MINUTES OF THE RECESS MEETING
OF THE MAYOR AND BOARD OF ALDERMEN
OF THE CITY OF STARKVILLE, MISSISSIPPI
January 21, 2020

Be it remembered that the Mayor and Board of Alderman met in a Recess Meeting on January 21, 2020 at 5:30 p.m. in the Courtroom of City Hall, located at 110 West Main Street, Starkville, MS. Present were Mayor Lynn Spruill, Aldermen Ben Carver, Sandra Sistrunk, David Little, Jason Walker, Hamp Beatty, Roy A'. Perkins and Henry Vaughn, Sr. Attending the Board were City Clerk / CFO Lesa Hardin and City Attorney Chris Latimer.

Mayor Lynn Spruill opened the meeting with the Pledge of Allegiance followed by a moment of silence.

Mayor Lynn Spruill asked for any revisions to the Official Agenda.

REQUESTED REVISIONS TO THE OFFICIAL AGENDA:

There being no changes, the Mayor called for a motion to approve the agenda with consent items.

A MOTION TO APPROVE THE AGENDA WITH CONSENT ITEMS.

Alderman Vaughn offered a motion, duly seconded by Alderman Beatty, to approve the January 21, 2020 Agenda as amended. Mayor Spruill then read the consented items after which the Board voted as follows:

Alderman Ben Carver	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman David Little	Voted: Yea
Alderman Jason Walker	Voted: Yea
Alderman Hamp Beatty	Voted: Yea
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion carried.

OFFICIAL AGENDA OF
THE MAYOR AND BOARD OF ALDERMEN
OF THE
CITY OF STARKVILLE, MISSISSIPPI
REGULAR MEETING OF TUESDAY, JANUARY 21, 2020
5:30 P.M., COURT ROOM, CITY HALL
110 WEST MAIN STREET

CONSENT AGENDA ITEMS ARE HIGHLIGHTED

I. CALL THE MEETING TO ORDER

II. PLEDGE OF ALLEGIANCE AND A MOMENT OF SILENCE

III. APPROVAL OF THE OFFICIAL AGENDA INCLUDING CONSENTED ITEMS

IV. APPROVAL OF THE BOARD OF ALDERMEN MINUTES

CONSIDERATION OF THE MINUTES OF THE DECEMBER 17, 2019 RECESS MEETING OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MS.

CONSIDERATION OF THE MINUTES OF THE JANUARY 3, 2020 WORK SESSION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MS.

V. ANNOUNCEMENTS AND COMMENTS

A. MAYOR'S COMMENTS:

EMPLOYEE INTRODUCTIONS:

CODE ENFORCEMENT: JERALD "LYLE" MECASKEY

FIRE DEPARTMENT: RYAN CLASSEN, GEORGE GRANDFIELD AND JASON O'CONNER

B. BOARD OF ALDERMEN COMMENTS:

VI. CITIZEN COMMENTS

VII. PUBLIC APPEARANCES

PRESENTATION BY JEREMIAH DUMAS AND A PUBLIC HEARING FOR THE S.M.A.R.T. PROGRAM.

VIII. PUBLIC HEARING

IX. MAYOR'S BUSINESS

A. CONSIDERATION OF REJECTING AND RE-ADVERTISING THE WATER TOWER BIDS FOR THE NORTHSTAR INDUSTRIAL PARK.

X. BOARD BUSINESS

A. RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AUTHORIZING AND DIRECTING THE ISSUANCE OF ELECTRIC SYSTEM REVENUE BONDS, SERIES 2020, OF THE CITY OF STARKVILLE, MISSISSIPPI, IN THE PRINCIPAL AMOUNT OF EIGHT MILLION FIVE HUNDRED THOUSAND DOLLARS ($8,500,000) TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE ELECTRIC SYSTEM OF THE MUNICIPALITY.

XI. DEPARTMENT BUSINESS

A. AIRPORT

THERE ARE NO ITEMS FOR THIS AGENDA

B. COMMUNITY DEVELOPMENT DEPARTMENT

1. CODE ENFORCEMENT

THERE ARE NO ITEMS FOR THIS AGENDA

2. PLANNING

   1. DISCUSSION AND CONSIDERATION OF PP 20-02 A REQUEST FOR PRELIMINARY PLAT APPROVAL FOR SUBDIVIDING AND RECONFIGURING +/-0.68-ACRE PARCEL INTO 2 LOTS LOCATED AT 400 HWY 389 IN A R-3 ZONE WITH THE PARCEL NUMBER 118I-00-103.00 AND 118I-00-104.00

   2. CONSIDERATION OF RESOLUTION APPROVING THE NAMING OF VISTA AVENUE.

C. COURTS

THERE ARE NO ITEMS FOR THIS AGENDA

D. ENGINEERING

1. REQUEST AUTHORIZATION TO ACTIVATE THE HIGHWAY 182/ MARTIN LUTHER KING JR. BUILD GRANT AND AUTHORIZE THE MAYOR AND CITY ENGINEER TO EXECUTE ANY PROJECT ACTIVATION DOCUMENTS AS REQUIRED BY THE MDOT PROJECT DEVELOPMENT MANUAL AND AUTHORIZE THE MAYOR TO SIGN A MEMORANDUM OF AGREEMENT WITH MDOT FOR THIS PROJECT PENDING THE CITY ATTORNEY'S REVIEW.

2. REQUEST AUTHORIZATION FOR THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT WITH MISSISSIPPI STATE UNIVERSITY AND OKTIBBEHA COUNTY TO COMPLETE THE LINKAGE TRANSPORTATION ALTERNATIVES PROJECT.

E. FINANCE AND ADMINISTRATION

1. REQUEST APPROVAL OF THE CITY OF STARKVILLE CLAIMS DOCKET FOR ALL DEPARTMENTS INCLUDING STARKVILLE UTILITIES DEPARTMENT AS OF JANUARY 14, 2020 FOR FISCAL YEAR ENDING 9/30/20, ACKNOWLEDGING THAT THE CITY CLERK HAS ATTESTED AND CERTIFIED ON THE COVER OF THE CLAIMS DOCKET THAT ALL CLAIMS ON THE DOCKET ARE TRUE, ACCURATE, LAWFUL AND PROPER TO THE BEST OF HER KNOWLEDGE, FOR PAYMENT PURSUANT TO HER DUTIES UNDER MISS. CODE SECTIONS 21-39-5, 21-39-7, 21-39-9, 21-39-17 AND 21-15-21.

