES 2018 BONDS -- Redemption."

THE SERIES 2018 BONDS ARE PAYABLE SOLELY OUT OF THE REVENUES AND FUNDS OF THE BANK PLEDGED THEREFOR UNDER THE INDENTURE, AS MORE FULLY DESCRIBED HEREIN. THE SERIES 2018 BONDS DO NOT CONSTITUTE A DEBT, LIABILITY OR LOAN OF THE CREDIT OF THE STATE OF MISSISSIPPI OR ANY POLITICAL SUBDIVISION THEREOF UNDER THE CONSTITUTION AND LAWS OF THE STATE OF MISSISSIPPI OR A PLEDGE OF THE FAITH, CREDIT AND TAXING POWER OF THE STATE OF MISSISSIPPI OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY. THE SOURCES OF PAYMENT OF, AND SECURITY FOR, THE SERIES 2018 BONDS ARE MORE FULLY DESCRIBED HEREIN. THE BANK HAS NO TAXING POWER.

The scheduled payment of the principal of and interest on the Series 2018 Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Series 2018 Bonds by \_\_\_\_\_.

[LOGO]

Purchase of the Series 2018 Bonds involves a certain degree of risk, and reference is made to the caption "RISKS TO THE OWNERS OF THE SERIES 2018 BONDS" for a discussion of such risks.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. PROSPECTIVE INVESTORS MUST READ THIS ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Series 2018 Bonds are offered subject to the final approval of the legality thereof by Butler Snow LLP, Ridgeland, Mississippi, Bond Counsel. Certain legal matters will be passed upon for the Bank by its counsel, Balch & Bingham LLP, Jackson, Mississippi, and for the City by its counsel, Ben Logan, Esquire, Tupelo, Mississippi. Government Consultants, Inc., Madison, Mississippi, serves as the Municipal Advisor to the City in connection with the sale and issuance of the Series 2018 Bonds. The Series 2018 Bonds are expected to be available in definitive form for delivery on or about \_\_\_\_\_.

Raymond James

Dated: \_\_\_\_\_, 2018

This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of the Securities Exchange Act of 1934, as amended (except for the omissions and additions indicated by the asterisks (\*) and the underlines (u)). This Preliminary Official Statement and the information contained herein are subject to revisions, completion or amendment in the final Official Statement. These revisions may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**SERIES 2018 BONDS**  
**MATURITY SCHEDULE**

Maturity (_____1)	Principal Amount	Interest Rate	Yield	CUSIP <sup>1</sup>
	\$			
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				

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<sup>1</sup> The CUSIP numbers listed above are being provided solely for the convenience of the holders of the Series 2018 Bonds only, and the Bank, the City and the Underwriter do not make any representation with respect to such CUSIP numbers or undertake any responsibility for their accuracy. The CUSIP numbers are subject to being changed after the issuance of the Series 2018 Bonds as a result of various subsequent actions, including but not limited to a refunding in whole or in part of the Series 2018 Bonds.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFERING OF ANY SECURITY OTHER THAN THE ORIGINAL OFFERING OF THE SERIES 2018 BONDS IDENTIFIED ON THE COVER HEREOF. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THAT CONTAINED IN THIS OFFICIAL STATEMENT, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, AND THERE SHALL NOT BE ANY SALE OF THE SERIES 2018 BONDS BY ANY PERSON, IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE INFORMATION AND EXPRESSION OF OPINIONS HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR THE SALE OF ANY OF THE SERIES 2018 BONDS SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. THE UNDERWRITER HAS PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITER (AS DEFINED HEREIN) HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS A PART OF, ITS RESPONSIBILITIES UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

UPON ISSUANCE, THE SERIES 2018 BONDS WILL NOT BE REGISTERED BY THE BANK UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR OTHER GOVERNMENTAL ENTITY OR AGENCY, OTHER THAN THE BANK (TO THE EXTENT DESCRIBED HEREIN), WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE SERIES 2018 BONDS FOR SALE.

INFORMATION HEREIN HAS BEEN OBTAINED FROM THE BANK, THE CITY, DTC, THE BOND INSURER (AS DEFINED HEREIN) AND OTHER SOURCES BELIEVED TO BE RELIABLE, BUT THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION IS NOT GUARANTEED BY THE UNDERWRITER.

THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT OR AGREEMENT BETWEEN THE BANK AND THE PURCHASERS OR HOLDERS OF THE SERIES 2018 BONDS. ALL ESTIMATES AND ASSUMPTIONS CONTAINED HEREIN ARE BELIEVED TO BE REASONABLE, BUT NO REPRESENTATION IS MADE THAT SUCH ESTIMATES OR ASSUMPTIONS ARE CORRECT OR WILL BE REALIZED.

THE BOND INSURER MAKES NO REPRESENTATION REGARDING THE SERIES 2018 BONDS OR THE ADVISABILITY OF INVESTING IN THE SERIES 2018 BONDS. IN ADDITION, THE BOND INSURER HAS NOT INDEPENDENTLY VERIFIED, MAKES NO REPRESENTATION REGARDING, AND DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT OR ANY INFORMATION OR DISCLOSURE CONTAINED HEREIN, OR OMITTED HEREFROM, OTHER THAN WITH RESPECT TO THE ACCURACY OF THE INFORMATION REGARDING THE BOND INSURER, SUPPLIED BY THE BOND INSURER AND PRESENTED UNDER THE HEADING "BOND INSURANCE" AND "EXHIBIT F - SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

THE UNDERWRITER HAS PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS A PART OF, ITS RESPONSIBILITIES UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. INFORMATION HEREIN HAS BEEN OBTAINED FROM THE BANK, THE CITY, DTC AND OTHER SOURCES BELIEVED TO BE RELIABLE, BUT THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION IS NOT GUARANTEED BY THE UNDERWRITER.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2018 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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## OFFICIAL STATEMENT

\$ \_\_\_\_\_,000

### MISSISSIPPI DEVELOPMENT BANK SPECIAL OBLIGATION BONDS, SERIES 2018 (TUPELO, MISSISSIPPI REVENUE PROJECT)

#### INTRODUCTION

The purpose of this Official Statement, including its Appendices, is to set forth certain information concerning the issuance and sale by the Mississippi Development Bank (the "**Bank**" or the "**Issuer**") of its Special Obligation Bonds, Series 2018 (Tupelo, Mississippi Revenue Project) to be dated the date of delivery thereof, issued in the aggregate principal amount of \$ \_\_\_\_\_,000 (the "**Series 2018 Bonds**").

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in this entire Official Statement, including the cover page and all appendices hereto, and the documents summarized or described herein. A full review should be made of this entire Official Statement. The offering of the Series 2018 Bonds to potential investors is made only by means of this entire Official Statement.

#### The Bank

The Bank was established in 1986 as a separate body corporate and politic of the State of Mississippi (the "**State**") for the public purposes set forth under the provisions of Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended (the "**Bank Act**"). The Bank is not an agency of the State, is separate from the State in its corporate and sovereign capacity and has no taxing power. The Bank is governed by a Board of Directors composed of nine members.

Pursuant to the Bank Act, the purpose of the Bank is to assist "local governmental units," as defined in the Bank Act to be (a) any county, municipality, utility district, regional solid waste authority, county cooperative service district, or political subdivision of the State, (b) the State or any agency thereof, (c) the institutions of higher learning of the State, (d) any education building corporation established for institutions of higher learning, or (e) any other governmental unit created under State law, through programs of providing loans to such local governmental units under loan agreements between such local governmental units and the Bank. The City of Tupelo, Mississippi (the "**City**"), the entity described in "APPENDIX A - INFORMATION CONCERNING THE CITY" is such a local governmental unit.

#### Sources of Payment and Security for the Series 2018 Bonds

The Series 2018 Bonds will be issued under and secured by an Indenture of Trust, dated as of \_\_\_\_\_, 2018 (the "**Indenture**"), between the Bank and The Peoples Bank, Biloxi, Mississippi, as Trustee (the "**Trustee**"). The principal of, premium, if any, and interest on any and all of the Series 2018 Bonds, together with any refunding bonds (the "**Refunding Bonds**") that may be authorized and issued by the Bank under the Indenture on a parity with the Series 2018 Bonds (collectively, the "**Bonds**"), are payable from those revenues and funds of the Bank which, together with the loan agreement (the "**Loan Agreement**") and the promissory note delivered by the City (the "**Note**"), as more particularly described herein, are pledged pursuant to the Indenture for the benefit of the owners of the Bonds without priority.

The faith, credit and taxing power of the State and the City are not pledged to the payment of the principal of, premium, if any, and interest on any of the Bonds. The Bonds are not a debt, liability, loan of the credit or pledge of the faith and credit of the State or of any political subdivision thereof, including the City. The Bank has no taxing power and has only those powers and sources of revenue set forth in the Bank Act. The Bonds are issued and secured separately from any other obligations issued by the Bank.

The Series 2018 Bonds are secured by the pledge of the Trust Estate established under the Indenture (the "**Trust Estate**"), defined to be (a) all cash and securities in the funds and accounts

established by the Indenture (except the Rebate Fund, as defined herein) (the "**Funds**" and "**Accounts**") and the investment earnings thereon and all proceeds thereof, (b) the Loan Agreement and the Note and payments due thereunder and the earnings thereon and the proceeds thereof, and (c) all funds, accounts and monies hereinafter pledged to the Trustee as security by the Bank, including Tax Monies (as hereinafter defined). All Bonds will be secured equally and ratably by all of the foregoing. The sources of payment for the Bonds are further described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 BONDS."

The principal of and interest on the Note are payable out of any lawfully available revenues of the City, including, without limitation, available amounts of the City's General Fund (the "**City Revenues**"). The Loan (as defined herein), will be provided from the proceeds of the Series 2018 Bonds. The sources of payment on the Note are further described under the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 BONDS – Provisions for Payment of the Note Payments."

### **Bond Insurance Policy**

Concurrently with the issuance of the Series 2018 Bonds, \_\_\_\_\_ (the "**Bond Insurer**") will issue its Municipal Bond Insurance Policy for the Series 2018 Bonds (the "**Bond Insurance Policy**"). The Bond Insurance Policy guarantees the scheduled payment of principal of and interest on the Series 2018 Bonds when due as set forth in the form of the Bond Insurance Policy included as APPENDIX F to this Official Statement. See "BOND INSURANCE" and "APPENDIX F - SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

### **Purpose of the Series 2018 Bonds**

The Series 2018 Bonds are being issued pursuant to the Bank Act and Sections 21-27-23 and 21-27-41 through 21-27-69, Mississippi Code of 1972, as amended and supplemented from time to time (the "**City Bond Act**" and together with the Bank Act, the "**Act**") to (a) fund a loan (the "**Loan**") to the City under the Loan Agreement, secured by the Note, for the purposes set forth in the City Bond Act, including but not limited to, providing financing for the cost of improvement, repair and extension of the (i) combined water and sewer system of the City (the "**Water and Sewer System**") (the "**Water and Sewer System Project**"); and (ii) electric system of the City (the "**Electric System**") (the "**Electric System Project**") and together with the Water and Sewer System Project, the "**City Project**"), all as more particularly described in the Loan Agreement and the City Bond Act; (b) pay capitalized interest, if any and (c) pay costs of issuance of the Series 2018 Bonds and the Note.

### **Authority for Issuance**

The Series 2018 Bonds are issued pursuant to the provisions of the Act and the Indenture.

### **Description of the Series 2018 Bonds**

**Redemption.** The Series 2018 Bonds are subject to optional redemption [and mandatory sinking fund redemption], as more fully described under the caption "DESCRIPTION OF THE SERIES 2018 BONDS - Redemption" herein.

**Denominations.** The Series 2018 Bonds will be issued in denominations of \$5,000 or any integral multiple thereof.

**Registration, Transfers, and Exchanges.** The Series 2018 Bonds will be issued only as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("**DTC**"). Purchases of beneficial interests in the Series 2018 Bonds will be made in book-entry-only form. Purchasers of beneficial interests in the Series 2018 Bonds will not receive physical delivery of certificates representing their respective interests in the Series 2018 Bonds.

**Payments.** Interest on the Series 2018 Bonds is payable on \_\_\_\_ 1 and \_\_\_\_ 1 of each year (each an "**Interest Payment Date**"), commencing \_\_\_\_ 1, 20\_\_\_\_, and principal of the Series 2018 Bonds will be payable on each \_\_\_\_ 1, commencing \_\_\_\_ 1, 20\_\_\_\_, in the principal amounts and in the years as set forth on the inside cover hereof. So long as DTC or its nominee is the Registered Owner (as defined herein) of the Series 2018 Bonds, such interest, together with the principal of and premium, if any, on the Series 2018 Bonds will be paid directly to DTC by the Trustee under the Indenture. The final disbursement of such payments to the Beneficial Owners (as defined herein) of the Series 2018 Bonds will be the responsibility of the DTC Participants (as defined herein) and the Indirect Participants (as defined herein), all as more fully defined and described herein under the caption "DESCRIPTION OF THE SERIES 2018 BONDS - Book-Entry-Only System."

For a more complete description of the Series 2018 Bonds and the basic documentation pursuant to which the Series 2018 Bonds are being issued, see "DESCRIPTION OF THE SERIES 2018 BONDS," "REVENUES, FUNDS AND ACCOUNTS UNDER THE INDENTURE," and "OPERATION OF FUNDS AND ACCOUNTS UNDER THE INDENTURE," in this Official Statement.

### **Tax Matters**

In the opinion of Butler Snow LLP, Ridgeland, Mississippi ("**Bond Counsel**"), *under existing laws, regulations, rulings, and judicial decisions and assuming the accuracy of certain representations and continuous compliance with certain covenants described herein, interest on the Series 2018 Bonds is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Series 2018 Bonds, and such interest is not a specific preference item for purposes of the federal alternative minimum tax except that, for tax years beginning before January 1, 2018, such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the federal alternative minimum taxable income of corporations.* Interest on the Series 2018 Bonds is exempt from all income taxation in the State of Mississippi. For a more complete description of such opinion and certain other tax consequences incident to the ownership of the Series 2018 Bonds, see the captions "TAX MATTERS" herein. Also, see "APPENDIX C" for the proposed form of opinion of Bond Counsel.

### **Professionals Involved in the Offering**

The Peoples Bank, Biloxi, Mississippi, will act as Trustee under the Indenture for the Series 2018 Bonds. Government Consultants, Inc., Madison, Mississippi, is employed as municipal advisor (the "**Municipal Advisor**") to the City with respect to the Series 2018 Bonds. Certain proceedings in connection with the issuance of the Series 2018 Bonds are subject to the approval of Bond Counsel. The purchaser of the Series 2018 Bonds shall receive the opinion of Bond Counsel to the effect that, based upon their participation in the preparation of the Official Statement, no facts have come to their attention which would lead them to believe that the Official Statement (except for financial statements and other financial and statistical data contained therein, as to which they will express no opinion or belief) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Bond Counsel for the Bank is also serving as counsel to the City in connection with the execution and delivery of the Loan Agreement and the Note. Certain legal matters will be passed upon for the City by Ben Logan, Esquire, Tupelo, Mississippi, and for the Bank by Balch & Bingham, LLP, Jackson, Mississippi. See "LEGAL MATTERS" and "MISCELLANEOUS" in this Official Statement.

### **Risks to the Owners of the Series 2018 Bonds**

There are certain risks involved in the ownership of the Series 2018 Bonds which should be considered by prospective purchasers thereof. The ability of the Bank to pay principal of, premium, if any, and interest on the Series 2018 Bonds depends primarily upon the receipt by the Bank of note payments (the "**Note Payments**") from the City which is obligated under the Loan Agreement and the Note to make such payments to the Bank, together with investment earnings on certain amounts in the Funds and Accounts defined in and established under the Indenture. There can be no representation or assurance that the City will realize sufficient City Revenues to make the required Note Payments. See "SECURITY

AND SOURCES OF PAYMENT FOR THE SERIES 2018 BONDS," herein. Failure of the Bank and/or the City to comply with certain tax covenants may also adversely affect the exempt status of the interest on all of the Series 2018 Bonds. See "RISKS TO THE OWNERS OF THE SERIES 2018 BONDS" in this Official Statement.

#### **Other Information**

This Official Statement speaks only as of its date, and certain information contained herein is subject to change.

Copies of other documents and information are available, upon request, and upon payment to the Bank of a charge for copying, mailing, and handling, from E. F. Mitcham, Executive Director, Mississippi Development Bank, 735 Riverside Drive, Suite 300, Jackson, Mississippi 39202, telephone (601) 355-6232.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Series 2018 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Bank, the City, DTC, the Bond Insurer and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Bank or the City since the date hereof.

#### **Format of Official Statement**

There follows in this Official Statement a description of the security and sources of payment for the Series 2018 Bonds, the purposes and operation of the Bank's program to be financed out of the proceeds of the Series 2018 Bonds, the Bank, and summaries of certain provisions of the Series 2018 Bonds, the Indenture, the Loan Agreement, and certain provisions of the Act. All discussions of the Act, the Indenture and the Loan Agreement are qualified in their entirety by reference to the Act, copies of which are available from the Bank, and all discussions of the Series 2018 Bonds are qualified in their entirety by reference to the definitive form and the information with respect to the Series 2018 Bonds contained in the Indenture. Certain information relating to the City is set forth in "APPENDIX A - INFORMATION CONCERNING THE CITY," certain financial information on the City is included in "APPENDIX B - FINANCIAL INFORMATION OF THE CITY," the proposed form of opinion of Bond Counsel with respect to the Series 2018 Bonds is set forth in "APPENDIX C - FORM OF BOND COUNSEL OPINION", and the form of the continuing disclosure certificate of the City and the Trustee is set forth in "APPENDIX D - FORM OF CONTINUING DISCLOSURE CERTIFICATE," and certain definitions used herein are set forth in APPENDIX E". Each of the APPENDICES to this Official Statement is an integral part of this Official Statement and should be read in its entirety by any and all owners or prospective owners of the Series 2018 Bonds.

Capitalized terms not defined herein shall have the definitions set forth in "APPENDIX E - CERTAIN DEFINITIONS."

### **SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 BONDS**

#### **General**

The Series 2018 Bonds are payable only out of, and are secured by the pledge of, the Trust Estate. The Indenture creates a continuing pledge of and lien upon the Trust Estate to secure the full and final payment of the principal of, premium, if any, and interest on all of the Series 2018 Bonds. The Series 2018 Bonds do not constitute a debt, liability or loan of the credit of the State or any political

subdivision thereof under the constitution of the State or a pledge of the faith, credit and taxing power of the State or any political subdivision thereof including the City. The Bank has no taxing power. The sources of payment of, and security for, the Series 2018 Bonds are more fully described below.

Under the Indenture, the Series 2018 Bonds are secured by the assignment to the Trustee of the Note and all Note Payments, as described herein. In addition, the Indenture pledges to the payment of the Series 2018 Bonds all proceeds of the Trust Estate, including without limitation all cash and securities held in the Funds and Accounts created by the Indenture, except for the Rebate Fund, together with investment earnings thereon and proceeds thereof (except to the extent transferred to the Rebate Fund or from such Funds and Accounts under the Indenture), and all other funds, accounts and monies hereinafter to be pledged by the Bank to the Trustee as security under the Indenture, to the extent of any such pledge, including the Tax Monies.

### **The Loan Agreement and the Note**

From the proceeds of the Series 2018 Bonds, the Bank intends to loan funds to the City under the Loan Agreement to be secured by the Note. The Bank will assign to the Trustee under the Indenture the proceeds of the Loan Agreement and will assign the Note and the Note Payments of the City to the Trustee, all as described in "THE LOAN AGREEMENT AND THE NOTE" herein.

### **Provisions for Payment of the Note Payments**

The Note will be an obligation of the City payable solely from the monies, rights and interests pledged under the Loan Agreement as set forth in the immediately succeeding paragraph. **The Note will never constitute a general obligation of the City or, within the meaning of any constitutional or statutory limitation, a debt, liability, or obligation of the State or any political subdivision of the State other than the City, and neither the full faith and credit nor taxing power of the State or any political subdivision thereof including the City is pledged to the payment of such principal, premium, if any, and interest. The City has not pledged the levy of any taxes for the repayment of the Note.** The Note initially issued under the Loan Agreement shall be issued for the purposes of providing funds to finance Costs of the City Project.

Pursuant to the terms of the Loan Agreement, the principal of and interest on the Note and other amounts due under the Loan Agreement are to be paid from the City Revenues. The City has covenanted in the Loan Agreement to take such action as may be necessary to include all the Note Payments and amounts due under the Loan Agreement in its Annual Budget. In addition, the Bank Act and the Loan Agreement provide for the intercept of monies owed to the City and held by the Mississippi Department of Revenue or other agencies of the State if the City is deficient in its payments due under the Loan Agreement and the Note. See "THE LOAN AGREEMENT AND THE NOTE - Agreement Withholding City Monies to Satisfy Delinquent Payments" herein.

The obligation of the City to make Note Payments and pay amounts due under the Loan Agreement constitutes a binding obligation of the City in accordance with the terms of the Note and the Loan Agreement, respectively. The City's Mayor and City Council (the "**Governing Body**"), in its sole discretion, may make said payments with any City Revenues. Except as stated in the Indenture, nothing in the Loan Agreement or the Note creates a lien of any kind or character whatsoever upon any funds, income or revenue now existing or hereafter held, collected, received, anticipated by, or available to the Governing Body or prevents or restricts the Governing Body at any time from pledging, obligating or creating specific liens upon funds, income or revenues to or for the payment of any bonds, notes or certificates of the Governing Body or for any other purpose whatsoever. The City has not pledged or levied any form of taxation for the payment of the Note or amounts due under the Loan Agreement.

The obligations of the City under the Note and the Loan Agreement are not general obligations and do not constitute a pledge of the full faith and credit of the City, the State or any political subdivision or agency thereof within the meaning of any constitutional or statutory provision or limitation.

The execution and delivery of the Loan Agreement and the Note shall be authorized by a resolution of the City adopted pursuant to the Act. See "THE LOAN AGREEMENT AND THE NOTE" herein for further description of the Loan Agreement and the Note.

### **Tax Intercept Agreement**

As provided for in the Bank Act, the City and the Bank will enter into and the Trustee will accept a Tax Intercept Agreement (the "**Tax Intercept Agreement**"), dated as of \_\_\_\_\_, 2018, whereby the City has covenanted, agreed and authorized the Mississippi Department of Revenue or any other State agency, department or commission to (a) withhold all or any part of any monies which the City is entitled to receive from time to time pursuant to any law and which is in possession of the Mississippi Department of Revenue or any other State agency, department or commission (the "**Tax Monies**"), subject to State Revolving Loan Fund loans from the Mississippi Department of Environmental Quality outstanding in the amount of \$\_\_\_\_\_ as of \_\_\_\_\_, 2018, and a Mississippi Development Bank loan outstanding in the principal amount of \$\_\_\_\_\_ as of \_\_\_\_\_, (b) pay same over to the Trustee to satisfy any delinquent payment (the "**Delinquent Payment**") of the City under and pursuant to Sections 4.2 and/or 4.4(e) of the Loan Agreement. If on the fifteenth day of \_\_\_ and \_\_\_ of each year, beginning \_\_\_\_\_ 15, 20\_\_\_\_, the Trustee has not received sufficient City Revenues pursuant to Section 4.2(a) of the Loan Agreement to timely make the payments under Sections 4.2 and/or 4.4(e) of the Loan Agreement, the Bank has authorized and directed the Trustee under the Tax Intercept Agreement to file the Tax Intercept Agreement and a statement of deficiency setting forth the amount of any Delinquent Payment with the Mississippi Department of Revenue or any other State agency, department or commission, thereby directing the Department of Revenue or any other State agency, department or commission to pay any Tax Monies directly to the Trustee on behalf of the Bank to satisfy any Delinquent Payment, all as permitted under the Bank Act. The Trustee is directed in the Indenture to pay any Tax Monies into the General Account of the General Fund to be applied in accordance with Section 6.05 of the Indenture.

## **RISKS TO THE OWNERS OF THE SERIES 2018 BONDS**

### **General**

The Series 2018 Bonds will be payable solely from the payments to be made by the Bank under the Indenture. Pursuant to the Indenture, such payments are to be made solely from payments due from the City under the Loan Agreement and the Note, and if necessary, the Tax Monies. Purchasers of the Series 2018 Bonds are advised of certain risk factors with respect to the Series 2018 Bonds.

In addition, purchasers of the Series 2018 Bonds are advised of certain additional information in connection with the City as set forth in "APPENDIX B - FINANCIAL INFORMATION OF THE CITY." Such information is relative to the ability of the City to make payments under the Loan Agreement and the Note sufficient to provide debt service on the Series 2018 Bonds.

### **Note Payments**

The ability of the Bank to pay principal of, premium, if any, and interest on the Series 2018 Bonds depends primarily upon the receipt by the Bank of the Note Payments from the City which is obligated under the Loan Agreement to make such payments to the Bank, together with earnings on the amounts in the Funds and Accounts sufficient to make such payments. There is no Fund which is required to contain amounts to make up for any deficiencies in the event of one or more defaults by the City in making such Note Payments, and there is no source from which the General Fund will be replenished except the Note Payments and investment income on monies in the Funds and Accounts. While the City covenants to take such action as may be necessary to include all Note Payments and amounts due under the Loan Agreement in its Annual Budget and to make the necessary annual appropriations for all such Note Payments and amounts due under the Loan Agreement, there can be no representation or assurance, that the City will realize sufficient revenues to meet its financial obligations set forth in its Annual Budget. Certain financial statements and budgets of the City are contained in "APPENDIX B - FINANCIAL INFORMATION OF THE CITY." The realization of sufficient revenues can be subject to, among other things, future economic and demographic conditions, and other conditions which are variable and not

certain of prediction. For a description of the City, see "APPENDIX A - INFORMATION CONCERNING THE CITY." For a description of procedures for providing for the payment of the Note, see "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 BONDS - Provisions for Payment of the Note Payments."

### **Tax Covenants**

The Bank has covenanted under the Indenture to use its best efforts to comply with all actions required to assure the continuing exclusion of interest on the Series 2018 Bonds from gross income of the holders thereof for federal income tax purposes. Failure by the Bank to comply with such covenants could cause the interest on the Series 2018 Bonds to be taxable retroactive to the date of issuance of the Series 2018 Bonds. In the Loan Agreement, the City has made certain covenants regarding the preservation of the tax-exempt status of the interest on the Series 2018 Bonds. The interest on the Series 2018 Bonds could become taxable in the event that the City fails to comply with certain of such covenants, including without limitation the covenant to rebate or cause to be rebated, if necessary, to the United States government all arbitrage earnings with respect to the Series 2018 Bonds under certain circumstances and the covenant to take all actions and to refrain from such actions as may be necessary to prevent the Series 2018 Bonds from being deemed to be "private activity bonds" under the Internal Revenue Code of 1986, as amended (the "**Code**"). Such an event could adversely affect the exempt status of the interest on all of the Series 2018 Bonds retroactive to the date of issuance. See "TAX MATTERS," herein.

### **Ratings**

There is no assurance that the ratings assigned to the Series 2018 Bonds at the time of issuance (see "RATINGS" herein) will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price for and marketability of the Series 2018 Bonds. If and when a Bondholder elects to sell a Series 2018 Bond prior to maturity, there is no assurance that a market will have been established, maintained and in existence for the purchase and sale of the Series 2018 Bonds, and there is no assurance as to the purchase price which a buyer would be willing to pay.

### **Remedies; Litigation; Bankruptcy**

The remedies available to the Trustee, to the Bank or to the owners of the Series 2018 Bonds upon an "event of default" under the Indenture or under the terms of the Loan Agreement and Note are in many respects dependent upon judicial actions which are often subject to discretion and delay.

In the event the City were to become a debtor under 11 U.S.C. Section 100 *et seq.*, as amended and supplemented from time to time (the "**United States Bankruptcy Code**"), payments under the Loan Agreement and the Note may be stayed or under certain circumstances may be subject to avoidance or disgorgement and the interest of the Trustee in such payments may not extend to payments required after the commencement of such bankruptcy case or within 90 days prior thereto. Under existing constitutional and statutory law and judicial decisions, including the United States Bankruptcy Code, the remedies provided in the Indenture and under the Loan Agreement and the Note may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2018 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally (regardless of whether such enforceability is considered in a proceeding in equity or in law), by general principles of equity (regardless of whether such proceeding is considered in a proceeding in equity or at law) and by the valid exercise of the constitutional powers of the State and the United States of America.

Furthermore, if a bankruptcy court concludes that the Trustee has "adequate protection," it may enter orders affecting the security of the Trustee, including orders providing for the substitution, subordination and sale of the security of the Trustee. In addition, a reorganization plan may be adopted even though it has not been accepted by the Trustee if the Trustee is provided with the benefit of its original lien or the "indubitable equivalent." Thus, in the event of the bankruptcy of the City, the amount

realized by the Trustee may depend on the bankruptcy court's interpretation of "indubitable equivalent" and "adequate protection" under the then existing circumstances. The bankruptcy court may also have the power to invalidate certain provisions of the Loan Agreement, the Note or related documents that make bankruptcy and related proceedings by the City an "event of default" thereunder. All of these events would adversely affect the payment of debt service on the Series 2018 Bonds.

## DESCRIPTION OF THE SERIES 2018 BONDS

### General Description

The Series 2018 Bonds are issuable under the Indenture as fully registered bonds. When issued, the Series 2018 Bonds will be registered in the name of and held by Cede & Co., as nominee for DTC. Purchases of beneficial interests from DTC in the Series 2018 Bonds will be made in book-entry-only form (without certificates) in the denomination of \$5,000 or any integral multiple thereof.

The Series 2018 Bonds will mature in the amounts and on the dates, and bear interest at the rates per annum, set forth on the inside cover page of this Official Statement. Interest on the Series 2018 Bonds will be payable semiannually on \_\_\_\_ 1 and \_\_\_\_ 1 of each year, commencing \_\_\_\_ 1, 20\_\_\_. Interest will be calculated on the basis of a 360-day year consisting of twelve thirty-day months.

Each Series 2018 Bond will be dated as of the date of delivery. If any Series 2018 Bond is authenticated on or prior to \_\_\_\_ 1, 20\_\_\_, it will bear interest from its date of original issuance. Each Series 2018 Bond authenticated after \_\_\_\_ 1, 20\_\_\_, will bear interest from the most recent Interest Payment Date on which interest was payable and has been paid on or prior to the date of authentication of such Series 2018 Bond, unless such Series 2018 Bond is authenticated after the fifteenth day of the calendar month preceding an Interest Payment Date (the "**Record Date**") and on or prior to the next following Interest Payment Date, in which case such Series 2018 Bond will bear interest from such following Interest Payment Date.

So long as DTC or its nominee is the Registered Owner of the Series 2018 Bonds, payments of the principal of, premium, if any, and interest on the Series 2018 Bonds will be made directly by the Trustee by wire transfer of funds to Cede & Co., as nominee for DTC. Disbursement of such payments to DTC Participants (as defined herein) will be the sole responsibility of DTC, and the ultimate disbursement of such payments to the Beneficial Owners, of the Series 2018 Bonds will be the responsibility of the DTC Participants and the Indirect Participants.

If the Series 2018 Bonds are no longer in a book-entry-only system, the principal of the Series 2018 Bonds will be payable upon maturity or redemption at the principal corporate trust office of the Trustee in Biloxi, Mississippi, and interest on the Series 2018 Bonds will be paid by check of the Trustee dated the due date and mailed or delivered on or before the Business Day prior to each Interest Payment Date to the Registered Owners of record as of the close of business on the most recent Record Date or, at the written election of the Registered Owner of \$1,000,000 or more in aggregate principal amount of Series 2018 Bonds delivered to the Trustee at least one Business Day prior to the applicable Record Date for which such election will be effective, by wire transfer or electronic funds transfer to the Registered Owner or by such other method as is acceptable to the Trustee.

### Book-Entry-Only System

The Bank has determined that it will be beneficial to have the Series 2018 Bonds held by a central depository system and to have transfers of the Series 2018 Bonds affected by book-entry on the books of DTC as such central depository system. Accordingly, Beneficial Ownership interests in the Series 2018 Bonds will be available in book-entry-only form, in the principal amount of \$5,000 or integral multiples thereof. Purchasers of Beneficial Ownership interests in the Series 2018 Bonds (the "**Beneficial Owners**") will not receive certificates representing their interests in the Series 2018 Bonds purchased.

The information provided under this caption has been provided by DTC. No representation is made by the Bank, the Underwriter or the Trustee as to the accuracy or adequacy of such information, or as to the absence of material adverse changes in such information subsequent to the date hereof.

DTC will act as securities depository for the Series 2018 Bonds. The Series 2018 Bonds will be initially issued as fully registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by the authorized representative of DTC. One fully-registered certificate for each maturity of the Series 2018 Bonds will be issued for the Series 2018 Bonds in the aggregate principal amount of each such maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York banking law, a "banking organization" within the meaning of the New York banking law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2018 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2018 Bonds on DTC's records. The ownership interest of each Beneficial Owner is in turn to be recorded on the Direct and Indirect Participants' (together, the "**DTC Participants**") records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2018 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2018 Bonds, except in the event that use of the book-entry system for the Series 2018 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2018 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2018 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not affect any change in Beneficial Ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2018 Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2018 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices are to be sent to DTC. If less than all of the Series 2018 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2018 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2018 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an "Omnibus Proxy" to the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2018 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal payments and interest payments on the Series 2018 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Bank or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the Bank subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal payments and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bank or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2018 Bonds at any time by giving reasonable notice to the Bank or the Trustee. Under such circumstances, and in the event that a successor depository is not obtained, Series 2018 Bond certificates are required to be printed and delivered.

In addition, the Bank may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2018 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Bank and the Underwriter believe to be reliable, but the Bank and the Underwriter take no responsibility for the accuracy thereof.

So long as Cede & Co. is the registered holder of the Series 2018 Bonds as nominee of DTC, references herein to the Holders, holders, or registered owners of the Series 2018 Bonds mean Cede & Co. and not the Beneficial Owners of the Series 2018 Bonds.

THE BANK, THE TRUSTEE AND THE UNDERWRITER CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2018 BONDS (A) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM, IF ANY, ON THE SERIES 2018 BONDS; (B) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2018 BONDS; OR (C) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE SERIES 2018 BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE BANK, THE TRUSTEE NOR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS

WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (B) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM, IF ANY, ON THE SERIES 2018 BONDS; (C) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO BONDHOLDERS; (D) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2018 BONDS; OR (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

**Redemption**

**Redemption Generally.** If the City directs the Bank to redeem the Series 2018 Bonds in accordance with the Loan Agreement, the Bank has agreed under the Indenture to accept redemption and to redeem the Series 2018 Bonds in accordance with the Indenture.

**Optional Redemption.** The Series 2018 Bonds (or any portions thereof in integral multiples of \$5,000 each) maturing on or after \_\_\_\_ 1, \_\_\_\_\_, are subject to optional redemption, prior to their stated dates of maturity, in whole or in part, in principal amounts and maturities selected by the Bank on any date on or after \_\_\_\_\_ 1, \_\_\_\_\_, at par, plus accrued interest to the date of redemption. Under the Indenture, selection of Series 2018 Bonds to be redeemed within a maturity will be made by lot by the Trustee. In accordance with DTC's standard practices and its agreement with the Bank, DTC and the DTC Participants will make this selection so long as the Series 2018 Bonds are in book-entry form.

**Mandatory Sinking Fund Redemption.** The Series 2018 Bonds maturing on \_\_\_\_ 1, 20\_\_\_\_ in the principal amount of \$\_\_\_\_\_ are subject to mandatory sinking fund redemption, in part, prior to maturity, or redemption, in whole, as otherwise provided in the Indenture, on each \_\_\_\_\_ 1 in the principal amount for each year together with accrued interest to the date of redemption, as follows:

**Term Bonds**

Date	Principal Amount
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\* Final Maturity.

**Notice of Redemption.** Notice of the call for any redemption, identifying the Series 2018 Bonds (or any portions thereof in integral multiples of \$5,000 each) to be redeemed, will be given by the Trustee at least 30 days but not more than 45 days prior to the date fixed for redemption by mailing a copy of the redemption notice by registered or certified mail to the registered owner of each Series 2018 Bond to be redeemed at the address shown on the Bond Register (as defined herein) and to the Underwriter of the Series 2018 Bonds. Failure to mail such notice to any particular owner of Series 2018 Bonds, or any defect in the notice mailed to any such owner of Series 2018 Bonds, will not affect the validity of the call for the redemption of any other Series 2018 Bonds. So long as DTC or its nominee is the Registered Owner of the Series 2018 Bonds, notice of the call for any redemption will be given to DTC, and not directly to Beneficial Owners. See "DESCRIPTION OF THE SERIES 2018 BONDS - Book-Entry-Only System."

**Redemption Payments.** Prior to the date fixed for redemption, there must be on deposit with the Trustee sufficient funds to pay the Redemption Price of the Series 2018 Bonds called, together with accrued interest on the Series 2018 Bonds to the Redemption Date. After the Redemption Date, if proper notice of redemption by mailing has been given and sufficient funds have been deposited with the Trustee, interest will cease to accrue on the Series 2018 Bonds that have been called for redemption.

**EXPECTED APPLICATION OF THE PROCEEDS  
OF THE SERIES 2018 BONDS**

The proceeds of sale of the Series 2018 Bonds which are equal to \$\_\_\_\_\_ are expected to be applied as follows:

**SOURCES OF FUNDS**

Par Amount of Series 2018 Bonds	\$,000.00
Plus Net Original Issue Premium	
Total Sources of Funds	

**USES OF FUNDS**

- [Deposit to the General Fund, Capitalized Interest Account]
- Deposit to the General Fund, Water & Sewer Project Loan Account to fund the Loan to the City
- Deposit to the General Fund, Electric Project Loan Account to fund the Loan to the City
- Deposit to the General Fund, Bond Issuance Expense Account for payment of Costs of Issuance<sup>1</sup>
- Total Uses of Funds

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<sup>1</sup> Includes payments for Costs of Issuance, which include but are not limited to, legal fees and expenses, municipal advisory fees and expenses, the Underwriter's Discount paid directly to the Underwriter and the premium for the Bond Insurance Policy paid directly to the Bond Insurer.

Proceeds of the Series 2018 Bonds deposited in (a) the Water & Sewer Project Loan Account will be paid to the City pursuant to the Loan Agreement and the City will deposit such proceeds into the Water & Sewer Project Capital Improvements Fund created under the Loan Agreement and use them to fund the Water & Sewer System Project; and (b) the Electric Project Loan Account will be paid to the City pursuant to the Loan Agreement and the City will deposit such proceeds into the Electric Project Capital Improvements Fund created under the Loan Agreement and use them to fund the Electric System Project.

**ANNUAL DEBT SERVICE REQUIREMENTS  
ON THE SERIES 2018 BONDS**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest<sup>1</sup></b>	<b>Total</b>
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
<b>TOTAL</b>			

<sup>1</sup> Calculated based on interest rates set forth on the cover page hereof.

**THE MISSISSIPPI DEVELOPMENT BANK**

**General**

The Bank was created in 1986 and is organized and existing under and by virtue of the Bank Act as a separate body corporate and politic for the public purposes set forth in the Bank Act. The Bank is not an agency of the State, is separate from the State in its corporate and sovereign capacity and has no taxing power.

The purpose of the Bank is to foster and promote, in accordance with the Bank Act, the provision of adequate markets and facilities for the borrowing of funds for public purposes and purposes of (a) any county, municipality, utility district, regional solid waste authority, county cooperative service district or political subdivision of the State, (b) the State, or any agency thereof, (c) the institutions of higher learning of the State, (d) any education building corporation established for institutions of higher learning, or (e) any other governmental unit created under State law, including the City.

**THE FULL FAITH AND CREDIT AND TAXING POWER OF THE STATE ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON ANY OF THE SERIES 2018 BONDS, AND THE SERIES 2018 BONDS ARE NOT A DEBT, LIABILITY, LOAN OF**

**THE CREDIT, MORAL OBLIGATION OR PLEDGE OF THE FULL FAITH AND CREDIT AND TAXING POWER OF THE STATE.**

Under the Bank Act, the Bank is granted the power to borrow money and issue its bonds in such principal amounts as it shall deem necessary to provide funds to accomplish a public purpose or purposes of the State provided for under the Bank Act, including the purchasing of securities of local governmental units (as defined in the Bank Act) and the making of loans to such local governmental units (the "Program").

**Organization and Membership of the Bank**

The Bank is governed by a nine-member Board of Directors. The members of the Board of Directors are elected by the members of the Mississippi Business Finance Corporation ("MBFC") at the time and place fixed by MBFC's bylaws. Appointments are for terms of one year. The members of the Board of Directors are as follows:

<b>NAME</b>	<b>OCCUPATION</b>	<b>TERM</b>
Kim Dillon	President, Telesouth Communications	08/01/17 – 07/31/18
Jabari Edwards	Owner, J5GBL Construction Co.	08/01/17 – 07/31/18
William L. Freeman, Jr.	Retired Bank President	08/01/17 – 07/31/18
William Griffin	Owner, Griffin & Griffin Exploration LLC	08/01/17 – 07/31/18
Gary Harkins	Real Estate Developer	08/01/17 – 07/31/18
Joel Horton	Retired Bank President	08/01/17 – 07/31/18
Bobby James	Operations Manager, Atmos Energy	08/01/17 – 07/31/18
William D. Sones	Bank Chairman	08/01/17 – 07/31/18
Mark Wiggins	Retired Business Owner	08/01/17 – 07/31/18

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\* Members of the Board of Directors of the Bank serve until reappointed or new directors are appointed and approved.

The operations of the Bank are administered by E. F. Mitcham, Executive Director.

**Prior Bonds of Bank**

The purpose of the Bank is to foster and promote, in accordance with the Bank Act, the provision of adequate markets and facilities for the borrowing of funds for public purposes by Local Governmental Units. As of February 1, 2018, the Bank has previously issued bonds for various purposes totaling in principal approximately \$8,253,679,402.00. Of such amount, approximately \$2,957,661,560.42 was outstanding as of February 1, 2018.

The full faith and credit and taxing power of the State and the Bank are not pledged to the payment of the principal of, premium, if any, and interest on any of the bonds issued or planned for issuance by the Bank; and all such bonds are not a debt, liability, loan of the credit or pledge of the full faith and credit and taxing power of the State or the Bank.

The Bank is presently considering the issuance under the Bank Act of additional special obligation bonds for other purposes authorized under the Bank Act.

## REVENUES, FUNDS AND ACCOUNTS UNDER THE INDENTURE

### Creation of Funds and Accounts

The Indenture establishes the following special Funds and Accounts to be held by the Trustee:

- (a) General Fund - comprised of the following:
  - (i) General Account,
  - (ii) Water & Sewer Project Loan Account,
  - (iii) Electric Project Loan Account,
  - (iv) Redemption Account, and
  - (v) Bond Issuance Expense Account;
  - (vi) [Capitalized Interest Account]and
- (b) Rebate Fund.

### Revenues and Other Receipts

The Trustee will deposit Revenues, as defined in the Indenture, and other receipts (except the proceeds of the Series 2018 Bonds, interest earnings on any amounts in the Rebate Fund and monies received by the Bank from the sale or prepayment prior to maturity of the Note) into the General Account of the General Fund and will deposit any monies received from the sale or prepayment prior to maturity of the Note into the Redemption Account of the General Fund. A sufficient amount of the funds remitted by the City as Note Payments under the Note shall be transferred to the General Account by the Trustee as least five days prior to each Interest Payment Date to provide funds for the debt service payments on the Series 2018 Bonds. The Trustee will deposit the proceeds of any Refunding Bonds as provided in the supplemental indenture authorizing the issuance of such Refunding Bonds.

## OPERATION OF FUNDS AND ACCOUNTS UNDER THE INDENTURE

### General Fund

**General Account.** The Trustee will disburse the amounts held in the General Account [and Capitalized Interest Account] all monies and funds required to be deposited therein pursuant to the Indenture. [On or before three (3) business days next preceding each Interest Payment Date, for the period from the date of closing through \_\_\_\_ 1, 20\_\_, the Trustee shall transfer from the Capitalized Interest Account for deposit in the General Account such amount, less any other amount on deposit in the General Account for the payment of interest, as shall be necessary to pay all or a portion of the interest coming due on the Series 2018 Bonds on such Interest Payment Date to the extent there are available funds. The amounts on deposit in the Capitalized Interest Account, will be transferred by the Trustee to the General Account as follows: \$\_\_\_\_ of the \_\_\_\_ 1, 20\_\_ Interest Payment Date for a portion of the interest due on the Series 2018 Bonds. Any amounts remaining in the Capitalized Interest Account on \_\_\_\_ 1, 20\_\_, shall be transferred to the General Account for the next payment of interest coming due on the Series 2018 Bonds.] The Trustee shall make the following payments from the General Account on the specified dates and for the following purposes, and, in the event of insufficient funds to make all of such required disbursements, in the following order of priority:

- (a) On or before 30 days after each anniversary of the issuance of the Series 2018 Bonds, the amounts to be transferred to the Rebate Fund.

(b) On or before any Interest Payment Date, to the Trustee such amounts as may be necessary to pay the principal and interest coming due on the Series 2018 Bonds on such Interest Payment Date.

(c) At such times as shall be necessary, to pay Program Expenses; and

(d) After making such deposits in subsections (a) through (c) above, the Trustee shall make a determination of the amounts reasonably expected to be received in the form of Note Payments in the succeeding twelve (12) months and shall transfer any excess to the City [excluding capitalized interest remaining in the General Account, which, together with such expected receipts for the succeeding twelve (12) months are in excess of the amounts needed to pay principal and interest on the Series 2018 Bonds within the immediately succeeding twelve month period, to the City at the request of the City with the prior written approval of the Bank.]

**Bond Issuance Expense Account.** Upon receipt of invoices or requisitions acceptable to the Trustee and the written authorization of an Authorized City Representative and the Authorized Officer of the Bank, the Trustee will disburse the amounts held in the Bond Issuance Expense Account for the payment or reimbursement of the Costs of Issuance. On the date which is 60 days after the date of issuance of the Series 2018 Bonds, any amounts remaining in the Bond Issuance Expense Account will be transferred to the General Account.

**Electric System Loan Account and the Water & Sewer System Loan Account.** Upon submission of a duly authorized written certificate of an Authorized Officer of the Bank stating that all requirements for the Loan under the Act, the Indenture and the established policies of the Bank have been or will be met, the Trustee will disburse the amounts held in the (a) Electric System Loan Account; and (b) Water & Sewer System Loan Account to the City as loan proceeds under the Loan Agreement; and.

**Redemption Account.** The Trustee will deposit in the Redemption Account all monies received upon the prepayment prior to maturity of the Note. Monies in the Redemption Account shall be used to redeem Series 2018 Bonds. The Trustee shall pay the interest accrued on the Series 2018 Bonds so redeemed to the date of redemption from the General Account and the Redemption Price from the Redemption Account.

#### **Rebate Fund**

Upon the direction of the Bank and in accordance with the Arbitrage Rebate Agreement (as defined herein), the Trustee will deposit amounts for the benefit of the Bank from the General Account of the General Fund into the Rebate Fund and will deposit into the Rebate Fund all income from investments in the Rebate Fund. In the event and to the extent that amounts in the Rebate Fund exceed the amounts required to be rebated to the United States of America, the Trustee will transfer such excess amounts to the General Account of the General Fund upon the direction of the Bank in accordance with the Arbitrage Rebate Agreement.

Not more than 60 days after \_\_\_\_ 1, 20\_\_, and at intervals of every five years thereafter, upon the written request of the Bank the Trustee will pay to the United States of America 90% of the amount required to be paid to the United States of America as of such payment date. Not later than 60 days following the retirement of all of the Series 2018 Bonds, upon the written request of the Bank the Trustee will pay to the United States of America 100% of the amount to be paid to the United States of America. Each payment to the United States of America will be accompanied by a statement of the Bank summarizing the determination of the amount of such payment, together with copies of any reports originally filed with the Internal Revenue Service with respect to the Series 2018 Bonds.

With respect to the Rebate Fund, the Bank may direct the Trustee to proceed other than as set forth in the Indenture and described above by delivering to the Trustee an amended Arbitrage Rebate Agreement accompanied by an Opinion of Bond Counsel to the effect that compliance with such

memorandum will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2018 Bonds.

#### **Amounts Remaining in Funds or Accounts**

Any amounts remaining in any Fund or Account after full payment of all of the Series 2018 Bonds Outstanding under the Indenture, all required rebates to the United States of America and the fees, charges and expenses of the Trustee will be distributed to the City, except as provided in Section 3.08 of the Indenture which deals with the nonpresentment of Series 2018 Bonds and except for any monies owing to the Bank which will be paid to such parties.

#### **Investment of Funds**

Any monies held as part of any Fund or Account created under or pursuant to Article VI of the Indenture and the Rebate Fund shall be invested or reinvested by the Trustee as continuously as reasonably possible in such Investment Securities as may be directed by the Bank (such direction to be confirmed in writing). All such investments shall at all times be a part of the Fund or Account in which the monies used to acquire such investments had been deposited and, except as provided in Article VI of the Indenture, all income and profits on such investments, other than from monies on deposit in the Rebate Fund or any Account created thereunder, shall be deposited as received in the General Account of the General Fund. The Trustee may make any and all such investments through its investment department or through the investment department of any financial institution which is an affiliate of the Trustee and may trade with itself or any of its affiliates in doing so. Monies in separate Funds and Accounts may be commingled for the purpose of investment or deposit. The Trustee and the Bank agree that all investments under the Indenture, and all instructions of the Bank to the Trustee with respect thereto shall be made in accordance with prudent investment standards reasonably expected to produce the greatest investment yields while seeking to preserve principal without causing any of the Series 2018 Bonds to be arbitrage bonds as defined in Section 148 of the Code. Any investment losses shall be charged to the Fund or Account in which monies used to purchase such investment had been deposited. For so long as the Trustee is in compliance with the provisions of Section 8.01 of the Indenture, the Trustee shall not be liable for any investment losses. Monies in any Fund or Account shall be invested in Investment Securities with a maturity date, or a redemption date determined by the owner of the Investment Securities at said owner's option, which shall coincide as nearly as practicable with times at which monies in such Funds or Accounts will be required for the purposes thereof. The Trustee shall sell and reduce to cash a sufficient amount of such investments in the respective Fund or Account whenever the cash balance therein is insufficient to pay the amounts contemplated to be paid therefrom at the time those amounts are to be paid. All investment income from the assets held in any Fund or Account, except for the Rebate Fund and any Accounts created thereunder, will be added to the General Account of the General Fund.

The Bank (a) will certify in the Indenture to the owners of the Series 2018 Bonds from time to time Outstanding that monies on deposit in any Fund or Account in connection with the Series 2018 Bonds, whether or not such monies were derived from the proceeds of the sale of the Series 2018 Bonds or from any other sources, are not intended to be used in a manner which will cause the interest on the Series 2018 Bonds to lose the exclusion from gross income for federal income tax purposes and (b) will covenant in the Indenture with the owners of the Series 2018 Bonds from time to time Outstanding that, so long as any of the Series 2018 Bonds remain Outstanding, monies on deposit in any Fund or Account established in connection with the Series 2018 Bonds, whether or not such moneys were derived from the proceeds of the sale of the Series 2018 Bonds or from any other source, will not be used in any manner which will cause the interest on the Series 2018 Bonds to become subject to federal income taxation.

#### **THE INDENTURE**

The following is a summary of certain provisions of the Indenture. This summary does not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to such document, a copy of which may be obtained upon written request to the Bank.

### **Provisions for Issuance of Refunding Bonds**

(a) All or any part of one or more series of Refunding Bonds may be issued under the Indenture, authenticated and delivered upon original issuance to refund all or any part of the Outstanding Bonds. Refunding Bonds shall be issued in a principal amount sufficient, together with other monies available therefor, to accomplish such refunding and to make such deposits required by the provisions of the Act, the Indenture and by the Supplemental Indenture authorizing said Refunding Bonds.