2. REQUEST ACCEPTANCE OF THE DECEMBER 2019 FINANCIAL STATEMENTS.

F. FIRE DEPARTMENT

THERE ARE NO ITEMS FOR THIS AGENDA

G. HUMAN RESOURCES

1. REQUEST AUTHORIZATION TO HIRE ELIZABETH BECK, STEPHEN GARCIA AND GARRETT MILES AS ENTRY LEVEL POLICE OFFICERS AND ARIN HANOHANO AS A CERTIFIED POLICE OFFICER IN THE STARKVILLE POLICE DEPARTMENT.

2. REQUEST AUTHORIZATION TO HIRE MARQUIS JORDAN AS MAINTENANCE WORKER IN THE SANITATION/ENVIRONMENTAL SERVICES DEPARTMENT.

3. REQUEST AUTHORIZATION TO HIRE DESTIN GLADNEY AND ARLIE BRANDON AS PART-TIME CUSTOMER SERVICE REPRESENTATIVES IN THE STARKVILLE UTILITIES DEPARTMENT.

H. INFORMATION TECHNOLOGY

1. REQUEST APPROVAL OF ENTERING A LEASE PURCHASE AGREEMENT WITH ACTIVE SOLUTIONS, LLC, THE LOWEST AND BEST OF TWO QUOTES, ENABLING THE ACQUISITION OF FIVE SURVEILLANCE CAMERAS WITH ALL-WEATHER EQUIPMENT ENCLOSURES.

I. PARKS

1. CONSIDERATION OF SELECTION OF FRED TATE FOR CONCESSIONS SERVICES IN THE PARKS AND RECREATION DEPARTMENT, THE SOLE BIDDER.

2. CONSIDERATION OF THE APPROVAL OF THE FACILITY USE AGREEMENT WITH CROSSPOINT CHURCH FOR USE OF TRAVIS OUTLAW GYMNASIUM.

J. POLICE DEPARTMENT

1. REQUEST APPROVAL TO PURCHASE THE (FINGERPRINT MACHINE) TEN-PRINT LIVE SCAN KIOSK SYSTEM FROM AD&S INC OF BRANDON, MS, THE LOWEST AND BEST OF THREE QUOTES, AT $15,829.00.

2. REQUEST APPROVAL TO ENTER INTO A GRANT WITH THE JUSTICE ASSISTANCE GRANT FOR FY20 FUNDING THE AREA OF HOT SPOT POLICING. THIS REQUEST FOR FUNDING IS FOR $25,000 IN OVERTIME HOT SPOT ENFORCEMENT, (1) TOTAL STATION (CRIME SCENE HARDWARE) $12,325.50.

3. REQUEST APPROVAL OF THE RENTAL AGREEMENT WITH CANON SOLUTIONS AMERICA FOR 60 MONTHS RENTAL OF 3 CANON COPIERS TO BE USED BY THE STARKVILLE POLICE DEPARTMENT.

K. SANITATION DEPARTMENT

THERE ARE NO ITEMS FOR THIS AGENDA

L. UTILITIES DEPARTMENT

THERE ARE NO ITEMS FOR THIS AGENDA

XII. <u>CLOSED DETERMINATION SESSION</u>

XIII. <u>OPEN SESSION</u>

XIV. <u>EXECUTIVE SESSION</u>

A. PERSONNEL

XV. <u>OPEN SESSION</u>

XVI. <u>ADJOURN UNTIL FEBRUARY 4, 2020 @ 5:30 IN THE COURT ROOM AT 110 WEST MAIN STREET.</u>

The City of Starkville is accessible to persons with disabilities. Please call City Hall at (662) 323-2525, ext. 3119, at least forty-eight (48) hours in advance for any services requested.

Consent items 2 – 17:

2. CONSIDERATION OF THE MINUTES OF THE DECEMBER 17, 2019 MEETING OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MS.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "approval of the minutes of the December 17, 2019 meeting of the Mayor and Board of Aldermen of the City of Starkville, MS" is enumerated, this consent item is thereby approved.

3. CONSIDERATION OF THE MINUTES OF THE JANUARY 3, 2020 WORK SESSION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MS.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "approval of minutes of the January 3, 2020 work session of the Mayor and Board of Aldermen of the City of Starkville, MS" is enumerated, this consent item is thereby approved.

4. CONSIDERATION OF REJECTING AND RE-ADVERTISING THE WATER TOWER BIDS FOR THE NORTHSTAR INDUSTRIAL PARK.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "approval of rejecting the bids for the construction of the Northstar Water Tower and authorization to rebid the project when conditions are favorable to a better and more affordable bid design and outcome" is enumerated, this consent item is thereby approved.

5. CONSIDERATION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AUTHORIZING AND DIRECTING THE ISSUANCE OF ELECTRIC SYSTEM REVENUE BONDS, SERIES 2020, OF THE CITY OF STARKVILLE, MISSISSIPPI, IN THE PRINCIPAL AMOUNT OF EIGHT MILLION FIVE HUNDRED THOUSAND DOLLARS ($8,500,000) TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE ELECTRIC SYSTEM OF THE MUNICIPALITY.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "approval of authorizing and directing the issuance of Electric System Revenue Bonds, Series 2020, of the City of Starkville, Mississippi, in the principal amount of eight million five hundred thousand dollars ($8,500,000) to provide funds for the purpose of improving, repairing, and extending the electric system of the municipality" is enumerated, this consent item is thereby approved.

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AUTHORIZING AND DIRECTING THE ISSUANCE OF ELECTRIC SYSTEM REVENUE BONDS, SERIES 2020, OF THE CITY OF STARKVILLE, MISSISSIPPI, IN THE PRINCIPAL AMOUNT OF EIGHT MILLION FIVE HUNDRED THOUSAND DOLLARS ($8,500,000) TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE ELECTRIC SYSTEM OF THE MUNICIPALITY; PRESCRIBING THE FORM AND INCIDENTS OF THE BONDS; AND PROVIDING FOR THE COLLECTION, SEGREGATION, AND DISTRIBUTION OF THE REVENUES TO BE DERIVED FROM THE OPERATION OF SAID SYSTEM IN AMOUNTS SUFFICIENT TO PAY THE COST OF THE OPERATION AND MAINTENANCE THEREOF AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; MAKING PROVISION FOR A BOND AND INTEREST FUND, A DEPRECIATION FUND, A CONTINGENT FUND, AN IMPROVEMENT FUND, AN OPERATION AND MAINTENANCE FUND, AND A REVENUE FUND; MAKING PROVISION FOR MAINTAINING THE TAX-EXEMPT STATUS OF THE BONDS; AUTHORIZING BOND INSURANCE; AUTHORIZING A BOND RATING; AUTHORIZING A RESERVE FUND SURETY BOND; OFFERING THE BONDS FOR SALE; APPROVING AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE BONDS; ACKNOWLEDGING AND AUTHORIZING THE EXECUTION OF POST ISSUANCE COMPLIANCE PROCEDURES; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT PERTAINING TO THE BONDS; AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and Board of Aldermen of the City of Starkville, Mississippi (the "Governing Body" of the "Municipality"), acting for and on behalf of the Municipality, hereby finds, determines, adjudicates, and declares as follows:

1. (a) In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

"Act" shall mean Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended.

"Additional Bonds" shall mean Bonds issued on a parity of lien with the Bonds pursuant to the requirements of this Bond Resolution.

"Additional Bonds Resolution" shall mean any resolution of the Governing Body authorizing and directing the issuance of Additional Bonds.

"Annual Debt Service Requirement" shall mean for any Fiscal Year, the sum of the following with respect to all Bonds Outstanding: (a) all amounts required to pay principal (at maturity or upon mandatory redemption other than mandatory sinking fund redemption payments), (b) the amount of any mandatory sinking fund requirement (including for the Fiscal Year in which such Bonds shall be redeemed from the sinking fund only such amount as was not required to be funded prior to such Fiscal Year), and (c) interest due on all Bonds Outstanding.

“Authorized Purpose” shall mean improving, repairing, and extending the System.

"Bonds" or “Bond” shall mean the Electric System Revenue Bonds, Series 2020, of the Municipality in the original principal amount of Eight Million Five Hundred Thousand Dollars ($8,500,000), authorized and directed to be issued in this Bond Resolution, and any Additional Bonds hereafter issued under the terms, limitations, and conditions provided in this Bond Resolution.

"Bond and Interest Fund" shall mean the Bond and Interest Fund authorized, established, designated, and provided for in Section 5.03(a)(2) this Bond Resolution.

"Bond Counsel" shall mean Jones Walker LLP, Jackson, Mississippi, or any other Nationally Recognized Bond Counsel.

"Bond Insurance Policy" shall mean the insurance policy, if any, issued by the Bond Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.

"Bond Insurer" shall mean such municipal bond insurer, if any, as is approved for such purpose by both the Purchaser and by the Mayor on behalf of the Municipality, or any successor thereto or assignee thereof.

"Bond Resolution" shall mean this resolution authorizing and directing the issuance of the Bonds.

"Bond Year" shall mean the period beginning on the Closing Date and ending on the next occurring principal payment date and each one-year period thereafter during which any Bonds remain Outstanding; provided, however, that the final Bond Year shall end on the date the Bonds are retired.

"Bondholder" or "Holder" shall mean the Registered Owner of any Bond issued pursuant to this Bond Resolution.

"Business Day" shall mean a day of the year on which banks located in the city in which the principal office of the Paying Agent is located are not required or authorized to remain closed.

"City Clerk" shall mean the City Clerk of the Municipality.

"Closing Date" with respect to the Bonds shall mean the date of issuance and delivery of the Bonds to the Purchaser.

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

"Consulting Engineer" shall mean Atwell & Gent, P.A., Starkville, Mississippi, a competent engineering firm, engaged by the Municipality to study the System in order to determine the nature and extent of the Project and to make estimates of the cost thereof, or any competent engineering firm subsequently engaged by the Municipality to provide prescribed services to the Municipality for the System.

"Contingent Fund" shall mean the Electric System Contingent Fund authorized, established, designated, and provided for in Section 5.03(a)(4) of this Bond Resolution.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement to be executed by the Municipality and dated the closing date, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Current Debt Service Account" shall mean the Current Debt Service Account authorized, established, designated, and provided for in Section 5.03(a)(2)(A) of this Bond Resolution.

"Current Expenses" shall mean the reasonable and necessary current expenses of maintenance, repair, and operation of the System, and shall include, without limiting the generality of the foregoing, expenses not annually recurring, premiums for insurance, administrative, and engineering expenses relating to maintenance, repair, and operation, fees and expenses of the Paying Agent, legal and financial advisory expenses, taxes lawfully imposed on the System, reasonable payments to pension or retirement funds for employees of the System, and any other expenses of the System required or permitted to be paid by the Municipality under the provisions of this Bond Resolution, or by law, but shall not include any allowance for depreciation or deposits or transfers to the credit of the Bond and Interest Fund, the Depreciation Fund, or the Contingent Fund.

"Debt Service Reserve Account" shall mean the Debt Service Reserve Account authorized, established, designated, and provided for in Section 5.03(a)(2)(B) of this Bond Resolution.

"Defaulted Interest" shall mean interest on any Bond which is not paid on the date due.

"Defaulted Principal" shall mean principal of any Bond which is not paid on the date due.

"Depreciation Fund" shall mean the Electric System Depreciation Fund authorized, established, designated, and provided for in Section 5.03(a)(3) of this Bond Resolution.

"DTC" shall mean The Depository Trust Company, New York, New York.

"Event of Default" shall mean an event of default as described in Section 8.01 of this Bond Resolution.

"Fiscal Year" with respect to the Municipality shall mean the period commencing on the first day of October of any year and ending on the last day of September of the following year.

"Governing Body" shall mean the Mayor and Board of Aldermen of the Municipality.

"Improvement Fund" shall mean the Electric System Improvement Fund authorized, established, designated, and provided for in Section 6.01 of this Bond Resolution.