(b) Refunding Bonds may be authenticated and delivered only upon receipt by the Trustee (in addition to the receipt by the Trustee of the documents required by Section 2.04 of the Indenture) of:

(i) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Series 2018 Bonds to be refunded on the redemption date specified in such instructions;

(ii) Irrevocable instructions to the Trustee, satisfactory to it, to give due notice provided for in Section 4.05 of the Indenture to the owners of the Series 2018 Bonds being refunded (which may be a conditional notice of redemption); and

(iii) Either (A) monies in an amount sufficient to effect timely payment at the Redemption Price or principal payment amount of the Series 2018 Bonds to be refunded or paid, respectively, together with accrued interest on such Series 2018 Bonds to the redemption or maturity date and all necessary and appropriate fees and expenses of the Trustee, which monies shall be held by the Trustee or an escrow agent approved by the City in a separate account irrevocably in trust for and assigned to the respective owners of the Series 2018 Bonds to be refunded or paid, or (B) Governmental Obligations in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of Article IX of the Indenture which Governmental Obligations shall be held in trust and used only as provided in said Article.

### **Mutilated, Lost, Stolen or Destroyed Bonds**

If any Bond is mutilated, lost, stolen or destroyed, the Bank shall execute and the Trustee shall authenticate a new Bond or Bonds of the same maturity and denomination, as that mutilated, lost, stolen or destroyed; provided that in the case of any mutilated Bond, it shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with security and/or indemnity satisfactory to it. In the event any such Bond shall have matured or been called for redemption instead of issuing and authenticating a duplicate Bond, the Trustee may pay the same without surrender thereof; provided, however, that in the case of a lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee together with security and/or indemnity satisfactory to it. The Trustee may charge the owner of such Bond its reasonable fees and expenses in connection with replacing any Bonds mutilated, lost, stolen or destroyed. Any Bond issued as described in this paragraph shall be deemed part of the original series of the Bonds in respect of which it was issued and a contractual obligation of the Bank replacing the obligation evidenced by such mutilated, lost, stolen or destroyed Bond.

### **Registration, Transfer and Exchange of Bonds; Persons Treated as Owners**

The Bank shall cause records for the registration and for the transfer of the Bonds to be kept by the Trustee at its principal corporate trust office, and the Trustee is constituted and appointed the bond registrar of the Bank for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said records may be inspected and prepared by the Bank or by Beneficial Owners (or a designated representative thereof) of five percent or more in aggregate principal amount of the Bonds then Outstanding.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the Registered Owner or his attorney duly authorized in writing, the Bank

shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same maturity for a like aggregate principal amount. The Bonds may be transferred or exchanged without cost to the Bondholders except for any tax or governmental charge required to be paid with respect to the transfer or exchange. The execution by the Bank of any Bond of any denomination shall constitute full and due authorization of such denomination and the Trustee shall thereby be authorized to authenticate and deliver such Bond.

The Trustee shall not be required to (a) register, transfer or exchange any Bond during a period of 15 days next preceding mailing of a notice of redemption of any Bond, or (b) to register, transfer or exchange any Bond selected, called or being called for redemption in whole or in part after mailing notice of such call has been made.

The person in whose name a registered Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal, premium, if any, and interest thereon, shall be made only to or upon the order of the Registered Owner thereof or his legal representative, but such registration may be changed as hereinabove described. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

All Bonds delivered upon any transfer or exchange shall be valid obligations of the Bank, evidencing the same debt as the Bonds surrendered, shall be secured by the Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bond surrendered.

#### **Nonpresentment of Bonds**

In the event any Bond shall not be presented for payment when the principal thereof comes due, either at maturity or at the date fixed for redemption thereof, or otherwise, if funds sufficient to pay such Bond shall have been made available to the Trustee for the benefit of the owner thereof, all liability of the Bank to the owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds for four years, for the benefit of the owner of such Bond, without liability for interest thereon to such owner, who shall thereafter be restricted exclusively to such funds, for any claim of whatever nature on his part under the Indenture or on, or with respect to, said Bond.

Any money so deposited with and held by the Trustee not so applied to the payment of Bonds within four years after the date on which the same shall become due shall be repaid by the Trustee to the Bank and thereafter the Bondholders shall be entitled to look only to the Bank for payment, and then only to the extent of the amount so repaid, and the Bank shall not be liable for any interest thereon to the Bondholders and shall not be regarded as a trustee of such money.

#### **Other Obligations Payable from Revenues**

The Bank shall grant no liens or encumbrances on or security interests in the Trust Estate (other than those created by the Indenture), and, except for the Bonds, shall issue no bonds or other evidences of indebtedness payable from the Trust Estate.

#### **Limitations on Obligations of Bank**

The Series 2018 Bonds, together with interest thereon, shall be limited obligations of the Bank but payable solely from Revenues and shall be a valid claim of the respective owners thereof only against the Funds and Accounts, other than the Rebate Fund and any Accounts created thereunder, established under the Indenture and the Note acquired by the Trustee, all of which are assigned and pledged under the Indenture for the equal and ratable payment of the Series 2018 Bonds and shall be used for no other purpose than the payment of the Series 2018 Bonds, except as may be otherwise expressly authorized in the Indenture. The Series 2018 Bonds do not constitute a debt or liability or moral obligation of the State or of any political subdivision thereof under the constitution of the State or a pledge of the faith and credit or taxing power of the State or any political subdivision thereof, including the City, but shall be payable

solely from the Revenues and funds pledged therefor in accordance with the Indenture. The issuance of the Series 2018 Bonds under the provisions of the Act does not directly, indirectly or contingently, obligate the State or any political subdivision thereof, including the City, to levy any form of taxation for the payment thereof or to make any appropriation for their payment and such Series 2018 Bonds and the interest payable thereon do not now and shall never constitute a debt of the State or any political subdivision thereof within the meaning of the constitution of the State or the statutes of the State and do not now and shall never constitute a charge against the credit or taxing power of the State or any political subdivision thereof, including the City. Neither the State nor any agent, attorney, member or employee of the State or of the Bank, shall in any event be liable for the payment of the principal of, and premium, if any, or interest on the Series 2018 Bonds or damages, if any, for the nonperformance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Bank. No breach by the Bank of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State or any of the State's or the Bank's agents, members, attorneys, and employees or any charge upon the general credit of the State or a charge against the taxing power of the State or any political subdivision thereof, including the City. In the Bank Act, the State has pledged and agreed with the holders of any Series 2018 Bonds that the State will not limit or alter the rights hereby vested in the Bank to fulfill the terms of any agreements made with the said Bondholders or in any way impair the rights and remedies of such holders until such Series 2018 Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders of Series 2018 Bonds are fully met and discharged.

#### **Payment of Debt Service**

The Bank covenants and agrees under the Indenture that it will promptly pay the principal of, Redemption Price and interest on every Bond issued under the Indenture at the place, on the dates and in the manner provided in the Indenture and in said Bonds according to the true intent and meaning thereof, provided that the principal, Redemption Price and interest are payable by the Bank solely from the Revenues and any other funds or assets constituting the Trust Estate pledged to the Trustee as security by the Bank to the extent of that pledge.

#### **Performance of Covenants; Bank**

The Bank covenants and agrees that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture and every Bond executed, authenticated and delivered under the Indenture and in all of its proceedings pertaining thereto. The Bank covenants and agrees under the Indenture that it is duly authorized under the constitution and laws of the State, including particularly the Act, to issue the Bonds authorized and to execute the Indenture and to pledge the Revenues and all other property pledged in the manner and to the extent set forth in the Indenture; that all action on its part for the issuance of the Bonds and the execution and delivery of the Indenture has been duly and effectively taken, and that the Bonds in the possession of the owners thereof are and will be valid and enforceable limited obligations of the Bank according to the terms thereof and of the Indenture.

#### **Discharge of Indenture**

Except as provided herein below, if payment or provision for payment is made to the Trustee, of the principal of, premium, if any, and interest due and to become due on the Bonds at the times and in the manner stipulated therein, and there is paid or caused to be paid to the Trustee all sums of money due and to become due according to the provisions of the Indenture, and all other amounts due under the Indenture have been paid in full, then the Trust Estate and rights granted under the Indenture shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and execute and deliver to the Bank such instruments in writing as shall be requisite to cancel and discharge the lien of the Indenture, and release, assign and deliver unto the Bank any and all estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee by the Indenture or otherwise subject to the lien of the Indenture, except moneys or securities held by the Trustee for the payment of the principal of, premium, if any, and interest on the Bonds.

Any Bond shall be deemed to be paid within the meaning of the Indenture when (a) payment of the principal of (and premium, if any, on) such Bond and interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption or otherwise), either (i) shall have been made or caused to have been made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee or other financial institution (which must meet the requirements of the Indenture) which provides services as escrow agent for the Bank (an "**Escrow Agent**"), in trust and exclusively for such payment, (A) moneys sufficient to make such payment or (B) Governmental Obligations maturing as to principal and interest in such amounts and at such times, without consideration of any reinvestment thereof, as will insure the availability of sufficient moneys to make such payment, or (C) a combination of such moneys and Governmental Obligations, (b) all necessary and proper fees and expenses of the Trustee pertaining to the Bonds, including the amount, if any, required to be rebated to the United States of America in accordance with the Arbitrage Rebate Agreement and the Indenture, with respect to which such deposit is made, shall have been paid or deposited with the Trustee, and (c) any amounts due and owing the Bond Insurer have been paid.

Notwithstanding the foregoing, in the case of Bonds which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Bank shall have given the Trustee, in a form satisfactory to the Trustee, irrevocable instructions:

(a) stating the date when the principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted by the Indenture);

(b) to timely call for redemption pursuant to the Indenture any Bonds to be redeemed prior to maturity pursuant to (a) of this paragraph; and

(c) to timely mail, in the manner prescribed by Article IV of the Indenture, a notice to the owners of such Bonds satisfying the requirements thereof.

Any monies so deposited with the Trustee or the Escrow Agent as provided above may at the direction of the Bank also be invested and reinvested in Governmental Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Governmental Obligations in the possession of the Trustee as described hereinabove which is not required for the payment of the Bonds and interest thereon with respect to which such monies shall have been so deposited, shall be deposited in the General Account, as and when and collected for use and application as are other monies deposited in such General Account.

Notwithstanding any provision of the Indenture to the contrary, all moneys or Governmental Obligations set aside and held in trust pursuant to the Indenture for the payment of Bonds (including interest thereon but excluding any amounts, if any, set aside for rebate to the United States of America in accordance with the Arbitrage Rebate Agreement and the Indenture) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or obligations have been set aside in trust.

Upon the deposit with the Trustee or Escrow Agent, in trust, at or before maturity, of money or Governmental Obligations in the necessary amount to pay or redeem all Outstanding Bonds as aforesaid (whether upon or prior to their maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in the Indenture, or provisions satisfactory to the Trustee shall have been made for the giving of such notice, and compliance with the other payment requirements of the Indenture, the Indenture may be discharged in accordance with the provisions thereof but the limited liability of the Bank in respect of such Bonds shall continue provided that the owners thereof shall thereafter be entitled to payment only out of the moneys or Governmental Obligations deposited with the Trustee or Escrow Agent as aforesaid.

### **Defaults; Events of Default**

If any of the following events occurs, it is defined as and declared to be and to constitute an "Event of Default" under the Indenture:

- (a) Default in the due and punctual payment of any interest on any Bond; or
- (b) Default in the due and punctual payment of the principal of any Bond whether at the stated maturity thereof or on any date fixed for redemption; or
- (c) Failure of the Bank to remit to the Trustee within the time limits prescribed in the Indenture any moneys which are required by the Indenture to be so remitted; or
- (d) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Bank contained in the Indenture or in the Bonds and failure to remedy the same within the time provided in, and after notice thereof pursuant to, the Indenture; or
- (e) Any warranty, representation or other statement by or on behalf of the Bank contained in the Indenture or in any instrument furnished in compliance with or in reference to the Indenture is false or misleading, when made, in any material respect, and failure to remedy the same within the time provided in, and after notice thereof pursuant to, the Indenture; or
- (f) A petition is filed against the Bank under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction whether now or hereafter in effect and is not dismissed within 60 days after such filing; or
- (g) The Bank files a petition in voluntary bankruptcy or seeking relief under any provisions of any bankruptcy, reorganization, arrangement, insolvency, adjustment of debt, dissolution or liquidation law of any jurisdiction whether now or hereafter in effect, or consents to the filing of any petition against it under such law; or
- (h) The Bank is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt, or makes an assignment for the benefit of creditors, or a liquidator or trustee of the Bank or any of its property is appointed by court order or otherwise takes possession of such property and such order remains in effect or such possession continues for more than 60 days; or
- (i) Default in the due and punctual payment of any interest or principal on the Note;
- (j) The Bank for any reason shall be rendered incapable of fulfilling its obligations under this Indenture; or
- (k) There is "event of default" under the Loan Agreement.

### **Remedies; Rights of Bondholders**

Upon the occurrence of an "event of default" under the Indenture, the Trustee shall notify the Bond Insurer and the owners of all Bonds then Outstanding of such "event of default" by registered or certified mail, and will have the following rights and remedies:

- (a) The Trustee, with the written consent of the Bond Insurer, may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on the Bonds Outstanding, including enforcement of any rights of the Bank or the Trustee under the Note or Loan Agreement.
- (b) The Trustee, with the written consent of the Bond Insurer, may by action or suit in equity require the Bank to account as if it were the trustee of an express trust for the holders of the Bonds and may, with the written consent of the Bond Insurer, take such action with respect to the Note and Loan

Agreement as the Trustee deems necessary or appropriate and in the best interest of the Bondholders, subject to the terms of the Note and Loan Agreement.

(c) Upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the Trustee and of the Bondholders under the Indenture, the Trustee will be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the Revenues, issues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

(d) The Trustee may, with the written consent of the Bond Insurer, and shall at the direction of the Bond Insurer or the Bondholders, with the prior written consent of the Bond Insurer, by written notice to the Bank and the Bond Insurer, declare the principal of and accrued interest on all Bonds to be due and payable immediately in accordance with this Indenture and the Act, by notice to the Bank, the Bond Insurer and the City.

Upon the occurrence of an Event of Default, (a) if requested to do so by the holders of 25% or more in aggregate principal amount of all Bonds Outstanding and after obtaining the prior written consent of the Bond Insurer, or (b) at the direction of the Bond Insurer, or (c) if secured and/or indemnified as provided in the Indenture, the Trustee shall be obligated to exercise such one or more of the rights, remedies and powers conferred by the Indenture as set forth above as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Bondholders.

No right or remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and shall be in addition to any other right or remedy given to the Trustee or to the Bondholders under the Indenture or now or hereafter existing at law or in equity or by statute. The assertion or employment of any right or remedy shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

No delay or omission to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right or remedy may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default under the Indenture, whether by the Bond Insurer, the Trustee or by the Bondholders, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

#### **Rights of Bondholders to Direct Proceedings**

Subject to provisions of the Indenture including the rights of the Bond Insurer, the Beneficial Owners of a majority in aggregate principal amount of Bonds Outstanding shall have the right, at any time during the continuance of an Event of Default, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings under the Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

#### **Application of Moneys**

All moneys received by the Trustee pursuant to any right or remedy given or action taken under the provisions of the Indenture (including monies received by virtue of action taken under provisions of the Note or the Loan Agreement) shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and payment of the expenses, liabilities and advances incurred or made by the Trustee and any other moneys owed to the Trustee under the Indenture, be deposited in the General Account and all moneys in such Account shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST – To the payment of any amounts owed under the Arbitrage Rebate Agreement;

SECOND - To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, including interest on any past due principal of any Bond at the rate borne by such Bond, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to such payment ratably, according to the amounts due on such installments, to the persons entitled thereto, without any discrimination or privilege;

THIRD - To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due either at maturity or pursuant to a call for redemption (other than Bonds called for redemption for the payment of which other moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the principal of Bonds due on any particular date, together with such interest, then to such payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege;

FOURTH - To be held for the payment to the persons entitled thereto as the same shall become due of the principal of and interest on the Bonds which may then become due either at maturity or upon call for redemption prior to maturity, and, if the amount available shall not be sufficient to pay in full the principal of and interest on Bonds due on any particular date, such payment shall be made ratably according to the amount of principal and interest due on such date to the persons entitled thereto without any discrimination or privilege; and

FIFTH - To the payment of amounts owed to the Bond Insurer.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

Whenever moneys are to be applied as set forth above, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment of principal to the owner of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Whenever all principal of and interest on all Bonds have been paid under the provisions of the Indenture and all expenses and charges of the Trustee have been paid and all other amounts due under the Indenture and under the Loan Agreement and the Note have been paid in full, any balance remaining in the General Account shall be paid as provided in Article VI of the Indenture.

#### **Remedies Vested in the Trustee**

All rights of action (including the right to file proof of claims) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding related thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants

any owners of the Bonds, and any recovery of judgment shall be for the equal and ratable benefit of the owners of all the Outstanding Bonds.

### **Rights and Remedies of Bondholders**

No owner of any Bond, other than the Bond Insurer, shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust of the Indenture or for the appointment of a receiver or any other remedy under the Indenture, unless (a) a Default has occurred, (b) such Default shall have become an Event of Default and the Beneficial Owners of not less than 25% in aggregate principal amount of Bonds Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the remedies granted under the Indenture or to institute such action, suit or proceeding in its own name, (c) such Beneficial Owners of Bonds have offered to the Trustee security and/or indemnity as provided in the Indenture, (d) the Bond Insurer is in default under the Bond Insurance Policy, and (e) the Trustee has refused or for 60 days after receipt of such request and offer of security and/or indemnification has failed to exercise the remedies granted under the Indenture or to institute such action, suit or proceeding in its own name, and such request and offer of security and/or indemnity are declared under the Indenture in every case at the option of Trustee to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more owners of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its, his, her or their action or to enforce any right under the Indenture except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture and for the equal and ratable benefit of the owners of all Bonds Outstanding. However, nothing contained in the Indenture shall affect or impair the right of any Bondholder to enforce the payment of the principal of, premium, if any, and interest on any Bond at and after the maturity thereof, or the limited obligation of the Bank to pay the principal of, premium, if any, and interest on each of the Bonds issued under the Indenture to the respective owners thereof at the time and place, from the source and in the manner expressed in the Bonds.

### **Termination of Proceedings**

In case the Trustee or any owner of any Bonds shall have proceeded to enforce any right under the Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Bank, the Trustee and the Bondholders shall be restored to their former positions and rights under the Indenture, respectively, and with regard to the property subject to the Indenture, and all rights, remedies and powers of the Trustee and the owners of the Bonds shall continue as if no such proceedings had ever taken place.

### **Waivers of Events of Default**

The Trustee may at its discretion waive any Event of Default under the Indenture and its consequences, and shall do so upon the written request of the Beneficial Owners of (a) more than 66 2/3% in aggregate principal amount of all the Bonds then Outstanding in respect of which an Event of Default in the payment of principal or interest exists, or (b) more than 50% in aggregate principal amount of all Bonds then Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (x) any Event of Default in the payment of the principal of any Outstanding Bond at the date of maturity specified therein or (y) any Event of Default in the payment when due of the interest on any Outstanding Bond unless prior to such waiver all of the interest or all payments of principal when due, as the case may be, with interest on overdue principal at the rate borne by such Bond, and all expenses of the Trustee in connection with such Event of Default shall have been paid or provided for or (z) any Event of Default for nonpayment of Program Expenses. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Bank, the Trustee and the Bondholders shall be restored to their former positions and rights under the Indenture,

respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default or impair any rights consequent thereon; provided further that prior to waiving any Event of Default hereunder the Trustee must obtain the prior written consent of the Bond Insurer.

#### **Supplemental Indentures not Requiring Consent of Bondholders**

The Bank and the Trustee may, without the consent of, or notice to, any of the Bondholders, but only upon prior written notice to the Bond Insurer, enter into an indenture or indentures supplemental to the Indenture for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in the Indenture;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional benefits, rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Bondholders or the Trustee, or to make any change which, in the opinion of Bond Counsel, does not materially and adversely affect the interest of the owners of Outstanding Bonds and does not require unanimous consent of the Bondholders pursuant to the Indenture;
- (c) To subject to the Indenture additional Revenues, properties or collateral;
- (d) To modify, amend or supplement the Indenture or any indenture supplemental to the indenture in such a manner as to permit the qualification of the Indenture and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if they so determine, to add to the Indenture or any indenture supplemental to the Indenture such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute;
- (e) To evidence the appointment of a separate or co-trustee or the succession of a new Trustee under the Indenture or the succession of a new registrar and/or paying agent; and
- (f) In connection with the issuance of Refunding Bonds.

Prior to the Trustee entering into any supplemental indenture for the purposes set forth in (a) or (b) above, the Trustee shall obtain the written consent of the Bond Insurer regarding said supplement to the Indenture.

#### **Supplemental Indentures Requiring Consent of Bondholders**

Exclusive of Supplemental Indentures provided for by the Indenture and subject to the terms and provisions contained in this paragraph, and not otherwise, the owners of not less than a majority in aggregate principal amount of the Bonds Outstanding which are affected (exclusive of Bonds held by the Bank), with the prior written consent of the Bond Insurer, shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the Bank and the Trustee of such other indenture or indentures supplemental to the Indenture as shall be deemed necessary and desirable by the Trustee for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that nothing in the Indenture contained shall permit, or be construed as permitting, without the consent of the owners of all then Outstanding Bonds and the Bond Insurer, (a) an extension of the maturity of the principal of or the interest on any Bond issued under the Indenture, or (b) a reduction in the principal amount of any Bond or change in the rate of interest, or (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture, or (e) the creation of any lien securing any Bonds other than a lien ratably securing all of the Bonds Outstanding under the Indenture, or (f) any modification of the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of the Trustee without the written consent of the Trustee.

If at any time the Bank shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes set forth above, the Trustee shall, upon being satisfactorily secured and/or indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Indenture to be mailed by registered or certified mail to the Bond Insurer and each owner of a Bond at the address shown on the registration records maintained by the Trustee. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. If, within 60 days, or such longer period as shall be prescribed by the Bank, following the mailing of such notice, the Bond Insurer and the owners of not less than 51% in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture (exclusive of Bonds held by the Bank) shall have consented to and approved the execution of such Supplemental Indenture as provided in the Indenture, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Bank from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as permitted and provided above, the Indenture shall be and be deemed to be modified and amended in accordance therewith.

## **THE LOAN AGREEMENT AND THE NOTE**

### **General**

The Bank shall loan the proceeds of the Series 2018 Bonds to the City pursuant to the terms and provisions of the Loan Agreement which the Bank will assign (except certain rights retained by the Bank) to the Trustee pursuant to the terms and provisions of the Indenture. To further secure the payment of the Series 2018 Bonds pursuant to the Loan Agreement, the City will execute and deliver the Note, which Note and the Note Payments, the Bank has assigned or will assign to the Trustee.

To further secure the payment of the Series 2018 Bonds, the City will enter into the Tax Intercept Agreement which provides for the withholding of all or any part of any monies which the City is entitled to receive from time to time pursuant to any law and which is in possession of the Mississippi Department of Revenue or any other State agency, department or commission.

### **Application of Loan Proceeds**

Simultaneously with the delivery of the Series 2018 Bonds by the Trustee, the Net Proceeds will be transferred by the Trustee, as the assignee for the Bank under the Loan Agreement and the Note, to the City to be deposited in the (a) Electric System Capital Improvements Fund created under the Loan Agreement and used to fund the Electric System Project; and (b) Water & Sewer System Capital Improvements Fund created under the Loan Agreement and used to fund the Water & Sewer System Project. See "EXPECTED APPLICATION THE PROCEEDS OF THE SERIES 2018 BONDS," herein.

### **The Loan**

The Bank agrees, upon the terms and conditions specified in the Loan Agreement, to lend to the City the Net Bond Proceeds received from the sale of the Series 2018 Bonds, by causing such Net Bond Proceeds to be deposited with the Trustee for disposition as provided in the Loan Agreement and in the Indenture. The amount of the Loan shall also be deemed to include any "discount" or any other amount by which the aggregate price at which the Bank sells the Series 2018 Bonds to the Underwriter is less than the aggregate principal amount of the Series 2018 Bonds and any "premium", plus accrued interest. The obligation of the Bank to make the Loan shall be deemed fully discharged upon so depositing the Net Bond Proceeds with the Trustee as set forth in the Loan Agreement.

### **Basic Payments Under the Loan Agreement**

Subject to the provisions for prepayment set forth in Section 8.1 of the Loan Agreement, the City agrees to pay the Loan as follows:

(a) The City shall pay to the Trustee for the account of the Bank an amount equal to the aggregate principal amount of the Series 2018 Bonds Outstanding and, as interest on its obligation to pay such amount, an amount equal to interest on the Series 2018 Bonds, such amounts to be due (1) semiannually as to interest, on \_\_\_\_ 1 and \_\_\_\_ 1 of each year, commencing \_\_\_\_ 1, 20\_\_, in the amounts and in the manner provided in the Indenture for the payment of interest on the Series 2018 Bonds on such dates and (2) annually as to principal, on \_\_\_\_ 1 of each year, commencing \_\_\_\_ 1 20\_\_, to and including \_\_\_\_ 1 20\_\_ in an amount equal to the principal scheduled to become due on such Interest Payment Date, all in order that the Bank can cause amounts to be deposited in the General Account of the General Fund under the Indenture for the payment of the principal of, premium, if any, and interest on the Series 2018 Bonds, whether at maturity, upon redemption, upon purchase or otherwise; provided, however, that the obligation of the City to make any such payment under the Loan Agreement shall be reduced by the amount of any reduction under the Indenture of the amount of the corresponding payment required to be made by the Bank under the Indenture.

(b) The City shall remit to the Trustee for deposit into the General Account of the General Fund under the Indenture (y) all amounts due under the Note and required for the payment of the principal of and the interest due on the Outstanding Series 2018 Bonds at least five days prior to any Interest Payment Date, and (z) the amounts required for the payment of the principal or Redemption Price of plus accrued interest on Outstanding Series 2018 Bonds being redeemed or purchased for retirement, and in each such case, such amounts shall be applied by the Trustee to such payments.

#### **Pledge of City Revenues**

The Note will be an obligation of the City payable solely from the monies, rights and interests pledged under the Loan Agreement as set forth in the immediately succeeding paragraph. **The Note will never constitute a general obligation of the City or, within the meaning of any constitutional or statutory limitation, a debt, liability, or obligation of the State or any political subdivision of the State other than the City, and neither the full faith and credit nor taxing power of the State or any political subdivision thereof is pledged to the payment of such principal, premium, if any, and interest. The City has not pledged the levy of any taxes for the repayment of the Note.** The Note initially issued under the Loan Agreement shall be issued for the purposes of providing funds to finance Costs of the City Project and paying the Issuance Expenses for the Series 2018 Bonds and the Note.

Pursuant to the terms of the Loan Agreement, the principal of and interest on the Note and other amounts due under the Loan Agreement are to be paid from City Revenues. The City has covenanted in the Loan Agreement to take such action as may be necessary to include all the Note Payments and amounts due under the Loan Agreement in its Annual Budget. In addition, the Bank Act and the Loan Agreement provide for the intercept of local taxes from the Mississippi Department of Revenue or other State agency if the City is deficient in its payments.

The obligation of the City to make Note Payments and pay amounts due under the Loan Agreement constitutes a binding obligation of the City in accordance with the terms of the Note and the Loan Agreement, respectively. The Governing Body, in its sole discretion, may make said payments with any City Revenues, as described under the heading "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2018 BONDS - Provision for Payment of the Note Payments." Except as stated in the Indenture, nothing in the Loan Agreement or Note creates a lien of any kind or character whatsoever upon any funds, income or revenue now existing or hereafter held, collected, received, anticipated by, or available to the Governing Body or prevents or restricts the Governing Body at any time from pledging, obligating or creating specific liens upon funds, income or revenues to or for the payment of any bonds, notes or certificates of the Governing Body or for any other purpose whatsoever. The City has not pledged or levied any form of taxation for the payment of the Note or amounts due under the Loan Agreement.

The obligations of the City under the Note and the Loan Agreement are not general obligations and do not constitute a pledge of the full faith and credit of the City, the State of Mississippi or any political subdivision or agency thereof within the meaning of any constitutional or statutory provision or limitation.

### **Additional Charges**

The City agrees to pay as additional charges, when due, each and all of the following:

(a) all Costs of Issuance;

(b) to or upon the order of the Trustee, upon demand, all fees of the Trustee for services rendered under the Indenture and all fees and charges of the paying agent, registrars, legal counsel, accountants, public agencies and others incurred in the performance on request of the Trustee of services required under the Indenture for which the Trustee and such other persons are entitled to payment or reimbursement; provided that after payment in full thereof the City may, without creating a default under the Loan Agreement, contest in good faith the necessity or reasonableness of any such services, fees or expenses other than the Trustee's fees for ordinary services as set forth in the Indenture, paying agency fees and any fees or charges of public agencies;

(c) to the Bank and the Trustee, the Administrative Expenses, and all other reasonable expenses incurred by the Bank and the Trustee in relation to the Project which are not otherwise required to be paid by the City under the terms of the Loan Agreement and all indemnity payments required to be made under Section 7.3 of the Loan Agreement;

(d) any amounts due to the Bond Insurer;

(e) any and all out-of-pocket costs and expenses (including, without limitation, the reasonable fees and expenses of any counsel, accountants, or other professionals) incurred by Trustee or the Bank at any time, in connection with (1) the preparation, negotiation and execution of the Loan Agreement, the Indenture, the Note, the Tax Intercept Agreement and all other Bond Documents, any amendment of or modification of the Loan Agreement, the Indenture, the Note, the Tax Intercept Agreement or the other Bond Documents (including in connection with any sale, transfer, or attempted sale or transfer of any interest in the Loan Agreement to a participant or assignee); (2) any litigation, contest, dispute, suit, proceeding or action, whether instituted by Bank, the Trustee, the City or any other person in any way relating to the Project, the Note, the other Bond Documents, or the City's affairs; (3) any attempt to enforce any rights of the Trustee or the Bank against the City or any other person which may be obligated to Trustee and/or Bank by virtue of the Note, the other Bond Documents or any other Project documents; and (4) performing any of the obligations relating to or payment of any obligations of the City under the Loan Agreement in accordance with the terms of the Loan Agreement or any other Bond Documents.

### **City's Obligations Unconditional**

The City will not suspend or discontinue any Basic Payments or Additional Charges, and will perform and observe all of its other agreements in the Loan Agreement, and, except as expressly permitted in Section 8.1 of the Loan Agreement (regarding the City's option of prepayment), will not terminate the Loan Agreement for any cause, including, but not limited to, the invalidity or unenforceability or lack of due authorization or other infirmity of the Loan Agreement or the Note, or lack of right, power or authority of the Bank to enter into the Loan Agreement, commercial frustration of purpose, bankruptcy or insolvency of the Bank or the Trustee, change in the tax or other laws or administrative rulings or actions of the United States of America or of the State or any political subdivision thereof, or failure of the Bank to perform and observe any agreement, whether express or implied or any duty, liability or obligation arising out of or connected with the Loan Agreement or the Note, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties to the Loan Agreement that the Basic Payments and other amounts payable by the City under the Loan Agreement shall be paid in full when due without any delay or diminution whatever.

### **Assignment of Bank's Rights**

As security for the payment of the Series 2018 Bonds, the Bank will pledge the amounts payable under the Loan Agreement and under the Note and assign, without recourse or liability, to the Trustee,

the Bank's rights under the Loan Agreement (except certain rights retained by the Bank) and under the Note. The rights pledged and assigned by the Bank under the Loan Agreement will include the right to receive payments under the Loan Agreement (except the right to receive payments, if any, under Section 4.4, 6.7, 7.3, 9.5, 10.8 and 10.11 of the Loan Agreement) and the Bank directs the City under the Loan Agreement to make said payments directly to the Trustee. In the Loan Agreement, the City agrees to such assignment and agrees to make payments under the Loan Agreement directly to the Trustee without defense or setoff by reason of any dispute between the City and the Trustee.

**Agreement Withholding City Monies to Satisfy Delinquent Payments**

As provided for in the Bank Act, the City and the Bank have entered into and the Trustee will accept the Tax Intercept Agreement whereby the City will covenant, agree and authorize the Mississippi Department of Revenue or any other State agency, department or commission to (a) withhold all or any part of any Tax Monies which the City is entitled to receive from time to time pursuant to any law and which is in possession of the Mississippi Department of Revenue or any other State agency, department or commission subject to the prior lien on the Tax Monies which may be withheld by the Mississippi Department of Revenue or any other state agency, department or commission, and (b) pay same over to the Trustee (as assignee of the Bank) to satisfy any Delinquent Payment under Sections 4.2 and/or 4.4(e) of the Loan Agreement. If on the fifteenth day of \_\_\_\_\_ and \_\_\_\_\_ of each year, beginning \_\_\_\_\_ the Trustee has not received sufficient City Revenues to make the deposits required to provide the payments under Sections 4.2 and/or 4.4(e) of the Loan Agreement, the Bank has authorized and directed the Trustee under the Tax Intercept Agreement to file the Tax Intercept Agreement and a statement of deficiency setting forth the amount of any Delinquent Payment with the Mississippi Department of Revenue or any other State agency, department or commission, thereby directing the Mississippi Department of Revenue or any other State agency, department or commission to pay any Tax Monies directly to the Trustee on behalf of the Bank to satisfy any Delinquent Payment, all as permitted under the Bank Act. In any event if the City fails to make timely payments under the Loan Agreement and the Note as provided in Sections 4.2 and/or 4.4(e) of the Loan Agreement, the Trustee is further directed to file the Tax Intercept Agreement with the Mississippi Department of Revenue and take further action to recover Tax Monies under the Tax Intercept Agreement. The Trustee is directed to pay any Tax Monies into the General Account of the General Fund to be applied in accordance with Section 6.05 of the Indenture except for any Delinquent Payment under Section 4.4(e) of the Loan Agreement which shall be applied in accordance with the provisions thereof. There is no assurance that at such time there will be any monies held by the Mississippi Department of Revenue or other State agency, department or commission available to satisfy any Delinquent Payment or that the amount of any monies held by the Mississippi Department of Revenue or other State agency, department or commission will be sufficient to satisfy such Delinquent Payment.

**Covenants in Bond Documents**

The City will keep and perform all covenants and agreements set forth in the Indenture and each and every other Bond Document to which it is a party, which covenants are incorporated in the Loan Agreement by reference as if fully set forth under the Loan Agreement.

**Conduct of Governmental Operations**

The City will maintain its existence as a political subdivision and "local governmental unit" within the meaning of the Bank Act organized and validly existing under the Constitution and laws of the State. The City will comply with all applicable laws and regulations of any federal, state or local governmental authority, except for such laws and regulations, the violation of which would not, in the aggregate, have a material adverse effect on the City's financial condition.

**Payment of Indebtedness**

The City will pay any indebtedness for which it is liable when due and will not permit any default to occur under any document evidencing or securing any such indebtedness.

### **Covenant for the Benefit of the Trustee and the Bondholders**

The City recognizes the authority of the Bank to assign its interest in and pledge monies receivable under the Loan Agreement (other than certain payments required to be made to the Bank under Sections 4.4, 6.7, 7.3, 9.5, 10.8 and 10.11 of the Loan Agreement) to the Trustee as security for the payment of the principal of and interest and redemption premium, if any, on the Series 2018 Bonds, and the payment of all fees and expenses of the Trustee; and agrees to be bound by, and joins with the Bank in the grant of a security interest to the Trustee in any rights and interest the City may have in sums held in the Funds described in Article VI of the Indenture pursuant to the terms and conditions of the Indenture, to secure payment of the Series 2018 Bonds. Each of the terms and provisions of the Loan Agreement is a covenant for the use and benefit of the Trustee and the Bondholders, so long as any thereof shall remain Outstanding; but upon payment in full of the Series 2018 Bonds in accordance with Article IX of the Indenture and of all fees and charges of the Trustee and paying agent and any amounts owed to the Bond Insurer, all references in the Loan Agreement to the Series 2018 Bonds, the Bondholders and the Trustee shall be ineffective, and neither the Trustee nor the Bondholders shall thereafter have any rights under the Loan Agreement, save and except those that shall have theretofore vested or that arise from provisions under the Loan Agreement which survive termination of the Loan Agreement.

### **Tax Covenants**

In order to maintain the exclusion of interest on the Series 2018 Bonds from gross income of the holders thereof for federal income tax purposes, and for no other purpose, the City covenants in the Loan Agreement to comply with each applicable requirement of the Code. In furtherance of the covenant contained in the preceding sentence, the City agrees to comply with the Tax Certificate executed by the City on the date of the issuance and delivery of the Series 2018 Bonds, as such Tax Certificate may be amended from time to time.

The City will covenant and agree with the Trustee and the Bondholders that the City will not take any action or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance and delivery of the Series 2018 Bonds, would cause the Series 2018 Bonds to be "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141(a) and 148(a), respectively, of the Code, or any successor provisions.

Upon the authentication and delivery of the Series 2018 Bonds, the City will furnish to the Trustee certificates of an Authorized City Representative to the effect that, on the basis of the facts, estimates and circumstances in existence on the date of such authentication and delivery, it is not expected that the proceeds of the Series 2018 Bonds will be used in a manner that would cause such Series 2018 Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code and Treasury Regulations thereunder, and in such certificates the City shall set forth such facts and circumstances which may be in brief and summary terms, and shall state that to the best of the knowledge and belief of such Authorized City Representative, there are no other facts or circumstances that would materially change the expectations expressed in such certificate.

The City will covenant to operate the City Project in such a manner as is necessary in order to maintain the exclusion of interest on the Series 2018 Bonds from gross income of the Holders thereof for federal income tax purposes under Section 103(a) of the Code.

Notwithstanding any other provisions of the Loan Agreement to the contrary, so long as necessary in order to maintain the exclusion of interest on the Series 2018 Bonds from gross income for of the holders thereof for federal income tax purposes under Section 103(a) of the Code, the covenants contained in Section 7.4 of the Loan Agreement shall survive the payment of the Series 2018 Bonds and the interest thereon, including any payment or defeasance thereof pursuant to Article IV and IX of the Indenture.

**Prepayment of the Note and Termination of the Loan Agreement**

(a) Unless an "event of default" has occurred and is continuing under the Loan Agreement, the City shall have the option to direct the Trustee to call for redemption prior to maturity the Outstanding Series 2018 Bonds, in whole or in part, as provided in Section 4.01 of the Indenture. The Series 2018 Bonds to be redeemed shall be redeemed at a price equal to their principal amount plus accrued interest as set forth in Section 4.01 of the Indenture upon not less than 30 but no more than 45 days prior written notice. In the event the Series 2018 Bonds are called for redemption in whole or in part under the Indenture, a Basic Payment shall be made by the City in the amount of principal plus accrued interest and all other fees due under the Loan Agreement to effectuate said redemption.

(b) If, after the City exercises its option to redeem all Series 2018 Bonds, no Series 2018 Bonds remain Outstanding, the Indenture is discharged, and the City has satisfied all of its obligations under the Loan Agreement and under the Note, the Trustee and the Bank shall execute and deliver to the City and such instruments as the City reasonably determines are necessary to terminate the Loan Agreement. All further obligations of the City under the Loan Agreement, except as set forth in Sections 6.7, 7.3, 7.4, 9.5, 10.8 and 10.11 of the Loan Agreement, shall thereupon terminate.

(c) The City shall pay to the Trustee at least five days prior to the Discharge Date, an amount equal to the Trustee's and paying agent's fees and expenses under the Indenture, accrued and to accrue until final payment and redemption of the Series 2018 Bonds and all other advances, fees, costs and expenses reasonably incurred and to be incurred on or before the termination date by the Trustee and paying agent under the Indenture and by the Bank under the Loan Agreement; and

(d) On the termination date, a closing shall be held at the principal office of the Trustee, or any other office mutually agreed upon.

Upon termination of the Loan Agreement as provided for in Section 8.1 of the Loan Agreement, the Bank will cause the Trustee to deliver a release of the Indenture and the estate created by the Loan Agreement and the Note, and all further obligations of the City under the Loan Agreement, except under Sections 6.7, 7.3, 7.4, 9.5, 10.8 and 10.11 of the Loan Agreement, shall thereupon terminate; provided, however, that the City shall also remain obligated to pay or reimburse the Bank and Trustee for the payment of all other fees, costs and expenses unaccounted for in the sum paid in accordance with (c) above and reasonably incurred before or subsequent to such closing in connection with the Series 2018 Bonds. In no event shall the Loan Agreement terminate unless all amounts due the Bond Insurer have been paid in full.

**Direction of Investments**

Except during the continuance of an "event of default" in the Loan Agreement, the City shall have the right during the Term of the Loan Agreement to direct the Trustee to invest or reinvest all monies held for the credit of the Funds and Accounts established by Article VI of the Indenture in such securities as are authorized by law for such funds, subject, however, to the further conditions of Article VIII of the Indenture.

**Events of Default**

Any one or more of the following events is an "event of default" under the Loan Agreement, and the term "event of default," wherever used in the Loan Agreement, means any one of the following events, whatever the reason for such default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body:

(a) if the City shall fail to pay any Basic Payments due under the Loan Agreement;

(b) if the City shall fail to pay any Additional Charges on or before the date that the payment is due and shall continue to be in arrears for 15 days after the due date thereof;

(c) if the City shall fail to observe and perform or shall breach any other covenant, condition or agreement on its part under the Loan Agreement for a period of 15 days after mailing of a notice to it by the Bank or the Trustee, specifying such default or breach and requesting that it be remedied; and provided that if the failure stated in the notice cannot be corrected within 15 days, the Bank and Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the City within said 15 days and is diligently pursued, for an additional 30 days;

(d) if the City shall be dissolved or is no longer a "local governmental unit" within the meaning of the Bank Act;

(e) if any representation or warranty made by the City in the Loan Agreement, or by an officer or representative of the City in any document or certificate furnished the Trustee or the Bank in connection with the Loan Agreement or therewith or pursuant to the Loan Agreement or thereto, shall prove at any time to be, in any material respect, incorrect or misleading as of the date made;

(f) the occurrence of an "event of default" under any other Bond Document which is not cured within the time period provided therefor, if any; and/or

(g) if there is a declaration or proceeding in Bankruptcy regarding the City.

#### **Remedies**

(a) Whenever any "event of default" specified in subsection (a) of the previous section shall have happened and be continuing the Trustee shall declare all the Basic Payments payable for the remainder of the Term of the Loan Agreement (an amount equal to that necessary to pay in full the Note and the interest thereon assuming acceleration of the Series 2018 Bonds under the Indenture and to pay all other indebtedness thereunder) to be immediately due and payable whereupon the same shall become immediately due and payable by the City but only if the acceleration of payment of the Series 2018 Bonds has been declared by the Trustee under Section 10.02 of the Indenture.

(b) Whenever any "event of default" under the Loan Agreement shall have occurred and be continuing any one or more of the following remedial steps may also be taken to the extent permitted by law:

(1) the Trustee or the Bank may, with the prior consent of the Bond Insurer, take whatever action at law or in equity may appear necessary or appropriate to collect all sums then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement, covenant, representation or warranty of the City, under the Loan Agreement, the Note or any related instrument; or to otherwise compensate the Bank, Trustee or Bondholders for any damages on account of such "event of default"; and

(2) the Bank (without the prior written consent of the Trustee if the Trustee is not enforcing the Bank's right in a manner to protect the Bank or is otherwise taking action that brings adverse consequences to the Bank) may take whatever action at law or in equity may appear necessary or appropriate to enforce its rights of indemnification under Section 7.3 of the Loan Agreement and to collect all sums then due and thereafter to become due to the Bank under Section 4.4, 6.7, 7.3, 9.5, 10.8 and 10.11 of the Loan Agreement. Notwithstanding the foregoing, the Bank is not precluded from exercising any of its rights reserved to it even if the Trustee is exercising the rights of the Bank under the Loan Agreement.

#### **THE SERIES 2018 BONDS AS LEGAL INVESTMENTS**

The Series 2018 Bonds shall be legal investments in which all public officers and public bodies of the State, its political subdivisions, all municipalities and municipal subdivisions of the State, all insurance companies and associations, trust companies, savings banks and savings associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever and domiciled in the State who are now

or may hereafter be authorized to invest funds, including capital, in their control or belonging to them. The Series 2018 Bonds are also securities which may properly and legally be deposited with and received by all public officers and bodies of the State or any agency or political subdivisions of the State and all municipalities and public corporations for any purpose for which the deposit of bonds or other obligations of the State is now or may hereafter be authorized by law.

### LITIGATION

There is not now pending or, to the Bank's knowledge, threatened any litigation restraining or enjoining the issuance, sale, execution or delivery of the Series 2018 Bonds or prohibiting the Bank from providing the Loan to the City with the proceeds of such Series 2018 Bonds or in any way contesting or affecting the validity of the Series 2018 Bonds, any proceedings of the Bank taken with respect to the issuance or sale thereof or the pledge or application of any monies or security provided for the payment of the Series 2018 Bonds. Neither the creation, organization or existence of the Bank nor the title of any of the present Directors or other officers of the Bank to their respective offices is being contested.

There is not now pending or, to the knowledge of the City threatened any litigation restraining or enjoining the execution or delivery of the Loan Agreement or the Note or prohibiting the City from delivering the Note to the Bank or in any way contesting or affecting the validity of the Loan Agreement or the Note, any proceedings of any of the City taken with respect to the execution and delivery thereof or the pledge or application of any monies or security provided for the payment of the Note.

### TAX MATTERS

#### General

In the opinion of Butler Snow LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the Series 2018 Bonds (including any original issue discount properly allocable to the owner of a Bond) is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinion described above assumes the accuracy of certain representations and compliance by the Bank and the City with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Series 2018 Bonds. Failure to comply with such requirements could cause interest on the Series 2018 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2018 Bonds. The Bank and the City have covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2018 Bonds.

Notwithstanding Bond Counsel's opinion that interest on the Series 2018 Bonds is not a specific preference item for purposes of the federal alternative minimum tax, for taxable years beginning before January 1, 2018, such interest will be included in adjusted current earnings of certain corporations, and such corporations are required to include in the calculation of federal alternative minimum taxable income 75 percent of the excess of such corporations' adjusted current earnings over their federal alternative minimum taxable income (determined without regard to such adjustment and prior to reduction for certain net operating losses). No federal alternative minimum tax applies to corporations for taxable years beginning after December 31, 2017.

The accrual or receipt of interest on the Series 2018 Bonds may otherwise affect the federal income tax liability of the owners of the Series 2018 Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Series 2018 Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred

or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Series 2018 Bonds.

In the opinion of Bond Counsel, interest on the Series 2018 Bonds is exempt from all income taxation in the State of Mississippi under existing laws, regulations, rulings and judicial decisions. The opinion addresses only the exemption of interest on the Series 2018 Bonds under the income tax laws of the State of Mississippi and does not address the tax treatment of the Series 2018 Bonds in any other state or jurisdiction.

### **Original Issue Premium**

The Series 2018 Bonds that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "**Premium Bonds**"), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

### **Original Issue Discount**

The Series 2018 Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "**Discount Bonds**"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Bond or is otherwise required to be recognized in gross income is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued or otherwise recognized original issue discount will be treated as federally tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date, with respect to when such original issue discount must be recognized as an item of gross income and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such Discount Bonds for a price that is higher or lower than the "adjusted issue price" of the Discount Bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

### **Backup Withholding**

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on federally tax-exempt obligations such as the Series 2018 Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Series 2018 Bonds that fail to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2018 Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling federally tax-exempt obligations.

### **Changes in Federal and State Tax Law**

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX MATTERS" or adversely affect the market value of the Series 2018 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2018 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2018 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2018 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2018 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

**PROSPECTIVE PURCHASERS OF THE SERIES 2018 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2018 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2018 BONDS.**

### **LEGAL MATTERS**

Certain legal matters incident to the authorization and issuance of the Series 2018 Bonds by the Bank are subject to the approval of Bond Counsel, whose approving opinion will be delivered with the Series 2018 Bonds. Certain legal matters will be passed upon for the Bank by Balch & Bingham, LLP, Jackson, Mississippi, the Bank's counsel, and for the City, by Ben Logan, Esquire, Tupelo, Mississippi.

Bond Counsel for the Bank is also serving as counsel to the City in connection with the execution and delivery of the Loan Agreement and Note.

The remedies available to the Trustee, to the Bank or to the owners of the Series 2018 Bonds upon an "event of default" under the Indenture or under the terms of the Loan Agreement and Note are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under

existing constitutional and statutory law and judicial decisions, including the United States Bankruptcy Code, the remedies provided in the Indenture and under the Loan Agreement and the Note may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2018 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally (regardless of whether such enforceability is considered in a proceeding in equity or in law), by general principles of equity (regardless of whether such proceeding is considered in a proceeding in equity or at law) and by the valid exercise of the constitutional powers of the State and the United States of America.

## BOND INSURANCE

### Bond Insurance Policy

Concurrently with the issuance of the Series 2018 Bonds, the Bond Insurer will issue the Bond Insurance Policy for the Series 2018 Bonds. The Bond Insurance Policy guarantees the scheduled payment of principal of and interest on the Series 2018 Bonds when due as set forth in the form of the Bond Insurance Policy included as APPENDIX F to this Official Statement.

The Bond Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

### The Bond Insurer

(insert any applicable information on the Bond Insurer)

## CONTINUING DISCLOSURE

The City has covenanted for the benefit of the owners of the Series 2018 Bonds to provide certain financial information and operating data relating to the City within twelve months after the end of each fiscal year of the City beginning with the fiscal year ending on September 30, 2018 (the "**Annual Report**"), and to provide notices of the occurrence of certain enumerated events, in certain cases if deemed material under federal laws. The Annual Report and notices of material events will be filed by the City with (a) the Municipal Securities Rulemaking Board (the "**MSRB**") through MSRB's Electronic Municipal Market Assess system at <http://emma.msrb.org> ("**EMMA**") in the electronic format then prescribed by the Securities and Exchange Commission (the "**SEC**") pursuant to SEC Rule 15c2-12(b)(5) (the "**Rule**"), and with (b) any public or private repository or entity designated by a state as a State Repository, if any, for the purposes of the Rule. This information will be made available free to securities brokers and the general public through EMMA. For the procedures for all filings and notices due to the MSRB, instructions will be provided on the following website for MSRB: <http://emma.msrb.org>. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized in APPENDIX F to this Official Statement. These covenants have been made in order to assist the Underwriter in complying with the Rule.

The City has previously entered into continuing disclosure undertakings with respect to bonds it has issued or for which it is the "obligated person" within the meaning of the Rule. Within the last five years, the City has failed to comply with certain terms of those undertakings. A summary of past filing failures, dated May 31, 2016, is available on EMMA at <https://emma.msrb.org/EP937479-EP727710-EP1129467.pdf>.

With respect to certain issues, audited financial statements for fiscal years 2011 through 2013 were not timely filed on EMMA as required by the prior undertakings and notices of failure to file audited financial statements for fiscal years ended fiscal years ended September 30, 2011, through and including September 30, 2013 were not timely filed. In addition, without a determination of materiality, there may have been instances in which some tables included in the City's prior continuing disclosure undertakings

were not included in every filing on EMMA. Some of the past filings required of the City may not have been filed under all outstanding CUSIPs and may have been misfiled under the wrong CUSIP or under the wrong heading within the CUSIP.

The City adopted policies and procedures on November 4, 2014 (the "Policy") to ensure timely filing of its Annual Report, together with any required Accompanying Information. The City has hired a dissemination agent to file the City's required Annual Report, together with any required Accompanying Information.

## RATINGS

Moody's Investors Service, Inc. ("Moody's") has assigned an insured rating of "\_\_\_" to the Series 2018 Bonds with the understanding that upon delivery of the Series 2018 Bonds, a municipal bond insurance policy guaranteeing the timely payment of principal of and interest on the Series 2018 Bonds will be issued by the Bond Insurer. Explanations of such ratings may be obtained from Moody's. This rating reflects only the view of Moody's and the Bank and the City make no representation as to the appropriateness of this rating. See "BOND INSURANCE," and APPENDIX F. There is no assurance that such rating will continue for any given period of time or that it will not be revised or withdrawn entirely by Moody's, if in the judgment of Moody's, circumstances so warrant. Any such revisions or withdrawal of the rating may have an adverse effect on the market price of the Series 2018 Bonds.

Moody's has assigned an underlying rating of "\_\_\_" to the Series 2018 Bonds. Information on the rating may be obtained from the City Clerk. Such rating reflects only the view of Moody's and an explanation of the significance of the rating may be obtained only from said rating agency. The rating may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information. Any downward revision, suspension or withdrawal of such rating may have an adverse effect on the market price of the Series 2018 Bonds. Such rating is not a recommendation to buy, sell or hold the Series 2018 Bonds.