"Maximum Annual Debt Service Requirement" shall mean, at any given time of determination with respect to the Bonds, or any series thereof, an amount equal to the maximum Annual Debt Service Requirement coming due thereon for the then current or any future Fiscal Year.

"Mayor" shall mean the Mayor of the Municipality.

"Municipality" shall mean the City of Starkville, Mississippi.

“Municipal Advisor” shall mean Government Consultants, Inc., Madison, Mississippi.

"Nationally Recognized Bond Counsel" shall mean an attorney or firm of attorneys with a national reputation for rendering opinions in connection with the issuance of municipal obligations and the tax-exempt status under federal law of interest on such obligations.

"Net Revenues" shall mean all Revenues remaining after payment of Current Expenses and debt service on the Non-Parity Bonds.

“Non-Parity Bonds” shall mean the Municipality’s $2,665,000 General Obligation Refunding Bonds, Series 2011, dated and issued March 22, 2011 (the “Series 2011 Bonds”), maturing on April 1, 2021, and the Municipality’s $2,410,000 General Obligation Utility Refunding Bonds, Series 2013, dated and issued May 17, 2013 (the “Series 2013 Bonds”), maturing on November 1, 2020.

"Notice" shall mean the Notice of Bond Sale set out in Section 10.01 hereof.

"Operation and Maintenance Fund" shall mean the Electric System Operation and Maintenance Fund authorized, established, designated, and provided for in Section 5.03(a)(1) of this Bond Resolution.

"Outstanding" in connection with the Bonds shall mean, as of the time in question, all Bonds authenticated and delivered under the Bond Resolution or any Additional Bonds Resolution, except:

(1) Bonds theretofore canceled or required to be canceled under any of the aforesaid bond resolutions;

(2) Bonds deemed paid under the aforesaid bond resolutions; and

(3) Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to any of the aforesaid bond resolutions.

In determining whether the Holders of a requisite aggregate principal amount of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent, or waiver under the provisions hereof, unless all Bonds Outstanding are so held, Bonds which are held by or on behalf of the Municipality or any person controlling, controlled by or under common control with the Municipality shall be disregarded for the purpose of any such determination.

"Paying Agent" shall mean any bank, trust company, or other institution herein or hereafter designated by the Governing Body to make payments of the principal of and interest on the Bonds, and to serve as registrar and transfer agent for the registration of owners of the Bonds, and for the performance of other duties as may be herein or hereafter specified by the Governing Body.

"Payment Date" shall mean March 1, 2021 , and semiannually thereafter on March 1 and September 1 of each year, and continuing until the last such date on which any of the Bonds is Outstanding, or is paid in full whether at maturity or upon redemption thereof.

"Person" shall mean an individual, partnership, corporation, trust, or unincorporated organization, and a government or agency or political subdivision thereof.

"Principal and Interest Requirements" for any Bond Year shall mean the sums sufficient for the payment of the principal of and interest on the Bonds which will mature and accrue during such period, including the Non-Parity Bonds, excluding any principal or premium payable pursuant to any optional redemption provisions but including, with respect to Bonds which are term Bonds, any principal and interest coming due in such Bond Year pursuant to any mandatory sinking fund redemption payments pertaining to such term Bonds.

“Procedures” shall mean the Post Issuance Compliance Procedures, attached hereto as **Attachment B**.

"Project" shall mean the improvements, repairs, and extensions to the System, to be made in substantial accordance with the plans and specifications, as they may be amended and supplemented, prepared by the Consulting Engineer.

"Purchaser" shall mean the successful bidder for the Bonds to be hereafter designated by the Governing Body.

"Record Date" shall mean, as to interest payments, the fifteenth (15^{th}) day of the month preceding the dates set for payment of interest on the Bonds and, as to payments of principal, the fifteenth (15^{th}) day of the month preceding the maturity date thereof.

"Record Date Registered Owner" shall mean the Registered Owner as of the Record Date.

"Redemption Price" shall mean, with respect to a Bond, the principal amount of such Bond, plus the applicable premium, if any, payable upon redemption thereof in the manner contemplated in accordance with its terms and pursuant to the provisions hereof.

"Registered Owner" shall mean the Person whose name shall appear in the registration records of the Municipality as the Registered Owner of a Bond or Bonds.

"Representation Letter" shall mean the Blanket Letter of Representation to DTC pertaining to book-entry obligations of the Municipality.

"Reserve Account Requirement" for an issue of Bonds shall, except as otherwise provided below, be calculated as of the date of initial issuance of such issue of Bonds and shall be the lesser of: (a) ten percent (10%) of the "principal amount" of all Bonds of such issue; (b) the Maximum Annual Debt Service Requirement with respect to such issue, calculated on a Bond Year basis; and (c) one hundred twenty-five percent (125%) of the average annual debt service on such issue, calculated on a Bond Year basis. The amount of the Reserve Account Requirement for an issue of Bonds shall be calculated and/or recalculated as of: the date of initial issuance of such issue of Bonds; any date on which such issue of Bonds shall be retired, paid in full or defeased; and any date on which a portion, but not all, of the Bonds of such issue shall be refunded. If a portion, but not all, of the Bonds of an issue (the "Refunded Issue") shall be refunded, the Reserve Account Requirement shall be computed on the date of initial issuance of the refunding Bonds (the "Refunding Issue") and thereafter as applicable collectively with respect to the Refunded Issue and the Refunding Issue as the lesser of: (a) the greater of (i) ten percent (10%) of the aggregate Outstanding principal of the Refunded Issue plus ten percent (10%) of the principal of the Refunding Issue, and (ii) the Reserve Account Requirement with respect to the Refunded Issue as of its date of initial issuance; (b) the aggregate Maximum Annual Debt Service Requirement, taking into account all Outstanding Bonds of the Refunded Issue and the Refunding Issue, calculated on a Bond Year basis; (c) one hundred twenty-five percent (125%) of the average future annual debt service on all Outstanding Bonds of the Refunded Issue and the Refunding Issue, calculated on a Bond Year basis; and (d) the maximum amount which can be allocated to the Debt Service Reserve Account without causing the Debt Service Reserve Account to be other than a reasonably required reserve or replacement fund under Treasury Regulations as applicable to the Refunded Issue and the Refunding Issue. The Reserve Account Requirement may be funded with a Reserve Fund Surety Bond, cash, or a combination of both. As used in this paragraph, the term "principal amount" shall mean, with respect to any Bond, the stated principal amount of such Bond, unless the issue of Bonds which included such Bond had more than a de minimis amount (as defined in Section 1.148-1(b) of the Treasury Regulations) of original issue discount or premium, in which event principal amount shall mean the issue price (as defined in Section 1.148-1(b) of the Treasury Regulations) of such Bond.

"Reserve Fund Surety Bond" shall mean an insurance policy, letter of credit, or surety bond issued by an insurance company or financial institution acceptable to and approved by the Municipality and the rating agency, if any, and also approved by the Bond Insurer, if any, which shall be issued in an amount equal to all or a portion of the Reserve Account Requirement and may be utilized in whole or in part to satisfy the deposit and funding requirements set forth in this Bond Resolution in lieu of or in substitution for a deposit of cash or securities.

“Responsible Party” shall mean the party specified in each section of the Procedures as being responsible for compliance.

"Revenue Fund" shall mean the Electric System Revenue Fund authorized, established, designated, provided for in Section 5.02 of this Bond Resolution.

"Revenues" shall mean all payments, proceeds, fees, charges, rents, and all other income (including investment income) derived by or for the account of the Municipality from its ownership and operation of the System, excluding all acreage, front-footage, assessment, and similar fees and charges derived by the Municipality in connection with the provision of or payment for capital improvements constituting a part of the System, and gifts, grants, bequests, and proceeds of tax levies, if any, all as calculated in accordance with generally accepted accounting principles.

"Special Record Date" shall mean the date fixed by the Paying Agent pursuant to Section 3.02(d) and Section 3.02(e) of this Bond Resolution for the payment of Defaulted Interest and Defaulted Principal, respectively.

"Subsection 148(f)" shall mean Subsection 148(f) of the Code.

"Subsection 148(f) Regulations" shall mean any regulations promulgated from time to time pursuant to Subsection 148(f).

"System" shall mean the electric system of the Municipality, as the same presently exists and as hereafter improved, repaired, and extended.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words and terms herein defined shall be equally applicable to the plural as well as the singular form of any of such words and terms.

2. Heretofore, on September 18, 2018, the Governing Body adopted a resolution entitled, "**A RESOLUTION DECLARING THE INTENTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, TO ISSUE ELECTRIC SYSTEM REVENUE BONDS OF THE MUNICIPALITY, ISSUE AN ELECTRIC SYSTEM REVENUE BOND OF THE MUNICIPALITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK, OR ENTER INTO A LOAN AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT BANK, ALL IN THE MAXIMUM PRINCIPAL AMOUNT OF TWELVE MILLION DOLLARS ($12,000,000), IN ONE OR MORE SERIES, TO RAISE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE EXISTING ELECTRIC SYSTEM OF THE MUNICIPALITY; DIRECTING PUBLICATION OF NOTICE OF SUCH INTENTION; AND RELATED PURPOSES**," wherein the Governing Body found, determined, and adjudicated that it is necessary that electric system revenue bonds of the Municipality be issued in the amount, for the purpose, and secured as aforesaid, declared its intention to issue the electric system revenue bonds, and fixed Tuesday, November 6, 2018, at 5:30 p.m., as the date and hour on which it proposed to direct the issuance of electric system revenue bonds, on or prior

to which date and hour any protests to be made against the issuance of such bonds were required to be filed.

3. As required by law and as directed by the aforesaid resolution, said resolution was published once a week for at least three (3) consecutive weeks in *The Starkville Daily News*, a newspaper published in and of general circulation in the Municipality, and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended, said notice having been published in said newspaper on October 9, 2018, October 16, 2018, and October 23, 2018, the third (3rd) such publication on October 23, 2018, being more than ten (10) days prior to November 6, 2018, the date set for the filing of protests on the matter of authorizing the issuance of the electric system revenue bonds.

4. On November 6, 2018, the date and hour on which it was proposed to direct the issuance of electric system revenue bonds, no written protest or other objection of any kind or character against the issuance of the bonds described in the aforesaid resolution was filed or presented by qualified electors of the Municipality.

5. Therefore, on November 6, 2018, the Governing Body adopted a resolution entitled, "**RESOLUTION AUTHORIZING THE ISSUANCE BY THE CITY OF STARKVILLE, MISSISSIPPI, OF ELECTRIC SYSTEM REVENUE BONDS OF THE MUNICIPALITY OR AN ELECTRIC SYSTEM REVENUE BOND OF THE MUNICIPALITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK, OR AUTHORIZING ENTERING INTO A LOAN AGREEMENT WITH AND OBTAINING A LOAN FROM THE MISSISSIPPI DEVELOPMENT BANK, ALL IN THE MAXIMUM PRINCIPAL AMOUNT OF TWELVE MILLION DOLLARS ($12,000,000), IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE ELECTRIC SYSTEM OF THE MUNICIPALITY; AND FOR RELATED PURPOSES**," wherein the Governing Body found, determined, and adjudicated that it was authorized to issue and sell the Bonds for the Authorized Purpose and the Project, pursuant to the subsequent orders of the Governing Body.

6. It is advisable and in the public interest to authorize the Mayor to arrange for a Bond Insurance Policy for the payment of principal and interest on the Bonds in the event that the Mayor determines that obtaining any Bond Insurance Policy is in the best interests of the Municipality or that the Municipality may realize a savings in connection with the issuance of the Bonds. The Governing Body should authorize such Bond Insurance Policy to be obtained and should authorize a commitment for the Bond Insurance Policy to be executed on behalf of the Municipality by the Mayor and City Clerk if the Mayor determines such Bond Insurance Policy to be in the best interest of the Municipality.

7. It is advisable and in the public interest to authorize the Mayor to arrange for a bond rating for the Bonds in the event that the Mayor determines that may realize a savings in connection with the issuance of the Bonds. The Governing Body should authorize the obtaining of such rating, the execution of any documents necessary or appropriate for such purpose, and the commitment to pay the rating fee and other usual costs pertaining to any such bond rating, if the Mayor determines any such bond rating to be in the best interest of the Municipality.