## PENSION PLAN

The City has no pension plan or retirement plan for employees. City employees are members of and contribute to the Mississippi Public Employees' Retirement System (PERS), a cost-sharing, multiple employer retirement system administered by the State for the benefit of its local governments and State personnel. Benefit provisions are established by State statute and may be amended from time to time only by the State Legislature.

In June 2012, the Government Accounting Standards Board issued Statement No. 68, Accounting and Financial Reporting for Pensions ("GASB-68"). The objective of GASB-68 is to improve accounting and financial reporting of government pensions. Also, GASB-68 improves information provided by government employers about financial support for pensions that is provided by other entities. Requirements of GASB-68 are effective for financial statements whose fiscal year begins after June 15, 2014 (Fiscal Year 2015 for the City).

At June 30, 2016, PERS employers' total pension liability was \$42 billion. The plan fiduciary net position was \$24.1 billion resulting in a net pension liability of \$17.9 billion. The plan fiduciary net position as a percentage of the total pension liability was 57.5% using measurements established by GASB Statement No. 67, Financial Reporting for Pension Plans. PERS latest publicly available financial report for 2016 is available on the PERS website located at <http://www.pers.ms.gov/Content/CAFR/CAFR2016.pdf>.

PERS members are required to contribute 9.00% of their annual covered salary, and the City is required to contribute at an actuarially determined rate. The rate at June 30, 2016 was 15.75% of annual covered payroll. The City contributions (employer share only) to PERS for the years ending September 30, 2016, 2015 and 2014 were \$3,208,817.91, \$3,052,250.91 and \$3,020,752.99, respectively, which equaled the required contributions for each year.

At September 30, 2016, the City reported a liability of \$44,099,290 for its proportionate share of the net pension liability. See Note 12 in the City's 2016 Audited Financial Statements included in "APPENDIX B - Financial Information Concerning the City".

#### **MUNICIPAL ADVISOR**

The City has retained the firm of Government Consultants, Inc. as Municipal Advisor to the City in connection with the issuance of the Series 2018 Bonds. In such capacity the Municipal Advisor has provided recommendations and other financial guidance to the City with respect to the preparation of documents, the preparation for the sale of the Series 2018 Bonds and the time of the sale, market conditions and other factors related to the sale of the Series 2018 Bonds.

Although the Municipal Advisor performed an active role in the drafting of this Official Statement, it has not independently verified any of the information set forth herein. The information contained in this Official Statement has been obtained primarily from the City's records and from other sources which are believed to be reliable, including financial records of the City and other entities, which records may be subject to interpretation. No guarantee is made as to the accuracy or completeness of any information obtained from sources other than the City. Any summaries or excerpts of statutes, ordinances, resolutions or other documents do not purport to be complete statements of the same and reference is made to such original sources in all respects.

#### **UNDERWRITING**

The Series 2018 Bonds have been sold by negotiated sale to Raymond James & Associates, Inc. (the "Underwriter"), and the Underwriter has agreed, subject to certain conditions set forth in the Bond Purchase Agreement among the Underwriter, the Bank and the City, to purchase all of the Series 2018 Bonds from the Bank at a purchase price of \$\_\_\_\_\_ (representing the par amount of the Series 2018 Bonds plus a net original issue premium of \$\_\_\_\_\_ and less an underwriter's discount of \$\_\_\_\_\_). No assurance can be given that any trading market will develop for the Series 2018 Bonds after their initial sale to said Underwriter. The City has no control over the prices at which the Series 2018 Bonds will initially be reoffered to the public.

#### **VALIDATION**

The Series 2018 Bonds will be validated before the Chancery Court of the First Judicial District of Hinds County, Mississippi, as provided by Sections 31-13-1 to 31-13-11, Mississippi Code of 1972, as amended.

#### **MISCELLANEOUS**

The Bank's offices are located at 735 Riverside Drive, Suite 300, Jackson, Mississippi 39202, telephone (601) 355-6232.

All quotations from, and summaries and explanations of, the Act, the Indenture and the Loan Agreement contained in this Official Statement do not purport to be complete, and reference is made to each such document or instrument for full and complete statements of its provisions. The attached appendices are an integral part of this Official Statement and must be read together with all of the foregoing statements. Copies in reasonable quantity of the Act, the Indenture, the Loan Agreement and the supplemental materials furnished to the Bank by the City may be obtained upon request directed to the Bank.

Neither any advertisement of the Series 2018 Bonds nor this Official Statement is to be construed as constituting an agreement with the purchasers of the Series 2018 Bonds. So far as any statements are made in this Official Statement involving matters of opinion, whether or not expressly so stated, they are intended merely as such and not as representations of fact.

This Official Statement has been duly approved, executed and delivered by the Bank. The Bank will timely provide copies of this Official Statement to the Underwriter of the Series 2018 Bonds.

**MISSISSIPPI DEVELOPMENT BANK**

By \_\_\_\_\_  
Executive Director

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**APPENDIX A**  
**INFORMATION CONCERNING THE CITY**

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## ECONOMIC AND DEMOGRAPHIC INFORMATION

### General Description

The City of Tupelo (the "**City**"), the county seat of Lee County, Mississippi (the "**County**"), was incorporated on July 20, 1870, and occupies an area of approximately 23 square miles in the central section of the County in the prairie soil area of the northeastern portion of the State of Mississippi (the "**State**"). The City lies 104 miles southeast of Memphis, Tennessee, 142 miles northwest of Birmingham, Alabama, 170 miles northeast of Jackson, the capital city of the State, 274 miles northwest of Mobile, Alabama, and 340 miles northeast of New Orleans, Louisiana.

### Population

The population of the City has been recorded as follows:

1990	2000	2010	2016 (Estimates)
30,985	34,211	34,546	38,856

SOURCE: Census data at website: [www.census.gov](http://www.census.gov); February 2018.

### Government

The City, which operates under the Mayor-City Council form of government, is divided into seven wards or voting precincts, with one City Council member elected from each ward, and the Mayor and two additional City Council members elected from the City at large. The Mayor and City Council members are elected for concurrent four-year terms, set next to expire in July, 2021. The current Mayor and members of the City Council are as follows:

Name	Position	Occupation	Position Held Since
Jason Shelton	Mayor	Full-time Mayor	July 2013
Markel Whittington	Council Member	Business Owner	July 2009
Lynn Bryan	Council Member	Business Owner	July 2013
Travis Beard	Council Member	Retired	July 2014
Nettie Y. Davis	Council Member	Retired	July 2001
Buddy Palmer	Council Member	Business Owner	July 2013
Mike Bryan	Council Member	Ins. Management Group	July 2009
Willie Jennings	Council Member	Business Owner	July 2009

## **Transportation**

The City is served by U.S. Highway 45, running north and south through the eastern portion of the City, which connects the City to Columbus, Mississippi, Meridian, Mississippi, and Mobile, Alabama to the south and Corinth, Mississippi and western Tennessee to the north. U.S. Highway 78, running northwest and southeast through the northern portion of the City, connects the City with Memphis, Tennessee and Birmingham, Alabama. State Highway 6 connects the City with Oxford, Mississippi, the site of the University of Mississippi, and Interstate Highway 55 to the West.

The Burlington Northern Santa Fe Railroad Company, running northwest and southeast through the center of the City, connects the City with Memphis, Tennessee and Birmingham, Alabama. The Kansas City Southern Railroad Company runs north and south through the center of the City and connects the City to Meridian, Mississippi to the south and Corinth, Mississippi to the north.

Tupelo Regional Airport (C.D. Lemons Field) is a federally certified, fully instrumental; all-weather commercial service airport located three miles west of the center of the City. The municipal airport provides a full range of general aviation flight and aircraft services. The airport also serves as a base for a major Army National Guard Aviation Company, which employs several hundred personnel.

The City is located 18 miles from the Port of Fulton on the Tennessee-Tombigbee Waterway (the "Waterway"). The Waterway was constructed at a cost of \$1.4 billion to connect the Tombigbee River with the Tennessee River, reducing the water distance from the Gulf of Mexico to many inland ports by as much as 819 miles. The Waterway provides low cost water transportation to much of northeast Mississippi.

Approximately twenty motor freight carriers have terminal facilities in the City. Convenient parcel delivery service is provided to residents of the area by six commercial carriers. Parcels may also be shipped on the bus lines serving the City, and local taxi companies provide additional local delivery services.

**Per Capita Income<sup>1</sup>**

Year	County	Mississippi	United States	County as % Of U.S.
2016	\$37,821	\$35,484	\$49,246	75.6%
2015	36,722	34,757	48,451	75.8
2014	35,857	34,213	46,494	77.1
2013	33,983	33,327	44,493	76.4
2012	34,042	32,920	44,282	76.9

SOURCE: Bureau of Economic Analysis: Regional Economic Accounts at website: [www.bea.gov](http://www.bea.gov), 2012-2016 (Data last updated November 16, 2017); February 2018.

**Retail Sales**

State Fiscal Year Ended June 30	Amount
2017	\$1,757,429,431
2016	1,696,031,842
2015	1,581,909,732
2014	1,544,302,009
2013	1,528,911,335

SOURCE: Annual Reports for years indicated, Mississippi Department of Revenue's website: [www.dor.ms.gov](http://www.dor.ms.gov); February 2018.

<sup>1</sup> Per capita personal income was computed using Census Bureau midyear population estimates. Estimates for 2012-2016 reflect county population estimates available as of February 2018.

**Major Employers**

The following is a listing of the City's major employers, their products or services and their approximate number of employees:

Employer	Employee s	Product/Service
North Mississippi Health Services	4,286	Healthcare
Cooper Tire & Rubber Company	1,720	Manufacturing
Tupelo Public School District	1,200	Education
MTD Products	1,150	Manufacturing
JESCO, Inc.	1,000	Construction
Wal-Mart /Sams Club	979	Retail
Lee County School District	931	Education
BancorpSouth, Inc.	800	Financial Services
City of Tupelo	507	City Government
Phillips Lighting	400	Manufacturing

SOURCE: Community Development Corporation website [www.cdfms.org](http://www.cdfms.org), information available as of August 2017.

**Banking Institutions**

Institutions	Total Assets
BancorpSouth Bank <sup>2</sup>	\$ 14,759,999,000
CB & S Bank <sup>3</sup>	1,597,495,000
Community Bank North Mississippi <sup>4</sup>	538,331,000
First American National Bank <sup>5</sup>	255,134,000
FNB Oxford <sup>6</sup>	308,723,000
Regions Bank <sup>7</sup>	122,472,010,000
Renasant Bank <sup>8</sup>	10,302,258,000
Trustmark National Bank <sup>9</sup>	13,882,610,000
Bank Plus <sup>10</sup>	2,718,084,000

SOURCE: Federal Deposit Insurance Corporation BankFind database at [www.fdic.gov](http://www.fdic.gov). All assets are stated as of September 30, 2017. Information available as of February 2018.

<sup>2</sup> Headquarters located in Tupelo, Mississippi.

<sup>3</sup> Headquarters located in Russellville, Alabama.

<sup>4</sup> Headquarters located in Amory, Mississippi. Acquired by Community Bank of MS as of January 1, 2018.

<sup>5</sup> Headquarters located in Iuka, Mississippi.

<sup>6</sup> Headquarters located in Oxford, Mississippi; formerly First National Bank Oxford Bank.

<sup>7</sup> Headquarters located in Birmingham, Alabama.

<sup>8</sup> Headquarters located in Tupelo, Mississippi.

<sup>9</sup> Headquarters located in Jackson, Mississippi.

<sup>10</sup> Headquarters located in Belzoni, Mississippi.

**Unemployment Statistic of County**

	2017	2016	2015	2014	2013
January	4.7%	5.2%	6.7%	8.1%	9.2%
February	3.5	4.6	5.8	7.6	8.3
March	3.5	4.4	5.4	7.3	7.8
April	3.3	4.1	5.0	6.5	7.3
May	4.3	4.9	6.0	7.6	8.1
June	4.7	5.6	6.0	7.8	8.7
July	4.8	5.7	5.9	8.1	8.3
August	4.0	4.8	5.2	7.2	7.7
September	3.8	5.0	5.2	6.9	8.1
October	3.7	4.9	5.1	6.9	8.1
November	3.6	4.2	4.9	6.2	7.6
December	3.4	4.6	5.2	6.3	7.2
Annual Average	3.9%	4.8%	5.5%	7.2%	8.1%

SOURCE: Mississippi Department of Employment Security: Labor Market Data at website: [www.mdes.ms.gov](http://www.mdes.ms.gov); February 2018.

**Employment Statistics of the County**

	2012	2013	2014	2015	2016
<b>RESIDENCE BASED EMPLOYMENT</b>					
I. Civilian Labor Force	41,050	39,470	38,800	40,050	41,100
II. Unemployed	3,420	3,180	2,800	2,220	1,980
Rate	8.3%	8.1%	7.2%	5.5%	4.8%
III. Employed	37,630	36,290	36,000	37,830	39,120
<b>ESTABLISHMENT BASED EMPLOYMENT</b>					
I. Manufacturing	10,040	10,290	9,850	10,010	10,300
II. Non-manufacturing	42,530	42,420	42,690	43,990	45,030
A. Agriculture, Forestry, Fishing & Hunting	60	80	70	70	80
B. Mining	0	0	0	0	0
C. Utilities	170	170	170	160	160
D. Construction	1,160	1,160	1,220	1,340	1,340
E. Wholesale Trade	1,800	1,780	1,790	1,890	1,840
F. Retail Trade	6,840	6,680	6,660	6,790	6,750
G. Transportation & Warehousing	1,570	1,560	1,400	1,460	1,490
H. Information	1,150	1,130	1,100	1,160	1,160
I. Finance & Insurance	1,550	1,410	1,360	1,320	1,290
J. Real Estate, Rental & Leasing	460	470	490	470	500
K. Prof., Scientific & Technical Service	1,380	1,340	1,320	1,490	1,480
L. Management of Companies & Entertainment	930	1,020	1,040	1,030	1,030
M. Administrative Support & Waste Management	5,830	5,890	6,310	6,620	7,440
N. Educational Services	200	200	140	140	140
O. Health Care & Social Assistance	8,060	8,110	8,270	8,560	8,610
P. Arts, Entertainment & Recreation	350	360	360	380	460
Q. Accommodation & Food Service	4,370	4,340	4,310	4,580	4,630
R. Other Services (except Public Administration)	1,150	1,150	1,150	1,130	1,160
S. Government	5,500	5,570	5,530	5,400	5,470
Education	2,720	2,830	2,770	2,660	2,740
III. Total Nonagricultural Employment	52,570	52,710	52,540	54,000	55,330

SOURCE: Mississippi Department of Employment Security: Annual Averages: Labor Force and Establishment Based Employment 2011 Forward, Labor Market Information Department at website: [www.mdes.ms.gov](http://www.mdes.ms.gov); Information last revised by MDES on 4/25/2017. February 2018.

### Educational Facilities

The Tupelo Public School District (the "District") serves the entire City and a large rural area west of the City. The District currently operates one early childhood center, nine elementary schools, one middle school, one career center, one discipline center, and one high school, and employs approximately 584 certified teachers and/or certified personnel and approximately 531 support personnel.

Enrollment figures for the District for the scholastic year 2017-18 and for the four preceding years are as follows:

Scholastic Year	Enrollment
2017-18	7,077
2016-17	6,995
2015-16	7,146
2014-15	7,277
2013-14	7,340

SOURCE: Tupelo Public School District and Office of Research and Statistics, Mississippi Department of Education; February 2018.

**TAX INFORMATION<sup>11</sup>****Assessed Valuation<sup>12</sup>**

Assessment Year	Real Property	Personal Property	Automobiles	Public Utility Property	Total
2017	\$369,432,616	\$83,831,518	\$55,369,431	\$7,135,973	\$515,769,538
2016	371,892,965	83,301,764	53,246,016	7,135,973	515,576,718
2015	343,915,050	77,627,589	52,567,813	7,135,973	481,246,425
2014	344,679,489	80,047,889	49,064,925	8,384,247	482,176,550
2013	336,866,708	75,821,233	46,901,542	8,825,523	468,415,006

SOURCE: Office of the City Clerk; February 2018.

Assessed valuations are based upon the following assessment ratios:

- (a) Real and personal property (excluding single-family owner-occupied residential real property and motor vehicles, respectively), fifteen percent (15%) of true value;
- (b) Single-family owner-occupied residential real property, ten percent (10%) of true value;
- (c) Motor vehicles and public utility property, thirty percent (30%) of true value.

The 1986 Session of the Mississippi Legislature adopted House Concurrent Resolution No. 41 (the "Resolution"), pursuant to which there was proposed an amendment to the Mississippi Constitution of 1890 (the "Amendment"). The Amendment provided, *inter alia*, that the assessment ratio of any one class of property shall not be more than three times the assessment ratio on any other class of property.

The Amendment set forth five classes of property and the assessment ratios which would be applicable thereto upon the adoption of the Amendment. The assessment ratios set forth in the Amendment are identical to those established by Section 27-35-4, Mississippi Code of 1972, as it existed prior to the Amendment, except that the assessment ratio for single-family owner-occupied residential real property under the Amendment is set at ten percent (10%) of true value as opposed to fifteen percent (15%) of true value under previously existing law.

<sup>11</sup> In previous years, the assessed values included in the City's continuing disclosure submissions under the title "Tax Information" excluded properties that are exempt from ad valorem taxes. The chart below has been revised to reflect the total assessed values of the City, including properties that are exempt from ad valorem taxes.

<sup>12</sup> The total assessed valuation is approved in the September preceding the beginning of the fiscal year of the City and represents the value of real property, personal property and public utility property for the year indicated on which taxes are assessed for the following fiscal year's budget. For example, the taxes for the assessed valuation figures for 2017 are collected starting in January 2018 for the 2017-18 fiscal year budget of the City.

The assessed valuation figures above do include property exempt from all municipal ad valorem tax for periods of up to ten years, primarily for new or expanded manufacturing facilities.

### **Procedure for Property Assessments**

The Tax Assessor of Lee County assesses all real and personal property subject to taxation in the County, including property in the City, except motor vehicles and property owned by public service corporations, both of which are required by law to be assessed by the Mississippi Department of Revenue.

Section 21-33-9, Mississippi Code of 1972, as amended, provides that the governing authorities of a municipality which is located within a county having completed a county-wide reappraisal approved by the Mississippi Department of Revenue and which has been furnished a true copy of that part of the County assessment roll containing the property located within a municipality as provided in Section 27-35-167, Mississippi Code of 1972, as amended, shall adopt such assessment rolls for its assessment purposes. The City is utilizing the assessment rolls of the County.

The City may not correct or revise such assessment rolls except for the purpose of conforming the municipal assessment roll to corrections or revisions made to the County assessment roll. All objections to the municipal assessment roll may be heard by the Board of Supervisors of the County at the time and in the manner that objections to the County assessment roll are heard. The Board of Supervisors shall notify, in writing, the Governing Body and the Tax Assessor of the City of any corrections or revisions made by it to the part of the County assessment roll adopted as the municipal assessment roll.

**Tax Levy per \$1,000 Valuation<sup>13</sup>**

	2017-18	2016-17	2015-16	2014-15	2013-14
GENERAL PURPOSES					
Special Levy for Street Improvements	10.00	10.00	10.00	10.00	10.00
General Fund	12.94	12.94	12.90	12.83	14.09
Firemen & Policemen Retirement Fund	1.61	1.61	1.61	1.68	1.68
Municipal Bond & Interest Fund	6.95	6.95	6.95	6.95	5.70
Library Fund	0.97	0.97	1.01	1.01	1.00
SUBTOTAL	32.47	32.47	32.47	32.47	32.47
SCHOOL PURPOSES					
School Maintenance Fund	55.00	55.00	55.00	54.58	54.57
School Bond & Interest Fund	6.10	6.10	6.10	5.92	6.27
School Notes Payable Fund	0.00	0.00	0.00	0.00	0.00
Tupelo/Lee County Vo-Tech Fund	0.00	0.00	0.00	0.42	0.43
Shortfall Note 2008	0.00	0.00	0.00	0.00	0.00
Short Term Debt	3.00	3.00	3.00	3.19	3.24
SUBTOTAL	64.10	64.10	64.10	64.11	64.54
TOTAL TAX LEVY	96.57	96.57	96.57	96.58	96.98

SOURCE: Office of the City Clerk; February 2018.

<sup>13</sup> Tax levy is given in mills.

**Ad Valorem Tax Collection**

Fiscal Year Ended September 30	Amount Budgeted	Amount Collected	Difference Over (Under)
2017	\$15,356,606	\$15,813,232	\$456,626
2016	14,310,380	14,666,179	355,799
2015	14,310,382	14,563,862	253,480
2014	14,226,850	14,255,277	28,427
2013	13,284,822	13,523,874	239,052

SOURCE: Office of the City Clerk; February 2018.

**Procedure for Tax Collections**

The Governing Body is required to levy a special tax upon all of the taxable property within the geographical limits of the City each year sufficient to provide for the payment of the principal of and interest on the City's general obligation bonds. If any taxpayer neglects or refuses to pay his taxes on the due date thereof, the unpaid taxes bear interest at the rate of one percent (1%) per month or fractional part thereof from the delinquent date to the date of payment of such taxes. When enforcement officers take action to collect delinquent taxes, other fees, penalties and costs may accrue. Both real property and personal property are subject to public tax sale.

Section 21-33-63, Mississippi Code of 1972, as may be amended from time to time, and related statutes provide that after the 15th day of December and after the 15th day of August in each year, the tax collector for each municipality shall advertise all lands in such municipality on which all the taxes due and in arrears have not been paid, as well as all land liable for sale on the first Monday of April or the third Monday of September following, as the case may be.

**Reappraisal of Property and Limitation on Ad Valorem Levies**

Senate Bill No. 2672, General Laws of Mississippi, Regular Session 1980, codified in part as Sections 27-35-49 and 27-35-50, Mississippi Code of 1972 (the "Reappraisal Act"), provides that all real and personal property in the State shall be appraised at true value and assessed in proportion to true value. To insure that property taxes do not increase dramatically as the counties complete reappraisals, the Reappraisal Act provides for the limit on increase in tax revenues discussed below.

The statute limits ad valorem tax levies by the City subsequent to October 1, 1980, to a rate which will result in an increase in total receipts of not greater than ten

percent (10%) over the previous year's receipts, excluding revenue from ad valorem taxes on any newly constructed properties, any existing properties added to the tax rolls or any properties previously exempt which were not assessed in the next preceding year. This limitation does not apply to levies for the payment of the principal of and the interest on general obligation bonds issued by the City or to certain other specified levies. The limitation may be increased only if the proposed increase is approved by a majority of those voting in an election held on such question.

On August 20, 1980, the Mississippi Supreme Court rendered its decision in State Tax Commission v. Fondren, 387 So.2d 712, affirming the decree of the Chancery Court of the First Judicial District of Hinds County, Mississippi, wherein the Mississippi Department of Revenue (formerly the State Tax Commission) was enjoined from accepting and approving assessment rolls from any county in the State for the tax year 1983 unless the Mississippi Department of Revenue equalized the assessment rolls of all of the counties. Due to the intervening passage of the Reappraisal Act, the Supreme Court reversed that part of the lower court's decree ordering the assessment of property at true value (although it must still be appraised at true value), holding instead that assessed value may be expressed as a percentage of true value. Pursuant to the Supreme Court modification of the Chancellor's decree, on November 15, 1980, the Mississippi Department of Revenue filed a master plan to assist counties in determining true value. On December 7, 1983, the Chancery Court granted an extension until July 1, 1984, of its previous deadline past which the Mississippi Department of Revenue could not accept and approve tax rolls from counties which had not yet reappraised. The City has completed reappraisal.

### **Homestead Exemption**

The Mississippi Homestead Exemption Law of 1946 reduces the local tax burden on homes qualifying by law and substitutes revenues from other sources of taxation on the State level as a reimbursement to the local taxing units for such tax loss. Provisions of the homestead exemption law determine qualification, define ownership and limit the amount of property that may come within the exemption. The exemption is not applicable to taxes levied for the payment of the Bonds, except as hereinafter noted.

Those homeowners who qualify for the homestead exemption and who have reached the age of sixty-five (65) years on or before January 1 of the year for which the exemption is claimed, service-connected, totally disabled American veterans who were honorably discharged from military service and those qualified as disabled under the federal Social Security Act are exempt from any and all ad valorem taxes on qualifying homesteads not in excess of \$7,500 of assessed value thereof.

The tax loss resulting to local taxing units from properly qualified homestead exemptions is reimbursed by the Mississippi Department of Revenue. Beginning with the 1984 supplemental ad valorem tax roll and for each roll thereafter, no taxing unit shall be reimbursed an amount in excess of one hundred six percent (106%) of the total net reimbursement made to such taxing unit in the next proceeding year.

**Ten Largest Taxpayers<sup>14</sup>**

The ten largest taxpayers in the City for assessment year 2016 are as follows:

Taxpayer	Assessed Valuation	Taxes Collected
Cooper Tire	28,734,883.00	3,020,659.91
Tupelo 130/33/430	9,578,536.00	924,999.22
Walmart/Sams	8,305,192.00	802,032.39
JAV/VM Cleveland	3,466,774.00	334,786.37
Renasant Banks	3,226,657.00	311,598.26
Sunshine Mills	2,845,627.00	274,802.20
Belk	2,585,100.00	249,643.11
The Albano Group	2,499,231.00	200,458.61
Bancorp South	2,404,463.00	232,198.99
Lowe's	2,345,717.00	226,525.89
<b>TOTALS</b>	<b>\$100,991,369.00</b>	<b>\$9,942,676.28</b>

SOURCE: Office of the City Clerk; August 2017.

<sup>14</sup> Information available as of February 7, 2018.

**DEBT INFORMATION****Legal Debt Limit Statement**

(As of February 2018)

	15% Limit	20% Limit
Authorized Debt Limit (Last Completed Assessment for Taxation - \$515,769,538)	\$77,365,430	\$103,153,907
Present Debt Subject to Debt Limits	52,120,000	52,120,000
Margin for Further Debt Under Debt Limits	\$25,245,430	\$51,033,907

**Statutory Debt Limits**

The City is subject to a general statutory debt limitation under which no municipality in the State may incur general obligation bonded indebtedness in an amount which will exceed 15 percent of the assessed value of the taxable property within such municipality according to the last completed assessment for taxation.

In computing general obligation bonded indebtedness for purposes of such 15 percent limitation, there may be deducted all bonds or other evidences of indebtedness issued for school, water and sewerage systems, gas and light and power purposes and for the construction of special improvements primarily chargeable to the property benefited, or for the purpose of paying a municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefited. However, in no case may a municipality contract any indebtedness payable in whole or in part from proceeds of ad valorem taxes which, when added to all of its outstanding general obligation indebtedness, both bonded and floating, exceeds 20 percent of the assessed value of the taxable property within such municipality.

In arriving at the limitations set forth above, bonds issued for school purposes, bonds payable exclusively from the revenues of any municipally-owned utility, the Series 2008 Bonds, general obligation industrial bonds issued under the provisions of Sections 57-1-1 to 57-1-51, Mississippi Code of 1972, as amended, and special assessment improvement bonds issued under the provisions of Sections 21-41-1 to 21-41-53, Mississippi Code of 1972, as amended, are not included. Also excluded from both limitations are contract obligations subject to annual appropriations.

**Outstanding General Obligation Bonded Debt Subject to Debt Limits**

(As of February 2018)

<b>Issue</b>	<b>Date of Issue</b>	<b>Outstanding Principal</b>
General Obligation Refunding, Series 2011A	06/21/11	\$1,615,000
Taxable General Obligation Refunding, Series 2011B	06/21/11	3,210,000
General Obligation Bonds	12/01/11	3,335,000
General Obligation Bonds	11/01/12	5,400,000
General Obligation Bonds	04/01/13	5,520,000
General Obligation Bonds	09/01/13	2,330,000
General Obligation Bonds (MDB)	07/28/15	3,800,000
General Obligation Refunding Bonds	01/28/16	3,030,000
General Obligation Bond (MDB)	05/12/16	5,900,000
General Obligation Refunding Bonds	08/04/16	7,980,000
General Obligation Bonds (MDB)	11/14/17	10,000,000
<b>Total</b>		<b>\$52,120,000</b>

**Tax Increment Bonds<sup>15</sup>**

<b>Issue</b>	<b>Date of Issue</b>	<b>Outstanding Principal</b>
Tax Increment Limited Obligation Bonds	02/01/98	\$55,000
Tax Increment Limited Obligation Bonds	05/13/09	360,000
<b>Total</b>		<b>\$415,000</b>

<sup>15</sup> These bonds are payable as to principal and interest solely from the avails of a tax increment resulting from the taxation by the City of the "captured assessed value" of the project, and the property on which it is located, for which the improvements financed with the proceeds from these bonds benefited.

**Other Outstanding Long Term Debt**

<b>Issue</b>	<b>Date of Issue</b>	<b>Outstanding Principal</b>
Promissory Note (Capital Projects and Equipment Acquisition Program)	01/14/00	217,018.00
Special Assessment Public Improvement Bonds	08/01/00	100,000.00
General Obligation Water Bonds <sup>16</sup>	12/17/08	7,690,000.00
Lease Purchase (Equipment)	10/22/15	3,953,186.20
<b>Total</b>		<b>\$11,960,204.20</b>

SOURCE: Office of the City Clerk; February 2018.

<sup>16</sup> These bonds were issued pursuant to the provisions of Chapter 920, Local and Private Laws of Mississippi, Regular Session 1988, as amended by Chapter 967, Local and Private Laws of Mississippi, Regular Session 1994, and as further amended by Senate Bill No. 3214, Local and Private Laws of Mississippi, Regular Session 2007, as amended and supplemented from time to time and are not subject to the 15% or 20% debt limitation of the City.

FY Ending September 30	General Obligation Debt <sup>18</sup>		
	Principal	Interest	Total
2018	\$4,405,000.00	\$1,553,912.78	\$5,958,912.78
2019	\$4,780,000.00	\$1,920,912.47	\$6,700,912.47
2020	\$4,325,000.00	\$1,620,032.28	\$5,945,032.28
2021	\$4,480,000.00	\$1,486,565.03	\$5,966,565.03
2022	\$4,715,000.00	\$1,328,635.28	\$6,043,635.28
2023	\$3,200,000.00	\$1,164,366.28	\$4,364,366.28
2024	\$3,005,000.00	\$1,053,722.52	\$4,058,722.52
2025	\$3,140,000.00	\$958,433.77	\$4,098,433.77
2026	\$3,260,000.00	\$856,907.52	\$4,116,907.52
2027	\$3,025,000.00	\$750,760.02	\$3,775,760.02
2028	\$3,065,000.00	\$650,302.52	\$3,715,302.52
2029	\$2,965,000.00	\$547,503.77	\$3,512,503.77
2030	\$2,715,000.00	\$450,346.27	\$3,165,346.27
2031	\$2,875,000.00	\$359,966.27	\$3,234,966.27
2032	\$2,595,000.00	\$275,671.26	\$2,870,671.26
2033	\$2,755,000.00	\$196,983.13	\$2,951,983.13
2034	\$1,875,000.00	\$114,766.25	\$1,989,766.25
2035	\$1,300,000.00	\$64,360.00	\$1,364,360.00
2036	\$1,300,000.00	\$27,310.00	\$1,327,310.00
2037	\$700,000.00	\$525.00	\$700,525.00
2038	\$700,000.00	\$175.00	\$700,175.00
<b>Totals:</b>	<b>\$61,180,000.00</b>	<b>\$15,382,157.42</b>	<b>\$76,562,157.42</b>

APPENDIX E

<sup>17</sup> Includes debt service for General Obligation Water Bonds, dated 12/17/08 (the "2008 Bonds"). The 2008 Bonds are general obligations of the City payable as to principal and interest, to the extent that other moneys are not available for that purpose from Special Sales Tax revenues and Net Revenues, as hereafter defined, of the Northeast Mississippi Regional Water Supply District (the "District"), out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to rate or amount upon the taxable property within the geographical limits of the City; provided however, that such tax levy for any year shall be abated pro tanto to the extent the City on or prior to September 1 of that year has transferred money to the bond fund of the 2008 Bonds, or has made provisions for payment thereof, to be applied toward the payment of the principal of and interest on the 2008 Bonds due during the ensuing fiscal year of the City. The Special Sales Tax and the Net Revenues of the District are additional security for the 2008 Bonds. The Special Sales Tax is a 0.25% sales tax upon all sales and services within the City which are subject to the general rate of state sales tax (the "Special Sales Tax") authorized by the local and private legislation described in Footnote No. 18; and the Net Revenues, are the revenues of the wastewater system (the "System") of the District less operating costs for the System.

<sup>18</sup> As of February 7, 2018.

**General Obligation Bonded Debt**

	Fiscal Year Ended September 30				
	2017	2016	2015	2014	2013
G.O. Refunding Bonds (07/01/01)	-0-	-0-	\$ 125,000	\$ 750,000	\$ 1,350,000
G.O. Public Improvement Bonds (03/01/04)	-0-	-0-	720,000	1,430,000	2,095,000
G.O. Public Improvement Bonds (03/08/07)	-0-	-0-	5,165,000	5,790,000	6,390,000
G.O. Water Bonds (12/17/08)	\$8,000,000	\$8,295,000	8,575,000	8,840,000	9,095,000
G.O. Fairgrounds Project Refunding Bonds, Series A (6/21/11)	1,615,000	2,390,000	3,145,000	3,880,000	4,595,000
G.O. Taxable Fairgrounds Project Refunding Bonds, Series B (6/21/11)	3,210,000	3,675,000	4,130,000	4,570,000	5,000,000
G.O. Bonds (12/01/11)	3,495,000	3,595,000	3,695,000	3,795,000	3,895,000
G.O. Bonds (12/04/12)	5,520,000	5,640,000	5,760,000	5,880,000	6,000,000
G.O. Bonds (4/01/13)	5,520,000	5,640,000	5,760,000	5,880,000	6,000,000
G.O. Bonds (9/01/13)	2,330,000	2,505,000	2,675,000	2,840,000	3,000,000
G. O. Bonds (MDB) (7/28/15)	3,800,000	3,900,000	4,000,000	-0-	-0-
G. O. Refunding Bonds (1/28/16)	3,810,000	4,580,000	-0-	-0-	-0-
G. O. Bonds (MDB) (5/12/16)	5,900,000	6,000,000	-0-	-0-	-0-
G. O. Refunding Bonds (8/04/16)	7,980,000	9,230,000	-0-	-0-	-0-
<b>Total</b>	<b>\$51,180,000</b>	<b>\$55,450,000</b>	<b>\$43,750,000</b>	<b>\$43,655,000</b> 0	<b>\$47,420,000</b> 0

APPENDIX E

**Debt Ratios**

FY Ended September 30	General Obligation Debt	General Obligation Debt to Assessed Value
2017	\$51,180,000	9.92%
2016	55,450,000	10.75
2015	43,750,000	8.21
2014	43,655,000	8.22
2013	47,420,000	9.10

**Underlying General Obligation Indebtedness**

(As of August 2017)

	2010 Population	General Obligation Bonded Debt	General Obligation Bonded Debt Per Capita
Lee County	82,985	\$14,620,000 <sup>1</sup>	\$192.25

	Total General Obligation Bonded Debt
Tupelo Public School District	\$34,148,000 <sup>2</sup>

<sup>1</sup> Source: Office of the Lee County, MS Chancery Clerk, March 2017.

<sup>2</sup> Source: 2016 Audited Financial Statement of the District.

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**APPENDIX B**  
**FINANCIAL INFORMATION OF THE CITY**

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**FISCAL YEAR 2016  
AUDITED FINANCIAL STATEMENT**

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**FISCAL YEAR 2018 BUDGET**

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**APPENDIX C**  
**FORM OF BOND COUNSEL OPINION**

**FORM OF BOND COUNSEL OPINION**

Mississippi Development Bank  
Jackson, Mississippi

Re: \$\_\_\_\_\_,000 Mississippi Development Bank Special Obligation Bonds, Series 2018 (Tupelo, Mississippi Revenue Project), dated the date of delivery thereof (the "**Series 2018 Bonds**")

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the Mississippi Development Bank (the "**Issuer**") of the above described Series 2018 Bonds, pursuant to an Indenture of Trust (the "**Indenture**"), dated \_\_\_\_\_, 2018, by and between the Issuer and The Peoples Bank, Biloxi, Mississippi, as Trustee (the "**Trustee**"). The Series 2018 Bonds are being issued by the Issuer for the principal purpose of providing funds to fund a loan to the City of Tupelo, Mississippi (the "**City**") to finance certain public improvements in the City. We have examined the law and a certified transcript of proceedings of the Issuer relative to the authorization, issuance and sale of the Series 2018 Bonds and such other papers as we deem necessary to render this opinion, including (a) the tax covenants and representations of the Issuer made in the Indenture and in the Tax Regulatory Agreement and Non-Arbitrage Certificate, dated \_\_\_\_\_, 2018 (the "**Arbitrage Certificate**") by and among the Issuer, the City and the Trustee, and (b) representations of the City made in the Loan Agreement (the "**Loan Agreement**"), dated \_\_\_\_\_, 2018, by and between the City and the Issuer and in the Arbitrage Certificate. Together the covenants and representations made in the Indenture, the Loan Agreement and the Arbitrage Certificate are referred to herein as the "**Tax Representations and Covenants**".

Regarding facts material to our opinions, we have relied upon the certified transcript of proceedings of the Issuer and the City and other certificates of public officials, including the Tax Representations and Covenants, and have not undertaken to verify any facts by independent investigation.

Based upon our examination and subject to the qualifications that follow, we are of the opinion, as of the date hereof, as follows:

1. The Series 2018 Bonds are legal, valid and binding limited obligations of the Issuer enforceable in accordance with the terms thereof. The Series 2018 Bonds are payable from and secured only by the certain payments and funds to be received by the Issuer and the Trustee and pledged to the Series 2018 Bonds under the Indenture.

2. The Indenture is a valid and binding agreement of the Issuer enforceable in accordance with its terms. The Indenture creates the valid pledge which it purports to create in the Funds and Accounts and the Note (as such terms are defined in the Indenture), including the investments thereof (excepting therefrom the Rebate Fund), subject to the application thereof to the purposes and on the conditions permitted by the Indenture.

3. Under existing statutes, regulations, rulings and court decisions, subject to the assumption stated below, interest on the Series 2018 Bonds is excludable from gross income for federal income tax purposes. Furthermore, interest on the Series 2018 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. We express no opinion regarding other federal tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2018 Bonds. In rendering the opinion contained in this paragraph 3, we have assumed continuing compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "**Code**"), that must be met by the Issuer and the City after the issuance of the Series 2018 Bonds, including the Tax Representations and Covenants, in order that interest on the Series 2018 Bonds not be includable in gross income for federal income tax purposes. The failure to meet such requirements may cause interest on the Series 2018 Bonds to be includable in gross income for federal

income tax purposes retroactive to the date of issuance of the Series 2018 Bonds. The Issuer and the City have covenanted to comply with or to require compliance with the requirements of the Code in order to maintain the excludability of interest on the Series 2018 Bonds from gross income for federal income tax purposes.

4. Under and pursuant to the Act, the Series 2018 Bonds and interest thereon are exempt from all income taxes imposed by the State of Mississippi.

In rendering the opinion in paragraph 3 above, Bond Counsel has assumed the continuing compliance by the Issuer and the City with the Tax Representations and Covenants. These requirements relate to, *inter alia*, the use and investment of the gross proceeds of the Series 2018 Bonds, the use of any facility, equipment or improvement financed or refinanced directly or indirectly with the proceeds of the Series 2018 Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series 2018 Bonds have resulted in a failure of the Issuer or the City to comply with its covenants. Failure of the Issuer or the City to comply with the Tax Representations and Covenants could result in the interest on the Series 2018 Bonds becoming subject to federal income tax from the date of issue.

Owners of the Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of any other collateral federal income tax consequences.

It is to be understood that the rights of the owners of the Series 2018 Bonds and the enforceability of the Series 2018 Bonds, the Indenture and the Loan Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In this opinion letter issued in our capacity as Bond Counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of the Official Statement dated \_\_\_\_\_, 2018 regarding the Series 2018 Bonds, or any other statements made in connection with any offer or sale of the Series 2018 Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Series 2018 Bonds, except those specifically addressed herein.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certificates, resolutions, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We also have assumed the genuineness of the signatures appearing upon such public records, certifications, resolutions, documents and proceedings. In rendering this opinion we have relied upon the opinion of Balch & Bingham, LLP, Jackson, Mississippi, counsel for the Issuer, dated the date hereof, as to the due authorization and execution by and enforceability against the Issuer as to the Series 2018 Bonds and the Indenture.

This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur

Capitalized terms not defined herein shall have the meanings ascribed to such terms in the Indenture.

Very truly yours,

BUTLER SNOW LLP



**APPENDIX D**  
**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

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## CONTINUING DISCLOSURE CERTIFICATE

**THIS CONTINUING DISCLOSURE CERTIFICATE** (this "**Disclosure Certificate**") is executed and delivered by the City of Tupelo, Mississippi (the "**City**") in connection with the of issuance of \$\_\_\_\_,000 Mississippi Development Bank Special Obligation Bonds, Series 2018 (Tupelo, Mississippi Revenue Project), dated the date of delivery thereof (the "**Series 2018 Bonds**"). The Series 2018 Bonds are being issued pursuant to an Indenture of Trust (the "**Indenture**"), dated \_\_\_\_\_, 2018, between the Mississippi Development Bank (the "**Bank**") and The Peoples Bank, Biloxi, Mississippi, as trustee (the "**Trustee**"). The proceeds of the Series 2018 Bonds will be used by the Bank to make a loan (the "**Loan**") to the City pursuant to a Loan Agreement (the "**Loan Agreement**"), dated \_\_\_\_\_, 2018, between the City and the Bank. The proceeds of the Series 2018 Bonds will be used by the Bank to fund a loan to the City to finance the costs of various capital improvements in the City. The City covenants and agrees as follows:

**SECTION 1. Purpose of this Disclosure Certificate.** This Disclosure Certificate is being executed and delivered by the City for the benefit of the Registered Owners (defined below) and the Beneficial Owners (defined below) of the Series 2018 Bonds in order to assist the Participating Underwriter (defined below) in complying with the Rule (defined below).

**SECTION 2. Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"**Annual Report**" shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"**Dissemination Agent**" shall mean, initially, the City, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

"**Material Events**" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"**MSRB**" shall mean the Municipal Securities Rulemaking Board. As of the date hereof, the MSRB's required method of filing is electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at <http://emma.msrb.org>.

"**Participating Underwriter**" shall mean the original underwriters of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

"**Rule**" shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

### **SECTION 3. Provision of Annual Reports.**

a. The City shall, or shall cause the Dissemination Agent to, not later than twelve (12) months following the end of the City's fiscal year of each year, commencing twelve (12) months following the end of the City's fiscal year ending September 30, 2018, provide to the MSRB (in an electronic format as prescribed by the MSRB), an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report. The information to be updated may be reported in any format chosen by the City; it is not required that the format reflected in this Official Statement be used in future years.

b. If the City is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the City shall file or cause to be filed with the MSRB a notice in substantially the form attached as Exhibit "A" or in another form determined by the City in a timely manner.

c. The Dissemination Agent shall:

(1) determine each year prior to the date for providing the Annual Report the appropriate electronic format prescribed by the MSRB;

(2) if the Dissemination Agent is other than the City, send written notice to the City at least 30 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and

(3) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the entities to which it was provided.

**SECTION 4. Content of Annual Reports.** The City's Annual Report shall contain or incorporate by reference the following:

a. A copy of its annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial information, if available, or adopted budgets of the City will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

b. An update of the financial information of the type included in Exhibit B to this Disclosure Certificate.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet Web Site or filed with the SEC. The City shall clearly identify each such document incorporated by reference.

**SECTION 5. Reporting of Material Events.** The City shall file or cause to be filed with the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the events listed below with respect to the Bonds:

a. Principal and interest payment delinquencies;

b. Non-payment related defaults, if material;

c. Unscheduled draws on debt service reserves reflecting financial difficulties;

d. Unscheduled draws on credit enhancements reflecting financial difficulties;

e. Substitution of credit or liquidity providers or their failure to perform;

f. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

g. Modifications to rights of bondholders, if material;

h. Bond calls, if material, and tender offers;

- i. Defeasances;
- j. Release, substitution or sale of property securing repayment of the Bonds, if material;
- k. Rating changes;
- l. Bankruptcy, insolvency, receivership or similar event of the obligated person;
- m. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- n. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

**SECTION 6. Format; Identifying Information.** All documents provided to the MSRB pursuant to this Disclosure Certificate shall be in the format prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

As of the date of this Disclosure Certificate, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images and other non-textual elements are not required to be word-searchable.

**SECTION 7. Termination of Reporting Obligation.** The City's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the City shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

**SECTION 8. Dissemination Agent.** The City may, from time to time, appoint or engage a Dissemination Agent to assist the City in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

**SECTION 9. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The City will provide notice of such amendment or waiver to the MSRB.

**SECTION 10. Additional Information.** Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

**SECTION 11. Default.** In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause

the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

**SECTION 12. Beneficiaries.** This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**IN WITNESS WHEREOF**, the City has caused this Disclosure Certificate to be executed by a duly authorized officer, all as of this \_\_\_ day of \_\_\_\_\_, 2018.

(SEAL)

**CITY OF TUPELO, MISSISSIPPI**

By \_\_\_\_\_  
Mayor

ATTEST:

By \_\_\_\_\_  
City Clerk

**EXHIBIT A  
NOTICE OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Mississippi Development Bank  
Name of Conduit Borrower: City of Tupelo, Mississippi (the "City")  
Name of Bond Issue: \$\_\_\_\_,000 Mississippi Development Bank Special Obligation Bonds,  
Series 2018 (Tupelo, Mississippi Revenue Project) (the "Bonds")  
Date of Issuance: \_\_\_\_\_  
CUSIP Numbers:

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the Bonds as required by the Continuing Disclosure Certificate executed on \_\_\_\_\_ by the City. The City anticipates that the Annual Report will be filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_, \_\_\_\_\_

**EXHIBIT B**

Name of Issuer: Mississippi Development Bank  
Name of Conduit Borrower: City of Tupelo, Mississippi (the "**City**")  
Name of Bond Issue: \$\_\_\_\_,000 Mississippi Development Bank Special Obligation Bonds,  
Series 2018 (Tupelo, Mississippi Revenue Project) (the "**Bonds**")  
Date of Issuance: \_\_\_\_\_  
CUSIP Numbers:

**Government**

Name	Occupation	Position Held Since

**TAX INFORMATION**

**Assessed Valuation of the City<sup>1</sup>**

Assessment Year	Real Property	Personal Property	Public Utility Property	Mobile Homes	Auto-Mobiles	Total

**Tax Levy Per \$1,000 Valuation<sup>2</sup>**

City - General					
Operating Millage					
Debt Millage					
Total for City:					

<sup>1</sup> The total assessed valuation is approved in September preceding the fiscal year of the City and represents the value of real property, personal property and public utility property for the year indicated on which taxes are assessed for the following fiscal year's budget. For example, the taxes for the assessed valuation figures for 20\_\_ are collected starting in January, 20\_\_ for the 20\_\_-20\_\_ fiscal year budget of the City.

<sup>2</sup> Tax levy figures given is mills. The County levies a tax of nine cents per acre on all timbered and/or uncultivated land located in the County.

**Ad Valorem Tax Collections**

Fiscal Year Ended September 30	Amount Budgeted	Amount Collected	Difference Over/(Under)

**Outstanding General Obligation Bonded Debt**

(as of \_\_\_\_\_)

Issue	Date of Issue	Outstanding Principal

**Other Outstanding Debt**

(as of \_\_\_\_\_)

Issue	Date of Issue	Outstanding Principal

**APPENDIX E**  
**CERTAIN DEFINITIONS**

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The following words and phrases shall have the following meanings unless the context otherwise requires:

**Accounts**

"Accounts" shall mean the accounts created pursuant to Article VI of the Indenture.

**Act**

"Act" shall mean the Bank Act and the City Act.

**Additional Charges**

"Additional Charges" shall mean the payments required by Section 4.4 of the Loan Agreement.

**Administrative Expenses**

"Administrative Expenses" shall mean the reasonable and necessary fees, costs or expenses incurred or payable by the City to the Bank pursuant to the Loan Agreement or the Indenture, including, compensation and expenses paid to or incurred by the Trustee or any paying agent under the Loan Agreement or the Indenture.

**Annual Budget**

"Annual Budget" shall mean the budget or amended budget in effect as provided in or adopted pursuant to Section 6.6 of the Loan Agreement.

**Arbitrage Rebate Agreement**

"Arbitrage Rebate Agreement" shall mean the Arbitrage Rebate Agreement among the Bank, the City and the Trustee, dated as of \_\_\_\_\_, 2018 in connection with the Series 2018 Bonds.

**Authorized City Representative**

"Authorized City Representative" shall mean any person or persons at the time designated to act on behalf of the City by a written certificate, signed on behalf of the City by the Mayor or other duly authorized Person and the Clerk or other authorized member of the Governing Body or Person and furnished to the Bank and the Trustee, containing the specimen signature of each such person.

**Authorized Officer**

"Authorized Officer" shall mean the President, Vice President, Executive Director, Secretary or Assistant Secretary of the Bank or such other person or persons who are duly authorized to act on behalf of the Bank.

**Bank**

"Bank" shall mean the Mississippi Development Bank, a public body corporate and politic of the State, exercising essential public functions and organized under the provisions of the Bank Act.

**Bank Act**

"Bank Act" shall mean Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time.

**Bankruptcy Code**

"Bankruptcy Code" shall mean the Bankruptcy Reform Act of 1978, as amended from time to time.

**Basic Payments**

"Basic Payments" shall mean the payments required by Section 4.2 of the Loan Agreement.

**Beneficial Owner**

"Beneficial Owner" shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a DTC participant on the records of such DTC participant, or such person's subrogee.

**Bond Counsel**

"Bond Counsel" shall mean an attorney or firm of attorneys approved by the Mayor of the City and the Bank that is nationally recognized in the area of municipal law and matters relating to the exclusion of interest on state and local government bonds from gross income under federal tax law, including particularly compliance with Section 148(f) of the Code. Bond Counsel shall initially mean Butler Snow LLP, Ridgeland, Mississippi.

**Bond Documents**

"Bond Documents" shall mean the Indenture, the Loan Agreement, the Note, the Tax Intercept Agreement, the Tax Certificate and all other agreements, instruments, documents, notices of assignment, schedules, assignments, pledges, powers of attorney, leases, trust account agreements, certificates, consents, contracts, notices, and all other written matter and all amendments, modifications, supplements, extensions and restatements thereof and thereto, and all agreements, notes, documents or instruments delivered in substitution therefor, or in lieu thereof, whether heretofore, now, or hereafter executed by or on behalf of the City, or any other person which are delivered to the Trustee, the Bank or any participant with respect to the transactions contemplated in the Indenture.

**Bondholder**

"Bondholder", "Holder" or "holder of Bonds" or "owner of Bonds" or any similar term shall mean the Registered Owner of any Bond in whose name a Bond is registered in the Bond Register.

**Bond Insurance Policy**

"Bond Insurance Policy" shall mean the municipal bond insurance policy issued by the Bond Insurer guaranteeing the scheduled payment of the principal of and interest on the Series 2018 Bonds when due.

**Bond Insurer**

"Bond Insurer" or "Insurer" shall mean \_\_\_\_\_, or any successor thereto or assignee thereof.

**Bond Issuance Expense Account**

"Bond Issuance Expense Account" shall mean the account by that name created by Section 6.02 of the Indenture.

**Bond Register**

"Bond Register" shall mean the registration records of the Bank kept by the Trustee to evidence the registration and transfer of the Bonds.

**Bondholder**

"Bondholder", "Holder" or "holder of Bonds" or "owner of Bonds" or any similar term shall mean the Registered Owner of any Bond in whose name a Bond is registered in the Bond Register.

**Bonds**

"Bonds" shall mean the Series 2018 Bonds and any Refunding Bonds.