8. It is advisable and in the public interest to authorize the Mayor to arrange for a Reserve Fund Surety Bond for the Bonds in the event that the Mayor determines that obtaining any such Reserve Fund Surety Bond is in the best interests of the Municipality. The Governing Body should authorize the obtaining of any such Reserve Fund Surety Bond, the execution of any documents necessary or appropriate for such Reserve Fund Surety Bond, and the commitment to pay any fees related to such Reserve Fund Surety Bond, if the Mayor determines any such Reserve Fund Surety Bond to be in the best interest of the Municipality.

9. The Governing Body has heretofore found and determined that it is necessary, advisable, and in the best interest of the Municipality and its citizens to proceed with the Authorized Purpose and the Project. It is advisable that the costs of the Authorized Purpose and the Project should be met through the issuance of the Bonds, payable solely from the Revenues to be derived from the ownership and operation of the System.

10. The Governing Body now finds and determines that it is necessary, advisable, and in the public interest to direct the issuance of and offer for sale the Bonds in the maximum principal amount of Eight Million Five Hundred Thousand Dollars ($8,500,000), out of the authorized maximum principal amount of Twelve Million Dollars ($12,000,000).

11. The estimated cost of the Project caused to be made by the Governing Body is Eight Million Five Hundred Thousand Dollars ($8,500,000), and the estimated life thereof is at least thirty (30) years.

12. The Municipality is authorized under the provisions of the Act to issue the Bonds to provide funds for the Authorized Purpose and the Project, the Bonds to be payable solely from Net Revenues and certain funds provided for herein.

13. The amount of the Bonds, when added to the outstanding indebtedness of the Municipality, will not exceed any constitutional, statutory, or charter limitation of indebtedness.

14. The pledge of and lien on a sufficiency of the Net Revenues and amounts on deposit from time to time in the Improvement Fund and the Bond and Interest Fund should be extended in this Bond Resolution for the benefit of the Registered Owners of the Bonds.

15. The Code provides that noncompliance with the provisions thereof may cause interest on obligations to become taxable retroactive to the initial date of issuance, and provides that the tax-exempt status of interest on obligations such as the Bonds is contingent on a number of future actions by the Municipality. It is necessary to make certain covenants pertaining to the exclusion of the interest on the Bonds from gross income for purposes of federal income taxes, since such exclusion may depend, in part, upon continuing compliance by the Municipality with certain requirements of the Code.

16. The Municipality reasonably expects that not less than eighty-five percent (85%) of the spendable proceeds of the Bonds will be used to carry out the governmental purposes of the Bonds within a three-year period beginning on the date of issuance of the Bonds.

17. The Bonds are not "private activity bonds" as such term is defined in Section 141 of the Code.

18. The Preliminary Official Statement pertaining to the sale of the Bonds, in substantially the form attached hereto as **Attachment A**, should be approved by the Governing Body of the Municipality, and copies thereof distributed to prospective purchasers of the Bonds.

19. The Official Statement pertaining to the sale of the Bonds should be approved by the Governing Body, and it is necessary and appropriate for the Governing Body to authorize the execution thereof.

20. It is necessary and appropriate for this Governing Body to approve the Continuing Disclosure Agreement attached to the Preliminary Official Statement and to authorize the execution thereof.

21. The Governing Body desires to approve and adopt the Post Issuance Compliance Procedures, in substantially the form attached hereto as **Attachment B**.

22. It has now become necessary to make provision for the preparation, execution, issuance, sale, and delivery of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE MUNICIPALITY AS FOLLOWS:

ARTICLE I
STATUTORY AUTHORITY; SYSTEM

SECTION 1.01. AUTHORITY OF THIS BOND RESOLUTION. This Bond Resolution is adopted pursuant to the authority of and in compliance with the provisions of the Act.

SECTION 1.02. SYSTEM. The electric system of the Municipality, together with all extensions thereof, shall be operated as the electric system of the Municipality, referred to herein as the System.

ARTICLE II
APPLICATION OF BOND PROCEEDS

SECTION 2.01. APPLICATION OF BOND PROCEEDS. All funds received from the sale of the Bonds shall on the Closing Date be applied as follows:

(a) BOND AND INTEREST FUND. Into the Bond and Interest Fund as follows:

(1) CURRENT DEBT SERVICE ACCOUNT. A sum equal to the amount of accrued interest received upon the sale and delivery of the Bonds shall be deposited into the Current Debt Service Account of the Bond and Interest Fund.

(2) DEBT SERVICE RESERVE ACCOUNT. To the extent that other funds of the Municipality have not been deposited into the Debt Service Reserve Account, so that the amount therein is equal to the Reserve Account Requirement, or a Reserve Fund Surety Bond has not been issued to the Municipality, then such sum as is necessary, in addition to other funds on deposit in the Debt Service Reserve Account, shall be deposited into the Debt Service Reserve Account so that the total amount therein is equal to the Reserve Account Requirement.

(b) IMPROVEMENT FUND. The remaining portion of the sale proceeds of the Bonds shall be deposited into the Improvement Fund.

ARTICLE III
AUTHORIZATION, TERMS, AND EXECUTION OF THE BONDS

SECTION 3.01. AUTHORIZATION AND TERMS OF THE BONDS. (a) Electric System Revenue Bonds, Series 2020, of the Municipality, in the aggregate principal amount of Eight Million Five Hundred Thousand Dollars ($8,500,000) (the "Bonds"), are hereby authorized and directed to be issued for the Authorized Purpose and the Project. The Bonds shall be issued as fully registered bonds; shall be dated March 1, 2020; shall be in the denomination of Five Thousand Dollars ($5,000) each or any integral multiple thereof up to the amount of a single maturity; shall be numbered consecutively in numerical order from 1 upward; shall bear interest, calculated on the 30/360 basis, from the date thereof at the rate or rates specified by further order of the Governing Body, payable on March 1, 2021, and semiannually thereafter on March 1 and September 1 in each year; and shall mature, with option of prior payment, on March 1 in the years and principal amounts as follows:

YEAR	AMOUNT
2021	$455,000
2022	$470,000
2023	$485,000
2024	$500,000
2025	$515,000
2026	$530,000
2027	$545,000
2028	$565,000
2029	$580,000
2030	$595,000
2031	$615,000
2032	$635,000
2033	$650,000
2034	$670,000
2035	$690,000

(b) The Bonds maturing after March 1, 2027, are subject to redemption prior to their stated dates of maturity at the option of the Municipality, on and after March 1, 2026, at par, plus accrued interest to the date of redemption, either in whole or in part, in whole or in part on any date, in inverse order of maturity, as follows:

(1) Interest shall cease to accrue on any of the Bonds which are duly called for redemption on the date set for redemption if payment thereof on the redemption date has been duly made or provided for.

(2) At least thirty (30) days before the redemption date of any Bonds, the City Clerk shall cause a notice of any such redemption, either in whole or in part, signed by the City Clerk, (i) to be filed with the Paying Agent and (ii) to be mailed, postage prepaid, to all Registered Owners of the Bonds to be redeemed at their addresses as they appear on the registration books herein provided for on the date of such mailing, but failure so to file or mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the place or places at which payment shall be made, and, if less than all of the Bonds of any one maturity shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed.

(3) Prior to the date fixed for redemption, funds shall be placed with the Paying Agent to pay the Bonds called for redemption and accrued interest thereon to the redemption date and the premium, if any, in trust with irrevocable instructions to apply such funds to such payment on such date. Upon the happening of the above conditions, the Bonds, or portions thereof, thus called for redemption shall cease to bear interest from and after the redemption date, shall no longer be protected by this Bond Resolution and shall not be deemed to be Outstanding under the provisions of this Bond Resolution.

SECTION 3.02. PAYMENTS OF PRINCIPAL, PREMIUM, IF ANY, AND INTEREST. (a) Payments of principal and premium, if any, shall be made upon presentation and surrender of the Bonds at the principal office of the Paying Agent to the Record Date Registered Owner in lawful money of the United States of America.

(b) Except as set forth in Section 3.02(d), payment of each installment of interest on the Bonds shall be made to the Record Date Registered Owner thereof. Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Bond subsequent to the Record Date and prior to the due date of the interest.

(c) Except as set forth in Section 3.02(d), interest on the Bonds shall be paid and, following presentation and surrender of the Bonds as set forth in Section 3.02(a) hereof, principal and premium, if any, of the Bonds shall be paid by check or draft mailed on the applicable Payment Date to Registered Owners at the addresses appearing in the registration records of the Paying Agent. Any such address may be changed by written notice from the Registered Owner to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the Paying Agent not later than the Record Date preceding the applicable Payment Date to be effective as of such Record Date.

(d) Defaulted Interest with respect to any Bond shall cease to be payable to the relevant Record Date Registered Owner of such Bond and, except as hereinafter provided, shall be payable to the Person in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest. The Special Record Date shall be fixed in the following manner: the Municipality shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Paying Agent to comply with the next sentence hereof), and at the same time, the Municipality shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust by the Paying Agent for the benefit of the Bondholders entitled to such Defaulted Interest. Following receipt of such funds, the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest, which date shall be not more than fifteen (15) days nor less than ten (10) days prior to the date of the proposed payment and not less than ten (10) days after the Paying Agent receives the notice of the proposed payment. The Paying Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, not less than ten (10) days prior to such Special Record Date, to each Bondholder entitled to such Defaulted Interest at the address of such Person as it appears on the registration records of the Paying Agent. Such Defaulted Interest shall be paid on the payment date chosen by the Municipality to the Registered Owners as of the Special Record Date of the Bonds with respect to which such Defaulted Interest is payable, said payment to be made by check or draft mailed by the Paying Agent to such Registered Owners at their addresses appearing on the registration records of the Paying Agent. Defaulted Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of a Bond subsequent to the Special Record Date and prior to the date set for payment of such Defaulted Interest.

(e) Defaulted Principal with respect to any Bond shall cease to be payable to the relevant Record Date Registered Owner of such Bond and, except as hereinafter provided, shall be payable to the Person in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Principal. The Special Record Date shall be fixed in the following manner: the Municipality shall notify the Paying Agent in writing of the amount of Defaulted Principal proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Paying Agent to comply with the next sentence hereof), and at the same time, the Municipality shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Principal or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust by the Paying Agent for the benefit of the Bondholders entitled to such Defaulted Principal. Following receipt of such funds, the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Principal, which date shall be not more than fifteen (15) days nor less than ten (10) days prior to the date of the proposed payment and not less than ten (10) days after the Paying Agent receives the notice of the proposed payment. The Paying Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, shall cause notice of the proposed payment of such Defaulted Principal and the Special Record Date therefor to be mailed, first-class postage prepaid, not less than ten (10) days prior to such Special Record Date, to each Bondholder entitled to such Defaulted Principal at the address of such Person as it appears on the registration records of the Paying Agent. Such Defaulted Principal shall be paid on the payment date chosen by the Municipality upon presentation and surrender of the applicable Bonds at the principal office of the Paying Agent to the Registered Owners as of the Special Record Date of the Bonds with respect to which such Defaulted Principal is payable, said payment to be made by check or draft mailed by the Paying Agent to such Registered Owners at their addresses appearing on the registration records of the Paying Agent. Defaulted Principal shall be payable in the aforesaid manner irrespective of any transfer or exchange of a Bond subsequent to the Special Record Date and prior to the date set for payment of such Defaulted Principal.

SECTION 3.03. EXECUTION AND VALIDATION OF THE BONDS; CONDITIONS TO DELIVERY OF THE BONDS. (a) The Bonds shall be executed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk, with the seal of the Municipality imprinted or affixed thereto; provided, however, all signatures and seals appearing on the Bonds, other than the signature of an authorized officer of the Paying Agent hereafter provided for, may be facsimile and shall have the same force and effect as if manually signed or impressed. In case any official of the Municipality whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such official before the delivery or reissuance thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery or reissuance.

(b) The Bonds shall be delivered to the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions of their sale and award, together with a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance, sale, and validation of the Bonds, and the final, unqualified approving opinion of Bond Counsel.