**Business Day**

"Business Day" shall mean any day other than (a) a Saturday, (b) a Sunday, (c) any other day on which banking institutions in New York, New York or Biloxi, Mississippi, are authorized or required not to be open for the transaction of regular banking business, (d) any day the City Hall in Tupelo, Mississippi is closed, or (e) a day on which the New York Stock Exchange is closed.

**Certificate**

"Certificate" shall mean, as the case may be, either (a) a signed document attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or (b) a signed document setting forth matters to be determined by an Authorized City Representative pursuant to the Loan Agreement.

**City**

"City" shall mean the City of Tupelo, Mississippi or any successor thereto.

**City Project**

"City Project" shall mean together, providing projects as authorized under the City Act, including but not limited to the (a) Electric System Project; and (b) Water & Sewer System Project.

**City Revenues**

"City Revenues" shall mean any lawfully available revenues of the City, which include, without limitation, available amounts of the City's General Fund.

**Closing Date**

"Closing Date" shall mean, in connection with the Series 2018 Bonds, the date on which the Series 2018 Bonds are delivered by the Bank to, and paid for by, the Underwriter.

**Code**

"Code" or "Internal Revenue Code" shall mean the Internal Revenue Code of 1986, as amended, and all applicable Treasury Regulations promulgated thereunder.

**Costs of Issuance**

"Costs of Issuance shall mean items of expense payable or reimbursable, directly or indirectly, by the Bank and related to the authorization, sale, validation, issuance and/or delivery of the Series 2018 Bonds and the Note, which items of expense shall include, but not be limited to, printing costs, costs of reproducing documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, professional consultants' fees, costs of credit ratings, fees and charges for execution, transportation and safekeeping of Series 2018 Bonds, credit enhancements or liquidity facility fees, fees and expenses of the Underwriter, and other costs, charges and fees in connection with the foregoing; and any other costs which are treated as "issuance costs" within the meaning of Section 147(g) of the Code.

**Costs of the City Project**

"Costs of the City Project" shall mean, together, the costs of an authorized project under the City Act, including but not limited to the (a) Costs of the Electric System Project; and (b) Costs of the Water & Sewer System Project.

**Costs of the Electric System Project**

Costs of the Electric System Project" shall mean, to the extent permitted by the Act and the Code and as applicable, whether incurred prior to or after the date of the Indenture, all moneys necessary to fund the Electric System Project.

**Costs of the Water & Sewer System Project**

Costs of the Water & Sewer System Project" shall mean, to the extent permitted by the Act and the Code and as applicable, whether incurred prior to or after the date of the Indenture, all moneys necessary to fund the Water & Sewer System Project.

**Counsel**

"Counsel" shall mean an attorney duly admitted to practice law before the highest court of any state and approved by the Bank and the Trustee.

**Discharge Date**

"Discharge Date" shall mean the date on which all Outstanding Bonds are discharged under Article IX of the Indenture.

**DTC**

"DTC" shall mean The Depository Trust Company.

**DTC Participants**

"DTC Participants" shall have the meaning ascribed thereto in Section 2.07 of the Indenture.

**Electric System**

"Electric System" shall mean the electric system of the City.

**Electric System Project**

"Electric System Project" shall mean improvement, repair and extension of the Electric System.

**Electric Project Capital Improvements Fund**

"Electric Project Capital Improvements Fund" shall mean the fund by that name established by Section 5.1 of the Loan Agreement.

**Electric Project Loan Account**

"Electric Project Loan Account" shall mean the account by that name created by Section 6.02 of the Indenture.

**Fiscal Year**

"Fiscal Year" shall mean, when used with respect to the Bank, the Bank's fiscal year being the 12 month period from July 1 through the following June 30 or such other twelve-month period as may be established by the Bank as its fiscal year and, with respect to the City, a period beginning on October 1 in any year and ending on September 30 of the following year or such other twelve-month period as may be adopted by the City in accordance with law.

**Funds**

"Funds" shall mean the funds created pursuant to Article VI of the Indenture (other than the Rebate Fund).

**General Account**

"General Account" shall mean the account by that name created by Section 6.02 of the Indenture.

**General Fund**

"General Fund" shall mean the fund by that name created by Section 6.02 of the Indenture.

**Governing Body**

"Governing Body" shall mean the Mayor and City Council of the City.

**Indenture**

"Indenture" shall mean the Indenture of Trust, dated \_\_\_\_\_, 2018, by and between the Bank and Trustee, as the same may from time to time be amended or supplemented as therein provided.

**Interest Payment Date**

"Interest Payment Date" shall mean any date on which interest is payable on the Series 2018 Bonds, and for the Series 2018 Bonds, \_\_\_\_ 1 and \_\_\_\_ 1, commencing \_\_\_\_ 1, 20\_\_.

**Investment Securities**

"Investment Securities" means any of the following to the extent such investments are permitted by State law: (a) obligations of the State, any municipality of the State or the United States of America rated at least "A" by S&P or Moody's; (b) obligations the principal and interest of which are fully guaranteed by the State or the United States of America; (c) obligations of any corporation wholly owned by the United States of America; (d) obligations of any corporation sponsored by the United States of America which are or may become eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System; (e) obligations of insurance firms or other corporations whose investments are rated "AA" or better by recognized rating companies; (f) certificates of deposit or time deposits of qualified depositories of the State as approved by the State Depository Commission, secured in such manner, if any, as the Bank shall determine; (g) contracts for the purchase and sale of obligations of the type specified in items (a) through (e) above; (h) repurchase agreements secured by obligations specified in items (a) through (e) above; or (i) money market funds, rated "AAM" or "AAM-G" or better by S&P, the assets of which are required to be invested in obligations specified in items (a) through (f) above.

**Loan**

"Loan" shall mean the loan of the Net Proceeds by the Bank to the City as described in the Loan Agreement.

### **Loan Agreement**

"Loan Agreement" shall mean, the Loan Agreement by and between the City and the Bank, dated \_\_\_\_\_, 2018.

### **Moody's**

"Moody's" shall mean Moody's Investors Service, Inc., a Delaware corporation, its successors and assigns and, if dissolved or liquidated or if it no longer performs the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City (with the approval of the Bank and the Bond Insurer) by written notice to the Trustee.

### **Net Bond Proceeds**

"Net Bond Proceeds" shall mean proceeds from the sale of the Series 2018 Bonds at the public offering price including accrued interest, if any, from the dated date of the Series 2018 Bonds to the date of delivery thereof, including interest earnings thereon.

### **Net Proceeds**

"Net Proceeds" shall mean Net Bond Proceeds, including any interest earnings thereon, less (a) accrued interest, if any, and (b) such Net Bond Proceeds used to pay or reimburse for the payment of Costs of Issuance and any other neutral costs.

### **Note**

"Note" shall mean the \$\_\_\_\_,000 Promissory Note (Tupelo, Mississippi Revenue Project), dated \_\_\_\_\_, 2018, of the City to the Bank attached as Exhibit A to the Loan Agreement.

### **Note Payment**

"Note Payment" shall mean the amounts paid or required to be paid, from time to time, for principal of, premium, if any, and interest on the Note held by the Trustee pursuant to the Indenture.

### **Opinion of Bond Counsel**

"Opinion of Bond Counsel" shall mean an opinion by a nationally recognized firm experienced in matters relating to the tax exemption for interest payable on obligations of states and their instrumentalities and political subdivisions under federal law, and which is acceptable to the Bank, the Bond Insurer and the Trustee.

### **Opinion of Counsel**

"Opinion of Counsel" shall mean a written opinion of Counsel addressed to the Trustee and the Bond Insurer, for the benefit of the owners of the Bonds, who may (except as otherwise expressly provided in the Indenture) be Counsel to the Bank or Counsel to the owners of the Bonds and who is acceptable to the Trustee and the Bond Insurer.

### **Outstanding**

"Outstanding" or "Bonds Outstanding" shall mean all Bonds which have been authenticated and delivered by the Trustee under the Indenture, including Bonds held by the Bank, except:

- (c) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity;
- (d) Bonds deemed paid under Article IX of the Indenture; and

(e) Bonds in lieu of which other Bonds have been authenticated under Section 3.05, 3.06 or 3.10 of the Indenture.

**Program**

"Program" shall mean the program for entering into a loan with Local Governmental Units by the Bank pursuant to the Bank Act.

**Program Expenses**

"Program Expenses" shall mean all of the fees and expenses of the Trustee and the Bank and costs of determining the amount rebatable, if any, to the United States of America under Section 6.11 of the Indenture, all to the extent properly allocable to the Program and approved in writing by the Bank.

**Rebate Fund**

"Rebate Fund" shall mean the fund by that name created by Section 6.02 of the Indenture.

**Record Date**

"Record Date" shall mean, with respect to any Interest Payment Date, the fifteenth day of the calendar month next preceding such Interest Payment Date.

**Redemption Account**

"Redemption Account" shall mean the account by that name created by Section 6.02 of the Indenture.

**Redemption Date**

"Redemption Date," when used with respect to any Bond to be redeemed, shall mean the date on which it is to be redeemed pursuant to the Indenture.

**Redemption Price**

"Redemption Price" shall mean, with respect to any Bond, the principal amount thereof, plus the applicable premium, if any, payable upon redemption prior to maturity.

**Refunding Bonds**

"Refunding Bonds" shall mean Bonds issued pursuant to Sections 2.04 and 2.05 of the Indenture and any Supplemental Indenture.

**Registered Owner**

"Registered Owner" shall mean the person or persons in whose name any Bond shall be registered on the Bond Register.

**Revenues**

"Revenues" shall mean the Funds and Accounts and all income, revenues and profits of the Funds and Accounts referred to in the granting clauses of the Indenture including, without limitation, all Note Payments, any Tax Monies and any additional amount paid to the Trustee under the Loan Agreement or the Note.

**Series 2018 Bonds**

"Series 2018 Bonds" shall mean the \$\_\_\_\_\_,000 Mississippi Development Bank Special Obligation Bonds, Series 2018 (Tupelo, Mississippi Revenue Project) issued pursuant to Section 2.01 of the Indenture.

**S&P**

"S&P" shall mean Standard & Poor's Credit Market Services, a division of The McGraw Hill Companies, Inc., a New York corporation, its successors and assigns and, if dissolved or liquidated or if it no longer performs the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City (with the approval of the Bank and the Bond Insurer) by written notice to the Trustee.

**State**

"State" shall mean the State of Mississippi.

**Supplemental Indenture**

"Supplemental Indenture" shall mean an indenture supplemental to or amendatory of the Indenture, executed by the Bank and the Trustee in accordance with Article XII of the Indenture.

**Tax Certificate**

"Tax Certificate" shall mean the City's Tax Certificate delivered as of the Closing Date.

**Tax Intercept Agreement**

"Tax Intercept Agreement" shall mean the Tax Intercept Agreement, dated \_\_\_\_\_, 2018, by and between the City and the Bank, and accepted by the Trustee.

**Tax Monies**

"Tax Monies" shall have the meaning given to it in Section 5.11 of the Indenture.

**Treasury Regulations**

"Treasury Regulations" shall mean all proposed, temporary or permanent federal income tax regulations then in effect and applicable.

**Trustee**

"Trustee" shall mean The Peoples Bank, or any successor trustee appointed, qualified and then acting as such under the provisions of the Indenture.

**Trust Estate**

"Trust Estate" shall mean the property, rights, and amounts pledged and assigned to the Trustee pursuant to the granting clauses of the Indenture.

**Underwriter**

"Underwriter" shall mean Raymond James & Associates, Inc.

**Water & Sewer System**

"Water & Sewer System" shall mean the combined water and sewer system of the City.

**Water & Sewer System Project**

"Water & Sewer System Project" shall mean improvement, repair and extension of the Water & Sewer System.

**Water & Sewer Project Capital Improvements Fund**

"Water & Sewer Project Capital Improvements Fund" shall mean the fund by that name established by Section 5.1 of the Loan Agreement.

**Water & Sewer Project Loan Account**

"Water & Sewer Project Loan Account" shall mean the account by that name created by Section 6.02 of the Indenture.

**APPENDIX F**  
**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

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Revised Item 7.3



**To:** Mayor & City Council  
**From:** Kim Hanna  
**Date:** February 20, 2018  
**Re:** Review/Approve/Reject Advertising and Promotion Expense

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The following expenditures are requested to be approved for the purpose of advertising and bringing into favorable notice the opportunities, possibilities and resources of the City of Tupelo.

Our Mississippi Honors – Admin	\$1,500.00
Lee County Courier – TWL – Lighting & Water Heater Credit	
Remainder of 2018	\$4,500.00
Daily Journal – Church Sponsor – TWL - 2018	\$ 338.00
Daily Journal – Journal of Homes – TWL - 2018	\$2,400.00
Itawamba Community College – Bluegrass Concert	
TWL and City of Tupelo	\$1,000.00
Our Mississippi Honors	

The proposed expenditures are included in the operating budget of the City of Tupelo.

# Memo

**To:** Distinguished Members of the City Council  
Honorable Mayor Jason Shelton

**From:** Terri Blissard *TB*

**Date:** February 15, 2018

**Re:** Homeland Security Grant for EOD Unit

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Please find attached for your approval a new grant from the Mississippi Office of Homeland Security. This \$52,000 grant requires no match and will be used to purchase a specialized X-ray system and wireless controller for the EOD unit.



STATE OF MISSISSIPPI  
DEPARTMENT OF PUBLIC SAFETY  
OFFICE OF HOMELAND SECURITY

PHIL BRYANT  
GOVERNOR

MARSHALL L. FISHER  
COMMISSIONER

**SUBRECIPIENT GRANT AWARD**

Subrecipient: **CITY OF TUPELO POLICE DEPARTMENT BOMB TEAM  
(HDX Mini, Nex-Ray Wireless Kit, XTK Controller for Next Ray HDX)**

Project Title(s): Homeland Security Grant Program

Grant Period: 02-01-18 – 12-31-18      Date of Award: 02-01-18

Total Amount of Award: **\$52,000.00**      Grant No.: **17LE366B**

In accordance with the provisions of Federal Fiscal Year 2016 Homeland Security Grant Program, the Mississippi Office of Homeland Security (MOHS), State Administrative Agency (SAA), hereby awards to the foregoing Subrecipient a grant in the federal amount shown above. The CFDA number is 97.067 and MOHS federal grant number is **EMW-2017-SS-00011**. Authorizing Authority for Program: Section 2002 of the *Homeland Security Act of 2002*, as amended (Pub. L. No. 107-296), (6 U.S.C. 603).

**Payment of Funds:** The original signed copy of this Award must be signed by the Official Authorized to Sign in the space below and returned to the MOHS **no later than March 15, 2018. The grant shall be effective upon return of this form and final approval the MOHS of the grant budget and program narrative.** Grant funds will be disbursed to subgrantees (according to the approved project budget) upon receipt of evidence that funds have been invoiced and products received and/or that funds have been expended (i.e., invoices, contracts, itemized expenses, etc.).

**I certify that I understand and agree that funds will only be expended for those projects outlined in the funding amounts as individually listed above.** I also certify that I understand and agree to comply with the general and fiscal terms and conditions of the grant including special conditions and the Mississippi Department of Public Safety, Office of Homeland Security, Homeland Security Grant Program, Policies and Procedures Manual; to comply with provisions of the Act governing these funds and all other federal laws and regulations; that all information is correct; that there has been appropriate coordination with affected agencies; that I am duly authorized to commit the applicant to these requirements; that costs incurred prior to grant application approval will result in the expenses being absorbed by the subrecipient; and that all agencies involved with this project understand that all federal funds are limited to a twelve-month period.

**Supplantation:** The Act requires that subrecipients provide assurance that subrecipient funds will not be used to supplant or replace local or state funds or other resources that would otherwise have been available for homeland security activities. In compliance with that mandate, I certify that the receipt of federal funds through the MOHS shall in no way supplant or replace state or local funds or other resources that would have been made available for homeland security activities.

ACCEPTANCE FOR THE SUBRECIPIENT

Toni Blusard  
Signature of Official Authorized to Sign

[Signature]  
Signature of MOHS Director

SUBRECIPIENT AWARD NOTICE: THIS AWARD IS SUBJECT TO THE GRANT SPECIAL CONDITIONS AND FINAL APPROVAL BY THE MOHS OF THE SUBRECIPIENT'S GRANT PROGRAM BUDGET AND NARRATIVE.

**GRANT RECIPIENT AGREEMENT**

1. The designated representative certifies that he/she has legal authority to receive assistance.
2. The Applicant shall provide all necessary financial and managerial resources to meet the terms and conditions of receiving Federal and State assistance.
3. The Applicant shall use awarded funds solely for the purpose for which these funds are provided and as approved by the DPS Authorized Representative.
4. The Applicant is aware of and shall comply with cost-sharing requirements, if applicable.
5. The Applicant shall establish and maintain a proper accounting system to record expenditures of awarded funds in accordance with generally accepted accounting standards and OMB Circulars 2 CFR 200 as applicable and/or as directed by the DPS Authorized Representative.
6. The Applicant shall comply with the Single Audit Act of 1984 and will provide copies of audit reports when issued, 44CFR Part 14.
7. The Applicant shall give State and Federal agencies designated by the DPS Authorized Representative access to and the right to examine all records and documents related to use of award funds.
8. The Applicant shall return to the State, within thirty (30) days of such request by the DPS Authorized Representative, any advance funds which are not supported by audit or other Federal or State review of documentation by the Applicant.
9. The Applicant shall comply with all applicable provisions of Federal and State laws and regulations in regard to procurement of goods and services.
10. The Applicant shall comply with regulations implementing the Drug-Free Workplace Act of 1988, 44CFR Part 17, Subpart F.
11. The Applicant shall comply with all Federal and State statutes and regulations relating to non-discrimination.
12. The Applicant shall comply with provisions of the Hatch Act limiting political activities of public employees and 44CFR Part 18, New Restrictions on Lobbying.
13. The Applicant shall comply, as applicable, with provisions of the Davis-Bacon Act relating to labor standards.
14. The Applicant shall not enter into any contracts or purchase merchandise from any party or vendor which is disbarred or suspended from participating in Federal assistance programs.

Terri Blissard  
Grant Recipient Representative

2-15-18  
Date

MISSISSIPPI OFFICE OF HOMELAND SECURITY

STATE HOMELAND SECURITY GRANT PROGRAM SPECIAL CONDITIONS

\* \* \* \* \*

- 1. All sub-grantees must comply with the National Incident Management System (NIMS) minimum requirements...
2. All sub-grantees must comply and be familiar with Homeland Security Presidential Directive-8...
3. All sub-grantees are required to modify their existing incident management and emergency operations plans...
4. All sub-grantees are required by the Office of Domestic Preparedness to use the Global Justice Data Model specifications...
5. Prior to the obligation or expenditure of any funds awarded through this grant, the Sub-recipient must become a legal signatory...
6. All SHSP sub-grantees must fully engage citizens by expanding plans and task force memberships...
7. Recurring costs/fees are not allowable for funding under the 2006 HSGP. Internet service fees, radio service fees, cellular phone fees...
8. Position descriptions for each person to be paid with grant funds and organizational chart identifying grant funded position(s).
9. A physical inventory of property and equipment (as defined in Section IV, D.) must be taken and the results reconciled with the property control form at least once every two years.
10. The MOHS requires that property acquired with grant funds be tagged and tracked using a computer-based inventory system.
11. The FCC has chosen the Project 25 suite of standards for voice and low-moderate speed data interoperability.
12. The Budget Worksheet and/or Budget Narrative pages for this grant need to be revised before obligation of any grant funds.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above conditions.

Signature of the Chief Executive Officer

3-6-18 Date

**STATE OF MISSISSIPPI  
AND  
GOVERNOR PHIL BRYANT**



**HOMELAND SECURITY  
COOPERATIVE AGREEMENT**

**Between**

**CITY OF TUPELO POLICE DEPARTMENT  
BOMB TEAM**

**AND**

**MISSISSIPPI DEPARTMENT OF PUBLIC SAFETY**



## **HOMELAND SECURITY COOPERATIVE AGREEMENT (CA)**

On behalf of Governor Phil Bryant, this Cooperative Agreement is entered into between the Department of Public Safety, Office of Homeland Security, hereto referred to as *Recipient*, and the City of Tupelo Police Department Bomb Team hereto referred to as Sub-recipient.

### **Article I. Purpose**

The purpose of this Cooperative Agreement (CA) is to utilize 100% federal funding (no match required) provided through FEMA, U.S. Department of Homeland Security to enhance capabilities within the State of Mississippi to respond to acts of domestic and international terrorism including the use of weapons of mass destruction. The Department of Public Safety, Office of Homeland Security will accomplish this by prioritizing and facilitating the delivery and use of federal financial assistance as identified in the published Office for Domestic Preparedness Homeland Security Grant Program Guidance (attached). This enables the Sub-recipient to exercise management discretion and control in achieving the specified objectives of this Cooperative Agreement within the State of Mississippi. It is intended that this partnership will result in the development of a competent and sustainable system designed to provide prevention/deterrence and emergency response to a potential terrorism event within the State.

### **Article II. Budget Narrative**

The objectives outlined within the performance period of this Cooperative Agreement will be supportive of the priorities defined in the State Homeland Security Three-Year Strategic Plan in the form of equipment, planning, training, exercise, management and administration funding and shall be in compliance with FEMA Homeland Security Grant Program Guidance.

### **Article III. Period of Performance**

The period of performance for this Cooperative Agreement shall begin on the date of acceptance of the **SUBRECIPIENT AWARD** execution and shall continue through the period of SUBRECIPIENT AWARD unless terminated by the Department of Public Safety. Future SUBRECIPIENT AWARDS for supporting the requirements of the jurisdiction may be awarded under the terms of this agreement through additional sub grants so long as all signatory officials remain unchanged.

## Article IV. Reports

The Quarterly Report and financial reports: Request for reimbursement is due within 30 days after each reporting quarter: 1<sup>st</sup> Quarter, October-December, 2<sup>nd</sup> Quarter, January-March; 3<sup>rd</sup> Quarter, April-June; 4<sup>th</sup> Quarter, July-September.

The Quarterly and Progress reports must be submitted so that progress can be tracked and outcomes evaluated.

## Article V. Roles and Responsibilities

### A. Local *Sub recipient* General Guidance

1. The local *Sub-recipient* shall develop and improve their capability to combat the affects of a terrorism event. This is accomplished through the purchase of specialized equipment as identified in the published OJP selected equipment list or support of planning, exercises or training activities associated with the prevention, response or recovery from terrorism incidents.
2. The chief elected official is responsible for committing to the terms of this CA, budgeting local funds to purchase equipment or support jurisdictional exercise, training and planning efforts for executing this CA on behalf of the Sub-recipient's jurisdiction.
3. The Sub-Recipient shall designate a *Sub-recipient* public official as the Sub-recipient Grant Administrator (SGA) for developing and attaching the CA scope of work to Appendices A & B, obtaining project approval from respective officials, reporting, submitting applications to Recipient, equipment distribution, training, and obtaining and submitting supporting documentation and requests for reimbursement on behalf of the Sub-recipient to *Recipient* for repayment. **The SGA shall be responsible for reporting to the Mississippi Office of Homeland Security (MSOHS) via the Biannual Strategy Implementation Report (BSIR)**

### B. Local Homeland Security Program Guidance

The Homeland Security Grant Program (HSGP) through the State Homeland Security Program (SHSP) provides funds for homeland security and emergency operations planning; the purchase of specialized

equipment to enhance the capability of State and local agencies to prevent, respond to, and mitigate incidents of terrorism involving the use of chemical, biological, radiological, nuclear, and explosive (CBRNE) weapons and cyber attacks; for costs related to the design, development, and conduct of a State CBRNE and cyber security training programs and attendance at ODP-sponsored CBRNE training courses; for costs related to the design, development, conduct, and evaluation of CBRNE and cyber security exercises; and for costs associated with implementing State Homeland Security Assessments and Strategies (SHSAS). See Annex A (Local Homeland Security Program) for specific guidance, policies, and reporting requirements.

**C. State Recipient**

1. The *Recipient* shall be the Department of Public Safety, Office of Homeland Security, acting on behalf of the State of Mississippi.
2. The Commissioner of the Department of Public Safety (DPS) or the Commissioner's Designee is the state signatory official and shall be the principal state official responsible for committing the state to the terms of this agreement. The DPS Commissioner, or his designee acting in the absence of the Commissioner, will exercise final approval authority of all *Sub-recipient* applications, grant awards, allocations, and requests for reimbursements and for ensuring overall *Recipient* administration.
3. The DPS, Office of Homeland Security, is designated the Recipient Point-of- Contact (POC) for assisting the *Sub-recipient* in developing the authorized equipment purchase list, specialized training requirements, and for providing overall day-to-day program management.

**D. Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms**

The SAA will take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps will include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources.
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.

4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration, the Minority Business Development Agency of the Department of Commerce and MS Development Authority Office of Minority Business.
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

## Article VI. Funding Consideration

The *Recipient* POC will receive and review *Sub-recipient's* application and forward to the SAA Director for approval. After approval the *Recipient* will issue a sub-recipient award letter, which authorizes the *Sub-recipient* to expend local funds and be reimbursed pursuant to the terms of this CA. **Local funds expended prior to the date of the award letter are not authorized to be reimbursed.**

When the *Sub-recipient* has expended funds awarded, the SGA will prepare and submit a Request for Reimbursement to the *Recipient POC*. This request shall contain all appropriate supporting documentation to substantiate expenses made in accordance with all applicable requirements. The *Recipient POC* will review the reimbursement package for completeness and forward to the *Recipient* Office of the Comptroller for payment.

- A. The *Recipient* will not be liable under this Agreement for any amount greater than the award allocated by the Office for Domestic Preparedness to the State for the grant performance period.
- B. No cost or obligation shall be incurred by the *Recipient* under this Agreement unless and until the *Recipient* advises the *Sub-recipient* in writing that the application has been approved and funds are available.
- C. Reimbursement will be made by the *Recipient* to the *Sub-recipient* based on the **Mississippi Sub-recipient Reporting Worksheet**. Required documentation must accompany the worksheet.
- D. Reimbursement is contingent upon the funds being expended in accordance with all applicable local and state regulations, as well as Federal regulations, policies, guidelines, and submission for reimbursement made in accordance with the SAA's grant policies and procedures manual.
- E. *Sub-recipient's* requests for advance of funds to support purchases of equipment or other expenditures must be requested in writing to the recipient POC explaining the justification for the request. Reasons, i.e.,

shortage of local funds or items not contained in current annual jurisdictional budget must be accompanied by purchase orders.

- F. *Sub-recipient's* Request for Reimbursement and other required financial reports will be submitted to the *Recipient* with a copy of all receipt(s) or invoices showing that authorized equipment or other expenditures such as personnel, supplies, etc. has been paid for in-full by *Sub-recipient* and attached to an approved grant application.

## **Article VII. Maintenance, Replacement costs and Use of Equipment, Sell & Disposal**

- A. Equipment purchased under the terms of this CA will be stored, maintained and used in accordance with the purpose and objectives of this Cooperative Agreement. The equipment may be used for terrorism training and exercise purposes and in response to an actual terrorism event. If the equipment is used in response to a non-terrorist related event, then any maintenance or replacement costs will be the sole responsibility of the *Sub-recipients*.
- B. The sub-recipient is required to maintain an equipment inventory list that contains the following information: equipment description, identification/serial number, title holder, acquisition date, cost, percentage of federal funds used in the cost, location, use and condition, and disposition date.
- C. Instructions on how to sell and/or dispose of equipment, please visit our website at [www.homelandsecurity.ms.gov](http://www.homelandsecurity.ms.gov). (Click on the tab Grants / Grant Forms)

## **Article VIII. Nonperformance**

Failure by the *Sub-recipient* to comply with the terms of this Cooperative Agreement may result in suspension from the program and loss of any outstanding grant fund allocation balance, as determined by the *Recipient*. Failure to expend all grant funds awarded (by date stated on Awards Letter) and to comply with Recipient request and guidelines will result in the reallocation of unspent grant funds and the immediate redistribution of all equipment purchased with grant funds. In addition, the failure to maintain adequate response capability (as determined by the MOHS) will also result in the reallocation of grant funds and the immediate redistribution of all equipment purchased with grant funds.

## **Article IX. Administrative Provisions**

The *Recipient* and *Sub-recipient* agree to carry out the administrative and financial requirements of this Agreement in accordance with the policies and procedures established by FEMA and set forth in other applicable state and federal guides. The Biannual Strategy Implementation Report (BSIR) will update information on obligations, expenditures, and progress made on activities and will include an update of all information submitted in that report.

### **C. Other Provisions**

1. Nothing in this agreement is intended to conflict with current laws or regulations of Mississippi or your jurisdiction. If a term of this agreement is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this agreement shall remain in full force and effect.
2. Sub-recipient is required to ensure that grant monies are used to support all Emergency Service related agencies and departments, specifically law enforcement, fire and rescue. Senior officials of these agencies must sign this agreement and familiarize themselves with the rules and regulations governing each grant program. They are encouraged to work together in determining and prioritizing their needs and requirements prior to submitting their plan.
3. If the sub-recipient (organization/jurisdiction) expends \$500,000 or more in federal funds (from all sources including pass-through sub awards) in the sub-recipient's (organization/jurisdiction) fiscal year (12-month turnaround reporting period) is required to have a single organization/jurisdiction wide audit conducted in accordance with 2 CFR 200.
4. All final requests for reimbursement must be received in the Mississippi Office of Homeland Security no later than 45 days after the period of performance.
5. Sub-recipient is required to complete EHP Review as required for Equipment Purchases and any type of Construction.
6. All sub-recipients (and or jurisdictions) must also maintain membership in the Emergency Management Assistance Compact (EMAC) to facilitate the mutual aid of capabilities in order to be eligible for Department of Homeland Security (DHS) grant funding and reimbursement of DHS grant funds.

7. **Effective October 1, 2010 ALL sub-recipients are required to have and furnish a Dun and Bradstreet Data Universal Numbering System (DUNS) number to the Mississippi Office of Homeland Security as a component of the Article IX. A DUNS number is the nine digit number established and assigned by Dun and Bradstreet, Inc (D&B) to uniquely identify business entities. If your jurisdiction does not have a DUNS number, one may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).**

**NO GRANT AWARD LETTER WILL BE ISSUED WITHOUT THE SUB RECIPIENT HAVING A DUNS NUMBER.**

## **Article X. Monitoring**

### **A. Management Decision**

Management will evaluate audit findings, questioned costs and corrective action plans. The issuance of a written decision will be issued to the sub-recipient, which will entail whether or not the audit finding is sustained; the reasons for the decision; the expected action of the sub-recipient to repay any disallowed costs, make financial adjustments or take other actions; the reference number(s) the auditor assigned to each audit finding; and a description of any appeal process available to the sub-recipient regarding the management decision, as required by 2 CFR 200.521. If the sub-recipient has not completed corrective action, a timetable follow-up will be given.

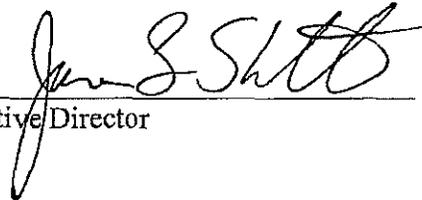
### **B. Audit Review Follow-Up**

- Contacts sub-recipient(s) for additional information as needed.
- Determines course of action for federal program audit findings, financial statement audit findings, negative disclosures (such as financial capacity concerns) and schedule of expenditures of federal awards deficiencies. Depending on the issue or combination of issues, procedures may be modified to ensure efficient and effective resolution.
- Updates the status of each audit review until all follow-up actions are completed and the file is closed.

**Article XI. Execution**

IN WITNESS WHEREOF, the parties names herein have duly executed this Cooperative Agreement on the date set forth below:

**SUBRECIPIENT: CITY OF TUPELO POLICE DEPARTMENT BOMB TEAM  
ATTEST:**

By:  Date: 3-6-18  
Executive Director

**DUNS Number:** 08-326-7666

**APPROVED:** State of Mississippi

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Mark McKee, Executive Director  
Mississippi Office of Homeland Security

**LAW ENFORCEMENT TERRORISM PREVENTION  
GRANT PROGRAM**



- Costs associated with the implementation and adoption HSPD-8 initiatives
- Costs associated with the implementation and adoption of NIMS
- Costs associated with the modifying existing incident management and emergency operations plans to ensure proper alignment with the NRP coordinating structures, processes, and protocols
- Establishment or enhancement of mutual aid agreements
- Development of communications and interoperability protocols and solutions
- Conducting local, regional, and tribal program implementation meetings
- Developing or updating resource inventory assets in accordance to typed resource definitions issued by the NIC
- Design state and local geospatial data systems
- Development of related critical infrastructure terrorism prevention activities including:
  - Planning for enhancing security during heightened alerts, during terrorist incidents and/or during mitigation and recovery
  - Public information/education: printed and electronic materials, public service announcements, seminars/town hall meetings, web postings coordinated through local Citizen Corps Councils
  - Citizen Corps activities in communities surrounding critical infrastructure sites, including Neighborhood Watch, VIPS, and other opportunities for citizen participation
  - Evaluating CIP security equipment and/or personnel requirements to protect and secure sites
  - CIP cost assessments, including resources (financial, personnel, etc.) required for security enhancements/deployments.

**Develop and enhance plans and protocols, including but not limited to:**

- Develop or enhance emergency operations plans and operating procedures
- Develop terrorism prevention/deterrence plans
- Develop plans, procedures, and requirements for the management of infrastructure and resources related to HSGP and implementation of State or Urban Area Homeland Security Strategies
- Develop or enhance border security plans
- Develop or enhance cyber security plans
- Develop or enhance cyber risk mitigation plans
- Develop or enhance agriculture/food security risk mitigation, response, and recovery plans
- Develop public/private sector partnership emergency response, assessment, and resource sharing plans
- Develop or update local or regional communications plans
- Development of plans to support and assist special needs jurisdictions, such as port authorities and rail and mass transit agencies
- Development or enhancement of continuity of operations and continuity of government plans
- Development or enhancement of existing catastrophic incident response and recovery plans to include and integrate federal assets provided under the NRP.

**Develop or conduct assessments, including but not limited to:**

- Conduct point vulnerability assessments at critical infrastructure sites/key assets and develop remediation/security plans
- Conduct cyber risk and vulnerability assessments
- Conducting assessments and exercises of existing catastrophic incident response and recovery plans and capabilities to identify critical gaps that cannot be met by existing local and state resources
- Activities which directly support the identification of specific catastrophic incident priority response and recovery projected needs
- Activities which directly support the identification and advance preparation of predesignated temporary housing sites; for example:
  - Conducting assessments and studies to identify qualified candidate sites
  - Obtaining accurate site surveys and existing utility information
  - Coordinating zoning requirements and necessary permits and/or waivers
  - Coordinating environmental impact requirements related to a selected site
  - Coordinating historic preservation requirements related to a selected site.

**Allowable Training Costs**

Local jurisdictions may use HSGP funds to enhance the capabilities of state and local emergency preparedness and response personnel through development of a state homeland security training program. Allowable training-related costs under ODP grant programs include: 1) establishment of CBRNE terrorism and cyber security training programs within existing training academies, universities or junior colleges; and 2) overtime and backfill costs associated with attendance at ODP-sponsored and ODP approved CBRNE and cyber security training courses.

The target audience for training courses include emergency preparedness, prevention and response personnel, emergency managers and public/elected officials within the following disciplines: firefighters, law enforcement, emergency management, emergency medical services, hazardous materials, public works, public health, health care, public safety communications, governmental administrative, cyber security and private security providers. The homeland security training program should also include training for citizens in awareness, preparedness, prevention, response skills, and volunteer activities and be coordinated through state and local Citizen Corps Councils.

Local jurisdictions are encouraged to adopt current ODP awareness and performance level courses. In order to deliver these courses, state and local instructors must have been certified to deliver the course by successfully completing ODP train-the-trainer courses. Detailed descriptions of ODP courses are included in the *ODP CBRNE Training Course Catalog* at <http://www.ojp.usdoj.gov/odp/docs/coursecatalog.pdf>. Programs of instruction for these courses will be made available upon request to assist efforts to institutionalize these training programs at the state and local levels.

ODP will conduct periodic reviews of all state and urban area training funded by ODP. These reviews may include requests for all course materials and physical observation of participation in the funded training. If these reviews determine that courses are outside the scope of this guidance, recipients will be asked to reimburse grant fund expended in support of those efforts.

ODP provides the following definitions of key training terms to facilitate a common understanding of the FY17 HSGP guidance:

- **ODP Courses:** Those courses developed for and/or delivered by institutions and organizations funded by ODP.
- **Federal Courses Related to CBRNE Terrorism:** Those courses developed for and or delivered by institutions funded by federal entities other than ODP which fall within the ODP mission scope: of which is to prepare state and local personnel to prevent, respond to, and recover from acts of terrorism involving CBRNE weapons.
- **Non-Federal Courses:** Those courses developed for and or delivered by institutions or organizations other than federal entities or ODP.

In addition, local jurisdictions shall follow accepted principles of instructional systems design, employing the Analysis, Design, Development, Implementation, and Evaluation (ADDIE) model or equivalent methodologies. (The ADDIE process is explained in greater depth in the *ODP Blended Learning Strategy* available on the ODP website at: <http://www.ojp.usdoj.gov/odp/blendedlearning>.) Local jurisdictions shall apply these methodologies to ensure that complete curriculum exists for training funded by ODP grant. Complete curriculum consists of:

- **Level of Training.** The state or urban area will identify the level(s) of training of the course(s) and materials submitted. Each submission must be identified as Awareness, Performance–Defense (Occupational Safety and Health Administration (OSHA) Operations), Performance–Offensive (OSHA Technician), or Planning/Management (OSHA Incident Command) levels. More detailed descriptions of the levels can be found at <http://www.ojp.usdoj.gov/odp/training.htm> or <http://www.osha.gov>.
- **Program of Instruction/Syllabus.** The program of instruction or syllabus is an outline or matrix of the course content. It addresses the scope of the training, course learning objectives, duration of the training (broken-down by module, session, or lesson), resource requirements, instructor to student ratio and an evaluation strategy. These items are not all-inclusive, but are the minimum categories that should be addressed.
- **Training Support Package.** The training support package includes all of the materials associated with the delivery of a training course. The following items should be included:
  - **Instructor Guide/Instructor Outline/Instructor Lesson Plans:** The published instructor material that contains course text and special instructor notes that provides the information to deliver the material

- o **Participant Manual/Guide/Workbook:** The published student material that contains the supporting information in booklet or handout form that the participant has available for reference
  - o **Audio/Visual Support Materials:** Any audio/visual components that are part of any learning module, session, lesson, or that supports the overall training being delivered
  - o **Special Support Materials:** Any descriptions of practical exercises, tabletop exercises, hands-on exercises, or other material that supports learning objectives
- **Module/Session/Lesson Content.** Training courses should be designed based on a building block approach. Each sub-component in the course should be titled as a module, session, or lesson. Regardless of the title, each module, session, or lesson, should have a Lesson Administration Page that outlines the following:
- o **Scope Statement:** A brief description of the content of the module, session or lesson
  - o **Terminal Learning Objectives:** An action verb statement that outlines what the participant is expected to learn or be capable of performing at the conclusion of the module, session, or lesson. There should be only one terminal learning objective per module, session, or lesson
  - o **Enabling Learning Objectives:** Enabling learning objectives are the incremental learning objectives that support the terminal learning objective. There should be at least one enabling learning objective per module, session or lesson. Each enabling learning objective must be a measurable performance statement that enables the participant to demonstrate achievement of the terminal learning objective
  - o **Resource List:** A listing of the resources needed to successfully accomplish the module, session, or lesson
  - o **Instructor to Participant Ratio:** The instructor to participant requirement for successful presentation of the material (e.g., 1:25)
  - o **Reference List:** A listing of all reference materials used to develop the module, session, or lesson (This information may also be included as a bibliography).
  - o **Practical Exercise Statement:** This describes any exercises associated with the module, session, or lesson
  - o **Evaluation Strategy:** This defines the strategy used to evaluate the module, session, or lesson (e.g., written and/or performance test).

**Conditional Approvals of Non-ODP Courses.** In contrast to FY04, no conditional approvals, in advance of an independent third-party subject matter expert (SME) review, will be granted in FY17 for use of ODP funds to develop or institutionalize non-ODP courses. ODP will require local jurisdictions to adhere to a streamlined course approval process. Please see *Appendix E: Overview of Approval Process for Non-ODP Developed Courses* for more information. Courses will either be approved or disapproved following this review process.

**Attending Other Federal Courses Related to CBRNE Terrorism.** Local jurisdictions are no longer required to submit requests for personnel to attend certain Federal courses that fall within the ODP mission scope of preparing state and local personnel to prevent,

respond to, and recover from acts of terrorism involving CBRNE weapons. In lieu of requesting approval, local jurisdictions will be required to submit information on all federal training they are supporting with ODP funds via the Training section of the ODP website (<http://www.ojp.usdoj.gov/odp/training.htm>). This information will consist of course title, level of the training, the training provider, the date of the course, the number of individuals to be trained, and the sponsoring jurisdiction.

Several broad categories of courses will automatically be included in the list of eligible federal courses:

- All NIMS training approved by the NIMS Integration Center (NIC) is eligible for use of ODP funds.
- All Incident Command System (ICS) training offered through the National Fire Academy and the Emergency Management Institute is eligible for use of ODP funds. This guidance applies to resident training, train-the-trainer, and field delivery of courses.

A list of federal courses that fall within the ODP mission scope is included in *Appendix F: Federal Training Course List*.

These courses must build additional capabilities that 1) meet a specific need identified through the homeland security assessment process, and 2) comport with the State or Urban Area Homeland Security Strategy.

Federal funds must be used to supplement—not supplant—existing funds that have been appropriated for the same purpose. Thus, if the state or urban area has already budgeted for personnel to attend courses, ODP funds may only be used to send additional individuals above and beyond those previously budgeted.

**Eligibility of Hazardous Materials Courses.** Hazardous materials courses, including basic, operations, and technician level courses, are eligible for support through ODP funds **only if the course fully addresses the hazardous materials sections included in the ODP Emergency Responder Guidelines and the ODP Homeland Security Guidelines for Prevention and Deterrence.** If the hazardous materials course does **not fully** address the hazardous materials sections included in the *ODP Emergency Responder Guidelines* and the *ODP Homeland Security Guidelines for Prevention and Deterrence*, then the course is not considered an allowable use of ODP funds.

The training must not supplant existing resources, but rather must build additional capabilities above and beyond those that currently exist. Any additional capabilities pursued through these training opportunities must meet a specific need identified through the homeland security assessment process and must comport with the State or Urban Area Homeland Security Strategy.

**Eligibility of Search and Rescue, Special Weapons and Tactics (SWAT), and Medical Trauma Courses.** On September 1, 2004, ODP issued Information Bulletin #132 on the

Interagency Security Plan, available at <http://www.ojp.usdoj.gov/odp/docs/bulletins.htm>. In this bulletin, ODP expanded the allowable use of grant funds to support additional training in the areas of search and rescue, SWAT, and medical trauma provided certain requirements were met. The following sections provide further detail on these initiatives.

- *Eligibility of Search and Rescue Courses:* Local jurisdictions shall conduct search and rescue training in compliance with:

- o NFPA 1670, *Standard on Operations and Training for Technical Rescue and Search Incidents*
- o NFPA 1006, *Standard for Rescue Technician Professional Qualifications Only*  
Urban Search and Rescue (USAR) courses approved by FEMA and delivered by FEMA-certified providers are eligible for use of ODP funds. A list of these courses and providers will be maintained by ODP in coordination with FEMA.

The training must not supplant existing resources, but rather must build additional capabilities above and beyond those that currently exist. Any additional capabilities pursued through these training opportunities must meet a specific need identified through the homeland security assessment process and must comport with the State or Urban Area Homeland Security Strategy.

If the basic, foundational USAR course fully addresses the fire service and or hazardous materials sections included in the *ODP Emergency Responder Guidelines* and the *ODP Homeland Security Guidelines for Prevention and Deterrence*, no additional CBRNE-specific training is necessary for eligibility purposes. However, if the foundational USAR course does **not** fully address these sections included in the *ODP Emergency Responder Guidelines* and the *ODP Homeland Security Guidelines for Prevention and Deterrence*, then the student must also complete follow-on CBRNE awareness training within a reasonable timeframe in order for the USAR course to be considered an allowable use of ODP funds.

These USAR courses are intended to build a critical capacity at the state and local levels. **The execution of this training in the stated capacity-building context is unrelated to designation of national USAR teams. Therefore, local jurisdictions and UASI jurisdictions may not request such designation based on training.**

- *Eligibility of SWAT Courses:* SWAT courses, including basic, foundational courses, are eligible for support through ODP funds, provided that the training meets the following requirements:

- o The training must not supplant existing resources, but rather must build additional capabilities above and beyond those that currently exist. Any additional capabilities pursued through these training opportunities must meet a specific need identified through the homeland security assessment process and must comport with the State or Urban Area Homeland Security Strategy.
- o Local jurisdictions shall conduct training in compliance with state and local regulations and policies governing the certification of SWAT personnel.

- o Trainees shall be sworn officers and shall have completed a Basic SWAT school accredited by the appropriate state-level criminal justice organization.
  - o Training shall be conducted by instructors certified by a state or national level criminal justice organization
  - o The State or Urban Area shall develop and implement a safety plan excluding service ammunition and weapons from the training site and shall not employ live chemical agents (to include OC) or impact weapons during the training
  - o If a foundational SWAT course fully addresses the law enforcement sections included in the *ODP Emergency Responder Guidelines* and the *ODP Homeland Security Guidelines for Prevention and Deterrence*, no additional CBRNE-specific training is necessary for eligibility purposes. However, if the foundational SWAT course does **not** fully address the law enforcement sections included in the *ODP Emergency Responder Guidelines* and the *ODP Homeland Security Guidelines for Prevention and Deterrence*, then the student must also complete follow-on CBRNE awareness training within a reasonable timeframe in order for the foundational SWAT course to be considered an allowable use of ODP funds.
- *Eligibility of Medical Trauma Courses:* Medical trauma courses—including basic, foundational courses—are eligible for support through ODP funds, provided that the training meets the following requirements:
- o The training must not supplant existing resources, but rather must build additional capabilities above and beyond those that currently exist. Any additional capabilities pursued through these training opportunities must meet a specific need identified through the homeland security assessment process and must comport with the State or Urban Area Homeland Security Strategy.
  - o Local jurisdictions shall conduct training in compliance with NFPA 473, *Standard Competencies for EMS Personnel Responding to Hazardous Materials Incidents*.
  - o Local jurisdictions shall conduct training in compliance with state and local regulations and policies governing the certification of EMS providers.
  - o Local jurisdictions shall coordinate their efforts with the closest MMRS jurisdiction.
  - o Trainees shall have completed a basic Emergency Medical Technician (EMT) certification per the state or local accreditation requirements. This type of training may not be funded with ODP monies.
  - o If a foundational medical trauma course fully addresses the emergency medical services sections included in the *ODP Emergency Responder Guidelines* and the *ODP Homeland Security Guidelines for Prevention and Deterrence*, no additional CBRNE-specific training is necessary for eligibility purposes. However, if the foundational medical trauma course does **not** fully address the emergency medical services sections included in the *ODP Emergency Responder Guidelines* and the *ODP Homeland Security Guidelines for Prevention and Deterrence*, then the student must also complete follow-on CBRNE awareness training within a reasonable timeframe in order for the foundational medical trauma course to be considered an allowable use of ODP funds.

**Evaluation of ODP Training Courses.** The goal of evaluating ODP training courses is to determine how much a participant's knowledge, skills, and abilities change after completion of a course relative to knowledge, skills, and abilities prior to the class. ODP utilizes a self-assessment methodology and collects information via a standardized evaluation form. The form is designed to gather data about the course and participant, including data such as the participant's professional discipline and years of service. Additionally, the evaluation measures the participant's knowledge relative to a set of standardized learning objectives both before and after taking the course.

*If a state or local jurisdiction uses ODP funds to provide ODP-approved courses, the state or local jurisdiction must use the standard evaluation form to collect data about the course and its participants.* An ODP-approved course is defined as one developed by the state or local jurisdiction and approved by ODP for delivery. If the state or local jurisdiction receives training through its ODP course allocation, the training partner delivering the course is responsible for data collection and entry. Similarly, if the state or local jurisdiction enters into a direct contract with one of the ODP training partners, training partner is still responsible for the data collection and entry function.

However, if the ODP-sponsored course is delivered by a state or local organization, the course provider is responsible for collecting data on the course and its participants. As part of the course approval process, the course developer establishes a set of course objectives directly tied to the course content. The objectives are incorporated into the standardized course evaluation form. Course participants are required to complete all fields and the course instructor is responsible for ensuring that all forms are complete. Course providers are granted access to and enter data into the ODP Secure Portal. Costs related to developing and administering the self-assessment and collecting information via a standardized evaluation form is allowable.

### **Allowable Exercise Costs**

Exercises conducted with ODP support (grant funds or direct support) must be managed and executed in accordance with the Homeland Security Exercise and Evaluation Program (HSEEP). HSEEP Volumes I-III contain guidance and recommendations for designing, developing, conducting, and evaluating exercises. HSEEP Volumes I-III can be found at ODP's website at <http://www.ojp.usdoj.gov/odp/exercises.htm>. Volume IV, which contains sample exercise materials and documents, can be found on ODP's Secure Portal at <https://odp.esportals.com> or <http://www.llis.gov>.

**Exercise Planning Workshop.** Local jurisdictions must conduct an annual Exercise Planning Workshop (EPW) to examine the progress and effectiveness of their current exercise strategy and program. A Multiyear Exercise Plan and schedule must be produced from the EPW and submitted through ODP's Secure Portal Exercise Scheduler located at <https://odp.esportals.com>. Refer to HSEEP Volume III, Chapter 2 for further guidance on EPWs and the Multiyear Exercise Plan and schedule.

**Exercise Scenarios.** The scenarios used in SHSP, UASI, and LETPP-funded exercises must be terrorism-related and based on the state's/urban area's homeland security strategy and plans. Acceptable scenarios for exercises include: chemical, biological, radiological, nuclear, explosive, cyber and agricultural. Recipients that need further clarification on scenarios should consult with their ODP Exercise Manager for assistance and/or approval. Fifteen all-hazards National Planning Scenarios, including twelve terrorism scenarios, have been developed, and will be made available for use in national, federal, state, and local homeland security preparedness activities. Citizen participation in exercises is encouraged to include back filling non-professional tasks for first responders deployed on exercise, administrative and logistical assistance with exercise implementation, and providing simulated victims, press, and members of the public. Citizen participation in exercises should be coordinated with local Citizen Corps Council(s).

Recipients that wish to expend funds on models, simulations, or games (MS&G) must consult with "Review of Models, Simulations, and Games for Domestic Preparedness Training and Exercising, Volume III," which provides an overview and analysis of existing models, simulations and games. This report is available at <http://www.ojp.usdoj.gov/odp/exercies.htm>

Recipients must justify the purchase and use of a given MS&G product/service, by a) documenting the training and/or exercise objective(s), b) documenting how the selected product/service will support those objectives, and c) justification for the chosen product category (potentially referring to Volume III benefits/limitations). The form for this justification can be found at <http://www.ojp.usdoj.gov/odp/exercises.htm>.

If a state or urban area will be hosting an upcoming special event (e.g., Superbowl, G-8 Summit, etc.), or they anticipate that they will apply to be a venue for a future Top Officials (TOPOFF) exercise, they should plan to use SHSP or UASI funding to fund training and exercise activities in preparation for that event.

All tabletop exercises (TTXs), drills, functional exercises (FEs), and full-scale exercises (FSEs) will be evaluated and performance based. An After Action Report (AAR) and Improvement Plan will be prepared and submitted to DHS/ODP following every TTX, drill, FE, and FSE. AAR/IPs must be provided to ODP within 60 days following completion of each exercise (see HSEEP Volume II, Appendix A). Currently, these AAR/IPs can be submitted through the ODP Secure Portal. However ODP is working with other agencies to develop a national reporting system. *A state or local jurisdiction that conducts an exercise using SHSP, UASI, and LETPP funds must follow the HSEEP doctrine and protocol contained in Volume II.*

Local jurisdictions are encouraged to develop a self-sustaining State Homeland Security Exercise and Evaluation Program which is modeled after the national HSEEP. This may include, for example: hiring dedicated exercise program staff, awareness seminars on HSEEP, attending exercise training courses, and maintaining a system to track the completion and submission of AARs and Improvement Plans from exercises (including costs associated with meeting with local units of government to define procedures).

### **Allowable Management and Administrative Costs**

All programs within HSGP have allowable M&A costs for both the state-level as well as the local unit of government, urban area, or designated sub-recipient.

- **SHSP, UASI, LETPP, CCP, MMRS:** No more than *5% of the total amount* allocated to the state for each program within HSGP may be retained at the state level and used for M&A purposes. These state M&A funds must be included in the total funds retained by the state. In addition, local jurisdiction sub-recipients may retain and use up to *5% of their sub-award* for local M&A purposes.

### **Unauthorized Program Expenditures**

Unauthorized program expenditures include: 1) expenditures for items such as general use software (word processing, spreadsheet, graphics, etc), general-use computers (other than for allowable M&A activities, or otherwise associated preparedness or response functions) and related equipment, general-use vehicles, licensing fees, weapons systems and ammunition; 2) activities unrelated to the completion and implementation of the SHSP; 3) other items not in accordance with the Authorized Equipment List or previously listed as allowable costs; and, 4) construction or renovation of facilities.

**Designation of Subgrantee Grant Administrator (SGA)  
HOMELAND SECURITY PROGRAM**

The following person is officially appointed to represent your jurisdiction as the *Subgrantee* Grant Administrator (SGA) and is hereby duly authorized to fulfill the terms of this Cooperative Agreement during the performance period on behalf of the *Subgrantee*.

Name: Terri Blissard Title: Grant Administrator  
(Subgrantee Grant Administrator)

Organization Name: City of Tupelo

Mailing Address: P.O. Box 1485

City: Tupelo, MS Zip Code 38802-1485

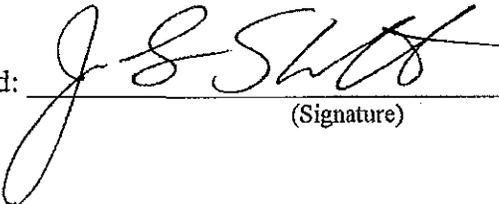
Telephone Number: (662) 841-6565 Fax Number: (662) 840-2074

Cellular Number: ( ) \_\_\_\_\_ Pager Number: ( ) \_\_\_\_\_

Email Address: terri.blissard@tupeloms.gov

Appointed by: Jason L. Shelton  
(Print Subgrantee Official's Name)

Date: February 15, 2018

Signed:   
(Signature)

Title: Mayor, City of Tupelo

**City of Tupelo  
Fy 2018 Budget Revision #4**

Whereas, the Mayor and City Council of the City of Tupelo have determined that the budget estimates and certain increases are needed in the operating departments, it is hereby resolved to amend the FY 2018 Budget as follows:

	Original Budget	Amendment	Amended Budget
<b>General Fund Revenues</b>			
Local Taxes	7,353,624		7,353,624
Licenses & Permits	1,035,000		1,035,000
Intergovernmental Revenues	25,945,306	176,407	26,121,713
Charges for Services	724,000		724,000
Fines & Forfeits	1,115,000		1,115,000
Interest Income & Misc. Revenues	431,124		431,124
Other Financing Resources	595,353		595,353
Unreserved Fund Balance	-	2,173,962	2,173,962
<b>Total General Fund Revenues</b>	<b>37,199,407</b>	<b>2,350,369</b>	<b>39,549,776</b>

Purpose: To add newly awarded homeland security grant for the EOD unit. (52,000)  
 To rollover the Homeland security grants from FY 2017 to be spent in FY 2018. (31,689)  
 To add the new PAL grant from the National Pal League (39,600).  
 To increase the sales tax revenue for expected growth to cover additional personnel.

**Expenditures:****City Council**

Personnel	280,083		280,083
Supplies	5,000		5,000
Other Services & Charges	196,650		196,650
Capital	-	-	-
<b>Total City Council</b>	<b>481,733</b>	<b>-</b>	<b>481,733</b>

Purpose:

**Executive Dept.**

Personnel	700,115		700,115
Supplies	26,100		26,100
Other Services & Charges	289,850		289,850
Capital	1,500	-	1,500
<b>Total Executive Dept.</b>	<b>1,017,565</b>	<b>-</b>	<b>1,017,565</b>

Purpose:

**City Court**

Personnel	735,811		735,811
Supplies	20,800		20,800
Other Services & Charges	112,741		112,741
Capital	-	-	-
<b>Total City Court</b>	<b>869,352</b>	<b>-</b>	<b>869,352</b>

Purpose:

	Original Budget	Amendment	Amended Budget
<b><u>Budget &amp; Accounting</u></b>			
Personnel	827,297		827,297
Supplies	41,360		41,360
Other Services & Charges	351,641		351,641
Capital	90,000	-	90,000
	<u>1,310,298</u>	<u>-</u>	<u>1,310,298</u>

Purpose:

**Personnel Dept.**

Personnel	259,678		259,678
Supplies	5,300		5,300
Other Services & Charges	30,044		30,044
Capital	-	-	-
	<u>295,022</u>	<u>-</u>	<u>295,022</u>

Purpose:

**Development Services**

Personnel	1,265,700	53,118	1,318,818
Supplies	61,950		61,950
Other Services & Charges	85,291		85,291
Capital	-	-	-
	<u>1,412,941</u>	<u>53,118</u>	<u>1,466,059</u>

Purpose:

**Police Dept**

Personnel	8,965,448		8,965,448
Supplies	602,700		602,700
Other Services & Charges	1,484,512	56,289	1,540,801
Capital	149,520	67,000	216,520
	<u>11,202,180</u>	<u>123,289</u>	<u>11,325,469</u>

Purpose: To budget the the Homeland Security funded expenditures.

**Fire Dept**

Personnel	5,543,640		5,543,640
Supplies	282,000		282,000
Other Services & Charges	379,028		379,028
Capital	2,800	-	2,800
	<u>6,207,468</u>	<u>-</u>	<u>6,207,468</u>

Purpose:

	Original Budget	Amendment	Amended Budget
<b><u>Public Works</u></b>			
Personnel	3,005,550		3,005,550
Supplies	381,600		381,600
Other Services & Charges	2,043,776		2,043,776
Capital	<u>22,200</u>	<u>-</u>	<u>22,200</u>
<b>Total Public Works</b>	<b><u>5,453,126</u></b>	<b><u>-</u></b>	<b><u>5,453,126</u></b>
Purpose:			
<b><u>Parks &amp; Recreation</u></b>			
Personnel	1,803,899		1,803,899
Supplies	381,585		381,585
Other Services & Charges	914,154		914,154
Capital	<u>40,424</u>	<u>-</u>	<u>40,424</u>
<b>Total Parks &amp; Rec</b>	<b><u>3,140,062</u></b>	<b><u>-</u></b>	<b><u>3,140,062</u></b>
Purpose:			
<b><u>Aquatics Facility</u></b>			
Personnel	414,845		414,845
Supplies	144,000		144,000
Other Services & Charges	349,500		349,500
Capital	<u>5,000</u>	<u>-</u>	<u>5,000</u>
<b>Total Aquatics Facility</b>	<b><u>913,345</u></b>	<b><u>-</u></b>	<b><u>913,345</u></b>
Purpose:			
<b><u>Museum</u></b>			
Personnel	117,214		117,214
Supplies	11,500		11,500
Other Services & Charges	35,850		35,850
Capital	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Museum</b>	<b><u>164,564</u></b>	<b><u>-</u></b>	<b><u>164,564</u></b>
Purpose:			
<b>Community Services</b>	<b><u>1,088,228</u></b>	<b><u>-</u></b>	<b><u>1,088,228</u></b>
Purpose:			
<b>Debt Service</b>	<b><u>598,791</u></b>	<b><u>-</u></b>	<b><u>598,791</u></b>
<b>Other Financing Uses</b>	<b><u>3,044,732</u></b>	<b><u>2,173,962</u></b>	<b><u>5,218,694</u></b>
<b>Total General Fund Expenditures</b>	<b><u>37,199,407</u></b>	<b><u>2,350,369</u></b>	<b><u>39,549,776</u></b>

Purpose To transfer funds to the capital fund and Open Space and Transportation fund.

	Original Budget	Amendment	Amended Budget
<b>Fund #327</b>			
<b>Tupelo Capital &amp; Infrastructure Fund</b>			
<b>Revenues</b>			
Grants	800,000		800,000
Transfer from Other Funds	5,338,428	948,962	6,287,390
Donations	-		-
Bond Proceeds	9,825,000		9,825,000
Unreserved Fund Balance	273,103	1,038	274,141
<b>Total Revenues</b>	<b><u>16,236,531</u></b>	<b><u>950,000</u></b>	<b><u>17,186,531</u></b>
<b>Expenditures</b>			
<b>Other Services &amp; Charges</b>			
Maintenance Projects	146,363		146,363
Street Overlay	2,278,974		2,278,974
Beautification Projects	67,794		67,794
Contingies/Grant Matches	1,400,000	-	1,400,000
<b>Total Other Services &amp; Charges</b>	<b><u>3,893,131</u></b>	<b><u>-</u></b>	<b><u>3,893,131</u></b>
<b>Capital</b>			
Infrastructure Improvements	4,911,533	800,000	5,711,533
Land Purchases	2,500,000		2,500,000
Equipment	373,507		373,507
Building Improvements	241,944	150,000	391,944
Park Improvements	2,480,138		2,480,138
Vehicles	209,658		209,658
Police Vehicles/Equipment	201,620		201,620
Fire Equipment/Trucks	1,225,000		1,225,000
Contingencies(Grant Matches)	-	-	-
<b>Total Capital</b>	<b><u>12,143,400</u></b>	<b><u>950,000</u></b>	<b><u>13,093,400</u></b>
<b>Other Financing Uses</b>	<b><u>200,000</u></b>	<b><u>-</u></b>	<b><u>200,000</u></b>
<b>Total Expenditures</b>	<b><u>16,236,531</u></b>	<b><u>950,000</u></b>	<b><u>17,186,531</u></b>

**Purpose** To fund infrastructure improvements and the renovation of a municipal building with the funds transferred from excess revenues over expenditures in the General Fund from FY 2017.

	Original Budget	Amendment	Amended Budget
<b>Fund #110</b>			
<b>Transportation Fund</b>			
<b>Revenues</b>			
Interest Income	-		-
Transfers From Other Funds	-	225,000	225,000
Fund Balance	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>225,000</u>	<u>225,000</u>
<b>Expenditures</b>			
Other Services & Charges	-	225,000	225,000
Other Financing Uses	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>225,000</u>	<u>225,000</u>

**Purpose:** To set up the transportation services on a 15 month basis which will allow for the continuation of the program through FY 2019.

Fund 317  
Fairpark Construction Fund

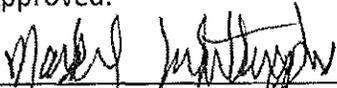
<b>Revenues</b>			
Interest & Misc. Revenues			-
Land Sale			-
Other Financing Sources			-
Unreserved Fund Balance	-	257,000	257,000
<b>Total Revenues</b>	<u>-</u>	<u>257,000</u>	<u>257,000</u>
<b>Expenditures</b>			
Other Services & Charges	-	257,000	257,000
Capital Outlay	-	-	-
Other Financing Uses	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>257,000</u>	<u>257,000</u>

**Purpose:** To amend the budget to use land proceeds for planning and development cost of Fairpark.

Council member Nettie Davis moved and Council member Buddy Palmer seconded the adoption of the foregoing resolution, and the question being put to a roll call vote, the result as follows:

	Voting
Councilman Lynn Bryan	<u>Nay</u>
Councilman Markel Whittington	<u>Nay</u>
Councilman Travis Beard	<u>Aye</u>
Councilwoman Nettie Davis	<u>Aye</u>
Councilman Buddy Palmer	<u>Aye</u>
Councilman Mike Bryan	<u>Nay</u>
Councilman Willie Jennings	<u>Aye</u>

Approved:

  
\_\_\_\_\_  
President of the Council,  
City of Tupelo

Attest:

  
\_\_\_\_\_  
Clerk of the Council  
City of Tupelo

  
\_\_\_\_\_  
Mayor  
City of Tupelo

Attest:

  
\_\_\_\_\_  
City Clerk  
City of Tupelo



# City of Tupelo

Jason L. Shelton  
Mayor

*Approved*  
*2/20/18*

## Memorandum

### COUNCIL

Markel Whittington  
Ward One

Lynn Bryan  
Ward Two

Travis Beard  
Ward Three

Nettie Y. Davis  
Ward Four

Buddy Palmer  
Ward Five

Mike Bryan  
Ward Six

Willie Jennings  
Ward Seven

To: City Council

From: Kim Hanna *(Signature)*

Date: February 20, 2018

Re: SURPLUS LIST

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I am requesting permission to auction and or surplus the items as per the attached exhibit. The items are either no longer working or no longer compatible with current hardware/software.

Thank you for your attention in this matter.

APPENDIX I

## Budget Finance 2018 Auction/Surplus List

-YEAR/MAKE/MODEL/DESCRIP	S/N	ASSET	BARCODE	Comment	Acquired Value	Current Book Value	DEPT
PANASONIC PHONE SYSTEM		G04691	11592	No longer works	\$ 11,985.00	\$ 1,198.50	021
COMPUTER	4567047206	1063		No longer works	\$ 289.00	\$ 28.90	051
Fluke tester		1948	12620	No longer works	\$ 2,158.43	\$ 21.58	031
Motorola Xoom tablet	M136QE76DR	3544	14954	No longer works	\$ 599.99	\$ 6.00	123
Ups 10000	JS0611019036	1946	12619	No longer works	\$ 6,050.00	\$ 60.50	031
Computer	3914	1890	10206	No longer works	\$ 760.00	\$ 7.60	051
Hp laser jet 4200	SUSDNN15336	455	10231	No longer works	\$ 1,989.00	\$ 19.89	031
PRINTER & SEALER MUNIS	USGNJ01085	G06181	10033	Out dated no longer compatible	\$ 7,557.65	\$ 75.58	031
AS/400 6252-T08 BAND PRINTER	01-15619	G02964	10022	Out dated no longer compatible	\$ 10,949.00	\$ 109.49	031
Polycom	160345000101B	474	10118	Out dated no longer compatible	\$ 1,488.95	\$ 148.90	031
Polycom	2200-151000-001	1409	11272	Out dated no longer compatible	\$ 433.45	\$ 43.35	123
AS/400 6252-T08 BAND PRINTER	01-15619	G02964	10022	Out dated no longer compatible	\$ 10,949.00	\$ 109.49	031
PRINTER, PAR BANK EPS	BP20017765	G06198	10029	Out dated no longer compatible	\$ 267.88	\$ 2.68	031
PRINTER, PAR BANK EPS	BP20016099	G06196	10050	Out dated no longer compatible	\$ 267.88	\$ 2.68	031
PRINTER, PAR BANK EPS	BP20016267	G06197	10100	Out dated no longer compatible	\$ 267.88	\$ 2.68	031
PRINTER, PAR BANK EPS	BP20016289	G06200	10082	Out dated no longer compatible	\$ 267.86	\$ 2.68	031
PRINTER, PAR BANK EPS	BP20017766	G06199	10081	Out dated no longer compatible	\$ 267.88	\$ 2.68	031
CAR, 2003 CROWN VIC	2FAFP74W03X141529	G06296	10515	No longer needed in the dept.	22,910.75	\$ 2,291.08	031
MAPPER, MAGELLAN MOBILE CX/ANTEN	120470163965	2586	14446	Not Work and parts are no longer sold to fix	\$ 3,955.00	\$ 395.50	038
COPIER, KONICA MULTI-FUNCTION	0180410667	2733	14403	Currently has not been used in 3-4 years	\$ 1,149.00	\$ 114.90	038
GPS MAPPER, PROMARK	0120470120333	3089	14811	Systems are out dated and can no longer purchase battery for use	\$ 4,831.67	\$ 483.17	038
GPS MAPPER, PROMARK	0120470120531	3090	14812	Systems are out dated and can no longer purchase battery for use	\$ 4,831.67	\$ 483.17	038
GPS MAPPER, PROMARK	0120470121170	3091	14810	Systems are out dated and can no longer purchase battery for use	\$ 4,831.66	\$ 483.17	038
DATA COLLECTION TDS W/ACCESS		837	14449	Not Work and parts are no longer sold to fix	\$ 2,488.00	\$ 248.80	038
TOTAL STATION W/PRISM	TOPCONGTS3020/SN-GY0	G01873	10269	Not Work and parts are no longer sold to fix	\$ 9,198.98	\$ 1,839.80	038
VAN, 2001 FORD WINDSTAR	2FMZA53481BB11388	G06037	10508	No longer being used	25,414.00	2,541.40	061
1995 FORD RANGER	1FTCR10X6SUB99704	G02281	10526	No longer being used major repairs needed	10,879.90	\$ 1,087.99	061
TRUCK, 2001 FORD RANGER	1FTYR14U71PA61186	G05963	10527	No longer being used major repairs needed	14,160.50	1,416.05	061
<b>TOTAL</b>						\$ 13,228.21	



# City of Tupelo

Jason L. Shelton  
Mayor

Water and Light  
Johnny Timmons, Director

Approved  
2/20/18  
AD

February 14, 2018

**COUNCIL**

Markel Whittington  
Ward One

Lynn Bryan  
Ward Two

Travis Beard  
Ward Three

Nettie Y. Davis  
Ward Four

Buddy Palmer  
Ward Five

Mike Bryan  
Ward Six

Willie Jennings  
Ward Seven

Mayor Jason L. Shelton and Council of the City of Tupelo  
City of Tupelo  
Tupelo, MS 38801

Dear Mayor Shelton and Council Members:

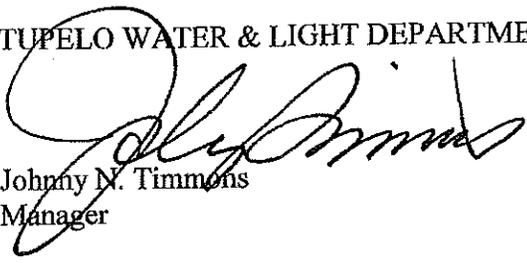
I respectfully request your approval to surplus the following items through your regular council meeting on February 20, 2018. These items have been scrapped.

<u>Quantity</u>	<u>Description</u>
Approx. 7,640 lbs	Mixed WP Copper
Approx. 19,873 lbs	Aluminum
Approx. 2,760 lbs	Scrap Iron
Approx. 6,600 lbs	Scrap Tin
Approx. 200 lbs	URD Cable
Approx. 3,140 lbs	Sewer Pipe
Approx. 15	Steel Street Light Poles (Broken in various lengths)
3	70' Steel Poles
2	60' Steel Poles
1	80' Steel Poles
1	15 kVA Conv. Transformer, s/n SL77172, CO # 1090
1	15 kVA Conv. Transformer, s/n 2083954, CO # 2301
1	15 kVA Conv. Transformer, s/n D11779, CO # 934
1	15 kVA Conv. Transformer, s/n 5R61108, CO # 1634
1	25 kVA Conv. Transformer, s/n 0115876, CO # 1334
1	25 kVA Conv. Transformer, s/n 1972340, CO # 1589
1	37.5 kVA Conv. Transformer, s/n 2030708, CO # 1963
1	46 kV Substation Breaker (from Tupelo Primary Sub.)
1	Huskee Compression Tool, s/n 1311155, ID # 128
1	Impact Wrench, s/n 11546, ID # 1186
1	Husquavarna Saw, s/n 903000028, ID # 1323
1	14" Stihl Saw, s/n 168736803, ID # 1314

If you have any questions, please call upon me.

Sincerely,

TUPELO WATER & LIGHT DEPARTMENT



Johnny N. Timmons  
Manager



# Memo

To: Mayor Jason Shelton and City Council Members  
From: Chief Thomas Walker TW  
Date: 2-14-2018  
Re: Sergeant Brian Reese

Sergeant Reese has been off work since January 30, 2018 and is scheduled for surgery today, February 14, 2018, for cervical disc arthroplasty on his C5/6 disc. This is not a work related injury but Sgt. Reese has used all his personal and sick time as of February 11, 2018.

I am requesting that you grant the other members of the Tupelo Fire Department to be able to donate sick time to Sergeant Reese to help provide him a salary to pay his part of any buy up insurance he will owe.

I had Sergeant Reese placed on FMLA to secure his position for 120 days but I feel that he will return to work before that time frame.



# City of Tupelo

Jason L. Shelton  
Mayor

Water and Light  
Johnny Timmons, Director

February 14, 2018

COUNCIL

Markel Whittington  
Ward One

Lynn Bryan  
Ward Two

Travis Beard  
Ward Three

Nettie Y. Davis  
Ward Four

Buddy Palmer  
Ward Five

Mike Bryan  
Ward Six

Willie Jennings  
Ward Seven

Mayor Jason Shelton and Council of the City of Tupelo  
City of Tupelo  
Tupelo, Mississippi 38804

Dear Mayor Shelton and Council Members:

The following change order is submitted for approval at your regular meeting on Tuesday, February 20, 2018:

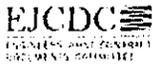
**Tupelo SRF FY14 Sewer System Improvements – Area 5(C) – Change Order No. 1** – This change order replaces a section of open-cut PVC pressure sewer with bored HDPE pressure sewer in order to minimize traffic disruptions. The change order will be performed for essentially the same price as the originally proposed work, with a total savings of \$20.40 based on proposed quantities.

I have reviewed this change order and find it to be correct. If you have any questions, please feel free to call upon me.

Sincerely,

Johnny N. Timmons  
Manager

Attachment



Change Order No. 1

Date of Issuance: February 6, 2018	Effective Date: February 6, 2018
Owner: City of Tupelo	Owner's Contract No.: 1452WL
Contractor: Eubank Construction	Contractor's Project No.:
Engineer: Cook Coggin Engineers, Inc.	Engineer's Project No.: CCE 3-08827-13M
Project: SRF Sewer FY14	Contract Name: Area 5C

The Contract is modified as follows upon execution of this Change Order:

Changing sewer pressure line to be laid in the road from open-trench PVC to bored PE pipe. See attachment.

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ <u>3,456,668.00</u>	Original Contract Times: 300 days Substantial Completion: <u>May 1, 2018</u> Ready for Final Payment: <u>May 1, 2018</u> days or dates
[Increase] [Decrease] from previously approved Change Orders No. <u>  </u> to No. <u>  </u> ; \$ <u>NA</u>	[Increase] [Decrease] from previously approved Change Orders No. <u>  </u> to No. <u>  </u> ; Substantial Completion: <u>NA</u> Ready for Final Payment: <u>NA</u> days
Contract Price prior to this Change Order: \$ <u>3,456,668.00</u>	Contract Times prior to this Change Order: Substantial Completion: <u>Same</u> Ready for Final Payment: <u>Same</u> days or dates
[Decrease] of this Change Order: \$ <u>20.40</u>	[Increase] of this Change Order: Substantial Completion: <u>NA</u> Ready for Final Payment: <u>NA</u> days or dates
Contract Price Incorporating this Change Order: \$ <u>3,456,647.60</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>May 1, 2018</u> Ready for Final Payment: <u>May 1, 2018</u> days or dates

RECOMMENDED: By: <u>[Signature]</u> Title: <u>Project Engineer</u> Date: <u>02/6/2018</u>	ACCEPTED: By: <u>[Signature]</u> Title: <u>Manager</u> Date: <u>3/1/2018</u>	ACCEPTED: By: <u>[Signature]</u> Title: <u>Vice President</u> Date: <u>2-9-18</u>
--	---	--

Approved by Funding Agency (if applicable)

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Title: \_\_\_\_\_

**Eubank Construction Co., Inc.**  
**2011 North Second Street**  
**Booneville, MS 38829**  
**Phone: 662-728-2046**  
**Fax: 662-728-5182**



DATE: FEBRUARY 1, 2018

PROJECT: TUPELO SEWER AREA 5C  
 TUPELO, MS

ATTN: JESS WIYGUL, COOK COGGIN ENGINEERS

ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	TOTAL
<b>DEDUCT:</b>					
9	4" PVC Pressure Sewer Line, Cl. 180	2,884	LF	\$5.00	\$14,420.00
41	Selected Borrow Material	561	CY	\$18.00	\$10,098.00
42	Crusher Run Stone for Temporary Surface and Road Base	400	CY	\$75.00	\$30,000.00
44	Bituminous Resurfacing	1,282	SY	\$45.00	\$57,690.00
<b>TOTAL DEDUCT</b>					<b>\$112,208.00</b>
<b>ADD:</b>					
9	4" SDR11 IPS HDPE Forcemain Bore	2,884	LF	\$38.90	\$112,187.60
<b>TOTAL ADD</b>					<b>\$112,187.60</b>
<b>TOTAL ADD-DEDUCT</b>					<b>-\$20.40</b>

**NOTES:** *If awarded, this quote and all wording shall be made part of the contract agreement.*

*Above price is quoted to do all work quoted. If part of work is awarded, price subject to change.*

*HDPE Forcemain Bores include the following area: PSL B - Sta. 39+84 - Sta. 32+84  
 PSL C - Sta. 41+69 - Sta. 19+85*

**QUOTE INCLUDES:**

- Labor and Material to Install Bore with Directional Boring Machine*
- Tax and Bond*
- Fusion of HDPE*
- Connect to PVC Forcemain with MJ x Poly Adapter*

# Memo

**To:** City Council

**From:** Mayor

**Subject:** Routine Agenda: Nomination to Historic Preservation Commission

**Date:** February 8, 2018

The Historic Preservation Commission has approved the attached application to serve on the Commission from Molly Tanner, a resident of the Mill Village neighborhood. Ms. Tanner has been active in promoting the neighborhood and the preservation of its historic structures.



Historic Preservation Commission \* Department of Development Services  
 71 East Troy Street \* Tupelo, MS 38802 \* (662) 841-6510

**APPLICATION FOR HISTORIC PRESERVATION COMMISSION**

NAME Molly Tanner

ADDRESS 615 S Church St.

PHONE (662) 213-7043 FAX ( ) -

EMAIL Molly-m-tanner@yahoo.com

TERM OF MEMBERSHIP \_\_\_\_\_

TERM EXPIRES \_\_\_\_\_  
 (Determined by Chief Elected Official or Governing Body or by Historic Preservation Ordinance)

OCCUPATION Recruiter for travel nurses

EDUCATION B.S. in Ed

TRAINING AND/OR INTEREST IN HISTORIC PRESERVATION (eg, conferences attended, membership in other organizations, special training, courses taken, volunteer activities, or previous job experience). A resume may be included.

I'm the current president of the Mill Village Neighborhood Association (02/10 - current), I helped successfully write a grant for ECEC in 2009, and we have donated to the Spain House (through the neighborhood association).

# MEMO

**TO:** Mayor, City Council members  
**FROM:** Pat Falkner  
**DATE:** February 14, 2018  
**RE:** Routine agenda item: Minutes of February 5, 2018  
Planning Committee meeting

Attached are the minutes of the Planning Committee meeting of February 5. The action items are as follows:

- **APP18-01** Request from Gene Taylor to appeal the decision of the Winfield Neighborhood Association's Design Committee's denial of the design of a proposed home in the Winfield Subdivision.

**approved**

- **RZ18-02** Application from OB Land, LLC to rezone their property Parcel 084N-19-022-03, Lot 3, Pinnacle Point, from Mixed Use Residential to Mixed Use Commercial Corridor (MUCC) Zoning District.

**Approved:** hearing and action to follow on March 6.

## TUPELO PLANNING COMMITTEE

February 5, 2018

### CALL TO ORDER

Chairman Gus Hildenbrand called the meeting to order. Members present were Mr. Hildenbrand, Mr. William Smith, Mr. Scott Davis, Mrs. Patti Thompson, Mr. Mack-Arthur Turner, and Mrs. Margaret Ann Kennedy. Mr. Hildenbrand provided the invocation and Mrs. Thompson led the Pledge of Allegiance. Staff present were Shane Hooper, Pat Falkner and Marilyn Vail of the Development Services Department.

### REVIEW OF JANUARY MINUTES

The January minutes were approved on a motion by Mrs. Thompson and a second by Mr. Smith.

### REPORT ON COUNCIL ACTIONS

Mr. Falkner reported that the City Council would be voting February 6 on the Committee's recommendation to approve the rezoning application from the January meeting.

### NEW BUSINESS

**APP18-01** Request from Gene Taylor to appeal the denial of a building permit based on the decision of the Winfield Neighborhood Association's Design Committee's not to approve the design of a proposed home in the Winfield Subdivision.

Mr. Falkner explained the process of design review under the overlay district and went over the five objections that the review committee had to the proposed house. Four of those objections had been met but the fifth, the requirement that the house be of width comparable to the average width of houses in the immediate vicinity. He noted that the staff had determined the width of the six nearest houses from property record cards, and that the average width was 55 feet.

Steve Cork, attorney for the applicant, appeared to present the appeal. He submitted a drawing showing the setbacks required under the covenants for the phase of the subdivision, noting that these were more restrictive than the setbacks required by the Development Code. He said that Mr. Taylor's client had chosen a plan that was 40 feet wide as being appropriate for the lot with its narrow frontage, and that subsequent to the design review committee meeting, had agreed to widen the house to 44 feet. Mr. Cork noted that based on the submitted site plan drawing, a house 50 feet wide would need to be set back much farther from the street than other houses in the vicinity in order to meet the side setbacks, and this would result in encroachment on the rear setback.

Mr. Hildenbrand noted that, working with the buildable area of the lot, a 50 foot wide house that also met the square footage minimum called for by the covenants could be built on the property. Mrs. Kennedy asked if the width issue was the only reason the committee did not approve the plans.

Mr. Hildenbrand opened the public comment portion of the meeting.

Mrs. Patty Johnson, President of the Winfield Neighborhood Association, spoke on behalf of the design review committee. She said that the committee did not want a zero lot line type house in the neighborhood, which is what the proposed plan resembled due to its narrow, deep configuration. She noted that the houses on either side were in excess of 40 feet wide. She said that there was a petition with about 50 signatures opposed to the house as submitted.

John Griffin, another resident, said that people moved to the neighborhood because of the covenants, and asked what the square footage of the proposed house would be. Mr. Cork said it would be around 2100 square feet.

Mrs. Kennedy asked if the committee had given any consideration to the narrower width of the subject lot, and what they thought would be allowable to build on such lots. Mrs. Johnson said that the narrow lots at the south end of the development had drainage problems.

Mr. Falkner explained how the 'context area' from which the width standard was based is defined (either side plus other properties facing same street segment). He also explained that the difference in buildable area of the narrower 'keystone' or pie shaped lots could function like the 'unique physical circumstances or conditions' factor in granting a variance.

Mr. Hildenbrand and Mr. Davis pointed out that a house that meets the setback requirements of the covenants could be built on the lot.

Mr. Cork agreed that it could but it would have to be pushed back so far on the lot that meeting the square footage requirements would be hard.

Mr. Griffin said that the proposed house would harm property values.

Mr. John Weems, 2025 Winfield Drive, said that he lived directly behind the subject lot and was concerned about drainage. He asked how close the house could be to the rear line. Mr. Falkner explained that the rear setback was ten feet but that the builder intended to meet the 20 foot rear setback required by the covenants.

Mrs. Henryella Smith, 340 Battlefield Drive, brought up the house next to hers that was built too close to the side property line.

Mrs. Kennedy asked the neighborhood representatives which would be better for their property values, a narrow house that met the square footage standard of their covenants, or a wide house that was smaller in square footage. Mrs. Smith replied that of those alternatives, she would prefer to have more square footage.

Mrs. Johnson asked for confirmation of the square footage of the house.

Mr. Hooper responded that the city could not be involved in enforcing the restrictive covenants, but could review the plans for this information.

Mr. Cork said that the builder would commit to at least 2000 square feet, and also noted that any lot owner in the subdivision could enforce the covenants.

Mr. Hildenbrand closed the public comments period and asked Mr. Falkner for the staff's recommendation. Mr. Falkner said that provided the house was at least 44 feet wide, approving the appeal would be considered a reasonable accommodation to the limitations of the lot.

Mrs. Thompson made a motion to accept the appeal, seconded by Mr. Smith. Mrs. Kennedy asked that the motion be amended to include a requirement of at least 2000 square feet. Mrs. Thompson accepted the amendment, which was approved unanimously.

**RZ18-02** Application from to rezone property Parcel, located behind the Community Bank on North Gloster, from Mixed Use Residential to Mixed Use Commercial Corridor (MUCC) Zoning District.

Bruce Patel, owner, and Harvey Matheny, civil engineer for the Pinnacle Point project, appeared on behalf of the application. Mr. Patel said that he was requesting rezoning in order to develop the lot as commercial, probably for a hotel. Mr. Hildenbrand asked if a hotel could be allowed under the existing Mixed Use Residential zoning. Mr. Falkner answered that it could through a flexible use review, which also involves a Planning Committee hearing. Mrs. Kennedy asked which process would be best for the proposed use. Mr. Patel answered that in order to get flexible use approval, he would have to pay for the development of site plans which was a cost item he preferred to avoid at this phase of the process.

Mr. Hildenbrand noted that he did not really see the subject property as part of the commercial corridor.

He asked if there had been any comments or questions from the public. Mr. Falkner said there had not been any.

Mr. Jonathan Walker, manager of Outback steak house, spoke in favor of the application.

Mr. Davis moved to approve the application. Mr. Smith seconded and the motion passed unanimously.

Mr. Falkner reported that the staff was expecting one application for March. The committee set a work session for February 26 and the next meeting on March 5, 2018.

Mrs. Thompson made a motion to adjourn, seconded by Mr. Davis.



# Parks Advisory Board and Sports Council Meeting November 14, 2017



Advisory Members Present

Robin Faucette, Ward 1  
Mike Maynard, Ward 2  
Jack Keene, Ward 3  
Davey Cole, Ward 5  
Kenneth Greer, Ward 6  
Jim Ingram, President TSC

Advisory Member Absent

Joe Washington Jr. Ward 4  
Tara Cayson, Ward 7

Staff Present

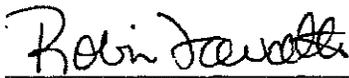
Alex Farned, Director  
Deana Carlock, Office Manager  
Leigh Ann Mattox, Recreation Director  
Laura Kramer, Sports Director  
Amy Kennedy, Aquatic Director

Staff Absent

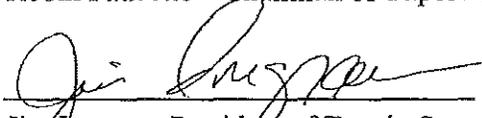
Alex Wilcox, Sports Director  
Shanta Jones, Program Director  
Sheila Runnels, Sports Director  
Markel Whittington, Council Rep.

1. Robin Faucette called the meeting to order.
2. Davey Cole made the motion to accept the agenda with Jim Ingram making the second. Passed unanimously.
3. Davey made the motion to accept the minutes with Mike Maynard making the second. Pass unanimously.
4. Davey made the motion accept the treasurer's report with Mike making the second. Pass unanimously.
5. Member Reports
  - a. Tupelo Youth Soccer Association – Report received.
  - b. Tupelo Youth Baseball Association – Report received.
  - c. Tupelo Softball Association – Report received.
  - d. Tupelo Basketball Association – Report received.
  - e. Tupelo Tennis Association – Report received.
  - f. Tupelo Therapeutic Recreation Association – Report received.
  - g. Tupelo Aquatic Club – Report received.
  - h. Tupelo Disc Golf Association – Report received.
  - i. Tupelo Skate Park Association – Report received.
  - j. Tupelo Flag Football Association – Report received.
  - k. Friends of the Park – Report received.
  - l. Tupelo Fourth of July Celebration Association – Report received.
  - m. Veterans Council – Report received.
  - n. Tournament –Report received.

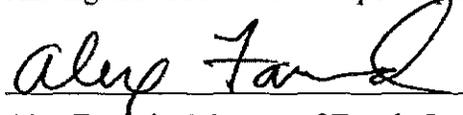
- o. Marketing – Report received.
  - p. Monthly Participation - Report Received
6. The Board was updated on the storm shelters.
  7. Board was updated on the Gumtree Project.
  8. The Board was updated the Vietnam Wall
  9. The Board was updated on the Ballard Baseball Fields Project.
  10. The Board was provided a calendar of events.
  11. The Board was updated on the concession contract.
  12. The Board was updated on the Park Advisory Board Terms.
  13. Mike made a motion to adjourn with Davey making the second. Passed unanimously.



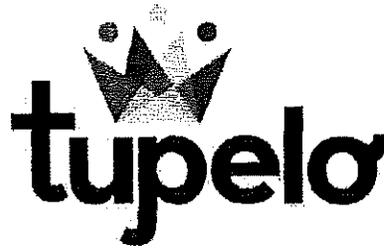
Robin Faucette – Chairman of Tupelo Parks Advisory Board



Jim Ingram – President of Tupelo Sports Council



Alex Farned – Director of Tupelo Parks and Recreation



Tupelo CVB Board Meeting  
Monday, January 8, 2018, 2 p.m.

The Tupelo Convention & Visitors Bureau met Monday, January 8, 2018 at 2 p.m. in MS Hills National Heritage Area Center. Those present were board members: Jonathan Waller, Jane Spain, Cheryl Foster, Chauncey Godwin, Louis Britton, Stephanie Browning and Neal McCoy. Staff: Stephanie Coomer, Kylie Boring, Brian Rucker and Jan Pannell. Others present were: Don Lewis and Kim Hanna, City of Tupelo; and Todd Hunt and Scott Reed, BancorpSouth Arena and Conference Center.

Neal McCoy called the meeting to order at 2 p.m.

Jane Spain moved, Jonathan Waller seconded approval of the agenda. All voting aye, the motion carried.

Cheryl Foster moved, Jane Spain seconded approval of the minutes from the November, 2017 meeting. All voting aye, the motion carried.

Neal McCoy presented the financial report.

Brian Rucker, Kylie Boring and Stephanie Coomer presented staff reports.

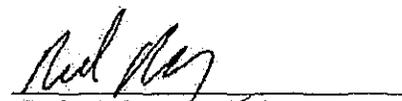
Todd Hunt made a presentation to the board about a possible addition to the arena and conference center. Kim Hanna and Don Lewis laid out a funding plan asking the Tupelo CVB board to consider funding the expansion. The board agreed to meet within the week to discuss the request.

The board of directors took a tour of the construction site of the new visitors center located across the street.

The meeting adjourned at 4 p.m.

Submitted by:

  
Chauncey Godwin, Chairman

  
Neal McCoy, Executive Director



Tupelo CVB Board Meeting  
Thursday, January 11, 2018  
11:00 a.m.

The Tupelo Convention & Visitors Bureau met Thursday, January 11, 2018 at 11 a.m. in MS Hills National Heritage Area Center. Those present were board members: Jonathan Waller, Jane Spain, Cheryl Foster, Chauncey Godwin, Louis Britton, Stephanie Browning and Neal McCoy. Staff: Stephanie Coomer. Others present were: Don Lewis and Kim Hanna, City of Tupelo.

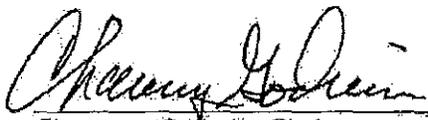
Neal McCoy called the meeting to order at 11 a.m.

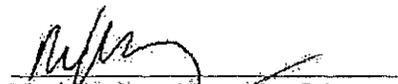
The purpose of the meeting was to discuss the aspects of the Arena expansion.

Through much discussion, the board of directors came to the consensus that the project is needed and that the CVB has the financial capability to commit to the project. The board directed that before the financial commitment is made that there must be a plan in place to actively recruit private investment into a hotel adjacent to the expansion because it is tantamount to the expansion's success. The board decided to hold a meeting with Community Development Foundation, Tupelo CVB and BancorpSouth Arena to formulate a plan. Neal McCoy will take the lead on organizing the meeting.

The meeting was adjourned at 11:34 a.m.

Submitted by:

  
Chauncey Godwin, Chairman

  
Neal McCoy, Executive Director



Tupelo CVB Board Meeting  
Monday, February 5, 2018, 2 p.m.

The Tupelo Convention & Visitors Bureau met Monday, February 5, 2018 at 2 p.m. in MS Hills National Heritage Area Center. Those present were board members: Jonathan Waller, Jane Spain, Chauncey Godwin, Stephanie Browning and Neal McCoy. Staff: Stephanie Coomer, Kylie Boring, Brian Rucker, McKenzie Watkins, Will Crockett and Elizabeth Russell. Others present were: Don Lewis and Kim Hanna, City of Tupelo; and Nettie Davis, Tupelo City Councilwoman.

Neal McCoy called the meeting to order at 2 p.m.

Jane Spain moved, Chauncey Godwin seconded approval of the agenda. All voting aye, the motion carried.

Stephanie Browning moved, Jonathan Waller seconded approval of the minutes from the regular board meeting of January 8, 2018 meeting. All voting aye, the motion carried.

Jane Spain moved, Jonathan Waller seconded approval of the minutes from the special called board meeting of January 11, 2018. All voting aye, the motion carried.

Kim Hanna presented the financial report.

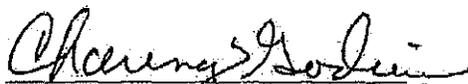
Brian Rucker, Kylie Boring and Stephanie Coomer presented staff reports.

Jonathan Waller moved, Chauncey Godwin seconded endorsement of the arena expansion with a commitment of financial assistance to fund the project contingent on there being a hotel partner committed to the project. All voting aye, the motion carried.

Nettie Davis reported on the Alcorn State national meeting in Tupelo February 21-25, 2018.

The meeting adjourned at 2:44 p.m.

Submitted by:

  
Chauncey Godwin, Chairman

  
Neal McCoy, Executive Director

**RESOLUTION**

**RESOLUTION ACCEPTING DONATION OF REAL PROPERTY LOCATED OFF WEST JACKSON STREET (EXTENDED) FROM FRERER REALTY, INC. FOR DEDICATION AS PUBLIC STREET**

WHEREAS, Frerer Realty, Inc., the owner of a private street (Browning Drive) located off West Jackson Street (Extended) has agreed to donate to the City of Tupelo the private street for dedication to the public, and maintenance by the city; and

WHEREAS, based upon staff recommendations, it would be in the best interest of public convenience, necessity and welfare that the city accept donation of the private street (Browning Drive) located off West Jackson Street (Extended) for dedication and maintenance as a city street; and

NOW THEREFORE, the private street (Browning Drive) offered to be dedicated as public right-of-way is hereby found to be in the best interest of public convenience, necessity and welfare, and same shall hereby be accepted for maintenance by the City of Tupelo, said private street to be dedicated to the public described in the attached Donation Warranty Deed for Dedication of a City Street, Exhibit "A".

The Mayor of the City of Tupelo is hereby authorized to accept by donation warranty deed for dedication of a city street.

After a full discussion of this matter, Council Member Mike Bryan moved that the foregoing Resolution be adopted and said motion was seconded by Council Member Buddy Palmer and upon the question being put to a vote, the results were as follows:

Councilmember Whittington voted	<u>Aye</u>
Councilmember L. Bryan voted	<u>Aye</u>
Councilmember Beard voted	<u>AYE</u>
Councilmember Davis voted	<u>AYE</u>

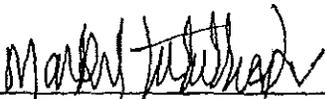
Councilmember Palmer voted  
Councilmember M. Bryan voted  
Councilmember Jennings voted

AYE  
AYE  
AYE

The motion having received the affirmative vote of a majority of the members present,  
the President declared the motion carried and the resolution adopted.

WHEREUPON, the foregoing Resolution was declared, passed and adopted at a regular  
meeting of the Council on this the 20th day of February, 2018.

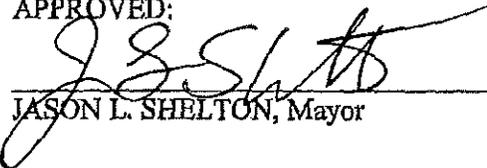
CITY OF TUPELO, MISSISSIPPI

By:   
MARKEL WHITTINGTON  
City Council President

ATTEST:

  
AMANDA DANIEL  
Clerk of the Council

APPROVED:

  
JASON L. SHELTON, Mayor

February 21, 2018  
DATE

# Exhibit

"A"

PREPARED BY: Ben M. Logan, City Attorney  
City of Tupelo, Mississippi  
P.O. Box 1485  
Tupelo, MS 38802

RETURN TO: Preparer

**TO THE CHANCERY CLERK OF LEE COUNTY, MISSISSIPPI:** All lying and being in the Southwest Corner of the Northeast Quarter of Section 27, Township 9 South, Range 5 East, in the City of Tupelo, Lee County, Mississippi.

## DONATION WARRANTY DEED FOR DEDICATION OF A CITY STREET

**FROM: Frerer Realty, Inc.**  
3370 West Jackson St.  
P.O. Box 414  
Tupelo, MS 38802-0414

**TO: City of Tupelo, Mississippi**  
P.O. Box 1485  
Tupelo, MS 38802  
Telephone: (662) 841-6513

For and in consideration of the mutual benefits accruing to both parties, particularly the donation by Grantor and acceptance by Grantee for dedication to the public use and maintenance thereof by Grantee, the receipt and sufficiency of which is hereby acknowledged, **Frerer Realty, Inc.**, ("Grantor"), does by these presents, donate, grant, bargain, sell, convey and warrant unto the **City of Tupelo, Mississippi**, ("Grantee"), the real property described below and depicted in Exhibit "A" attached hereto:

**A TRACT OF LAND TO BE USED FOR PUBLIC ROAD RIGHT-OF-WAY:**

**COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 9 SOUTH, RANGE 5 EAST IN THE CITY OF TUPELO, LEE COUNTY, MISSISSIPPI; RUN THENCE N 00°29'29" W A DISTANCE OF 1,213.80 FEET TO A POINT ON THE EAST RIGHT-OF-WAY OF WEST JACKSON**

STREET EXTENDED AND THE POINT OF BEGINNING OF THIS DESCRIPTION; RUN THENCE, ALONG SAID EAST RIGHT-OF-WAY, N 00°29'09" W A DISTANCE OF 50.00 FT TO A POINT; RUN THENCE, LEAVING SAID RIGHT-OF-WAY AND ALONG THE NORTH LINE OF THE PROPOSED PUBLIC RIGHT-OF-WAY, THE FOLLOWING BEARINGS AND DISTANCES: S 89°57'40" E A DISTANCE OF 25.00 FT TO A POINT; S 89°57'44" E A DISTANCE OF 121.12 FEET TO A POINT; N 89°48'00" E A DISTANCE OF 137.92 FEET TO A POINT; RUNTHENCE, LEAVING SAID NORTH LINE, S 00°29'09" E A DISTANCE OF 50.58 FT TO A POINT ON THE SOUTH LINE OF THE PROPOSED PUBLIC RIGHT-OF-WAY; RUN THENCE, ALONG SAID SOUTH LINE, N 89°57'40" W A DISTANCE OF 284.04 FEET TO THE POINT OF BEGINNING. THIS TRACT CONTAINS 0.33 ACRES.

Grantor fully understands it has the right to receive just compensation for the entire property based on an appraisal of the property. Grantor hereby waives its right to just compensation and donates the real property herein described to the City of Tupelo, Mississippi.

It is further understood and agreed that this instrument constitutes the entire agreement between the Grantor and the Grantee, there being no oral agreements or representations of any kind.

WITNESS THE SIGNATURE of Grantor's duly authorized representative on this the

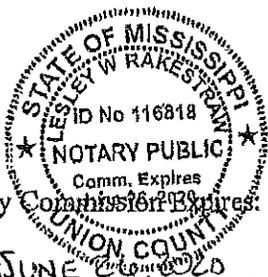
6 day of FEBRUARY, 2018.

**FRERER REALTY, INC.**

By:  \_\_\_\_\_

STATE OF MISSISSIPPI  
COUNTY OF LEE

BEFORE ME, the undersigned authority in and for the jurisdiction aforesaid, on the  
6 day of FEBRUARY, 2018, personally came and appeared,  
JIM FRERER, a representative of Frerer Realty, Inc., and that he/she  
signed, executed and delivered the above and foregoing document.

A circular notary seal for the State of Mississippi, Union County. The seal contains the text: "STATE OF MISSISSIPPI", "LESLIE W. RAKESTRAY", "ID No 116818", "NOTARY PUBLIC", "Comm. Expires", "My Commission Expires:", and "UNION COUNTY".  
JUNE 2020  
(SEAL)

A handwritten signature in black ink, appearing to read "Leslie W. Rakestray", written over a horizontal line.  
NOTARY PUBLIC

TRACT OF LAND TO BE USED FOR PUBLIC ROAD RIGHT-OF-WAY:

COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 9 SOUTH, RANGE 5 EAST IN THE CITY OF TUPELO, LEE COUNTY, MISSISSIPPI; RUN THENCE N 00°22'28" W A DISTANCE OF 1,213.80 FEET TO A POINT ON THE EAST RIGHT-OF-WAY OF WEST JACKSON STREET EXTENDED AND THE POINT OF BEGINNING OF THIS DESCRIPTION; RUN THENCE ALONG SAID EAST RIGHT-OF-WAY, N 00°29'09" W A DISTANCE OF 50.00 FT TO A POINT; RUN THENCE, LEAVING SAID RIGHT-OF-WAY AND ALONG THE NORTH LINE OF THE PROPOSED PUBLIC RIGHT-OF-WAY, THE FOLLOWING BEARINGS AND DISTANCES: S 89°07'40" E A DISTANCE OF 23.00 FT TO A POINT; S 88°37'44" E A DISTANCE OF 21.19 FEET TO A POINT; N 88°48'00" E A DISTANCE OF 137.22 FEET TO A POINT; RUN THENCE, LEAVING SAID NORTH LINE, S 00°29'09" E A DISTANCE OF 50.56 FT TO A POINT ON THE SOUTH LINE OF THE PROPOSED PUBLIC RIGHT-OF-WAY; RUN THENCE, ALONG SAID SOUTH LINE, N 89°57'40" W A DISTANCE OF 284.04 FEET TO THE POINT OF BEGINNING. THIS TRACT CONTAINS 0.33 ACRES.

NORTH MS DANCE

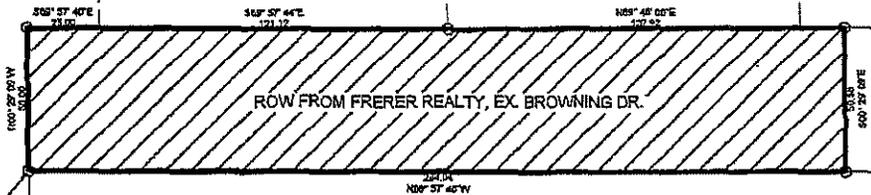
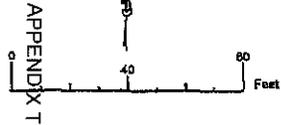
NORTH MS DANCE

FRERER REALTY

JAMES CHRISMAN

FRERER REALTY

ROW FROM FRERER REALTY, EX. BROWNING DR.



POB: POINT ON EAST ROW OF WEST JACKSON EXTENDED SAID POINT BEING A DISTANCE OF 1,213.80 AT A BEARING OF N 00°29'09" W FROM THE SW CORNER OF THE NE QTR OF SECTION 27, TOWNSHIP 9 SOUTH, RANGE 5 EAST IN THE CITY OF TUPELO, LEE COUNTY, MISSISSIPPI

PROPOSED RIGHT-OF-WAY FOR EXISTING BROWNING DRIVE



JANUARY 2018

**RESOLUTION**

**A RESOLUTION RESCINDING COUNCIL ACTION OF SEPTEMBER 5, 2017,  
ACCEPTANCE OF THE DONATION OF RIGHTS-OF-WAY FROM JAMES  
CHRISMAN LOCATED AT 3248 WEST JACKSON STREET (EXTENDED) FOR  
DEDICATION OF A PUBLIC STREET**

**WHEREAS**, the governing authorities of the City of Tupelo are empowered to act with respect to the care, management and control of municipal affairs and its properties for which no provision has been made by general law and which is not inconsistent with existing law pursuant to Section 21-17-1, et seq. of the Mississippi Code Annotated (1972), as amended, including the authority to purchase and hold such real estate on such terms as it may elect that are consistent with statutory authority and

**WHEREAS**, on September 5, 2017 the City Council approved the acceptance of a donation of real property from James Chrisman for the purposes of constructing a proposed extension from West Jackson Street (Extended) to Gun Club Road; and

**WHEREAS**, the scope and circumstances of the project changed, and the acceptance of donated right-of-way was not feasible to carry out the project; and

**WHEREAS**, donation deed was never conveyed by Chrisman or accepted by the city, and now the City of Tupelo desires to rescind acceptance of said donation of property in order to allow the project to proceed in a different manner,

**NOW THEREFORE**, it is hereby resolved and ordered by the City Council of Tupelo to rescind the action taken during the council meeting of September 5, 2017 in accepting the donation from James Chrisman of the right-of-way property located at 3248 West Jackson Street (Extended). A copy of the previous resolution and minutes of the September 5, 2017 meeting are attached hereto as cumulative Exhibit "A".

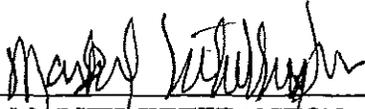
After a full discussion of this matter, Council Member Mike Bryan moved that the foregoing Resolution be adopted and said motion was seconded by Council Member Lynn Bryan and upon the question being put to a vote, the results were as follows:

Councilmember M. Whittington voted	<u>AYE</u>
Councilmember L. Bryan voted	<u>AYE</u>
Councilmember Beard voted	<u>AYE</u>
Councilmember Davis voted	<u>AYE</u>
Councilmember Palmer voted	<u>AYE</u>
Councilmember M. Bryan voted	<u>AYE</u>
Councilmember Jennings voted	<u>AYE</u>

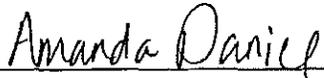
The motion having received the affirmative vote of a majority of the members present, the President declared the motion carried and the resolution adopted.

WHEREUPON, the foregoing Resolution was declared, passed and adopted at a regular meeting of the Council on this the 20th day of February, 2018.

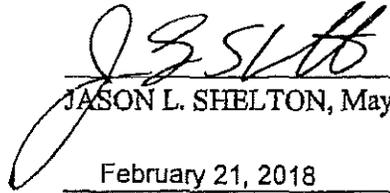
CITY OF TUPELO, MISSISSIPPI

By:   
MARKEL WHITTINGTON  
City Council President

ATTEST:

  
AMANDA DANIEL, Clerk of the Council

APPROVED:

  
JASON L. SHELTON, Mayor

February 21, 2018

DATE

RESOLUTION

RESOLUTION ACCEPTING DONATION OF REAL PROPERTY LOCATED AT 3248 JACKSON STREET EXTENDED FROM JAMES CHRISMAN FOR DEDICATION AS PUBLIC STREET

WHEREAS, James Chrisman, the owner of 3248 Jackson Street Extended has agreed to donate to the City of Tupelo a portion of said property for dedication to the public, and maintenance by the city; and

WHEREAS, based upon these staff recommendations, it would be in the best interest of the public convenience and necessity that the donation of the property located at 3248 Jackson Street Extended be accepted by the City of Tupelo and maintenance by the City,

NOW THEREFORE, the portion of the property located at 3248 Jackson Street Extended to be used for public right-of-way shall hereby be accepted for maintenance by the City of Tupelo as depicted in the legal description attached as Exhibit "A".

The Mayor of the City of Tupelo is hereby authorized to accept by warranty deed with reverter clause the real property.

After a full discussion of this matter, Council Member Mike Bryan moved that the foregoing Resolution be adopted and said motion was seconded by Council Member Willie Jennings and upon the question being put to a vote, the results were as follows:

Councilmember Whittington voted	<u>AYE</u>
Councilmember L. Bryan voted	<u>AYE</u>
Councilmember Beard voted	<u>AYE</u>
Councilmember Davis voted	<u>AYE</u>
Councilmember Palmer voted	<u>AYE</u>
Councilmember M. Bryan voted	<u>AYE</u>
Councilmember Jennings voted	<u>AYE</u>

The motion having received the affirmative vote of a majority of the members present, the President declared the motion carried and the resolution adopted.

**Exhibit**  
"A"

WHEREUPON, the foregoing Resolution was declared, passed and adopted at a regular meeting of the Council on this the 5th day of September, 2017.

CITY OF TUPELO, MISSISSIPPI

By: Markel Whittington  
MARKEL WHITTINGTON  
City Council President

ATTEST:

Amanda Daniel  
AMANDA DANIEL  
Clerk of the Council

APPROVED:  
Jason L. Shelton  
JASON L. SHELTON, Mayor  
September 6, 2017  
DATE

## EXHIBIT "A"

**JAMES CHRISMAN PROPERTY - PROPERTY DESCRIPTION - LEE COUNTY, MISSISSIPPI**

Commencing at a 3/4" Pipe (found) and recognized as being at the Northeast corner of the Northeast Quarter of Section 27, Township 9 South, Range 5 East, Lee County, Mississippi, Chickasaw Meridian; thence run West for a distance of 1776.08 feet to a point; thence run South for a distance of 1282.92 feet to a 1/2 inch Capped Rebar (set) on the West right-of-way line of Gun Club Road North with a Convergence Angle of 0 degrees 02 minutes 26.32 seconds and a Combined Scale Factor of 0.99995 and being the **POINT OF BEGINNING**; thence run along said right-of-way South 33 degrees 49 minutes 28 seconds West for a distance of 76.52 feet to a 1/2 inch Rebar (found); thence leaving said right-of-way run South 70 degrees 18 minutes 36 seconds West for a distance of 441.16 feet to a 1/2 inch Rebar (found); thence run South 29 degrees 17 minutes 15 seconds West for a distance of 25.62 feet to a 1/2 inch Rebar (found); thence run North 89 degrees 55 minutes 18 seconds West for a distance of 141.48 feet to a 1/2 inch Capped Rebar (set) on the Southeast Corner of Browning Drive right-of-way; thence run along said right-of-way North 00 degrees 29 minutes 09 seconds West for a distance of 50.58 feet to a 1/2 inch Capped Rebar (set) on the Northeast Corner of Browning Drive right-of-way; thence leaving said right-of-way run South 89 degrees 55 minutes 19 seconds East for a distance of 56.22 feet to a 1/2 inch Rebar (found); thence run along a curve to the left having radius of 49.42 feet for a distance of 78.73 feet along said curve having a chord bearing of North 44 degrees 40 minutes 39 seconds East for a distance of 70.67 feet to a 1/2 inch Capped Rebar (set); thence run North 00 degrees 02 minutes 20 seconds East for a distance of 10.24 feet to a 1/2 inch Capped Rebar (set); thence run North 70 degrees 18 minutes 36 seconds East for a distance of 456.90 feet to a 1/2 inch Capped Rebar (set); thence run South 68 degrees 09 minutes 15 seconds East for a distance of 62.19 feet to a 1/2 inch Capped Rebar (set); thence run North 29 degrees 45 minutes 15 seconds East for a distance of 224.61 feet to a 1/2 inch Capped Rebar (set) on the West right-of-way of Gun Club Road North; thence along said West right of way run with a curve to the right having radius of 509.39 feet for a distance of 208.53 feet along said curve having a chord bearing of South 23 degrees 57 minutes 04 seconds West for a distance of 207.07 feet to a 1/2 inch Capped Rebar (set); thence run

South 33 degrees 49 minutes 28 seconds West for a distance of 15.88 feet to the **POINT OF BEGINNING**.

**Indexing Instructions:** Lying and being in the Northeast Quarter of Section 27, Township 9 South, Range 5 East, City of Tupelo, Lee County, Mississippi, Chickasaw Meridian and containing 1.43 acres .

**Less and Except:** any and all Right-of-Way for Gun Club Road.

FINAL DRAFT 09/19/2017

**MUNICIPAL MINUTES, CITY OF TUPELO**  
**STATE OF MISSISSIPPI**  
**SEPTEMBER 5, 2017**

from the City of Tupelo. This is permissible under Miss. Code Anno. §45-9-31 (1972 as amended)

Upon a motion made by Councilman Beard, seconded by Councilman Palmer, the council voted unanimously to approve this motion. The letter of request is attached as **APPENDIX I.**

**IN THE MATTER OF REVIEW/ACCEPT/REJECT NOMINATIONS TO THE QUALITY OF LIFE COMMITTEE**

Mayor Shelton had submitted a request for the following individuals to be nominated to the Quality of Life Committee:

Ward 2	Jamison L. Logan
Ward 4	J.B. Clark
At Large	Bjorn Hermansen

Upon a motion made by Councilwoman Davis, seconded by Councilman Palmer, the council voted unanimously to accept these nominations. Copies of the nominee's resumes are attached as **APPENDIX J.**

**IN THE MATTER OF REVIEW/APPROVE/REJECT WORK CENTER AGREEMENT WITH LEE COUNTY AND LEE COUNTY SHERIFF DEPARTMENT**

The County and City are entering into this agreement establishing the relationship, responsibility, and parameters for the operation and use of the Work Center located at 301 Front Street, Tupelo, Mississippi. The County and City are authorized to enter this Agreement pursuant to Miss. Code Anno. §47-1-9, 47-1-13, and 47-1-39 (1972 as amended.)

Upon a motion made by Councilman M. Bryan, seconded by Councilman Jennings, the council voted unanimously to approve this agreement, a copy is attached hereto as **APPENDIX K.**

**IN THE MATTER OF REVIEW/ADOPT/REJECT DONATION OF RIGHTS OF WAY FOR A CITY STREET**

Based on the recommendations of the Department of Development Services, it is in the best interest of the public convenience that the donation of the property located at 3248 Jackson Street Extended be accepted by the City of Tupelo to be used for Public right-of-way and shall be accepted for maintenance by the City of Tupelo depicted in the legal description.

FINAL DRAFT 09/19/2017

**MUNICIPAL MINUTES, CITY OF TUPELO**  
**STATE OF MISSISSIPPI**  
**SEPTEMBER 5, 2017**

After a full discussion of this matter, Councilman M. Bryan moved that this Resolution be adopted and Councilman Jennings seconded said motion, the council voted unanimously to approve this motion. A copy of this Resolution is attached to these minutes as **APPENDIX L.**

**IN THE MATTER OF REVIEW/ADOPT /REJECT AMENDMENT TO THE RENTAL PROPERTY AGREEMENT ORDINANCE**

Upon a motion made by Councilman L. Bryan, seconded by Councilman Palmer, the council voted unanimously to table this item.

**IN THE MATTER OF REVIEW/AWARD/REJECT TUPELO VISITORS BUREAU BUILDING IMPROVEMENTS PROJECT BID**

Bids on the above referenced project were received on Tuesday, August 22, 2017, from seven (7) contractors. Murphy and Sons, Inc. is the apparent best and low bidder.

Murphy and Sons, Inc.	
Base Bid	\$1,179,900.00
Additive Alternate No. 1	\$ 99,900.00
Total	\$1,279,800.00

Upon a motion made by Councilman L. Bryan, seconded by Councilmember Davis, the council voted unanimously to award Project Number 2016511 Tupelo Convention and Visitor's Bureau Improvements to Murphy and Sons, Inc. as the lowest and best bidder. A copy of the certified bid tabulation form is attached to these minutes as **APPENDIX M.**

**IN THE MATTER OF REVIEW/APPROVE/REJECT CONTRACT BETWEEN MURPHY AND SONS, INC. FOR THE TUPELO CONVENTION AND VISITORS BUREAU IMPROVEMENTS PROJECT**

Upon a motion made by Councilman Jennings, seconded by Councilman M. Bryan, the council voted unanimously to approve this contract, a copy being attached to these minutes as **APPENDIX N.**

**IN THE MATTER OF REVIEW/ADOPT/REJECT RESOLUTION APPROVING THE ADOPTION OF AN IMPLEMENTATION OF THE "TAX INCREMENT FINANCING PLAN, FOR THE FAIRPARK REDEVELOPMENT PROJECT, CITY OF TUPELO, MISSISSIPPI, AUGUST 2017**

Kim Hanna, City Clerk, reported that pursuant to this resolution of the Mayor and City Council of the City of Tupelo, Mississippi, acting for and on behalf of the City of Tupelo, calling for a hearing to be held at 6:30 p.m. on Tuesday, September 5, 2017, with respect to the Tax

**RESOLUTION**

**A RESOLUTION AUTHORIZING THE CITY OF TUPELO TO PURCHASE CERTAIN REAL PROPERTY FROM JAMES CHRISMAN FOR A PROPOSED EXTENSION TO BROWNING DRIVE**

**WHEREAS**, the governing authorities of the City of Tupelo are empowered to act with respect to the care, management and control of municipal affairs and its properties for which no provision has been made by general law and which is not inconsistent with existing law pursuant to Section 21-17-1, et seq. of the Mississippi Code Annotated (1972), as amended, including the authority to purchase and hold such real estate on such terms as it may elect that are consistent with statutory authority and

**WHEREAS**, Miss. Code Anno. Sec. 43-37-1 et seq. (1972 as amended) prescribes the acquisition of real property using public funds; and

**WHEREAS**, the City of Tupelo desires to purchase said property pursuant to its policy for acquisition of low-market value real property valued at less than Ten Thousand Dollars, (\$10,000.00), said policy enacted 8-15-2017; and

**WHEREAS**, the City of Tupelo desires said property be acquired for the purpose of extending the existing Browning Drive from Jackson Street Extended to Gun Club Road; and

**NOW THEREFORE**, it is hereby resolved and ordered by the City Council of Tupelo as follows:

1. The prefatory paragraphs of this Resolution are hereby found and determined to be in accordance with the necessary and warranted exercise of the authority of the City of Tupelo by securing necessary interests in the real property for the purpose of proposed extension of Browning Drive.
2. The Mayor and City Clerk are hereby authorized to purchase from James Chrisman, the section of real property containing 1.45 acres and located at 3248 Gun Club Road for the sum of Ten Thousand Dollars (\$10,000.00).
3. A copy of the Contract of Purchase with a legal description and plat and the valuation of property are attached hereto as Exhibits "A" and "B" respectively.

After a full discussion of this matter, Council Member Mike Bryan moved that the foregoing Resolution be adopted and said motion was seconded by Council Member Buddy Palmer and upon the question being put to a vote, the results were as follows:

Councilmember M. Whittington voted	<u>AYE</u>
Councilmember L. Bryan voted	<u>AYE</u>
Councilmember Beard voted	<u>AYE</u>
Councilmember Davis voted	<u>AYE</u>

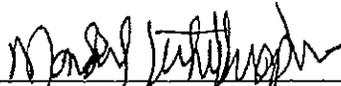
Councilmember Palmer voted  
Councilmember M. Bryan voted  
Councilmember Jennings voted

AYE  
AYE  
AYE

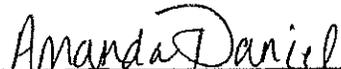
The motion having received the affirmative vote of a majority of the members present, the President declared the motion carried and the resolution adopted.

**WHEREUPON**, the foregoing Resolution was declared, passed and adopted at a regular meeting of the Council on this the 20th day of February, 2018.

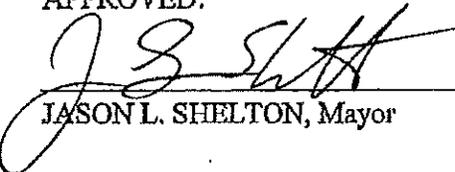
CITY OF TUPELO, MISSISSIPPI

By:   
MARKEL WHITTINGTON  
City Council President

ATTEST:

  
AMANDA DANIEL, Clerk of the Council

APPROVED:

  
JASON L. SHELTON, Mayor

February 21, 2018

DATE

**CONTRACT OF PURCHASE**

AGREEMENT entered into this the \_\_\_\_\_ day of \_\_\_\_\_ 2018, by and between the JAMES CHRISMAN, (hereinafter referred to as "SELLER"), and the CITY OF TUPELO, MISSISSIPPI (hereinafter referred to as "PURCHASER"), and in consideration of the mutual covenants contained herein, do hereby contract and agree as follows:

Purchaser desires to purchase from Sellers, and Sellers wish to sell to Purchaser, all of Seller's right, title and interest in and to certain real property situated in the City of Tupelo, Lee County, Mississippi, upon the terms set forth herein. The real property is more particularly described as follows (the "Subject Property"):

Commencing at a 3/4" Pipe (found) and recognized as being at the Northeast corner of the Northeast Quarter of Section 27, Township 9 South, Range 5 East, Lee County, Mississippi, Chickasaw Meridian; thence run West for a distance of 1776.08 feet to a point; thence run South for a distance of 1282.92 feet to a 1/2 inch Capped Rebar (set) on the West right-of-way line of Gun Club Road North with a Convergence Angle of 0 degrees 02 minutes 26.32 seconds and a Combined Scale Factor of 0.99995 and being the POINT OF BEGINNING; thence run along said right-of-way South 33 degrees 49 minutes 28 seconds West for a distance of 76.52 feet to a 1/2 inch Rebar (found); thence leaving said right-of-way run South 70 degrees 18 minutes 36 seconds West for a distance of 441.16 feet to a 1/2 inch Rebar (found); thence run South 29 degrees 17 minutes 15 seconds West for a distance of 25.62 feet to a 1/2 inch Rebar (found); thence run North 89 degrees 55 minutes 18 seconds West for a distance of 141.48 feet to a 1/2 inch Capped Rebar (set) on the Southeast Corner of Browning Drive right-of-way; thence run along said right-of-way North 00 degrees 29 minutes 09 seconds West for a distance of 50.58 feet to a 1/2 inch Capped Rebar (set) on the Northeast Corner of Browning Drive right-of-way; thence leaving said right-of-way run South 89 degrees 55 minutes 19 seconds East for a distance of 56.22 feet to a 1/2 inch Rebar (found); thence run along a curve to the left having radius of 49.42 feet for a distance of 78.73 feet along said curve having a chord bearing of North 44 degrees 40 minutes 39 seconds East for a distance of 70.67 feet to a 1/2 inch Capped Rebar (set); thence run North 00 degrees 02 minutes 20 seconds East for a distance of 10.24 feet to a 1/2 inch Capped Rebar (set); thence run North 70 degrees 18 minutes 36 seconds East for a distance of 456.90 feet to a 1/2 inch Capped Rebar (set); thence run South 68 degrees 09 minutes 15 seconds East for a distance of 62.19 feet to a 1/2 inch Capped Rebar (set); thence run North 29 degrees 45 minutes 15 seconds East for a distance of 224.61 feet to a 1/2 inch Capped Rebar (set) on the West right-of-way of Gun Club Road North; thence along said West right of way run with a curve to the right having radius of 509.39 feet for a distance of 208.53 feet along said curve having a chord bearing of South 23 degrees 57 minutes 04 seconds West for a distance of 207.07 feet to a 1/2 inch Capped Rebar (set); thence run South 33 degrees 49 minutes 28 seconds West for a distance of 15.88 feet to the POINT OF BEGINNING.

**Indexing Instructions:** Lying and being in the Northeast Quarter of Section 27, Township 9 South, Range 5 East, City of Tupelo, Lee County, Mississippi, Chickasaw Meridian and containing 1.43 acres ±.

**Exhibit**

"A"

**Less and Except:** any and all Right-of-Way for Gun Club Road.

- 1. **PRICE.** The purchase price of the property shall be Ten Thousand and 00/100 Dollars (\$10,000.00) and shall be due and payable as follows:

APPENDIX

2. CLOSING. Sellers shall deliver to Purchaser at closing a warranty deed, conveying good and marketable fee simple title to the Subject Property, subject to subdivision, zoning, and other regulations in effect in the City of Tupelo or Lee County, Mississippi, and rights of way and easements for public roads, flowage, utilities and any mineral or mineral rights, including oil and gas, leased, granted or retained by current or prior owners, as well as any other restriction, reservation, encumbrance or items of record or which an accurate title search would reveal or which a survey or inspection of the property would reveal, and with taxes not delinquent; provided, however, that should delinquent taxes be due, Seller hereby agrees to pay such amount with the proceeds from the closing.
3. CLOSING COSTS. Buyer is to pay for preparation of the warranty deed and to pay for any and all other closing costs, if any. Real estate taxes for the current year, if any, shall be prorated as of the date of closing.
4. PROPERTY CONDITION. The Subject Property is sold in an "AS IS", "WHERE IS" condition "WITH ALL FAULTS" as of the closing. Purchaser acknowledges that neither Seller nor any of the employees, agents, or attorneys of Sellers have made any verbal or written representations or warranties whatsoever to Purchaser, whether express or implied, statutory, or by operation of law regarding the condition of the Subject Property or the title thereto.
5. CLOSING AND POSSESSION AND MAINTENANCE AND ADVERTISING: Seller and Purchaser shall work together to reasonably set a time for closing. Possession shall pass at Closing.
6. COMMISSION: Seller and Purchaser each represent and warrant that they are not represented by a broker and that no real estate commissions are due in the regard to the sale(s) contemplated in this agreement.
7. GOVERNING LAW: This Agreement shall be governed by and interpreted in accordance with the laws of the State of Mississippi.
8. ENTIRE AGREEMENT: This writing contains the entire Agreement of the Parties and may not be amended except in writing, signed by both Seller and Purchaser.

IN WITNESS WHEREOF, each of the Parties hereto has signed this Agreement on the date shown below their respective signatures. This Agreement shall, for all purposes, be deemed to be fully executed on the latest of the dates of execution as shown below (the "Effective Date").

PURCHASER

SELLER

\_\_\_\_\_  
 JASON L. SHELTON, MAYOR  
 CITY OF TUPELO, MISSISSIPPI

\_\_\_\_\_  
 JAMES CHRISMAN  
 3248 GUN CLUB ROAD  
 TUPELO, MS 38801

\_\_\_\_\_  
 DATE

\_\_\_\_\_  
 DATE

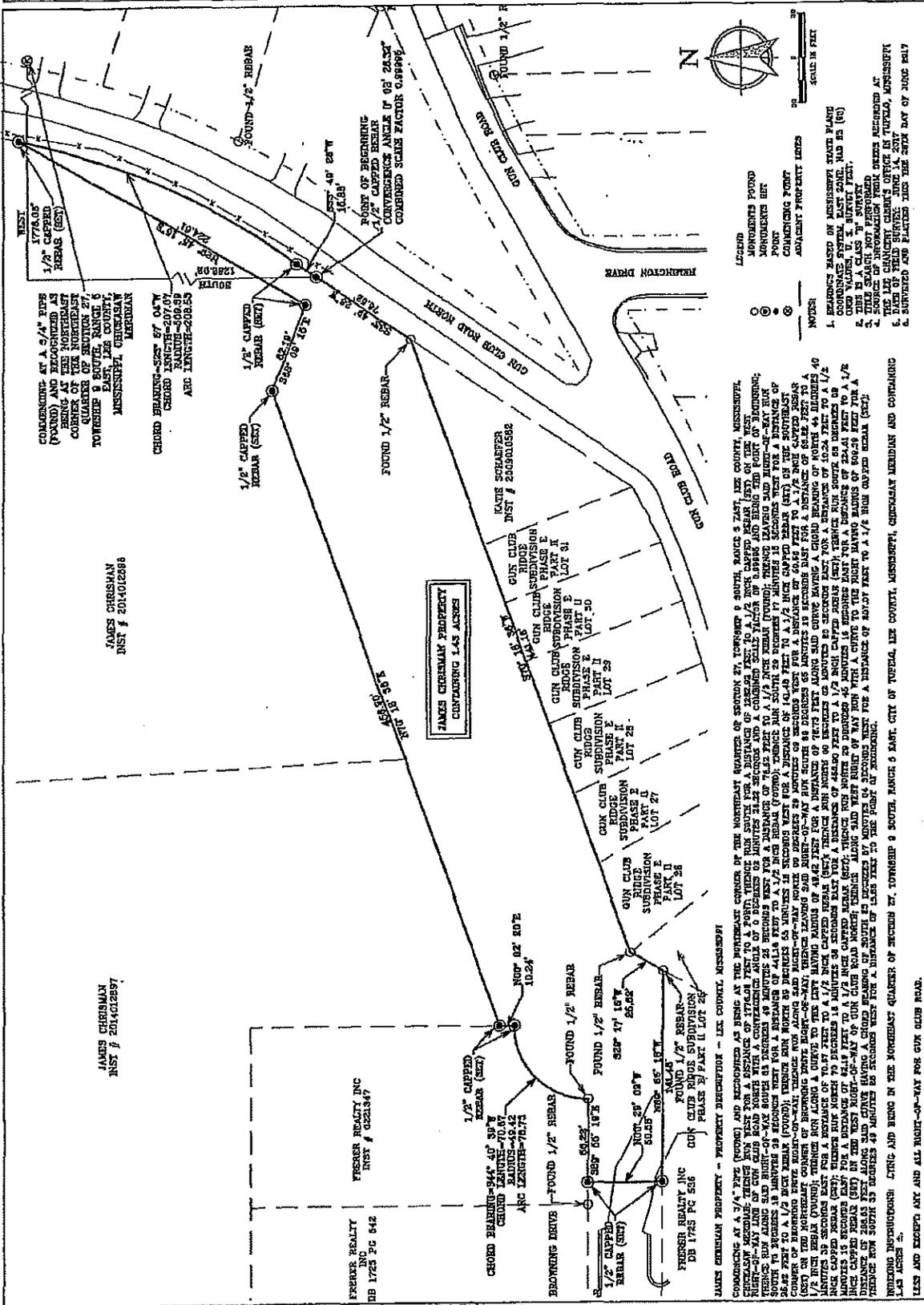


1214 N. WILKINS BLVD.  
MEMPHIS, TN 38103  
PHONE 901.521.2200  
FAX 901.521.2204  
WWW.ESIENGINEERING.COM  
100 WEST WASHINGTON  
MEMPHIS, TN 38103  
PHONE 901.521.2200  
FAX 901.521.2204

JAMES CHRISTMAN PROPERTY  
900 W. MARKET AVENUE  
CITY OF MEMPHIS  
MEMPHIS, TN 38103  
PHONE 901.521.2200  
FAX 901.521.2204

NO.	REVISION
1	ISSUED
2	REVISED
3	REVISED
4	REVISED
5	REVISED
6	REVISED
7	REVISED
8	REVISED
9	REVISED
10	REVISED

10F1



APPENDIX V



January 22, 2018

Don Lewis, COO  
City of Tupelo  
P.O. Box 1485  
Tupelo, MS 38804

RE: James Chrisman Property containing 1.45 Acres  
Tupelo, MS 38804

Dear Mr. Lewis:

I am Ellen Short, a licensed real estate agent/licensed real estate broker/licensed appraiser and have a sufficient understanding of the local real estate market in the Tupelo, Mississippi area, particularly the property of the address listed above.

I understand that the City of Tupelo desires to acquire the attached, described right-of-way from the owner. I have reviewed the legal description, map and location and can give the following opinions regarding a waiver of appraisal valuation:

- 1) The valuation problem is uncomplicated,
- 2) The anticipated value of the proposed acquisition is estimated to be \$10,000 or less.
- 3) Based on the size of the acquisition being square feet and the location of the property, the value of \$10,000 would be just compensation.

If you have any questions, please do not hesitate to contact me.

Sincerely,

**Exhibit**

"B"

**RESOLUTION**

**A RESOLUTION AUTHORIZING THE CITY OF TUPELO TO PURCHASE CERTAIN REAL PROPERTY FROM JORJE CRUZ AVINA GAYTAN AND ARACELI AVINA DIAZ FOR A PROPOSED EXTENSION OF BROWNING DRIVE TO GUN CLUB ROAD**

**WHEREAS**, the governing authorities of the City of Tupelo are empowered to act with respect to the care, management and control of municipal affairs and its properties for which no provision has been made by general law and which is not inconsistent with existing law pursuant to Section 21-17-1, et seq. of the Mississippi Code Annotated (1972), as amended, including the authority to purchase and hold such real estate on such terms as it may elect that are consistent with statutory authority and

**WHEREAS**, Miss. Code Anno. Sec. 43-37-1 et seq. (1972 as amended) prescribes the acquisition of real property using public funds; and

**WHEREAS**, the City of Tupelo desires to purchase said property pursuant to its policy for acquisition of low-market value real property valued at less than Ten Thousand Dollars, (\$10,000.00) said policy enacted 8-15-2017; and

**WHEREAS**, the City of Tupelo desires said property be acquired for the purpose of extending the existing Browning Drive from Jackson Street Extended to Gun Club Road; and

**NOW THEREFORE**, it is hereby resolved and ordered by the City Council of Tupelo as follows:

1. The prefatory paragraphs of this Resolution are hereby found and determined to be in accordance with the necessary and warranted exercise of the authority of the City of Tupelo by securing necessary interests in the real property for the purpose of proposed extension of Browning Drive.
2. The Mayor and City Clerk are hereby authorized to purchase From Jorje Cruz Avina Gaytan And Araceli Avina Diaz, the section of real property containing 0.1667 acres and located at 1290 Gun Club Road for the sum of Ten Thousand Dollars (\$10,000.00).
3. A copy of the Contract of Purchase with a legal description and plat and the valuation of property are attached hereto as Exhibits "A" and "B" respectively.

After a full discussion of this matter, Council Member Mike Bryan moved that the foregoing Resolution be adopted and said motion was seconded by Council Member Lynn Bryan and upon the question being put to a vote, the results were as follows:

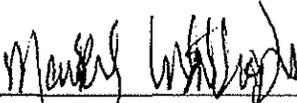
Councilmember M. Whittington voted	<u>Aye</u>
Councilmember L. Bryan voted	<u>AYE</u>
Councilmember Beard voted	<u>AYE</u>

Councilmember Davis voted	<u>Aye</u>
Councilmember Palmer voted	<u>Aye</u>
Councilmember M. Bryan voted	<u>Aye</u>
Councilmember Jennings voted	<u>Aye</u>

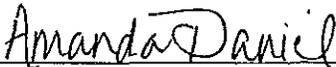
The motion having received the affirmative vote of a majority of the members present, the President declared the motion carried and the resolution adopted.

WHEREUPON, the foregoing Resolution was declared, passed and adopted at a regular meeting of the Council on this the 20th day of February, 2018.

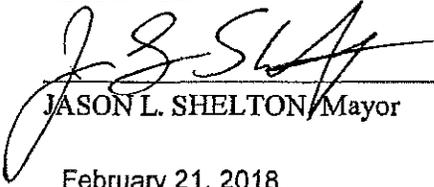
CITY OF TUPELO, MISSISSIPPI

By:   
MARKEL WHITTINGTON  
City Council President

ATTEST:

  
AMANDA DANIEL, Clerk of the Council

APPROVED:

  
JASON L. SHELTON, Mayor

February 21, 2018  
DATE

**RESOLUTION**

**RESOLUTION AUTHORIZING MAYOR AND TUPELO REDEVELOPMENT AGENCY TO CONVEY RESTRICTIVE COVENANTS ON REAL PROPERTY ASSOCIATED WITH DEPARTMENT OF ARMY PERMIT SAM-2000-02102-F AND TO PURCHASE WETLANDS CREDITS**

**WHEREAS**, The United States Army Corps of Engineers (USACE) granted to the Tupelo Redevelopment Agency (TRA) a wetlands permit MSOO-02102-F (now SAM-02102-F), conditioned upon construction of an approximately 14.5 acre mitigation site located southwest of the waste water treatment plant and east of U.S. Highway 45; and

**WHEREAS**, the permit also required the declaration of restrictions on property purchased by TRA for said purpose and adjoining property already owned by the City of Tupelo to meet the approximately 14.5 acre requirement; and

**WHEREAS**, the project was completed in 2005, but the city did not then or thereafter restrict the site under the permit conditions; and

**WHEREAS**, the site was assessed in 2018 and determined by USACE to have not met all of the criteria for success as a mitigation site; and

**WHEREAS**, to remediate these shortcomings of the mitigation project, it is necessary for the city to purchase wetlands credits and restrict the site.

**NOW, THEREFORE LET IT BE RESOLVED:**

**SECTION 1.** The prefatory findings above are adopted herein.

**SECTION 2.** On behalf of the City of Tupelo, Mississippi, the Mayor and the Tupelo Redevelopment Agency are hereby authorized to file the declaration of restrictions in a form required by the Department of Army permit.

**SECTION 3.** The Tupelo Redevelopment Agency as the permittee and through and on behalf of the City of Tupelo, Mississippi is authorized to purchase wetlands credits from the Buttahatchie River Mitigation Bank in the quantity and prices set forth in Exhibit "A" as if fully reproduced herein in words and figures.

After a full discussion of this matter, Council Member Willie Jennings moved that the foregoing Resolution be adopted and said motion was seconded by Council Member Nettie Davis and upon the question being put to a vote, the results were as follows:

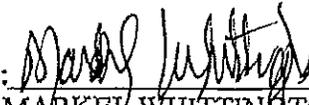
Council Meeting 02/20/18  
Item #7.22

Councilmember Whittington voted	<u>Aye</u>
Councilmember L. Bryan voted	<u>Aye</u>
Councilmember Beard voted	<u>Aye</u>
Councilmember Davis voted	<u>Aye</u>
Councilmember Palmer voted	<u>Aye</u>
Councilmember M. Bryan voted	<u>Aye</u>
Councilmember Jennings voted	<u>Aye</u>

The motion having received the affirmative vote of a majority of the members present, the President declared the motion carried and the resolution adopted.

**WHEREUPON**, the foregoing Resolution was declared, passed and adopted at a regular meeting of the Council on this the 20th day of February, 2018.

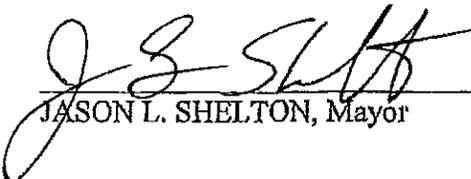
CITY OF TUPELO, MISSISSIPPI

By:   
MARKEL WHITTINGTON  
City Council President

ATTEST:

  
AMANDA DANIEL, Clerk of the Council

APPROVED:

  
JASON L. SHELTON, Mayor

February 21, 2018  
DATE



P.O. Box 10  
 Stoneville, MS 38776  
 Phone (662)686-3375  
 Fax (662)686-4780

# INVOICE

DATE: February 16th 2018  
 INVOICE # 20180216  
 FOR: Wetland mitigation

**Bill To:**  
 City of Tupelo  
 Attn: Mrs. Terri Blissard  
 71 E Troy St  
 Tupelo, MS 38804

DESCRIPTION	SUBTOTAL
Buttahatchie River Mitigation Bank / MS Phase I Credit Sales For: SAM-2017-00982-APW  4.26 wetland credits @ \$17,250.00/credit	73,485.00
<b>TOTAL</b>	<b>\$73,485.00</b>

\*Invoices not payed within 30 days are subject to a 1.5% penalty for each 30 day period until payment is recieved

\* This invoice does not guarantee credit availability

**Make All Checks Payable To:**  
 Wildlife Mississippi  
 PO Box 10  
 Stoneville, MS 38776

## Exhibit

"A"

**RESOLUTION**

**RESOLUTION AUTHORIZING MAYOR AND TUPELO REDEVELOPMENT AGENCY TO CONVEY RESTRICTIVE COVENANTS ON REAL PROPERTY ASSOCIATED WITH DEPARTMENT OF ARMY PERMIT SAM-2000-02102-F AND TO PURCHASE WETLANDS CREDITS**

**WHEREAS**, The United States Army Corps of Engineers (USACE) granted to the Tupelo Redevelopment Agency (TRA) a wetlands permit MSOO-02102-F (now SAM-02102-F), conditioned upon construction of an approximately 14.5 acre mitigation site located southwest of the waste water treatment plant and east of U.S. Highway 45; and

**WHEREAS**, the permit also required the declaration of restrictions on property purchased by TRA for said purpose and adjoining property already owned by the City of Tupelo to meet the approximately 14.5 acre requirement; and

**WHEREAS**, the project was completed in 2005, but the city did not then or thereafter restrict the site under the permit conditions; and

**WHEREAS**, the site was assessed in 2018 and determined by USACE to have not met all of the criteria for success as a mitigation site; and

**WHEREAS**, to remediate these shortcomings of the mitigation project, it is necessary for the city to purchase wetlands credits and restrict the site.

**NOW, THEREFORE LET IT BE RESOLVED:**

**SECTION 1.** The prefatory findings above are adopted herein.

**SECTION 2.** On behalf of the City of Tupelo, Mississippi, the Mayor and the Tupelo Redevelopment Agency are hereby authorized to file the declaration of restrictions in a form required by the Department of Army permit.

**SECTION 3.** The Tupelo Redevelopment Agency as the permittee and through and on behalf of the City of Tupelo, Mississippi is authorized to purchase wetlands credits from the Buttahatchie River Mitigation Bank in the quantity and prices set forth in Exhibit "A" as if fully reproduced herein in words and figures.

After a full discussion of this matter, Council Member Willie Jennings moved that the foregoing Resolution be adopted and said motion was seconded by Council Member Nettie Davis and upon the question being put to a vote, the results were as follows:

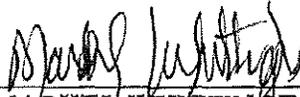
Council Meeting 02/20/18  
Item #7.22

Councilmember Whittington voted	<u>Aye</u>
Councilmember L. Bryan voted	<u>Aye</u>
Councilmember Beard voted	<u>Aye</u>
Councilmember Davis voted	<u>Aye</u>
Councilmember Palmer voted	<u>Aye</u>
Councilmember M. Bryan voted	<u>Aye</u>
Councilmember Jennings voted	<u>Aye</u>

The motion having received the affirmative vote of a majority of the members present, the President declared the motion carried and the resolution adopted.

WHEREUPON, the foregoing Resolution was declared, passed and adopted at a regular meeting of the Council on this the 20th day of February, 2018.

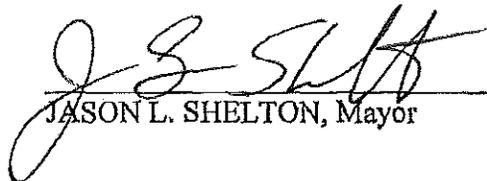
CITY OF TUPELO, MISSISSIPPI

By:   
MARKEL WHITTINGTON  
City Council President

ATTEST:

  
AMANDA DANIEL, Clerk of the Council

APPROVED:

  
JASON L. SHELTON, Mayor

February 21, 2018  
DATE



P.O. Box 10  
Stoneville, MS 38776  
Phone (662)686-3375  
Fax (662)686-4780

# INVOICE

DATE: February 16th 2018  
INVOICE # 20180216  
FOR: Wetland mitigation

**Bill To:**  
City of Tupelo  
Attn: Mrs. Terri Blissard  
71 E Troy St  
Tupelo, MS 38804

DESCRIPTION	SUBTOTAL
<p>Buttahatchie River Mitigation Bank / MS Phase I Credit Sales For: SAM-2017-00982-APW</p> <p>4.26 wetland credits @ \$17,250.00/credit</p>	73,485.00
<b>TOTAL</b>	<b>\$73,485.00</b>

\*Invoices not paid within 30 days are subject to a 1.5% penalty for each 30 day period until payment is received

\* This Invoice does not guarantee credit availability

**Make All Checks Payable To:**  
Wildlife Mississippi  
PO Box 10  
Stoneville, MS 38776

## Exhibit

"A"

APPENDIX X

Ratified  
2/21/18 (AD)

**AMENDMENT TO MEMORANDUM OF UNDERSTANDING**

This Amendment to Memorandum of Understanding (the "MOU") is made and entered into as of the last date of execution by and among the City of Tupelo, Mississippi, acting by and through its City Council (the "City"), the Tupelo Redevelopment Authority ("TRA,") and together with the City, (the "Inducers") and Maloney Development Properties, LLC., a development company headquartered in Tupelo, Mississippi and its successors or permitted assigns (the "Company").

**WHEREAS**, a Memorandum of Understanding was entered into between the Inducers and Company on July 13, 2017 setting forth the obligations, commitments, remedies for failure to perform and miscellaneous provisions of the agreement between the parties; and

**WHEREAS**, Section 6.02 of the Memorandum of Understanding provided that modifications to the agreement could be made only by a separate writing signed by each of the parties that expressly modifying any such term; and

**WHEREAS**, the Inducers and Company desire to modify the following terms; and

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants, promises and agreements contained herein, and other good and valuable consideration, the parties agree as follow:

**ARTICLE III**

**CITY COMMITMENTS**

Section 3.02. The City agrees to invest or caused to be invested up to Three Million Dollars (\$3,000,000) in public funds (the "Total Infrastructure Funds") to acquire property and to design and construct certain public improvements facilitative of but outside the specific Project area within the overall Downtown Project Plan, which public infrastructure shall be identified, designed and constructed in accordance with plans agreed to by the Parties, and shall include without limitation adequate public parking, public streets, public sidewalks and public utilities (sewer, water and electrical), necessary for the successful development and operation of the Project (collectively, the "City Public Improvements"). At a minimum the city will cause to be constructed on or before June 1, 2018, the improvements designated Area A on the attached Exhibit "C", comprising street parking improvements to Fairpark Drive, removal of the roundabout at the intersection of East Troy Street and Monaghan Drive, street parking improvements to East Troy Street, a new street and street parking (North Street Extended) from either Fairpark Drive or the eastern limit of the Project Site to Elizabeth Street. These City Public Improvements will not exceed One Million Five Hundred Thousand Dollars (\$1,500,000) ( the "Area A Infrastructure Funds"). The City may elect to construct the improvements identified as Area B on the attached Exhibit "C", and if bids are solicited as an add alternate to the improvements constructed for Area A, the City may include same in the Construction Management Contract under Section 2.02. If either or both Area A or Area B City Public Improvements are included in the Construction Management Agreement, the City is

Public Improvements are included in the Construction Management Agreement, the City is required to notify potential bidders on said project areas that a construction manager will manage the work of the project. Further provided, however, that the obligation of the City to provide the Infrastructure Funds shall be limited to the total cost of acquiring property, constructing and installing the City Public Improvements which the City has the authority under applicable law to fund. Construction of the City Public Improvements to be paid for with the Area A Infrastructure Funds will be commenced within ninety (90) days after written notice from the Company that it has obtained commitments for funding that portion of its Investment Commitment required to complete the first phase of the Project. The City will cause to be constructed a public parking lot on the property generally identified in Exhibit "D" attached hereto.

#### ARTICLE IV.

#### TRA COMMITMENTS

##### Section 4.01 (e)

In consideration of the City constructing the improvements set forth in the amended Section 3.02. above, TRA will grant a Declaration of Restrictions, in the form of Exhibit "E" attached hereto.

#### ARTICLE V.

#### REMEDIES FOR FAILURE TO PERFORM

Section 5.02 If all or a portion of the Area A Infrastructure Funds have been expended for the benefit of the Project and the Company has defaulted on its Investment Commitment (*i.e.*, failed to satisfy the Investment Commitment on or before the Final Completion Deadline herein) then the Company shall pay to the City an amount equal to the percentage of the Area A Infrastructure Funds (actual expenditures spent for Area A on the Project and the acquisition costs of any real estate necessary for the Project not to exceed \$1,500,000) which equals the percentage of the Investment Commitment not met, including, but not limited to, any accrued interest and penalties and costs incurred by the City in the issuance of the bonds for the Infrastructure Funds, provided such accrued interest, penalties and bond issuance costs shall not exceed the costs associated with the bond issuance costs associated with making the City Public Improvements for Area A. The City shall provide the Company with notice of default and the Company will be given sixty (60) days following receipt of such notice to cure such default prior to any repayment becoming due and payable; provided, however, that such cure period shall be extended for such reasonable time as necessary to enable the Company to cure such breach, so long as the Company undertakes diligent efforts to commence the cure within said sixty (60) day period and diligently thereafter continues such cure to completion. The parking lot improvements to be made by the City in amendment to Section 3.02 shall not be counted toward the total of public infrastructure costs for this Section.

**IN WITNESS WHEREOF**, the Company has caused its name to be hereunto subscribed by a duly authorized officer, the City has caused its name to be hereunto subscribed by the Mayor, and TRA has caused its name to be hereunto subscribed by the Executive Director, as of the date hereinafter written.

[SIGNATURES ON FOLLOWING PAGES]

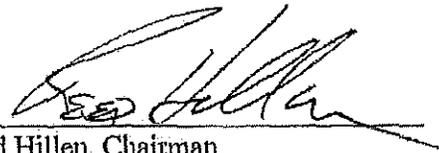
CITY OF TUPELO, MISSISSIPPI

DATE 12-22-17 BY:   
Jason Shelton, Mayor

ATTESTED BY:  


TUPELO REDEVELOPMENT AUTHORITY

12-22-17  
DATE

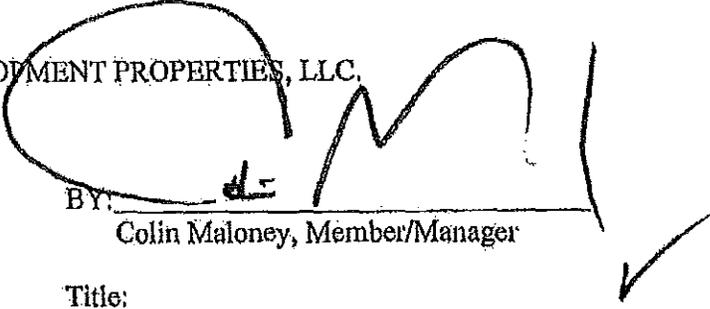
BY:   
Reed Hillen, Chairman

ATTESTED BY:

Kindanna

MALONEY DEVELOPMENT PROPERTIES, LLC.

2-12-18  
DATE

BY:  Colin Maloney, Member/Manager

Title:



**PREPARED BY & RETURN TO:**

Ben M. Logan (MS Bar # 1384)  
City Attorney  
P.O. Box 1485  
Tupelo, MS 38802-1485  
(662) 840-2059

**DECLARANT:**

Tupelo Redevelopment Authority

\_\_\_\_\_  
\_\_\_\_\_  
( ) \_\_\_\_\_

Indexing Instructions: [insert indexing instructions]

**STATE OF MISSISSIPPI  
COUNTY OF LEE**

**DECLARATION OF RESTRICTIONS**

The undersigned **TUPELO REDEVELOPMENT AUTHORITY**, a City of Tupelo political subdivision ("Declarant") does hereby execute and cause for recordation this Declaration of Restrictions encumbering the described Property (defined below) as provided below.

WHEREAS, Declarant is the owner of certain \_\_\_ acre undeveloped, rectangular parcel of real property that adjoins the City of Tupelo parking lot, is located due south of the IRS building, abuts Fairpark Drive, is generally depicted on Exhibit A, is located in the City of Tupelo, Lee County, Mississippi, is more particularly described on Exhibit B attached hereto and incorporated herein for all purposes (the "Property");

WHEREAS, Declarant desires additional public parking in the area, including new parking lots to be placed on the Property by Declarant;

**Exhibit**  
"E"

NOW THEREFORE, for value received, the adequacy and sufficiency of which are hereby acknowledged, Declarant does hereby impose upon the Property the following restrictions:

From the date of this recordation and until December 31, 2032 (except as otherwise permitted herein), the Property shall be used solely as a public parking lot. Except as may otherwise be commonly charged on other public parking areas in the downtown area, no charge shall be imposed for general parking during weekday business hours.

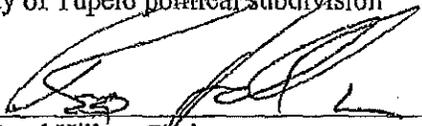
The provisions of this Declaration are hereby declared covenants which shall run with the land and shall be fully binding on any successors, heirs, and assigns of Declarant who may acquire any right, title or interest in or to the Property, or any part thereof.

Declarant, its successors, heirs and assigns hereby agree and covenant to abide by and fully perform the provisions of this instrument.

IN WITNESS WHEREOF, the duly authorized Chairman of Declarant has executed this instrument on this the 22 day of Dec, 2017.

DECLARANT:

TUPELO REDEVELOPMENT AUTHORITY,  
a City of Tupelo political subdivision

By:   
Reed Hillen, Chairman

STATE OF MISSISSIPPI  
COUNTY OF LEE

Personally appeared before me, the undersigned authority in and for said county and state, on this 22 day of Dec, 2017, within my jurisdiction, the within named Reed Hillen, who acknowledged that he is Chairman of TUPELO REDEVELOPMENT AUTHORITY, a City of Tupelo political subdivision, and that for and on behalf of the said political subdivision, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said political subdivision so to do.

  
NOTARY PUBLIC

My Commission Expires

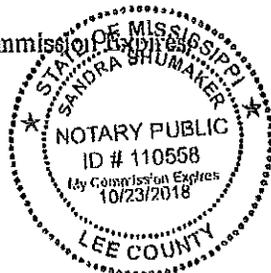




EXHIBIT B  
LEGAL DESCRIPTION  
(To be supplemented upon recording)

Tupelo Redevelopment Agency  
Minutes  
October 26, 2017

Accepted  
2/20/18  
AD

A meeting of the Tupelo Redevelopment Agency convened at 4:00 p.m. on Thursday, October 26, 2017 at the office of the Downtown Tupelo Main Street Association, 108 South Broadway Street, Tupelo, Mississippi. Agency members present were Reed Hillen, Cheryl Rainey, and Shane Homan. Ben Logan, City Attorney and Debbie Brangenberg represented the City of Tupelo.

Chairman Reed Hillen called the meeting to order.

**1.0 Review/Approve Contract to Purchase Property Phase III Fairpark District.**

**Possible Executive Session**

Upon motion by Cheryl Rainey and second by Shane Homan, the Agency unanimously voted to enter into Executive Session to consider potential land purchase.

After discussion the Agency voted to return to Regular Session upon a motion by Cheryl Rainer and a second by Shane Homan.

Upon a motion and second by same, Agency members agreed to enter into a purchase of property owned by Bank Plus – Lots 6A and 6B, Phase III B as same is recorded in Play Cabinet C, Slide 58 of the records of maps and plats on file in the office of the Chancery Clerk of Lee County, Mississippi; lying and being the Southwest Quarter of Section 32, Township 9 South, Range 6 East, City of Tupelo, Lee County, Mississippi. Exhibit A.

The purchase contract also includes certain Declarations and Restrictions (Exhibit B) that will be attached to the purchase agreement.

Being there was no other business, on motion by Shane Homan and second by Cheryl Rainey the Agency unanimously approved the adjournment of the meeting.

\_\_\_\_\_  
Reed Hillen, Chairman

\_\_\_\_\_  
Debbie Brangenberg, Recording Secretary

**PURCHASE AGREEMENT**

THIS PURCHASE AGREEMENT ("Agreement"), dated for reference purposes October \_\_, 2017, is entered into on this day by and between BankPlus, a Mississippi bank ("Seller"), and Tupelo Redevelopment Authority, a City of Tupelo political subdivision ("Buyer").

1. **The Lands.** The Buyer hereby offers to purchase from the Sellers the following lands and premises (the "Lands"):

Real property located at the Southwest corner of intersection of East Main Street and Monaghan Street in Tupelo, Mississippi, and designated as Fairpark District Phase III, Lots 6A and 6B.

**Description of Real Property:**

Lot 6A and Lot 6B of Fairpark District — Phase Three-B, as same is recorded in Plat Cabinet C at Slide 58 of the records of maps and plats on file in the office of the Chancery Clerk of Lee County, Mississippi; lying and being in the Southwest Quarter of Section 32, Township 9 South, Range 6 East, City of Tupelo, Lee County, Mississippi.

See conveyance deed to Seller recorded at 2015010836.

2. **Purchase Price:** The purchase price to be paid for said property is Five Hundred Thousand Dollars (\$500,000.00), said value as supported by appraisal of Kyle Rogers dated October 10, 2017.
3. **Warranty Deed:** Sellers will make conveyance of the real property described herein to the Buyer by Warranty Deed, free and clear of any and all liens and encumbrances whatsoever, except the following, to-wit:
  - a. Taxes for the year, wherein, which will be prorated as of the date of the closing of this transaction.
  - b. All rights-of-way and easements for public roads and public utilities.
  - c. Deed restrictions limiting the height of any structure, including special architectural features (but not including the height of any antenna, satellite dish, mechanical units, etc.), to thirty-five (35) feet for a period of fifteen years from the date of Closing.
4. **Title Examinations, Surveys and Right to Inspect:** Seller will be responsible for the title certificate and title insurance. Seller will provide any existing soil tests, site survey, environmental study and historical and archeology studies. Buyer shall have thirty (30) days after the effective date of this agreement to make whatever additional investigations or inspections and to conduct whatever activities it determines necessary with regard to Land. Buyer shall have reasonable access to Land for purposes of same. If said title certificate reflects defects, encumbrances or lack of marketability of the real property described herein, then Sellers shall have thirty (30) days from date of receipt of written notice from Buyer of such defect or unmarketability, to cure same. If the title cannot be cured within said thirty (30) day period, then this Purchase Agreement shall terminate. The parties agree that the following shall not be considered a defect, encumbrance or lack of marketability:
  - a. Ad Valorem taxes for year of sale;

Tupelo 10-26-17

b. Any prior mortgage which Sellers agrees shall be satisfied at closing out of payment of the purchase price;

c. Any rights-of-way for public roads or public utility easements.

5. **Property taxes and assessments:** Sellers warrants that no valid taxes or assessments are owed for prior years. The current year's real estate taxes and assessments will be prorated at closing.

6. **Miscellaneous:** The covenants herein shall bind and inure to the benefit of the Parties hereto, their heirs, legal representatives, executors, administrators, successors, and/or assigns.

a. Sellers will certify to Buyer that there are no long term leases or easements in effect on the real property described herein. However, if there are any leases or easements in effect, Sellers certifies to those leases or easements will be cancelled at time of closing of said property.

b. Seller will be responsible for deed preparation, title searches/insurance, prorated ad valorem taxes, and its attorney. Additionally, Seller shall pay up to \$2,500 for costs incurred by the Buyer. Any Buyer costs above \$2,500 shall be paid by Buyer.

c. Possession will be given to Buyer upon closing.

7. **Contingencies of Purchase:** The purchase of this property is contingent upon Seller relocating its planned regional headquarters into a multi-story mixed use office and retail building to be located at Fairpark District Phase III B Lot 8A in Tupelo, Mississippi.

(a) Seller will execute this agreement upon presentment of an executed lease by Buyer from developer demonstrating its intent to relocate its planned regional headquarters into a multi-story mixed use office and retail building to be located at Fairpark District Phase III B Lot 8A in Tupelo, Mississippi.

(b) If the Seller has not relocated by December 31, 2018, then either party may terminate this Agreement, and the Agreement shall then be terminated unless extended by written agreement of both parties.

8. **Closing:** The parties agree that the closing shall occur not later than 45 days after Seller has relocated as contemplated in paragraph 7.

9. **Entire Agreement:** This document contains the entire agreement of the parties and supersedes all prior agreements or representations with respect to the property which are not expressly set forth. This Agreement may be modified only in writing signed and dated by both parties.

Executed this \_\_\_\_\_ day of October, 2017.

**SELLER: BankPlus, a Mississippi bank**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**BUYER: Tupelo Redevelopment Authority, a City of Tupelo political subdivision**

By: \_\_\_\_\_  
Reed Hillen, Chairman

Tupelo 10-26-17

**PREPARED BY & RETURN TO:**

Ben M. Logan (MS Bar # 1384)  
City Attorney  
P.O. Box 1485  
Tupelo, MS 38802-1485  
(662) 840-2059

**DECLARANT:**

Tupelo Redevelopment Authority

\_\_\_\_\_

( ) \_\_\_\_\_

**Indexing Instructions:** [insert indexing instructions]

**STATE OF MISSISSIPPI**

**COUNTY OF LEE**

**DECLARATION OF RESTRICTIONS**

The undersigned **TUPELO REDEVELOPMENT AUTHORITY**, a City of Tupelo political subdivision ("Declarant") does hereby execute and cause for recordation this Declaration of Restrictions encumbering the described Property (defined below) as provided below.

WHEREAS, Declarant is the owner of certain \_\_\_ acre undeveloped, rectangular parcel of real property that adjoins the City of Tupelo parking lot, is located due south of the IRS building, abuts Fairpark Drive, is generally depicted on **Exhibit A**, is located in the City of Tupelo, Lee County, Mississippi, is more particularly described on **Exhibit B** attached hereto and incorporated herein for all purposes (the "Property");

WHEREAS, Declarant desires additional public parking in the area, including new parking lots to be placed on the Property by Declarant;

NOW THEREFORE, for value received, the adequacy and sufficiency of which are hereby acknowledged, Declarant does hereby impose upon the Property the following restrictions:

**From the date of this recordation and until December 31, 2032 (except as otherwise permitted herein), the Property shall be used solely as a public parking lot. Except as may otherwise be commonly charged on other public parking areas in the downtown area, no charge shall be imposed for general parking during weekday business hours.**

The provisions of this Declaration are hereby declared covenants which shall run with the land and shall be fully binding on any successors, heirs, and assigns of Declarant who may acquire any right, title or interest in or to the Property, or any part thereof.

Declarant, its successors, heirs and assigns hereby agree and covenant to abide by and fully perform the provisions of this instrument.

IN WITNESS WHEREOF, the duly authorized Chairman of Declarant has executed this instrument on this the \_\_\_\_ day of \_\_\_\_\_, 2017.

**DECLARANT:**

**TUPELO REDEVELOPMENT AUTHORITY,**  
a City of Tupelo political subdivision

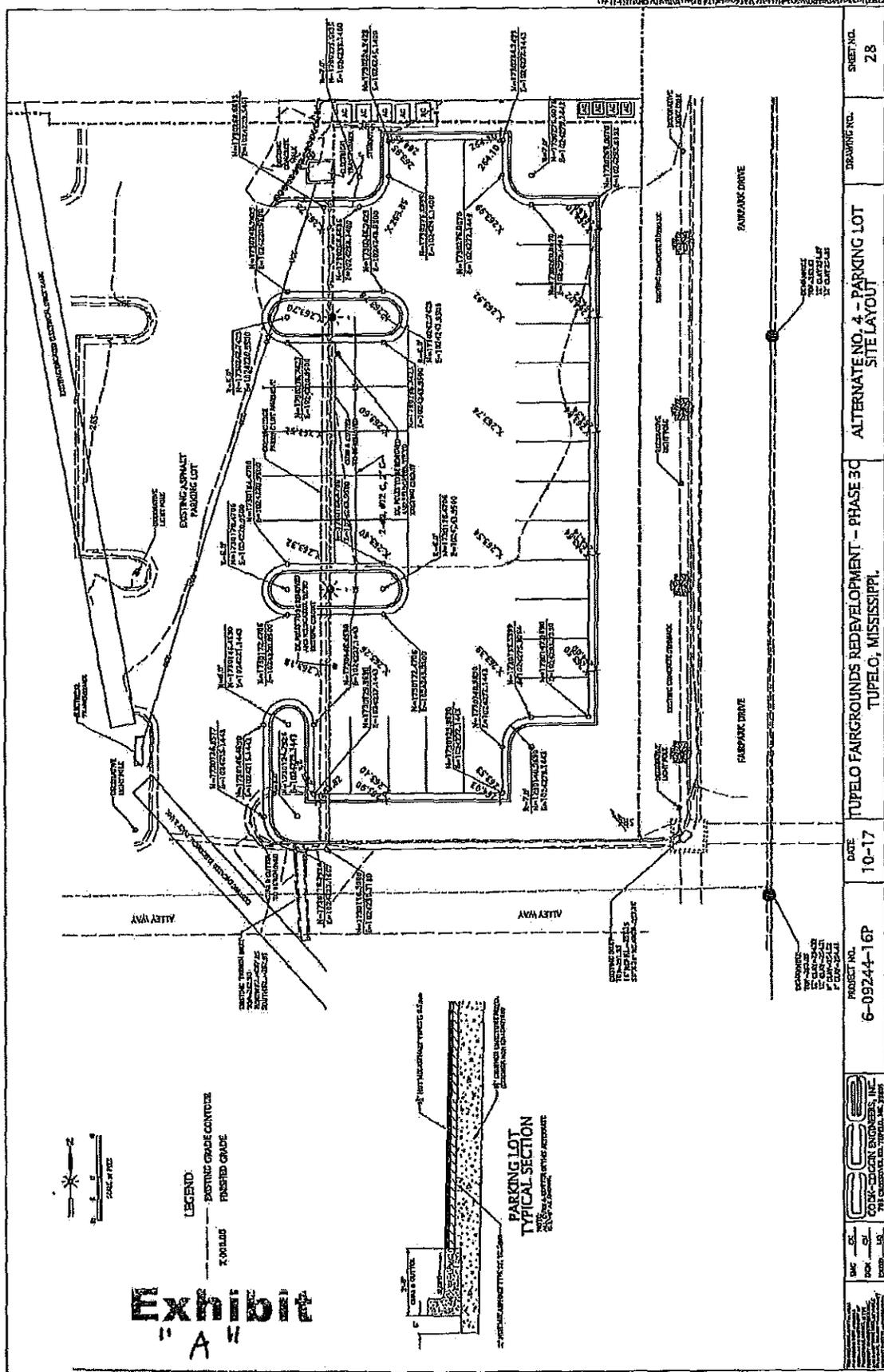
By: \_\_\_\_\_  
Reed Hillen, Chairman

**STATE OF MISSISSIPPI**  
**COUNTY OF LEE**

Personally appeared before me, the undersigned authority in and for said county and state, on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, within my jurisdiction, the within named **Reed Hillen**, who acknowledged that he is **Chairman** of **TUPELO REDEVELOPMENT AUTHORITY**, a City of Tupelo political subdivision, and that for and on behalf of the said political subdivision, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said political subdivision so to do.

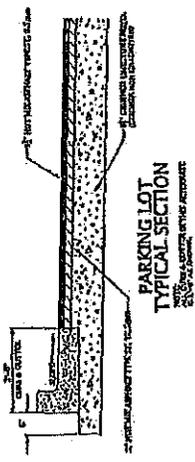
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:



# Exhibit "A"

LEGEND:  
 X MARKS POSTING GRADE CONTROL  
 DASHED LINE FINISHED GRADE



	PROJECT NO.	DATE	DRAWING NO.	SHEET NO.
	6-09244-16P	10-17	ALTERNATE NO. 4 - PARKING LOT SITE LAYOUT	28
TUPELO FAIRGROUNDS REDEVELOPMENT - PHASE 3C TUPULO, MISSISSIPPI				

EXHIBIT B  
LEGAL DESCRIPTION  
(To be supplemented upon recording)

PROVENCE  
REAL ESTATE

---

MANAGEMENT AGREEMENT

INVOLVING

CITY OF TUPELO

AS "OWNER"

AND

PROVENCE REAL ESTATE, LLC

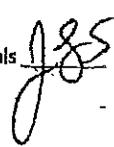
AS "MANAGER"

DATED: DECEMBER 28<sup>th</sup>, 2017

List of Provisions

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Owner's Initials



**SECTION 1 APPOINTMENT OF MANAGING AGENT**

**MANAGEMENT AGREEMENT REGARDING INCOME PROPERTY**

THIS AGREEMENT entered into this 28<sup>th</sup> day of December, 2017 by and between Provence Real Estate, LLC ("Agent"), and City of Dupelo ("Owner").

PROJECT: President's Gate Apartments

DATE/TIME PROVENCE SHALL BE APPOINTED AS MANAGING AGENT: December 28<sup>th</sup>, 2017

Owner owns the land described in Exhibit A attached hereto and made a part hereof upon which is constructed certain improvements and building(s) (all improvements, building(s) and land herein collectively call "Project") which are presently subject to certain tenant lease(s), true copies being delivered to Agent at the execution hereof.

1) Appointment and Acceptance. Owner hereby appoints Agent as sole and exclusive Agent of Owner to lease and manage the Property described in paragraph 1.2 upon terms and conditions provided herein. Agent accepts the appointment and agrees to furnish the services of its organization for the leasing and management of the Premises; and Owner agrees to pay all expenses in connection with those services.

a) Employment. Owner hereby employs and retains Agent to serve as the exclusive manager of the Project. Agent accepts employment by the Owner and agrees to perform the management duties and obligations described herein and furnish the services of its organization for the proper and efficient management and supervision of the operation and maintenance of the Project.

b) Duties of Agent. Agent shall, at Owner's expense:

i) Maintain and provide services to the Project in a manner consistent with industry standards to the extent that such maintenance and service not required to be performed by tenants under their Lease(s), including, without limitation, interior cleaning and janitorial services, exterior grounds and landscaping services, maintenance of mechanical systems and equipment, tenant alterations and refurbishing, and such other normal maintenance, alteration and repair work as they be reasonably prudent or necessary; provided, however, the expense to be incurred for any one item or maintenance, alteration, refurbishing or repair shall not exceed the sum of \$5,000.00, unless such expense is specifically authorized by Owner, or is incurred under such circumstances as Agent shall reasonably deem to be an emergency. In an emergency where repairs are immediately necessary for the preservation and safety of the Project or to avoid the suspension of any essential service to the Project or to avoid danger to life or property, such emergency repairs shall be made by manager at Owner's cost without the prior approval of Owner, provided such emergency expenditure shall not exceed the sum of \$10,000.00 per emergency. When Agent learns of such emergency, Agent shall promptly notify Owner in writing of such emergency;

ii) Obtain and keep in effect such policies of insurance as required by this Agreement;

iii) Make contracts on behalf of and in the name of Owner, for security services, vermin extermination, trash collection, janitorial service, elevator service and maintenance, and other similar operating services as Agent or Owner shall deem necessary or prudent; such contracts shall provide for cancellation by Owner without penalty on thirty (30) days prior written notice from Owner, unless such terms are not available such as an equipment lease or service contract where a longer-term commitment is required. Owner shall approve in advance any contracts that will not be terminable with a thirty (30) day notice of termination.

iv) Make contracts on behalf of Owner for electricity, gas, telephone, Internet, fuel, or water as Agent shall deem necessary or prudent;

v) Take such action as may be necessary to comply with any and all laws, ordinances, rules or requirements affecting the Project promulgated by any governmental body and/or boards of fire underwriters having jurisdiction over the Project. Agent shall promptly, and in no event later than 72 hours (excluding weekends and holidays) from the time of receipt thereof, notify Owner in writing of all such orders, notices or requirements; and

*JRS*

- (vi) Purchase all equipment, tools, appliances, materials and supplies to be used in connection with the Project, however, the price for any such item shall not exceed the amount originally paid for such items in the locale of the Project. When taking bids or issuing purchase orders, Agent shall act at all times in the best interest of Owner and shall be under a duty to secure for and credit to Owner any discounts obtained as a result of such purchases.
- (vii) Provide regular and systematic inspections of the Project. This shall include periodic visits to the Project by corporate representatives (travel expenses shall be paid by Owner) in order to perform inspections, respond to emergencies, meet with associates, and attend on-site meetings where a corporate representative's presence is required.
- (viii) Comply with any requirements concerning the management or maintenance of the Project imposed upon Owner as "landlord" under any Lease(s), including without limitation, the selection and supervision of all contractors or employees of Agent performing tenant work or repair or capital replacement work at the Project;
- (ix) Keep Owner informed of the financial status of the Project and of Project's physical condition;
- (x) Collect all rent and other charges and deposits due from tenants and others authorized to use the Project;
- (xi) Maintain, in a manner customary and consistent with good accounting practices and separate and apart from any records and accounting maintained by Agent on any other Project, a system of records and accounts to which shall be entered fully and accurately on accrual or cash accounting basis, as determined by the Owner, each and every financial transaction with respect to the operation of the Project; such books and records shall be maintained by Agent at Agent's office and shall be available to Owner at all reasonable times.
- (xii) Not permit the use of Project for any purpose which may void or increase the premium payable under any policy of insurance held by Owner or which may render any loss under any such policy uncollectible or which would be in violation of any governmental restriction;
- (xiii) Use its best efforts to secure full compliance by tenants with the terms and provisions of their Lease(s), and to this end, Agent shall inform all tenants of such rules, regulations and notices as may be promulgated by Owner or Agent;
- (xiv) File in a timely manner all forms, reports and returns required by law related to employment of personnel employed by Agent at the Project;
- (xv) Cause to be filed each year appropriate and timely ad valorem tax returns for the Project;
- (xvi) Promptly cause the issuance or transfer of any necessary business licenses and permits for the Project;
- (xvii) Promptly investigate and make, subject to Owner's approval in each instance, a complete and timely written report to the appropriate insurance company of all damages, accidents, or claims relating to the ownership, operation and maintenance to the Project; and
- (xviii) Cooperate with Owner and entities designated by Owner and provide information regarding this Property to Owner and designees.
- (xix) Shall direct, supervise, manage, operate, maintain and repair the Property consistent with industry standards.

2) Description of Premises. The Property to be managed by Agent under this Agreement (the "Premises") is known as President's Gate Apartments, consisting of the land, buildings, and other improvements in the State of Mississippi. The address of the property is 922 Lawndale Drive, Tupelo, MS, 38801. The property currently contains 257 residential units and 0 retail/commercial units for a total of 257 units that shall be used when applying a minimum management fee (as addressed in Section 18).

3) Term. The term of this Agreement shall be for a period of three (3) months (the "term") from December 28<sup>th</sup>, 2017, and thereafter shall be automatically terminated on March 27<sup>th</sup>, 2018.

4) Management Office. Owner shall provide adequate space for a management office. Owner shall pay all expenses related to such office, including, but not limited to, furnishings, equipment, postage and office supplies, electricity and other utilities, and telephone, as pursuant to a budget approved by Owner.

Owner's Initials

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- 5) Apartment for On-Site Staff. Owner shall provide discounted apartment(s) on the Premises for the use of onsite staff and their families. Without the written approval of the owner, there shall not be more than a total of 1.5% of the total units (with a minimum of one unit) provided at a discount. Discounts shall be based on the Provence Associate Apartment policy, which is 50% rent discount for Community Manager and any maintenance employees that are on-call for emergencies. All other employees can receive a 35% discount. Rent is deducted from payroll for employees that live on-site. Employee tenants shall be responsible for their own utility expenses. Such tenants shall enter into lease agreements which shall be terminable without cause in the event that this agreement is terminated.

## SECTION 2 BANK ACCOUNTS

The various bank accounts established under this Agreement shall at all times be established by Agent as trustee for the property. Owner and Agent's designees shall be the only parties authorized to draw upon such accounts. No amounts deposited in any accounts established under this Agreement shall in any event be commingled with any other funds of Agent.

All funds Agent receives from the Owner as operating capital or the operation of the Project (including rental payments, security deposits, insurance and condemnation proceeds, refunds from any source, and any other Project related income) shall be the property of the Owner and shall be deposited in the Checking Account, or in a savings account or certificate of deposit as Owner may direct.

Where required by law, all rental deposits shall be kept in a separate account

Owner agrees to maintain reasonable cash reserves in the Checking Account(s) to enable Agent to pay the obligations of the Owner hereunder as they become due.

To the extent funds are available; cash balance shall be transmitted to Owner no less than monthly, at the same time as the reports and statements. This date shall be no later than the 15th of each month. In the event that the 15th falls on a weekend, the following business day shall apply.

1. Operating and/or Reserve Account(s). Agent shall establish a separate account(s) known as City of Tupelo, Managing Agent: Provence Real Estate, LLC, dba President's Gate Apartments Operating Account and/or Reserve Account(s) separate and apart from Agent's corporate accounts, for the deposit of receipts collected as described herein, in a bank or other institution whose deposits are insured by the federal government. Such depository shall be selected by the Agent, with Owners' approval. However, Agent shall not be held liable in the event of bankruptcy or failure of a depository. Funds in the Operating and/or Reserve Account(s) remain the property of Owner subject to disbursement of expenses by Agent as described in this Agreement.
2. Initial Deposit and Contingency Reserve. Immediately upon commencement of this agreement, Owner shall remit to Agent the sum of \$5,000 to be deposited in the Operating and/or Reserve Account(s) as an initial deposit representing the disbursements to be made in the first month following the commencement of this Agreement, plus an additional sum of \$10,000.00 as a contingency reserve. Owner agrees to maintain the contingency reserve Account(s) to enable Agent to pay the obligations of Owner under this Agreement as they become due. Owner and Agent shall review the amount of the contingency reserve from time to time and shall agree in writing on a new contingency reserve amount when such is required.
3. Security Deposit Account. Agent shall, if required by law, maintain a separate account for tenant security deposits and advance rentals. Such account shall be maintained in accordance with applicable state or local laws, if any.
4. Fidelity Bond. Agent shall cause all personnel who handle or are responsible for the safekeeping of any monies of Owner to be covered by a fidelity bond or employee dishonesty policy in the amount of \$250,000 with a company determined by Agent. If a fidelity bond cannot be obtained, a conviction bond shall be obtained at Agent's expense. The original or a certified copy thereof shall be promptly delivered to Owner. Owner shall be designated as a loss payee on any bond or insurance policy obtained pursuant to the terms of this paragraph.

## SECTION 3 COLLECTION OF RENTS AND OTHER RECEIPTS

1. Agent's Authority. Agent shall collect (and give receipts for, if necessary) all rents, charges and other amounts receivable on Owner's account in connection with the management and operation of the Premises. Such receipts (except tenants' security deposits and advance rentals, which shall be handled as specified in paragraphs 2,3 and 2.1 hereof; and special charges, which

shall be handled as specified in paragraph 2.2 hereof) shall be deposited in the Operating (and/or) Reserve Account(s) maintained by Agent for the Premises.

- 2. Special Charges. If permitted by applicable law, Agent may collect from tenants and remit to Owner any or all of the following: an administrative charge for late payment of rent, a charge for returned or non-negotiable checks, a credit report fee, an administrative charge, any legal fees associated with evictions, and/or broker's commission for subleasing.
- 3. Security Deposits. Agent shall collect, deposit, and disburse tenants' security deposits in accordance with the terms of each tenant's lease. Agent shall pay tenants interest upon such security deposits only if required by law to do so; otherwise, any interest earned on tenant security deposits is to be paid to Owner. Agent shall comply with all applicable state or local laws concerning the responsibility for security deposits and interest, if any.

**Section 4 DISBURSEMENTS FROM OPERATING AND/OR RESERVE ACCOUNT(S)**

- 1. OPERATING EXPENSES. From the Operating and/or Reserve Account(s), Agent is hereby authorized to pay or reimburse itself for all expenses and costs of operating the Premises as approved by Owner in budget and for all other sums due Agent under this Agreement, including Agent's compensation under Section 18.
- 2. DEBT SERVICE. Owner shall give Agent advance written notice of at least five (5) days if Owner desires Agent to make any additional monthly or recurring payments (such as mortgage indebtedness, general taxes, or special assessments, or fire, steam boiler, or boiler insurance premiums) out of the proceeds from the Premises. If Owner notifies Agent to make such payments after the beginning of the term of this Agreement, agent shall have the authority to name a new contingency reserve amount pursuant to paragraph 2.1.1 of this Agreement, and Owner shall maintain this new contingency reserve amount at all times in the Operating and/or Reserve Account(s). Agent will make all recurring payments unless notified in writing to do otherwise.
- 3. NET PROCEEDS. To the extent that funds are available, and after maintaining the cash contingency reserve amount as specified in paragraph 2.1.1, Agent shall transmit cash balances to Owner periodically, as follows: each month no later than the 15<sup>th</sup> (if the 15<sup>th</sup> falls on a weekend or holiday, cash balances shall be transmitted on the next business day). Such periodic cash balances shall be remitted to the following person(s) specified, and at the address(es) shown:

City of Tupelo  
Attn: Don Lewis  
PO Box 1485  
Tupelo, MS 38802-1485

**Section 5 AGENT NOT REQUIRED TO ADVANCE FUNDS**

In the event that the balance in the Operating and/or Reserve Account(s) is at any time insufficient to pay disbursements due and payable under paragraph 4.1 and 4.2 above, Owner shall, immediately upon notice, remit to Agent sufficient funds to cover the deficiency and replenish the contingency reserve. Agent must notify owner in writing by the 20<sup>th</sup> of the month the estimated deficiency. Owner shall remit payment no later than the 15<sup>th</sup> of the following month. In no event shall Agent be required to use its own funds to pay such disbursements or be required to advance any monies to Owner, to the Security Deposit Account, or to the Operating and/or Reserve Account(s).

If Agent elects to advance any money in connection with the Premises to pay any expenses for Owner, such advance shall be considered a loan subject to repayment with interest at a rate equal to the Wall Street Journal published prime rate plus 400 bps and Owner hereby agrees to reimburse Agent, and hereby authorizes Agent to deduct such amounts from any monies due Owner. Agent advances shall only be with Owner's prior written consent and the Agent shall at no time be required to make a loan to the property.

**Section 6 FINANCIAL AND OTHER REPORTS**

By the 15th day of each month (or the next business day should the 15<sup>th</sup> fall on a weekend or holiday), Agent shall furnish Owner with a statement of cash receipts and disbursements from the operation of the Premises during the previous month. In addition, Agent shall, on a mutually acceptable schedule, prepare and submit to Owner such other reports as are agreed on by both parties. December financial reports are provided by the 25<sup>th</sup> of January due to additional year-end accounting procedures.

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1. Owner's Right To Audit. Audit. Owner may at any time, at its option and expense, cause the books and financial operations of the Project to be audited by an auditor to be selected by Owner. Agent agrees to cooperate with such auditor and to make any of its facilities located at the Project available to such auditor(s). All books, financial records, invoices, statements, etc, shall remain property of Agent at all times. Any audit or copies made of financial records shall be done at Owner's expense with additional fees billed for time spent by Agent's accounting staff to facilitate the process.

2. Site Record Keeping. Reserved.

3. Reports and Statements.

a) Monthly Report. At its expense, Agent shall prepare and furnish to Owner on or before the fifteenth (15th) of each month a written report of the operations of the Project, disclosing the results of the operations of the Project for the preceding month, prepared using Agent's standard chart of accounts and other standardized reporting forms and lists. Each such report shall include:

- i) an unaudited statement of receipts and disbursements from the operation of the Project for the period covered by the report and the fiscal year to date;
  - Balance Sheet
  - Income Statement
  - Budget Comparison to Actual
- j) a discussion of any significant maintenance which the Project will require and of the needs foreseen by Agent for reserves of funds to be created in future months for such purposes, together with such other information (including supporting invoices and vouchers) as Owner may request, all of which shall be certified as accurate by an officer of Agent.

If requested by the Owner, Agent will retain at Owner's expense a firm of independent certified public accountants to prepare and certify statements of income and disbursements received and paid. The form and content of such reports shall be as specified by Owner.

b) Annual Report. Within thirty (30) days after the end of each fiscal year, which shall be the calendar year, manager shall furnish owner with a statement satisfactory to Owner setting forth the actual income and expense for the previous year, itemized according to each category of income and expenses for the previous year, certified to as accurate by an officer of Agent. This annual report shall be at Agent's expense and shall be prepared using Agent's standard chart of accounts and other standardized reporting forms and lists. Although such annual report will be used by Owner for the preparation and timely filing of the Owner's federal and state income tax returns. Agent shall have no responsibility for preparing or filing such returns. Agent, at the request and expense of Owner, shall employ a qualified firm of independent accountants to prepare Owner's federal and state income tax returns.

c) Budget. The Agent shall annually prepare an operating budget to be approved by Owner at least sixty (60) days prior to the new operating year. This shall include an estimate of rental revenues, operating expenses and items required for capital improvements.

The forecast of rental and allowances, when approved in writing by the Owner, shall form the basis on which tenant leases in the Project shall be negotiated. Such forecast is not intended to constitute a fixed requirement, but rather to form a basis for the negotiation of such leases, to be modified in particular instances with the consent in writing of the Owner. Such forecast shall remain in effect until the Owner has approved a revised schedule. The Budget of expenses submitted by the Agent, when approved by the Owner, shall, in general, form the basis on which the Agent shall incur items of expense for the operation of the Project.

In the event that Owner does not provide written approval of the proposed budget within thirty (30) days prior to the start of the fiscal year, the proposed budget shall be deemed approved.

**Section 7      ADVERTISING**

To the extent approved by Owner and at Owner's expense, Agent is authorized to develop and implement a comprehensive advertising program (including use of market aids such as brochures, signs, advertisements, news releases and newsletters) in a manner compatible with the quality of the Project.

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Agent is authorized to advertise the Premises or portions thereof for rent, using periodicals, signs, plans, brochures, or displays, or such other means as Agent may deem proper and advisable. Agent is authorized to place signs on the Premises advertising the Premises for rent, provided such signs comply with applicable laws. The cost of such advertising shall be paid out of the Operating and/or Reserve Account(s). Any advertising shall be solely for the property, unless the Property is compensated for joint-advertising.

Owner shall authorize Agent to post signs on the property showing that it is managed by Provence Real Estate, LLC. Owner further authorizes Agent to use pictures of the property, marketing materials, financial reports and release any other operating information when soliciting new management business. Agent may issue announcements and/or press releases upon the takeover of the property.

**Section 8 LEASING AND RENTING**

1. Agent's Authority to Lease Premises. Agent shall use all reasonable efforts to keep the Premises rented by procuring tenants for the Premises. Agent is authorized to negotiate, prepare, and execute all leases, including all renewals and extensions of leases (and expansions of space in the Premises, if applicable) and to cancel and modify existing leases. Agent shall execute all leases as agent for the Owner. All costs of leasing shall be paid out of the Operating and/or Reserve Account(s). All Lease(s) shall be on standard lease form previously approved for the Project by Owner.
2. No Other Rental Agent. During the term of this Agreement, Owner shall not authorize any other person, firm, or corporation to negotiate or act as leasing or rental agent with respect to any leases for space in the Premises. Owner agrees to promptly forward all inquiries about leases to Agent.
3. Rental Rates. Agent is authorized to establish and revise all rents, fees, or deposits, and any other amounts chargeable with respect to the Premises.
4. Enforcement of Leases. Agent is authorized to institute, in Owner's name, all legal actions or proceedings for the enforcement of any lease term, for the collection of rent or other income from the Premises, or for the evicting or dispossessing of tenants or other persons from the Premises. Agent is authorized to sign and serve such notices as Agent deems necessary for lease enforcement, including the collection of rent or other income. Agent is authorized, when expedient, to settle, compromise, and release such legal actions or suits or reinstate such tenancies. Any monies for such settlements paid out by Agent shall require written prior approval by Owner. Attorneys' fees, filing fees, court costs, and other necessary expenses incurred in connection with such actions and not recovered from tenants shall be paid out of the Operating and/or Reserve Account(s) or reimbursed directly to Agent by Owner. Agent may select the attorney of its choice to handle such litigation.

**Section 9 EMPLOYEES**

1. Agent's Authority to Hire. Agent is authorized to hire, supervise, discharge, and pay all servants, employees, contractors, or other personnel necessary to be employed in the management, and operation of the Premises. All employees shall be deemed employees of the Agent.
2. Owner Pays Employee Expenses. All wages and fringe benefits payable to such employees hired per paragraph 9.1 above, and all local, state, and federal taxes and assessments (including but not limited to Social Security taxes, unemployment insurance, and workers' compensation insurance) incident to the employment of such personnel, be paid by Agent out of the Operating Account and/or Reserve Account(s) and shall be treated as operating expenses. Agent shall not be liable to such employees for their wages or compensation nor any paid time off that may apply, such as time off as allowed by the Family and Medical Leave Act. All employees of Agent must pass a background check, drug screen, and Motor Vehicle Report. Should any on-site employees be shared with other properties on a permanent basis, their wages and fringe benefits shall be allocated among the properties on a pro-rata basis by unit count.

In the event that a corporate employee of Agent works at the Owner's property to cover a vacant on-site position, fill in while an on-site employee is on vacation or leave of absence, provide training to the on-site employees at the Owner's property, conduct a periodic inspection or audit, or provide additional staffing as needed by the property, the wages and fringe benefits of that corporate employee will be paid by Owner for the period they are working on the Owner's property.

3. Agent's Authority to File Returns. Agent shall do and perform all acts required of an employer with respect to the Premises and shall execute and file all tax and other returns required under the applicable federal, state, and local laws, regulations, and/or ordinances governing employment, and all other statements and reports pertaining to labor employed in connection with the

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Premises and under any similar federal or state law now or hereafter in force, in connection with such filings, Owner shall, upon request, promptly execute and deliver to Agent all necessary powers of attorney, notices of appointment, and the like. Owner shall be responsible for all amounts required to be paid under the foregoing laws, and Agent shall pay the same from the Operating and/or Reserve Account(s).

4. Workers' Compensation Insurance. Agent shall, at Owner's expense, maintain workers' compensation insurance covering all liability of the employer under established workers' compensation laws.

5. Hold Harmless Labor Laws. Agent shall be responsible for compliance with all applicable state or federal labor laws. Owner shall indemnify, defend, and save Agent harmless from all claims, investigations, and suits, or from Owner's actions or failures to act, with respect to any alleged or actual violation of state or federal labor laws except if such is due to the actions of agent, which actions were contrary to required laws, statutes, etc. Owner's obligation with respect to such violation(s) shall include payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, litigation expenses, and attorneys' fees. Owner acknowledges that monetary settlements may be paid to current or former employees that allege violation(s) of labor laws, even when Agent has committed no violation(s) of labor laws. Agent is authorized by Owner to negotiate settlements for current or former employees assigned to work at the Owner's property to avoid the expense to defend legal actions (even if the Agent has not violated any labor laws), and Owner shall be liable for payment of these settlements. Agent shall have sole discretion when negotiating these settlements.

6. Hiring of Agent's Employees. Owner agrees that neither Owner nor its agents, affiliates, and employees shall (i) discuss, (ii) offer or (iii) solicit the employment of any employees of Agent, without the prior written consent of the Agent, except the employees at subject site employed for the sole purpose of the property.

**Section 10 MAINTENANCE AND REPAIR**

Agent is authorized to make or cause to be made, through contracted services or otherwise, all ordinary repairs and replacements reasonably necessary to preserve the Premises in its present condition and for the operating efficiency of the Premises, and all alterations that are required to comply with lease requirements, governmental regulations, or insurance requirements. Agent is also authorized to decorate the Premises and to purchase or rent, on Owner's behalf, all equipment, tools, appliances, materials, supplies, uniforms, and other items necessary for the management, maintenance, or operation of the Premises. Such maintenance and decorating expenses shall be paid out of the Operating and/or Reserve Account(s) and subject to the budget. This section applies except where decorating and/or maintenance are at tenants' expense as stipulated in a lease.

Approval for Exceptional Maintenance Expense. The expense to be incurred for any one item of maintenance, alteration, refurbishing, or repair shall not exceed the sum of \$5,000, unless such expense is specifically authorized by Owner, or is incurred under such circumstances as Agent shall reasonably deem to be an emergency or is pursuant to the approved budget. In an emergency where repairs are immediately necessary for the preservation and safety of the Premises, or to avoid the suspension of any essential service to the Premises, or to avoid danger to life or property, or to comply with federal, state, or local law, such emergency repairs shall be made by Agent at Owner's expense without prior approval.

**Section 11 CONTRACTS, UTILITIES AND SERVICES**

Agent is authorized to negotiate contracts for nonrecurring items of expense, not to exceed \$5,000 without the approval of the Owner, and to enter into agreements in Owner's name for all necessary repairs, tax preparation, property tax consulting, maintenance, minor alterations, and utility services. Agent shall, in Owner's name and at Owner's expense, make contracts on Owner's behalf for electricity, gas, telephone, Internet, fuel, or water, and such other services as Agent shall deem necessary or prudent for the operation of the Premises. All utility deposits shall be the Owner's responsibility, except that Agent may pay same from the Operating and/or Reserve Account(s) at Owner's request. With prior approval by Owner, Agent is authorized to enter into an agreement with a property tax consultant, or other contractors that may result in a "success fee" that is payable by Owner.

**Section 12 INITIAL EXPENSES**

Agent may incur expenses related to the Agent's initial takeover of management of the Property. Owner shall be liable for these expenses which may include, but are not limited to:

- Employee screening and uniforms
- Agent's setup fees and training costs for management software, resident portal, bank accounts, etc.

- Firewall to allow property to connect to Agent's server
- Agent's marketing collateral package and signage
- Initial stock of maintenance supplies
- Travel expenses and other costs that may have been incurred by Agent prior to takeover
- Relocation expenses for Agent's employees that will be assigned to the Property
- Travel expenses for Agent's employees from other sites and/or corporate staff that may temporarily assist with running the Owner's Property until a permanent staff is hired, or training and supporting the new on-site staff.

**Section 13 RELATIONSHIP OF AGENT TO OWNER**

The relationship of the parties to this Agreement shall be that of Principal and Agent, and all duties to be performed by Agent under this Agreement shall be for and on behalf of Owner, in Owner's name, and for Owner's account in taking any action under this Agreement, Agent shall be acting only as Agent for Owner, and nothing in this Agreement shall be construed as creating a partnership, joint venture, or any other relationship between the parties to this Agreement except that of Principal and Agent, or as requiring Agent to bear any portion of losses arising out of or connected with the ownership or operation of the Premises. Nor shall Agent at any time during the period of this Agreement be considered a direct employee of Owner. Neither party shall have the power to bind or obligate the other except as expressly set forth in this Agreement, except that Agent is authorized to act with such additional authority and power as may be necessary to carry out the spirit and intent of this Agreement.

Agent covenants and agrees that even though it shall have managerial responsibility for other real estate similar to the Project which may be considered competitive with the Project, Agent shall always represent the Project fairly and deal with Owner on a basis equitable in comparison to any such other similar projects.

**Section 14 SAVE HARMLESS**

Owner shall indemnify, defend, and save Agent harmless from all loss, damage, cost, expense (including attorneys' fees), liability, or claims for personal injury or property damage incurred or occurring in, on, or about the Premises except any such violation as may be caused by the willful, wanton or criminal act or omission of Agent or of the gross negligence of Agent.

**Section 15 LIABILITY INSURANCE**

Owner shall procure and keep in force adequate insurance against physical damage (e.g., fire with extended coverage endorsement, boiler and machinery, etc.) and primary liability insurance against any loss, damage, or injury to property or persons which might arise out of the occupancy, management, operation, or maintenance of the Premises. The amounts and types of insurance will be sufficient to protect Owner and Agent with respect to insured risks at the amount and with carriers as specified in writing by Owner. Owner may elect to use a master insurance policy to cover all or some of the risks specified in this paragraph; to such extent, Agent's obligations under this paragraph shall cease.

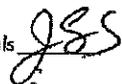
It is understood that insurance shall be acceptable to both Owner and Agent, and any deductible required under such insurance policies shall be Owner's expense. Agent shall be covered as an additional insured on all liability insurance maintained with respect to the Premises. Liability insurance shall be primary and adequate to protect the interests of both Owner and Agent and in form, substance, and amounts reasonably satisfactory to Agent. Owner agrees to furnish Agent with certificates evidencing such insurance or with duplicate copies of such policies *within ten (10) days* of the execution of this Agreement. If Owner fails to do so, Agent may, but shall not be obligated to, place said insurance and charge the cost thereof to the Operating and/or Reserve Account(s). Said policies shall provide that notice of default or cancellation shall be sent to Agent as well as Owner and shall require a *minimum of sixty (60) days' written notice* to Agent before any cancellation of or changes to said policies.

**Section 16 AGENT ASSUMES NO LIABILITY**

Agent assumes no liability whatsoever for any acts or omissions of Owner, or any previous owners of the Premises, or any previous management or other agent of either. Agent assumes no liability for any failure of or default by any tenant in the payment of any rent or other charges due Owner or in the performance of any obligations owed by any tenant to Owner pursuant to any lease or otherwise. Agent does not assume any liability for previously unknown violations of environmental or other regulations which may become known during the period this Agreement is in effect. Any such regulatory violations or hazards discovered by Agent shall be brought to the attention of Owner in writing, and Owner shall promptly cure them.

**Section 17 FEES FOR LEGAL ADVICE**

Owner's initials



Owner shall pay reasonable expenses incurred by Agent in obtaining legal advice regarding compliance with any law affecting the Premises or activities related to them. If such expenditure also benefits others for whom Agent in this Agreement acts in a similar capacity, Owner agrees to pay an apportioned amount of such expense.

**Section 18 AGENT'S COMPENSATION AND EXPENSES**

As compensation for the services provided by Agent under this Agreement (and exclusive of reimbursement of expenses to which Agent is entitled hereunder), Owner shall pay Agent as follows:

- 1. For Management Services. A Management Fee of 4.0% of monthly gross receipts, with a minimum fee of \$25.00 per unit per month, whichever is greater. Units classified as un-rentable or "down" shall be included in the minimum management fee.

In addition, each month a \$0 per unit as an administrative reimbursement and \$0 per unit as an accounting reimbursement will be paid to Agent. These reimbursements shall also be considered as part of the minimum management fee.

In the event the Project is new construction, the minimum monthly management fee shall be paid to Agent beginning ninety (90) days prior to the owner's anticipated date for receiving a Certificate of Occupancy for the clubhouse or the first unit, or at the start date for an employee that is hired by Agent to work at the community, whichever happens first. For the purpose of this agreement, this date shall be established as N/A. In the event that the Certificate of Occupancy is delayed from the anticipated date, Agent shall continue to be paid the minimum management fee longer than the ninety (90) day period, regardless of any construction, permitting, or other delays in receiving a Certificate of Occupancy.

Agent shall earn a quarterly incentive fee from the Premises payable within fifteen (15) days of the last day of the quarter. This fee shall be calculated as 0.25% of total gross receipts for each quarter that the Project meets its approved Net Operating Income. Agent shall also earn an additional annual incentive fee in the amount of 0.25% of total year to date gross receipts if the Project exceeds its approved annual budgeted NOI by 5.0% or more. If the property is sold during the course of a year, the annual budgeted NOI shall be pro-rated and this incentive fee shall be calculated on the interim financial period.

The percentage amount set forth above shall be based upon the total gross receipts from the Premises during that accounting month.

The term "Gross Receipts" shall be deemed to include all rents and other income and charges from the normal operation of the Premises, including, but not limited to, rents, parking fees, laundry income, forfeited security deposits, forfeited pet deposits, utility income, other fees, and other miscellaneous income. Gross receipts shall NOT be deemed to include income arising out of the sale of real property or the settlement of fire or other casualty losses and items of a similar nature.

All management fees, incentive fees, and reimbursements shall be due to Agent at the time that the accounting month is closed and gross receipts are calculated.

- 2. For Apartment Leasing.

Reserved.

- 3. For Commercial Leasing.

Should the property include commercial space, Agent shall receive a one-time commission equal to three (3) months of the initial rental rate for any commercial tenant leases procured on the Owner's behalf by Agent. Ongoing rent payments by the commercial tenant shall be included in the Gross Receipts when applying the monthly Management Fee.

- 4. For Modernization (Rehabilitation/Construction).

Construction Management Fees. Agent shall receive as a construction management fee of five percent (5%) for major property repairs, insured losses, and capital improvements made by or on behalf of Owner, where Agent acts as construction supervisor and/or inspecting agent, with Owner's prior approval. For projects over \$10,000, the fee shall be five percent (5%). For projects over \$500,000, the construction management fee shall be determined based on the scope of work.

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**5. For Lender Draws / Special Reporting.**

Should Owner request Agent to compile and submit draws to lender (or other party) for replacement reserve accounts or other types of non-owner controlled accounts, Agent shall receive a \$250.00 fee or 1% of draw amount, whichever is greater. Should Owner's investors need special or customized reports for the Project, a \$150.00 per hour Special Reporting Fee shall apply.

**6. Ancillary Revenue**

Should Owner request Agent to solicit bids and/or negotiate a service contract that will result in ancillary revenue for the Project, Agent shall receive a fee of 10% of any one-time payments or commissions paid to the Project. This fee shall be paid regardless of if a third-party vendor is contracted, in addition to Agent, to bid out and/or negotiate the service contract (such as a cable television revenue sharing contract consultant) and the consultant will assess their own fee to the Project. Example - Agent facilitates the negotiation of a revenue sharing agreement for cable TV/phone/internet services. A one-time commission of \$10,000 for the Project is negotiated, meaning Agent shall receive an Ancillary Revenue Fee of \$1,000.

**Section 19 REPRESENTATIONS**

Owner represents and warrants that to the best of Owner's knowledge: That Owner has full power and authority to enter this Agreement; that there are no written or oral agreements affecting the Premises other than tenant leases, copies of which have been furnished to Agent; that there are no recorded easements, restrictions, reservations, or rights of way which adversely affect the use of the Premises for other purposes intended under this agreement; that to the best of Owner's knowledge, the property is zoned for the intended use; that all leasing and other permits for the operation of the Premises have been secured and are current; that the building and its construction and operation do not violate any applicable statutes, laws, ordinances, rules, regulations, orders, or the like (including, but not limited to, those pertaining to hazardous or toxic substances).

**Section 20 STRUCTURAL CHANGES**

Owner expressly withholds from Agent any power or authority to make any structural changes in any building, or to make any other major alterations or additions in or to any such building or to any equipment in any such building, or to incur any expense chargeable to Owner other than expenses related to exercising the express powers vested in Agent through this Agreement, without the prior written consent of the Owner.

However, such emergency repairs as may be required because of danger to life or property, or which are immediately necessary for the preservation and safety of the Premises or the safety of the tenants and occupants thereof, or required to avoid the suspension of any necessary service to the Premises, or to comply with any applicable federal, state, or local laws, regulations, or ordinances, shall be authorized pursuant to Section 10 of this Agreement, and Agent shall notify Owner appropriately.

**Section 21 BUILDING COMPLIANCE**

Agent does not assume and is given no responsibility for compliance of the Premises or any building thereon or any equipment therein with the requirements of any building codes or with any statute, ordinance, law, or regulation of any governmental body or of any public authority or official thereof having jurisdiction, except to notify Owner promptly or forward to Owner promptly any complaints, warnings, notices, or summons received by Agent relating to such matters. Owner represents that to the best of Owner's knowledge the Premises and all such equipment comply with all such requirements, and Owner authorizes Agent to disclose the ownership of the Premises to any such officials and agrees to indemnify and hold Agent, its representatives, servants, and employees, harmless of and from all loss, cost, expense, and liability whatsoever which may be imposed by reason of any present or future violation or alleged violation of such laws, ordinances, statutes, or regulations.

**Section 22 TERMINATION**

**1. Termination by Either Party**

This Agreement may be terminated by either Owner or Agent, without cause, by giving the other party 30 days' notice in writing. This Agreement may be terminated immediately by either Agent or Owner upon giving the other party written notice of either the sale of the Property or for cause per the provisions of Section 22.2 of this Agreement.

Owner's Initials

Agent shall deliver to Owner, within thirty (30) days following the date this Agreement is terminated, any balance of monies due Owner or of tenant security deposits, or both which were held by Agent with respect to the Premises. Final accounting reflecting the balance of income and expenses with respect to the Premises as of the date of termination or withdrawal within thirty (30) days following termination, and all records, contracts, leases, receipts for deposits, and other papers or documents which pertain to the Premises.

Within thirty (30) days after such termination, Agent shall deliver to Owner a complete written report and financial statements relative to the Project. Upon receipt of such report, Owner shall pay to Agent any remaining reimbursements due Agent or, if Agent shall have received amounts in excess of the amounts properly reimbursable to Agent hereunder, Agent shall refund to Owner such excess.

Upon termination of this Agreement for whatever reason, Agent shall immediately:

- i) pay to itself all reimbursements due Agent hereunder and surrender and deliver to Owner all remaining rents thereof and any other monies of Owner on hand and in the Checking Account or rental deposit account, including any money of Owner received after the effective date of such termination;
- ii) deliver to Owner all materials, equipment, keys, documents and records relating to the Project; and
- iii) assign any contracts relating to the operation of the Project not otherwise in the name of Owner; and
- iv) furnish such other information and take such other action as Owner shall reasonably require in order to end Agent's duties hereunder.

2. Termination for Cause. Notwithstanding the foregoing, this Agreement shall terminate in any event, and all obligations of the parties hereunder shall cease (except as to liabilities or obligations which have accrued or arisen prior to such termination, or which accrue pursuant to Section 22 as a result of such termination, and obligations to insure and indemnify), upon the occurrence of any of the following events:

- a) Breach of Agreement. After the receipt of written notice by either party to the other specifying in detail a material breach of this Agreement, the receiving party shall be considered on notice. If such breach has not been cured within a thirty (30) day period, the notifying party shall be allowed to terminate this Agreement immediately. However, the breach of any obligation of either party hereunder to pay any monies to the other party under the terms of this Agreement shall be deemed to be curable within ten (10) days.
- b) Failure to Act, Etc. In the event that any insurance required of Owner is not maintained without any lapse, or it is alleged or charged that the Premises, or any portion thereof, or any act or failure to act by Owner, its agent and employees with respect to the Premises, fails to comply with any law or regulation, or any order or ruling of any public authority, and Agent, in its sole discretion, consider that the action or position of Owner or its representatives with respect thereto may result in damage or liability to Agent, or disciplinary proceeding with respect to Agent's license, Agent shall have the right to terminate this Agreement at any time by written notice to Owner of its election to do so, which termination shall be effective thirty (30) days following the service of such notice. Such termination shall not release the indemnities of Owner set forth herein.
- c) Excessive Damage. Upon the destruction of or substantial damage to the Premises by any Cause, or the taking of all or a substantial portion of the Premises by eminent domain, in either case making it impossible or impracticable to continue operation of the Premises.
- d) Inadequate Insurance. If Agent deems that the liability insurance obtained by Owner per section 15 is not reasonably satisfactory to protect its interest under this Agreement, and if Owner and Agent cannot agree as to adequate insurance, Agent shall have the right to cancel this Agreement upon the service of notice to Owner, which notice shall be effective five (5) days following the service of such notice.

3. Termination Compensation. If Owner terminates the agreement due to the sale of the property, Owner shall pay Agent an additional three (3) months of the minimum management fee (minimum per unit fee as stipulated in Section 1.8). This amount shall cover Agent's continuing duties once the sale is closed such as final accounting procedures, past resident correspondence and collections, and final reconciliation of property balances with the buyer.

JBS

4. Owner Responsible for Payments, Upon termination of or withdrawal from this Agreement, Owner shall assume the obligations of any contract or outstanding bill executed by Agent under this Agreement for and on behalf of Owner and responsibility for payment of all unpaid bills.

If Agent is terminated prior to managing the property for at least 12 months, early termination fees and or liquidated damages may apply to some service agreements (such as property management software). Owner shall be responsible to pay these fees.

5. Sale of Premises, In the event that the Premises are sold by Owner to an unrelated party during the period of this Agreement, upon transfer of ownership, this Agreement shall terminate. Owner shall be required to give thirty (30) days notice to Agent prior to the closing of a sale.

Upon closing of the sale to any party, Agent shall maintain a balance in the operating account of at least \$250 per unit for a period of 90 days after the sale date. These funds shall be used to pay all outstanding invoices for goods, services, or amounts due to Agent (fees, payroll, reimbursements, etc) that were accrued during the Owner's period of ownership for the property. Upon closing, if the amount remaining in the operating account is not sufficient to cover the minimum amount specified in this stipulation, Owner agrees to fund the shortfall.

**Section 23 INDEMNIFICATION SURVIVES TERMINATION**

All representations and warranties of the parties contained herein shall survive the termination of this Agreement. All provisions of this Agreement that require Owner to have insured or to defend, reimburse, or indemnify Agent (including, but not limited to, Sections 5, 14, 15, 16, 17, 18, 19, 20, 21, 23, 25, and 33) shall survive any termination; and if Agent is or becomes involved in any proceeding or litigation by reason of having been Owner's Agent, such provisions shall apply as if this Agreement were still in effect.

**Section 24 HEADINGS**

All headings and subheadings employed within this Agreement and in the accompanying list of provisions are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

**Section 25 FORCE MAJEURE**

Any delays in the performance of any obligation of Agent under this Agreement shall be excused to the extent that such delays are caused by wars, national emergencies, natural disasters, strikes, labor disputes, utility failures, governmental regulations, riots, adverse weather, and other similar causes not within the control of Agent, and any time periods required for performance shall be extended accordingly.

**Section 26 COMPLETE AGREEMENT**

This Agreement, including any specified attachments, constitutes the entire agreement between Owner and Agent with respect to the management and operation of the Premises and supersedes and replaces any and all previous management agreements entered into and/or negotiated between Owner and Agent relating to the Premises covered by this Agreement. No change to this Agreement shall be valid unless made by supplemental written agreement executed and approved by Owner and Agent. Except as otherwise provided herein; any and all amendments, additions, or deletions to this Agreement shall be null and void unless approved by Owner and Agent. In writing. Each party to this Agreement hereby acknowledges and agrees that the other party has made no warranties, representations, covenants, or agreements, express or implied, to such party, other than those expressly set forth herein, and that each party, in entering into and executing this Agreement, has relied upon no warranties, representations, covenants, or agreements, express or implied, to such party, other than those expressly set forth herein.

**Section 27 RIGHTS CUMULATIVE; NO WAIVER**

No right or remedy herein conferred upon or reserved to either of the parties to this Agreement is intended to be exclusive of any other right or remedy, and each and every right and remedy given under this Agreement or now or hereafter legally existing upon the occurrence of an event of default under this Agreement. The failure of either party to this Agreement to insist at any time upon the strict observance or performance of any of the provisions of this Agreement, or to exercise any right or remedy as provided in this Agreement, shall not impair any such right or remedy or be construed as a waiver or relinquishment of such right or remedy with

respect to subsequent defaults. Every right and remedy given by this Agreement to the parties to it may be exercised from time to time and as often as may be deemed expedient by those parties.

**Section 28 APPLICABLE LAW AND PARTIAL**

The execution, interpretation, and performance of this Agreement shall in all respects be controlled and governed by the laws of Georgia. If any part of this Agreement shall be declared invalid or unenforceable, such term or part thereof shall be severed from this Agreement and shall not affect the validity of the remainder of this Agreement or the application of such term or provision to any other entity or circumstance.

**Section 29 NOTICES**

Any notices, demands, consents, and reports necessary or provided for under this Agreement shall be in writing and shall be addressed as follows, or at such other address as Owner and Agent individually may specify hereafter in writing:

**AGENT:**  
Provence Real Estate, LLC  
Attn: Art Lieb  
5901-C Peachtree Dunwoody Road, Suite 505  
Atlanta, GA 30328

**OWNER:**  
City of Tupelo  
Attn: Don Lewis  
71 East Troy Street  
Tupelo, MS 38804

Such notice of other communication may be mailed by United States registered or certified mail, return receipt requested, postage prepaid, and may be deposited in a United States Post Office or a depository for the receipt of mail regularly maintained by the post office. Such notices, demands, consents, and reports may also be delivered by hand or by any other receipted method or means permitted by law. For purposes of this Agreement, notices shall be deemed to have been "given" or "delivered" upon personal delivery thereof or fifth (5th) day after having been deposited in the United States mails as provided herein or such notice when transmitted by telefax to Owner at telefax number or email at or to Agent at (678) 826-0900 or such other changed address or telefax number as may be given in writing.

**Section 30 AGREEMENT BINDING UPON SUCCESSORS AND ASSIGNS**

Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors at law, but neither party shall be entitled to assign its rights hereunder or delegate its duties hereunder unless approved in writing by the other party.

**Section 31 AGREEMENT BINDING UPON INDEPENDENT CONTRACTOR**

Independent Contractor. This Agreement is a management agreement only and does not grant to Agent any ownership right or interest whatsoever in the Property or any other property of Owner pertaining thereto. In its operation pursuant to this Agreement, Agent is acting as an independent contractor and this Agreement is not intended to and does not constitute or result in a partnership or joint venture of any kind between Owner and Agent with respect to the operation of the Property or any other matter.

**Section 32 AGREEMENT BINDING UPON BROKER**

Broker. Agent warrants that to the extent required by applicable state law, it has an active brokerage license registered in its name under the laws of the state where the Project is located and is thereby duly authorized to act as a property manager in such state.

**Section 33 HAZARDOUS MATERIAL**

Owner represents that it has no knowledge of Hazardous Material or conditions at the Project except as Owner has informed Agent in writing and attached to this agreement. Owner shall defend, indemnify, and hold harmless Agent from and against any and all losses, liabilities, damages, injuries, costs, expenses, and claims of any and every kind whatsoever (including, without limitation, court costs and reasonable attorneys' fees) which at any time or from time-to-time may be paid, incurred, or suffered by, or asserted against, Agent for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from, the Project into or upon any land, the atmosphere, or any water course, body of water or wetland of any Hazardous Material which exists on, under or at the Project at any time during the term of this agreement, and from time-to-time (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under the

Statutes). For purposes of this Agreement, "Hazardous Material" means and includes any hazardous substance or any pollutant or contaminate defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, any so called "Superfund" or "Superlien" law, the Toxic Substances Control Act, or any other federal, state, or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste, substance or material, as now or at any time hereafter in effect, or any other hazardous toxic or dangerous waste, substance, or material.

Lead-Based Paint / Asbestos. Should Owner possess any reports at the time of the execution of this agreement (or obtain such reports at a future time during the term of this agreement) specifically regarding the presence of Lead-Based Paint or Asbestos, Owner shall provide such reports to Agent so that the proper disclosures may be included in the tenant lease agreements.

**SIGNATURES**

IN WITNESS WHEREOF, the parties hereto have affixed or caused to be affixed their respective signatures this 28<sup>th</sup> day of December, 2017.

WITNESS Jason S. Shelton OWNER SIGNATURE  
BY: Jason Shelton  
TITLE: Mayor

WITNESS \_\_\_\_\_ OWNER SIGNATURE  
BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_

WITNESS Barbara Muece MANAGER SIGNATURE Art Lieb  
Provence Real Estate, LLC  
By: Art Lieb  
TITLE: Managing Partner

# TRI Rentals

"Let Our Experience Protect Your Investment"

## MANAGEMENT AGREEMENT

OWNER City of Tupelo

AGENT Ella Short

For the property located at 922 Lowndale Tupelo, MS 38801

This agreement made this 1 day of ~~January~~ <sup>MARCH</sup> 2018, to become effective as of the 28 day of ~~Feb~~ ~~2019~~ (Year) and to continue in full force and effect for not less than 12 months and thereafter unless or until terminated by either party upon 30 days prior written notice setting forth the effective date thereof, which shall be the closing of business on the last day of the calendar month or first day of the month following such notice.

For in and consideration of the payments to Agent by Owner, as hereinafter set forth, Agent agrees for the account of Owner to manage and operate, as Owner's exclusive representative, manager, and agent for the said property.

### Agent's Agreements

- 1) Agent agrees to lease and rent the premises; to collect and enforce the payment of and collection of said rentals; to use all necessary measures for the orderly management of said property.
- 2) Agent shall, when Agent judges it advisable, advertise the said properties at Agents own expense. Agent further agrees to advertise said properties for rental or lease at Owner's request provided, however, Owner shall pay the expense of advertising if Owner requests Agent to do so.
- 3) Agent agrees not to collect or charge any undisclosed fee, rebate or discount, and that Owner will set the price for the monthly or annual rental, and length of lease term. It is agreed that no reduction of rent (unless required by government authority) shall be made without Owner's consent.
- 4) Agent agrees to maintain a custodial account in which all of Owner's funds shall be deposited and from which disbursements shall be made. Tenant's Security Deposits shall be kept in a separate account in accordance with Mississippi law and shall be held for Owner's protection until a determination of damages or rent loss is made by Agent at the completion of the tenants occupancy.
- 5) Agent agrees to use diligence in maintaining the property with the cost of maintenance to be paid from the proceeds of the said property's income, and to provide accountability to Owner for the expenditure of Owner's funds. In no event shall the Agent be required to advance Agent's own money in payment of any such costs, and in the event the cost of work to be done exceeds the rental.

income, Owner agrees to pay the shortfall promptly upon notice from Agent of the money due. Agent can require a deposit if estimates of costs of work should be greater than owner proceeds at any given time.

Owner's Agreements

5) Owner agrees to indemnify, defend, and save the Agent from all claims, investigations, and suits resulting from an action or failure to act upon the Owner with respect to any alleged or actual violation of State or Federal Law. It is agreed that it is the responsibility of the Agent to comply with all applicable State and Federal Laws.

6) Owner shall provide, at Owner's expense, a general liability insurance policy and name agent as additional insured for said property under management contract.

7) Owner agrees to provide accurate written notice to Agent if Owner desires Agent to make payments out of the proceeds from the said property for mortgage indebtedness, general taxes, special assessments, or any other charges beyond those necessary for normal upkeep of the property as stated in paragraph 4. In no event shall Agent be required to advance its own money in payment of any such indebtedness.

8) Owner agrees to pay agent as compensation for services the 1 full month's rent due upon securing a tenant or at first month's management, whichever is appropriate, plus ten percent (10%) per month of collections. The above compensation is for any and every lessee secured by the Agent and accepted by the Owner unless otherwise agreed upon by the two principals. This amount is due and payable monthly, and may be deducted by agent from monthly rental income from said property unless owner otherwise instructs Agent. All options are to be exercised and Owner shall pay full compensation to Agent through alternate instruction by Owner.

9) Owner will pay \$50 per unit for initial *transfers.* Owner will pay \$1000.00 month toward *Rental consultant salary.*  
\*THE RENTALS AGREES TO MANAGE ALL PROPERTIES IN COMPLIANCE WITH THE MISSISSIPPI LANDLORD/TENANT LAW AND WITH CITY, STATE, AND FEDERAL REGULATIONS AFFECTING THE SAME.\*

THE FOLLOWING INFORMATION WILL BE USED FOR OWNER TAX PURPOSES:  
Owner Social Security No. or Tax ID No. \_\_\_\_\_  
Address (all information regarding the property and/or its records will be sent to this address): \_\_\_\_\_

Acknowledgement of Disclosure

The below named licensee has informed me that brokerage services are being provided me as the client/landlord's agent. As the client, I authorize TRR inc. Realtors to act as my agent and to represent me in the rental of the above named property and to uphold the following fiduciary duties: loyalty, confidentiality, obedience, disclosure, full accounting and the duty to use skill, care, and diligence.

### PROPERTY MANAGEMENT AGREEMENT

#### THIS IS A LEGALLY BINDING AGREEMENT - READ IT CAREFULLY

This form is provided as a courtesy to the parties only. It is not required to be used in this transaction and may not fit the needs, goals and purposes of the parties. The Mississippi Association of REALTORS® makes no statement or warranty as to this form, its contents or use, and the parties, by their use of this form, acknowledge said facts and agree that neither the Mississippi Association of REALTORS® nor any member thereof shall be liable to any party or person for its contents or use, if any party to this transaction does not fully understand it, or has any question, the party should seek advice from a competent legal professional before signing.

- 1. Are you currently a party to a management agreement with another real estate broker or entity? YES  NO
- 2. **1. EXCLUSIVE RIGHT TO MANAGE.** I, the undersigned Owner, hereinafter called "Owner", hereby employ and grant
- 3. TRT Rentals Inc., hereinafter called "Broker" or "Manager", the exclusive right commencing on
- 4. 12-31-21, and expiring at midnight on 12-31-21, to rent, lease, operate and manage
- 5. the real property (as set forth more fully herein) situated in the City of Tupelo, County of
- 6. Lee, Mississippi, located at 941 - Landale (President's Gate) Apts.
- 7. **Legal Description:**
- 8. \_\_\_\_\_
- 9. \_\_\_\_\_
- 10. \_\_\_\_\_

- 11. This Agreement is automatically renewable upon expiration for annual periods unless terminated by either party giving thirty (30)
- 12. days' notice in advance of the current termination date to the other party.

- 13. Owner authorizes Manager to advertise Property on the Internet  YES  NO
- 14. Owner authorizes Manager to place a lockbox on the Property  YES  NO
- 15. Owner authorizes Manager to place a "For Lease" or "For Rent" sign on Property  YES  NO

- 16. **2. MULTIPLE LISTING SERVICE (MLS).** Broker is a Participant of the NEAS Bd of Realtors
- 17. Multiple Listing Service (MLS) and this listing information will be provided to the MLS to be published and disseminated to its
- 18. Participants. The Listing Broker is also authorized to report the rental, when it occurs, including relevant terms for the publication,
- 19. dissemination, information and use by authorized members, MLS participants and subscribers. The Listing Broker is authorized
- 20. to cooperate with other licensed Brokers/Agents to lease this property and to share the compensation resulting from any lease with
- 21. the Leasing Broker on a basis solely determined by the Listing Broker. It is the policy of the Listing Broker to compensate the
- 22. Leasing Broker a percentage of the total agreed upon compensation as follows:
- 23. \_\_\_\_\_

- 24. **3. DUTIES OF MANAGER.** During the Term hereof, Manager will [CHOOSE ALL THAT APPLY]:
- 25. **Generally:**
- 26.  Maintain common areas
- 27.  Maintain common areas except for designated areas/items to be maintained by Owner (see below)
- 28.  Provide form rental application
- 29.  Provide form rental agreement (lease)
- 30.  Provide written operating policies associated with the Property
- 31.  Arrange for utilities associated with the Property
- 32.  Arrange for insurance covering general comprehensive liability (owner's policy), with Manager as additional insured
- 33. **Pre-Lease:**
- 34.  Advertise availability of Property for lease *if approved*
- 35.  Answer phone inquiries about vacancies





- 83. Pre-Lease:
- 84.  Advertise availability of Property for lease
- 85.  Answer phone inquiries about vacancies
- 86.  Show Property to prospective tenants
- 87.  Relay names of prospective tenants to Manager for showing
- 88.  Accept rental applications
- 89.  Screen applicants
- 90.  Select Tenants
- 91. Upon Leasing:
- 92.  Accept deposits and any rental payments due upon lease and issue receipt
- 93.  Conduct "walk through" inspection with new Tenants and remedy any known issues requiring repairs
- 94.  Conduct "walk through" inspection with new Tenants and report any known issues to Manager with specific instructions for any repairs
- 95.  Secure professional inspection upon lease and remedy any issues identified by inspector
- 96.  Secure professional inspection upon lease with report to Manager of any issues identified by inspector and instructions regarding specific repairs.
- 97.  Secure professional inspection upon lease with report to Manager of any issues identified by inspector and instructions regarding specific repairs.
- 98.  Secure professional inspection upon lease with report to Manager of any issues identified by inspector and instructions regarding specific repairs.
- 99. During Lease:
- 100.  Receive rent payments, including any late charges or other fees, and issue receipts
- 101.  Send timely notices regarding late rent and other charges when due and not paid
- 102.  Receive Tenant complaint(s), requests for routine maintenance and repair and comments
- 103.  Relay Tenant complaint(s) and requests for maintenance and repair to Manager for processing by Manager in accordance with specific instructions
- 104.  Process Tenant complaint(s) and requests for routine maintenance and repair
- 105.  Maintain written log of tenant complaints/requests/comments
- 106.  Periodically inspect Property for lease compliance
- 107.  Notify Manager of any lease violations or other situations requiring attention
- 108.  Handle lease violations in accordance with lease and applicable law, including termination protocols
- 109.  Handle lease violations in accordance with lease and applicable law, including termination protocols
- 110.  When necessary, initiate and pursue to resolution legal proceedings required to enforce lease
- 111.  Make final determination concerning termination of lease in event of breach
- 112.  Receive any tenant notices
- 113. Following Lease Termination:
- 114.  Conduct "walk through" inspection and remedy any known issues requiring repairs
- 115.  Conduct "walk through" inspection and report any known issues to Manager with specific instructions regarding specific repairs
- 116.  Conduct "walk through" inspection and report any known issues to Manager with specific instructions regarding specific repairs
- 117.  Secure professional inspection upon termination of lease and vacation of leasehold by tenant and remedy any issues identified by inspector
- 118.  Secure professional inspection upon termination of lease and vacation of leasehold by tenant with report to Manager of any issues identified by inspector with specific instructions regarding repairs
- 119.  Secure professional inspection upon termination of lease and vacation of leasehold by tenant with report to Manager of any issues identified by inspector with specific instructions regarding repairs
- 120.  Arrange for cleaning of vacated unit
- 121.  Arrange for cleaning of vacated unit
- 122. Other Duties:
- 123.  See Attached Addendum

124. 5. MAINTENANCE: Owner, Manager and Tenant(s) shall be responsible for maintenance as follows:

125. Item	<u>Responsible Party</u>
126. A. Lawns and landscaping (mowing, clipping, sweeping)	<input type="checkbox"/> Owner <input checked="" type="checkbox"/> Manager <input type="checkbox"/> Tenant
127. B. Landscaping (planting and watering)	<input type="checkbox"/> Owner <input checked="" type="checkbox"/> Manager <input type="checkbox"/> Tenant
128. C. Hallways and Entryways	<input type="checkbox"/> Owner <input checked="" type="checkbox"/> Manager <input type="checkbox"/> Tenant



- |      |  |                                |   |                                 |
|------|--|--------------------------------|---|---------------------------------|
| 129. | D. Lighting devices in common areas (including bulbs). | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 130. | E. Common stairs, decks, patios and sidewalks          | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 131. | F. Parking and pavement (cleaning)                     | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 132. | G. Parking and pavement (repairs)                      | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 133. | H. Garbage collection areas                            | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 134. | I. Plumbing stoppages                                  | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 135. | J. Garbage disposal stoppages and repairs              | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 136. | K. Faucet leaks and repairs                            | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 137. | L. Toilet stoppages and repairs.                       | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 138. | M. Appliances repairs                                  | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 139. | N. Appliances replacement                              | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 140. | O. Electrical repairs                                  | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 141. | P. Electrical replacement                              | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 142. | Q. Window repairs                                      | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 143. | R. Window replacement                                  | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 144. | S. Drywall repairs                                     | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 145. | T. Painting (exterior)                                 | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 146. | U. Painting (interior)                                 | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |
| 147. | V. Key replacement                                     | <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Tenant |

148. As to items for which Manager is responsible, Manager is authorized to hire, supervise and terminate, in its discretion,  
 149. independent contractors, employees of Owner or Manager, or others, if any, and to purchase or secure all materials, equipment,  
 150. tools, appliances, supplies and other things, if any, reasonably required in performance of Manager's obligations hereunder,  
 151. subject to responsibility for expenses set forth herein-below. As to items for which Owner is responsible, it is presumed that Owner  
 152. is responsible for expenses associated therewith unless Owner and Manager agree otherwise in writing. As to items for which  
 153. Tenant is responsible, it is presumed that Tenant is responsible for expenses associated therewith unless Owner and Manager  
 154. agree otherwise in writing. Any lease shall clearly designate those items of maintenance for which Tenant is responsible; in the  
 155. absence of proper language binding Tenant to pay such expense, those expenses shall be born by the Owner.

156. All expenses for maintenance handled by Manager will be paid as follows, in the absence of a specific written agreement  
 157. providing otherwise [CHOOSE ONE]:
158.  Owner is responsible for all expenses of maintenance handled by Manager. Manager will invoice Owner monthly for all  
 159. expenses due for the month preceding, with Owner to make payment in full thereof to Manager within thirty (30) days
160.  Owner is responsible for all expenses of maintenance handled by Manager. Manager will pay expenses from deposits and  
 161. rents retained by Manager, and invoice Owner monthly for all unpaid expenses due for the month preceding, with Owner to  
 162. make payment in full thereof to Manager within thirty (30) days or withhold from rents.
163.  Owner is responsible for all expenses of maintenance handled by Manager exceeding a monthly amount of \$ \_\_\_\_\_,  
 164. Manager will invoice Owner monthly for all expenses for the month preceding exceeding said amount, with Owner to make  
 165. payment in full thereof to Manager within thirty (30) days
166.  Manager is responsible for all expenses of maintenance handled by Manager.
167.  Tenant is responsible for all expenses of maintenance handled by Manager.

168. 6. INSPECTIONS.

169. Any inspections conducted by Manager under this Agreement shall be "walk-through" inspections only. Such inspections  
 170. are not intended to be professional inspections, as Broker is not a licensed home inspector and does not hold itself out to be. Any  
 171. "walk-through" inspection is limited to a casual, informal pass through the tenanted areas with the tenant for the sole and limited  
 172. purpose of allowing tenant to identify to Manager any known issues with the Property of concern to tenant. "Walk-through"  
 173. inspections are not expected to, and shall not, consist of comprehensive inspection of the Property by Manager, and are not  
 174. expected to, and shall not, obligate Manager to perform an inspection of the premises in any way or manner whatsoever,  
 175. Specifically, Manager has no duty or responsibility to detect hazardous conditions or defects, known or latent or otherwise, in

220. 11. **LEAD BASED PAINT:** If dwelling was built before 1978, a lead-based paint inspection may be required and the presence  
221. of known lead-based paint must be disclosed. Owner shall be responsible for compliance with applicable law concerning same,  
222. including any required inspections and disclosures.

223. 12. **OWNER'S ACKNOWLEDGEMENT,** I hereby certify that all information provided herein is complete, true and accurate  
224. to the best of my knowledge and belief. I, the Owner, agree to defend, indemnify and hold harmless the Broker and their  
225. salespersons against and from any losses, damages, claims, suits at law (including court costs and attorneys fees) or other costs or  
226. expenses relating to or resulting from any actual or alleged inaccuracy or incompleteness of the property information contained  
227. herein or any other information provided by me.

228. By signing below I acknowledge that the mandatory Working With a Real Estate Broker disclosure form has been fully  
229. explained to me and I acknowledge receipt of a signed copy (if applicable). I, as Owner, acknowledge that I have read and  
230. understand this Agreement and, have received a copy. I further acknowledge that I have good title to the Property and full  
231. authority to execute this Agreement. I further agree to permit Broker to reassign me to another agent within the firm for  
232. representation should I and Broker agree that reassignment is best.

233. 13. **BROKER ACKNOWLEDGEMENT,** Broker/Agent agrees: (1) to exercise all duties to Owner(s)/Landlord(s) as set forth  
234. in the Working With a Real Estate Broker disclosure prescribed by the Mississippi Real Estate Commission, including  
235. fiduciary duties of confidentiality, obedience, disclosure, full accounting and the duty to use skill, care and diligence; and (2) to  
236. exercise the duty of honest and fair dealing to Owner and tenants.

237. 14. **EQUAL HOUSING OPPORTUNITY:** This Property is offered in compliance with applicable anti-discrimination laws.

238. 15. **INDEMNIFICATION,** Owner agrees to hold Broker harmless from all damage suits in connection with the management of  
239. said Property and from liability for injury suffered by any employee, invitee, tenant or other person whomsoever. Owner will  
240. carry, at Owner's expense, adequate public liability insurance and name Broker as a co-insured in said policy, with a copy of the  
241. current policy declaration and any renewal(s) being provided to Broker. Broker shall not be liable for any error of judgment or any  
242. mistake of fact or law, or for anything that Broker may do or refrain from doing in the performance of this Agreement, except in  
243. cases of willful misconduct or gross negligence. If claims are asserted or suit is brought against Broker for any action covered by  
244. this indemnification, Owner will defend Broker and pay any and all legal fees or other expenses incident thereto.

245. 16. **CATASTROPHIC LOSS.** In the event the Property should suffer a catastrophic loss attributable to any event including, but  
246. not limited to, fire, storm, flood, wind, acts of violence, intentional acts, acts of God or any other action whereby the Property is  
247. rendered unsuitable for the purposes herein intended, Broker is hereby authorized, on behalf of Owner, to take any and all steps  
248. necessary and, in Broker's sole discretion, necessary to secure the Property and, to the extent possible, return the Property to a  
249. condition whereby the purpose of this Agreement may be fulfilled. In the event Broker, in Broker's sole discretion, determines  
250. that, by virtue of the circumstances existing at the time, or at any time, the Property is in such a condition that the purposes of this  
251. Agreement cannot be carried out in a commercially reasonable manner, Broker shall be entitled to terminate this Agreement in  
252. accordance with Section 17 hereof. In such event, Broker shall be compensated for the reasonable value of Broker's services on a  
253. *quantum meruit* basis, except that, in the event of a catastrophic loss wherein insurance proceeds become payable as a result of  
254. any loss claim submitted in connection therewith, Broker shall have the option, in Broker's sole discretion, of accepting as its  
255. compensation for those services relating to the scope of work performed under this Section 16 an amount equal to  
256. 100 percent of the total claim paid by any and all insurance company(ies) indemnifying such loss, and Owner hereby  
257. assigns said proceeds to Broker and grants to Broker a lien against any and all such claims and claim proceeds, whenever  
258. submitted or paid, until Broker shall be fully compensated as stated herein.

259. 17. **ATTORNEYS FEES:** In any legal action, proceeding or arbitration arising out of this Agreement, the prevailing party shall  
260. be entitled to reasonable attorney's fees and costs from the non-prevailing party.

261. 18. **TERMINATION DURING TERM.** Either party may terminate this Agreement upon giving the other party thirty (30) days'  
262. written notice specifically stating the date (at least thirty (30) days thereafter) that the Agreement will terminate. Should no  
263. specific date be given, the date of termination shall be thirty (30) calendar days following receipt of said written notice by the  
264. other party. Upon termination, Manager will submit to Owner any financial statements required by Owner and, after Owner



SPECIAL ADDENDUMS: TRI may charge possible tenants an application fee.

TRI Rentals will employ the service of Allied Maintenance Co., a subsidiary of TRI Inc., to handle general maintenance service for client's properties. Allied Maintenance will charge a reasonable fee for its services, according to the guidelines agreed to in the following. (please indicate preference) Maintenance fees will be taken from rents or charged to owner as applicable.

1) TRI has permission to handle all general maintenance and to charge a reasonable fee.

2) TRI has permission to handle all general maintenance up to \$ \_\_\_\_\_ and is authorized to contact me should extensive maintenance arise.

3) I prefer that TRI contact me related to any and all maintenance needs, I understand that inability to contact me expeditiously could cause inconvenience for my tenant.

4) I will handle the maintenance on my property. Have the tenant contact me.

5) Other:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

AGENT: Ellen Short  
TRI Rentals  
662 842 8283 or 662 620 7171  
ellen@trirealestate.net

OWNER: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Email address: \_\_\_\_\_

Phone Numbers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

OWNER: \_\_\_\_\_

Account Number: \_\_\_\_\_

Bank: \_\_\_\_\_



# WORKING WITH A REAL ESTATE BROKER

**\*\*THIS IS NOT A LEGALLY BINDING CONTRACT\*\***

Approved 01/2003 By  
MS Real Estate Commission  
P. O. Box 12685  
Jackson, MS 39232

### GENERAL

Before you begin working with any real estate agent, you should know whom the agent represents in the transaction. Mississippi real estate licensees are required to disclose which party they represent in a transaction and to allow a party the right to choose or refuse among the various agency relationships.

There are several types of relationships that are possible and you should understand these at the time a broker or salesperson provides specific assistance to you in a real estate transaction.

The purpose of the Agency Disclosure is to document an acknowledgement that the consumer has been informed of various agency relationships, which are available in a real estate transaction.

For the purpose of this disclosure, the term seller and/or buyer will also include those other acts specified in Section 73-35-3 (1), of the Miss. Code, "...list, sell, purchase, exchange, rent, lease, manage, or auction any real estate, or the improvements thereon including options."

### SELLER'S AGENT

A seller can enter into a "listing agreement" with a real estate firm authorizing the firm and its agent(s) to represent the seller in finding a buyer for his property. A licensee who is engaged by and acts as the agent of the Seller only is known as a Seller's Agent. A Seller's agent has the following duties and obligations:

To the Seller:

- \* The fiduciary duties of loyalty, confidentiality, obedience, disclosure, full accounting and the duty to use skill, care and diligence.

To the Buyer and Seller:

- \* A duty of honesty and fair dealing.
- \* A duty to disclose all facts known to the Seller's agent materially affecting the value of the property which are not known to, or readily observable by, the parties in a transaction.

### BUYER'S AGENT

A buyer may contract with an agent or firm to represent him/her. A licensee who is engaged by and acts as the agent of the Buyer only is known as the Buyer's Agent.

If a Buyer wants an agent to represent him in purchasing a property, the buyer can enter into a Buyer's Agency Agreement with the agent. A Buyer's Agent has the following duties and obligations:

To the Buyer:

- \* The fiduciary duties of loyalty, confidentiality, obedience, disclosure, full accounting and the duty to use skill, care and diligence.

To the Seller and Buyer:

- \* A duty of honesty and fair dealing.

### DISCLOSED DUAL AGENT

A real estate agent or firm may represent more than one party in the same transaction. A Disclosed Dual Agent is a licensee who, with the informed written consent of the Seller and Buyer, is engaged as an agent for both Seller and Buyer.

As a disclosed dual agent, the licensee shall not represent the interests of one party to the exclusion or detriment of the interests of the other party. A disclosed dual agent has all the fiduciary duties to the Seller and Buyer that a Seller's or Buyer's agent has except the duties of full disclosure and undivided loyalty.

A Disclosed Dual Agent may not disclose:

- (a) To the Buyer that the Seller will accept less than the asking or listed price, unless otherwise instructed in writing by the Seller.
- (b) To the Seller that the Buyer will pay a price greater than the price submitted in a written offer to the Seller, unless otherwise instructed in writing by the Buyer.
- (c) The motivation of any party for selling, buying, or leasing a property, unless otherwise instructed in writing by the respective party, or
- (d) That a Seller or Buyer will agree to financing terms other than those offered, unless otherwise instructed in writing by the respective party

IMPORTANT NOTICE

"Customer" shall mean that person not represented in a real estate transaction, it may be the buyer, seller, landlord or tenant.

A Buyer may decide to work with a firm that is acting for the Seller (a Seller's Agent or subagent). If a Buyer does not enter into a Buyer Agency Agreement with the firm that shows him properties, that firm and its agents may show the buyer properties as an agent or subagent working on the seller's behalf. Such a firm represents the Seller (not the Buyer) and must disclose that fact to the Buyer.

When it comes to the price and terms of an offer, the Seller's Agent will ask you to decide how much to offer for any property and upon what terms and conditions. They can explain your options to you, but the final decision is yours, as they cannot give you legal or financial advice. They will attempt to show you property in the price range and category you desire so that you will have information on which to base your decision.

The Seller's Agent will present to the Seller any written offer that you ask them to present. You should keep to yourself any information that you do not want the Seller to know (i.e. the price you are willing to pay, other terms you are willing to accept, and your motivation for buying). The Seller's agent is required to tell all such information to the Seller. You should not furnish the Seller's agent anything you do not want the Seller to know. If you desire, you may obtain the representation of an attorney or another real estate agent, or both.

THIS IS NOT A CONTRACT. THIS IS AN ACKNOWLEDGEMENT OF DISCLOSURE

The below named Licensee has informed me that brokerage services are being provided me as a:

- Client (Seller's or Landlord's Agent)
- Client (Buyer's or Tenant's Agent)
- Client (Disclosed Dual Agent)
- Customer (Not as my Agent)

By signing below, I acknowledge that I received this informative document and explanation prior to the exchange of confidential information which might affect the bargaining position in a real estate transaction involving me.

X J S Shurt \_\_\_\_\_ 1-12-18  
 (Client) (Licensee) (Date)  
Ellen Shurt \_\_\_\_\_  
 (Client) (Customer)  
RE Inc Realtors \_\_\_\_\_  
 (Client) (Company) (Customer)

LICENSEE - Provide a copy of disclosure acknowledgement to all parties and retain signed original for your files.



To rental property owners:

TRI Rentals policy related to new rent ups is that we accept the first month's rent when the house is rented...no matter what time of the month.

If there are a significant number of days left in the month after the move in date, we will prorate the next month. This way all our rents come due on the 1<sup>st</sup> of the month. An example would be the new tenant moves in on September 12<sup>th</sup>, he pays an entire month's rent. On the 1<sup>st</sup> of October, the prorated amount of rent for the prior month is due. In November he pays the entire amount of rent again.

The only time a rent wouldn't be prorated is if the tenant moves in near the end of the month. Usually, we'd ask the tenant to pay the 2 or 3 days from the current month and the entire rent of the next month. For instance, he moves in on Sept 28<sup>th</sup>, he would pay the 3 days of September and the entire October rent upon move in.

There could be the instance that the tenant moves on the last day of a month and we don't charge him for that day if there is a week end involved, etc.

This would mean that when you get the funds for the early rents you may not have the entire amount that you will normally receive. There will be a "rent up" fee for TRI and perhaps a prorated amount during those first two months.

Let me know if you have questions.

Thank you for entrusting your property to us.

A handwritten signature in cursive script that reads "Ellen Short". The signature is written in dark ink and is positioned above the typed name.

Ellen Short, TRI Realtors

1/12/2018

Management agreement overview:

To transition the property at President's Gate Apartment from Provence Real Estate to TRI Inc Realtors

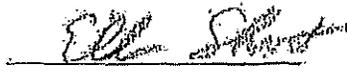
Owners will pay \$250 per occupied unit upon acceptance of agreement.

TRI will collect one half (50%) of the first month's rent of any and all units leased during the management time period, after the initial transition.

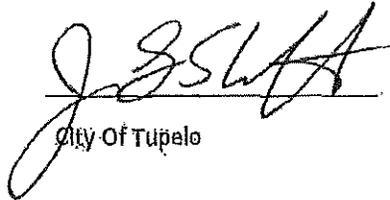
TRI will collect 10% <sup>5.7</sup> per unit per month for continuing management of the property.

TRI contracts with Tupelo Realty maintenance company and outside vendors, as necessary, for maintenance and will charge fees accordingly.

TRI Inc Realtors will represent the City of Tupelo as their clients and all tenants will be customers



Ellen Short, TRI Inc Realtors



City Of Tupelo

Council Meeting 02/20/18  
Item #7.27

**RESOLUTION**

**RESOLUTION AUTHORIZING THE MAYOR TO CONVEY WARRANTY DEED TO NEIGHBORHOOD DEVELOPMENT CORPORATION (NDC) TO CORRECT PREVIOUS DEED TO CITY OF TUPELO FROM NDC REGARDING JACKSON STREET WALKING TRACK**

**WHEREAS**, the Neighborhood Development Corporation (NDC) conveyed by donation certain real property to the City of Tupelo, Mississippi for the purpose of the city building a walking track west of Ingram Drive; and

**WHEREAS**, the deed to the real property contained the legal description for two tracts of land under the title "Ingram Drive Walking Track" (see Exhibit "A"); and

**WHEREAS**, the City Council accepted the donation on August 15, 2017 and filed the deed of record; and

**WHEREAS**, the inclusion of the 0.05 acres contained in Tract 2 of the legal description was in error, NDC not intending to convey same, and the city not intending to accept same as a part of the walking track project; and

**WHEREAS**, the city desires to correct this error by deeding this tract back to NDC; and

**NOW, THEREFORE LET IT BE RESOLVED** that the Mayor is authorized to correct this mistake by conveying to NDC the real property described in the Warranty Deed attached hereto as Exhibit "B"

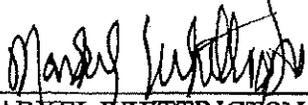
After a full discussion of this matter, Council Member Lynn Bryan moved that the foregoing Resolution be adopted and said motion was seconded by Council Member Travis Beard and upon the question being put to a vote, the results were as follows:

Councilmember Whittington voted	<u>Aye</u>
Councilmember L. Bryan voted	<u>Aye</u>
Councilmember Beard voted	<u>Aye</u>
Councilmember Davis voted	<u>Aye</u>
Councilmember Palmer voted	<u>Aye</u>
Councilmember M. Bryan voted	<u>Aye</u>
Councilmember Jennings voted	<u>Aye</u>

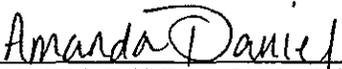
The motion having received the affirmative vote of a majority of the members present, the President declared the motion carried and the resolution adopted.

WHEREUPON, the foregoing Resolution was declared, passed and adopted at a regular meeting of the Council on this the 20th day of February, 2018.

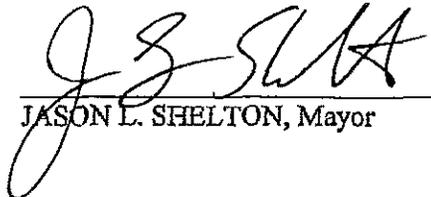
CITY OF TUPELO, MISSISSIPPI

By:   
MARKEL WHITTINGTON  
City Council President

ATTEST:

  
AMANDA DANIEL, Clerk of the Council

APPROVED:

  
JASON L. SHELTON, Mayor

February 21, 2018  
DATE



April 25, 2017  
 REVISED -- June 29, 2017

**INGRAM DRIVE WALKING TRACK  
 PROPERTY DESCRIPTION  
 TUPELO, MISSISSIPPI**

**TRACT #1**

**A 0.78 ACRE TRACT OF LAND BEING LOCATED IN THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 9 SOUTH, RANGE 5 EAST, LEE COUNTY, MISSISSIPPI, CHICKASAW MERIDIAN, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

COMMENCE at the Northeast Corner of Section 36, Township 9 South, Range 5 East, Lee County, Mississippi, Chickasaw Meridian; thence run South for a distance of 425.00 feet, more or less, to a point; thence run West for a distance of 1016.00 feet, more or less, to an iron pin found at the Southwest Corner of Lot No. 8 of the Graylee Subdivision as shown and recorded in Plat Book 1, Page 87 of the records and plats on file in the Office of the Chancery Clerk of Lee County, Mississippi; thence run South 00 degrees 09 minutes 04 seconds East for a distance of 50.00 feet, to an iron pin found; thence continue South 00 degrees 09 minutes 04 seconds East for a distance of 103.43 feet, to an iron pin set, and the **POINT OF BEGINNING**; thence continue South 00 degrees 09 minutes 04 seconds East for a distance of 20.64 feet, to an iron pin found at the southeast corner of Ingram Drive Subdivision as recorded in Plat Cabinet C, Slide 116 in the Office of the Chancery Clerk of Lee County, Mississippi; thence run North 89 degrees 14 minutes 54 seconds West for a distance of 42.24 feet, to an iron pin found on the northern Right-of-Way of the Burlington Northern Santa Fe Railroad; thence run along said railroad Right-of-Way North 50 degrees 43 minutes 00 seconds West for a distance of 458.32 feet, to an iron pin found at the southwest corner of Ingram Drive Subdivision; thence continue along said railroad Right-of-Way North 50 degrees 43 minutes 00 seconds West for a distance of 282.99 feet, to the southeast corner of the Neighborhood Development Corporation property as recorded in Instrument No. 2014003401; thence continue along said railroad Right-of-Way North 50

**Exhibit**

APPENDIX OC 11

A

degrees 43 minutes 00 seconds West for a distance of 216.03 feet, more or less, to an iron pin set at the northwest corner of the above said NDC property, and also being on the south Right-of-Way of West Jackson Street; thence run along said West Jackson Street Right-of-Way South 89 degrees 01 minutes 50 seconds East for a distance of 171.91 feet, to an iron pin set; thence run South 02 degrees 00 minutes 00 seconds West for a distance of 5.00 feet, to an iron pin found at the northwest corner of the OLEPUT Properties, LLC property as recorded in Instrument No. 2017002482; thence run North 89 degrees 05 minutes 08 seconds West for a distance of 22.00 feet, to an iron pin set; thence run South 02 degrees 00 minutes 00 seconds West for a distance of 86.65 feet, to an iron pin set; thence run South 50 degrees 43 minutes 00 seconds East for a distance of 27.65 feet, to an iron pin found at the southwest corner of the above said OLEPUT Properties, LLC property; thence run South 50 degrees 43 minutes 00 seconds East for a distance of 282.99 feet, to an iron pin found at the southeast corner of the Pink Flamingo Properties, LLC property as recorded in Instrument No. 2016010757; thence run South 02 degrees 00 minutes 00 seconds West for a distance of 1.19 feet, to an iron pin found at the southwest corner of Lot #11 of Ingram Drive Subdivision; thence run South 50 degrees 58 minutes 00 seconds East for a distance of 75.90 feet, to an iron pin found; thence run North 71 degrees 01 minutes 46 seconds East for a distance of 37.11 feet, to an iron pin found at the southeast corner of Lot #11 of Ingram Drive Subdivision, said point being on a simple circular curve with the following characteristics:

Delta	-	24 degrees 04 minutes 12 seconds LT
Degree	-	57 degrees 17 minutes 45 seconds
Tangent	-	21.32 feet
Length	-	42.01 feet
External	-	2.25 feet
Radius	-	100.00 feet;

thence run along a curve in a Southeasterly direction for a distance of 42.01 feet, having a chord bearing of South 38 degrees 40 minutes 57 seconds East, and a chord distance of 41.70 feet, to an iron pin found; thence run South 50 degrees 43 minutes 00 seconds East for a distance of 356.55 feet, to the **POINT OF BEGINNING**.

**(INDEXING INSTRUCTIONS:** All lying and being in the Northeast Quarter of Section 36, Township 9 South, Range 5 East, Lee County, Mississippi, Chickasaw Meridian, and containing **0.78 ACRES**, more or less.)

**TRACT #2**

**A 0.05 ACRE TRACT OF LAND BEING LOCATED IN THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 9 SOUTH, RANGE 5 EAST, LEE COUNTY, MISSISSIPPI, CHICKASAW MERIDIAN, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

COMMENCE at the Northeast Corner of Section 36, Township 9 South, Range 5 East, Lee County, Mississippi, Chickasaw Meridian; thence run South for a distance of 425.00 feet, more or less, to a point; thence run West for a distance of 1016.00 feet, more or less, to an iron pin found at the Southwest Corner of Lot No. 8 of the Gravlee Subdivision as shown and recorded in Plat Book 1, Page 87 of the records and plats on file in the Office of the Chancery Clerk of Lee County, Mississippi; thence run South 00 degrees 09 minutes 04 seconds East for a distance of 50.00 feet, to an iron pin found; thence continue South 00 degrees 09 minutes 04 seconds East for a distance of 103.43 feet, to an iron pin set; thence continue South 00 degrees 09 minutes 04 seconds East for a distance of 20.64 feet, to an iron pin found at the southeast corner of Ingram Drive Subdivision as recorded in Plat Cabinet C, Slide 116 in the Office of the Chancery Clerk of Lee County, Mississippi; thence run North 89 degrees 14 minutes 54 seconds West for a distance of 42.24 feet, to an iron pin found on the northern Right-of-Way of the Burlington Northern Santa Fe Railroad; thence run along said railroad Right-of-Way North 50 degrees 43 minutes 00 seconds West for a distance of 458.32 feet, to an iron pin found at the southwest corner of Ingram Drive Subdivision; thence continue along said railroad Right-of-Way North 50 degrees 43 minutes 00 seconds West for a distance of 282.99 feet, to the southeast corner of the Neighborhood Development Corporation property as recorded in Instrument No. 2014003401; thence continue along said railroad Right-of-Way North 50 degrees 43 minutes 00 seconds West for a distance of 216.03 feet, more or less, to an iron pin set at the northwest corner of the above said NDC property, and also being on the south Right-of-Way of West Jackson Street; thence run along said West Jackson Street Right-of-Way South 89 degrees 01 minutes 50 seconds East for a distance of 171.91 feet, to an iron pin set; thence run South 02 degrees 00 minutes 00 seconds West for a distance of 5.00 feet, to an iron pin found at the northwest corner of the OLEPUT Properties, LLC property as recorded in Instrument No. 2017002482, and the **POINT OF BEGINNING**; thence continue South 02 degrees 00 minutes 00 seconds West for a distance of 103.81 feet, to an iron pin found at the southwest corner of the above said OLEPUT Properties,

LLC property; thence run North 50 degrees 43 minutes 00 seconds West for a distance of 27.65 feet, to an iron pin set; thence run North 02 degrees 00 minutes 00 seconds East for a distance of 86.65 feet, to an iron pin set; thence run South 89 degrees 05 minutes 08 seconds East for a distance of 22.00 feet, to the **POINT OF BEGINNING**.

(INDEXING INSTRUCTIONS: All lying and being in the Northeast Quarter of Section 36, Township 9 South, Range 5 East, Lee County, Mississippi, Chickasaw Meridian, and containing **0.05 ACRES**, more or less.)

  
\_\_\_\_\_  
Douglas E. Lytal, PLS #02786



Prepared by  
& Return to: Scott Davis & Associates, P.A.  
MS Bar # 8448  
P. O. Box 469  
Tupelo, MS 38802  
(662) 840-1791

**WARRANTY DEED**

Grantor  
City of Tupelo

To

Grantee  
Neighborhood Development  
Corporation

Address:

Address:

Telephone No:

Telephone No:

**Indexing Instructions:** NE 1/4 Sec 36, T9S, R5E, Lee Co., MS

For and in consideration of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City of Tupelo, a political subdivision of the State of Mississippi, does hereby sell, convey, and warrant to the Neighborhood Development Corporation, a Mississippi non-profit corporation, the following described property:

See Exhibit "A"

Subject to any easements, restrictions, covenants and mineral reservations of record.

**Exhibit**  
APPENDIX CC "B"

## Exhibit "A"

## Tract #2

A 0.05 ACRE TRACT OF LAND BEING LOCATED IN THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 9 SOUTH, RANGE 5 EAST, LEE COUNTY, MISSISSIPPI, CHICKASAW MERIDIAN, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE at the Northeast Corner of Section 36, Township 9 South, Range 5 East, Lee County, Mississippi, Chickasaw Meridian; thence run South for a distance of 425.00 feet, more or less, to a point; thence run West for a distance of 1016.00 feet, more or less, to an iron pin found at the Southwest Corner of Lot No. 8 of the Gravlee Subdivision as shown and recorded in Plat Book 1, Page 87 of the records and plats on file in the Office of the Chancery Clerk of Lee County, Mississippi; thence run South 00 degrees 09 minutes 04 seconds East for a distance of 50.00 feet to an iron pin found; thence continue South 00 degrees 09 minutes 04 seconds East for a distance of 103.43 feet, to an iron pin set; thence continue South 00 degrees 09 minutes 04 seconds East for a distance of 20.64 feet, to an iron pin found at the Southeast corner of Ingram Drive Subdivision as recorded in Plat Cabinet C, Slide 116 in the Office of the Chancery Clerk of Lee County, Mississippi; thence run North 89 degrees 14 minutes 54 seconds West for a distance of 42.24 feet, to an iron pin found on the Northern right-of-way of the Burlington Northern Santa Fe Railroad; thence run along said railroad right-of-way North 50 degrees 43 minutes 00 seconds West for a distance of 458.32 feet, to an iron pin found at the Southwest corner of Ingram Drive Subdivision; thence continue along said railroad right-of-way North 50 degrees 43 minutes 00 seconds West for a distance of 282.99 feet, to the Southeast corner of the Neighborhood Development Corporation property as recorded in Instrument No. 2014003401; thence continue along said railroad right-of-way North 50 degrees 43 minutes 00 seconds West for a distance of 216.03 feet, more or less, to an iron pin set at the Northwest corner of the above said NDC property, and also being on the South right-of-way of West Jackson Street; thence run along said West Jackson street right-of-way South 89 degrees 01 minutes 50 seconds East for a distance of 171.91 feet, to an iron pin set; thence run South 02 degrees 00 minutes 00 seconds West for a distance of 5.00 feet, to an iron pin found at the Northwest corner of the OLEPUT Properties, LLC property as recorded in Instrument No. 2017002482, and the POINT OF BEGINNING; thence continue South 02 degrees 00 minutes 00 seconds West for a distance of 103.81 feet to an iron pin found at the Southwest corner of the above said OLEPUT Properties, LLC property; thence run North 50 degrees 43 minutes 00 seconds West for a distance of 27.65 feet, to an iron pin set; thence run North 02 degrees 00 minutes 00 seconds East for a distance of 86.65 feet, to an iron pin set; thence run South 89 degrees 05 minutes 08 seconds East for a distance of 22.00 feet, to the POINT OF BEGINNING.

(INDEXING INSTRUCTIONS: All lying and being in the Northeast Quarter of Section 36, Township 9 South, Range 5 East, Lee County, Mississippi, Chickasaw Meridian, and containing 0.05 ACRES, more or less.)

WITNESS MY SIGNATURE, this the \_\_\_\_\_ day of December, 2017.

City of Tupelo

By: \_\_\_\_\_

STATE OF MISSISSIPPI  
COUNTY OF LEE

Personally appeared before me, the undersigned authority in and for the State and County aforesaid, \_\_\_\_\_, \_\_\_\_\_ of City of Tupelo, who acknowledged that as such officer he/she signed and delivered the above and foregoing WARRANTY DEED on the day and year therein mentioned as the act and deed of said corporation and by authority of resolution.

Given under my Hand and Seal of Office, this the \_\_\_\_\_ day of December, 2017.

\_\_\_\_\_  
NOTARY PUBLIC

MY COMMISSION EXPIRES: \_\_\_\_\_

**ORDINANCE CODIFYING PREVIOUS COUNCIL ACTION APPROVING TUPELO  
LICENSING COMMISSION MINUTES REGARDING BUILDING CODE  
PROVISIONS OF THE CITY OF TUPELO, MISSISSIPPI**

**WHEREAS**, the City Council of the City of Tupelo adopted the recommendations of the Tupelo License Commission on August 5, 2014; and

**WHEREAS**, the adoption of these recommendations allowed the city to comply with Miss. Code Anno. Section 17-2-4 (1972 as amended) which established the State Uniform Construction Code by requiring counties and municipalities to adopt building codes equal to or more stringent than the codes prescribed in the statute; and

**WHEREAS**, the Tupelo License Commission recommended the adoption of the 2012 International Building Code, the 2012 International Fire Code, the 2012 International Residential Code with the exception that the requirement for fire protection sprinkler systems in one and two family dwellings be deleted, the 2012 International Plumbing Code, the 2012 International Mechanical Code, the 2012 International Fuel Gas Code, and the 2012 International Property Maintenance Code all to replace each's 2006 versions.; and

**WHEREAS**, the Tupelo License Commission recommended the adoption of the 2011 National Electric Code to replace the 2005 version; and

**WHEREAS**, the Tupelo License Commission recommended the adoption of the 2012 International Swimming Pool Code; and

**WHEREAS**, although these changes were adopted and spread upon the minutes of the municipality and carried the full effect of law, these changes were never codified in the Code of Ordinances of the City of Tupelo, Mississippi; and

**WHEREAS**, the Tupelo City Council finds and determines that it is necessary to protect the public health, safety, morals and general welfare to codify these actions, and that the provisions below are necessary, fair and reasonable.

**NOW, THEREFORE, BE IT ORDAINED NUNC PRO TUNC BY THE CITY COUNCIL OF THE CITY OF TUPELO, MISSISSIPPI** as follows:

**SECTION 1.** The prefatory statements are hereby incorporated herein.

**SECTION 2.** Chapter 7, Article II, Section 7-26 is amended to replace all references to "2006" with "2012".

**SECTION 3.** Chapter 7, Article III, Section 7-46 is amended to replace "2005" with "2011".

**SECTION 4.** Chapter 7, Article IV, Section 7-61 is amended to replace all references to "2006" with "2012".

**SECTION 5.** Chapter 7, Article V, Section 7-81 and its subparts are amended to replace all references to "2006" with "2012".

SECTION 6. Chapter 7, Article VI, Section 7-96 is amended to replace all references to "2006" with "2012".

SECTION 7. Chapter 7, Article VII, Section 7-116 is amended to read as follows: "The 2012 International Swimming Pool Code is hereby adopted by reference as if it were fully copied herein."

SECTION 8. Chapter 7, Article VIII, Section 7-131 is amended to replace all references to "2006" with "2012".

SECTION 9. Chapter 7, Article IX, Section 7-133 is amended to replace all references to "2006" with "2012"; and to delete "excluding appendices,"; and to add after "Edition" the language, "with the exception that the requirement for fire protection sprinkler systems in one and two family dwellings be deleted".

After a full discussion of this matter, Council Member Nettie Y. Davis moved that that foregoing ordinance be adopted and said motion was seconded by Council Member Lynn Bryan and upon the question being put to vote, the results were as follows:

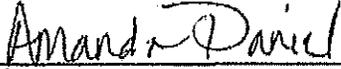
Councilmember L. Bryan voted	<u>AYE</u>
Councilmember M. Bryan voted	<u>AYE</u>
Councilmember Beard voted	<u>AYE</u>
Councilmember Davis voted	<u>AYE</u>
Councilmember Jennings voted	<u>AYE</u>
Councilmember Palmer voted	<u>AYE</u>
Councilmember Whittington voted	<u>AYE</u>

WHEREUPON, the foregoing Ordinance was declared, passed and adopted at a regular meeting of the Council on this the 20th day of February 21, 2018, 2018, *nunc pro tunc* August 5, 2014.

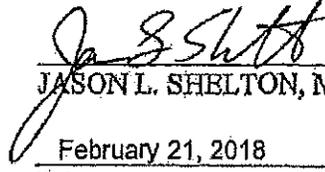
CITY OF TUPELO, MISSISSIPPI

  
\_\_\_\_\_  
MARKEL WHITTINGTON  
City Council President

ATTEST:

  
\_\_\_\_\_  
AMANDA DANIEL, Clerk of the Council

APPROVED:

  
\_\_\_\_\_  
JASON L. SHELTON, Mayor

February 21, 2018  
\_\_\_\_\_  
DATE