(c) Prior to or simultaneously with the delivery by the Paying Agent of any of the Bonds, the Municipality shall file with the Paying Agent:

(1) a copy, certified by the City Clerk, of the transcript of proceedings of the Governing Body in connection with the authorization, issuance, sale, and validation of the Bonds; and

(2) an authorization to the Paying Agent, signed by the Mayor and/or the City Clerk, to authenticate and deliver the Bonds to the Purchaser.

(d) The Paying Agent shall authenticate the Bonds and deliver them to the Purchaser upon payment of the purchase price of the Bonds to the Municipality.

(e) Certificates, blank as to denomination, rate of interest, and date of maturity and sufficient in quantity in the judgment of the Municipality to meet the reasonable transfer and reissuance needs on the Bonds, shall be printed and delivered to the Paying Agent in generally-accepted format, and held by the Paying Agent until needed for transfer or reissuance, whereupon the Paying Agent shall imprint the appropriate information as to denomination, rate of interest, and date of maturity prior to the registration, authentication, and delivery thereof to the transferee holder. Subject to the approval of the Governing Body, the Paying Agent is hereby authorized to have printed from time to time as necessary additional certificates bearing the facsimile seal of the Municipality and facsimile signatures of the persons who were the officials of the Governing Body as of the date of original issue of the Bonds.

(f) The Bonds herein directed to be issued shall be submitted to validation under the provisions of Sections 31-13-1 *et seq.*, Mississippi Code of 1972, as amended, and, to that end, the City Clerk is hereby instructed to make up, certify, and transmit to the State Bond Attorney a transcript of proceedings and other documents relating to the authorization, issuance, and sale of the Bonds.

(g) When the Bonds shall have been validated and executed as herein provided, they shall be registered as obligations of the Municipality in the office of the City Clerk in a book maintained for that purpose, and the City Clerk shall cause to be imprinted upon each of the Bonds, over her manual or facsimile signature and manual or facsimile seal, her certificate in substantially the form set out in Section 3.10 hereof.

(h) The Municipality provides hereinafter that the Debt Service Reserve Account shall be additionally fully funded in an amount equal to the Reserve Account Requirement and further provides that all Additional Bonds, regardless of the time or times of their issuance shall rank equally with respect to their lien on the Net Revenues of the System, and their source of and security for payment therefrom without preference of any Bonds over any other.

SECTION 3.04. PROVISIONS CONCERNING THE PAYING AGENT. (a) A Paying Agent for the Bonds, which shall serve as paying agent, registrar, and transfer agent, shall be designated by further order of the Governing Body.

(b) So long as any of the Bonds shall remain Outstanding, the Municipality shall maintain with the Paying Agent records for the registration and transfer of the Bonds. The Paying Agent is hereby appointed registrar for the Bonds, in which capacity the Paying Agent shall register in such records and permit to be transferred thereon, under such reasonable regulations as may be prescribed, any Bond entitled to registration or transfer.

(c) The Paying Agent shall be paid or reimbursed for reasonable fees for the performance of the services normally rendered and the incurring of normal expenses reasonably and necessarily paid as are customarily paid to paying agents, transfer agents, and bond registrars, subject to agreement between the Municipality and the Paying Agent. Fees and reimbursements for extraordinary services and expenses, so long as not occasioned by the negligence, misconduct, or willful default of the Paying Agent, shall be made by the Municipality on a case-by-case basis, subject, where not prevented by emergency or other exigent circumstances, to the prior written approval of the Governing Body. The fees and expenses of the Paying Agent shall be an expense of the System and shall be paid from the Operation and Maintenance Fund.

(d) (1) A Paying Agent may at any time resign and be discharged of its duties and obligations as Paying Agent by giving written notice at least sixty (60) days in advance to the Municipality, and may be removed as Paying Agent at any time by resolution of the Governing Body delivered to the Paying Agent. The resolution shall specify the date on which such removal shall take effect and the name and address of the successor Paying Agent, and shall be transmitted to the Paying Agent being removed within a reasonable time prior to the effective date thereof. Provided, however, that no resignation or removal of a Paying Agent shall become effective until a successor Paying Agent has been appointed pursuant to this Bond Resolution.

(2) Upon receiving notice of the resignation of a Paying Agent, the Municipality shall promptly appoint a successor Paying Agent by resolution of the Governing Body. Any appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent. If no successor Paying Agent shall have been so appointed and have accepted appointment within thirty (30) days after the notice of resignation, the resigning Paying Agent may petition any court of competent jurisdiction for the appointment

of a successor Paying Agent, which court may thereupon, after such notice as it may deem appropriate, appoint a successor Paying Agent.

(3) In the event of a change of Paying Agents, the predecessor Paying Agent shall cease to be custodian of any funds held pursuant to this Bond Resolution in connection with its role as such Paying Agent, and the successor Paying Agent shall become such custodian; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Paying Agent shall be fully paid. Every predecessor Paying Agent shall deliver to its successor Paying Agent all records of account, registration records, lists of Registered Owners and all other records, documents and instruments relating to its duties as such Paying Agent.

(4) Any successor Paying Agent appointed under the provisions hereof shall be a bank, trust company or national banking association having a combined capital and surplus of at least Twenty-Five Million Dollars ($25,000,000), having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and/or state regulatory authorities under the jurisdiction of which it falls.

(5) Every successor Paying Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor Paying Agent and to the Municipality an instrument in writing accepting such appointment hereunder, and thereupon such successor Paying Agent, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor.

(6) Should any transfer, assignment or instrument in writing be required by any successor Paying Agent from the Municipality to more fully and certainly vest in such successor Paying Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Paying Agent, any such transfer, assignment and written instruments shall, on request, be executed, acknowledged and delivered by the Municipality.

(7) The Municipality will provide any successor Paying Agent with certified copies of all resolutions, orders and other proceedings adopted by the Governing Body relating to the Bonds.

(8) All duties and obligations imposed hereby on a Paying Agent or successor Paying Agent shall terminate upon the accomplishment of all duties, obligations and responsibilities imposed by law or required to be performed by this Bond Resolution.

(e) Any corporation or association into which a Paying Agent may be converted or merged, or with which it may be consolidated or to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Paying Agent hereunder and vested with all the powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of either the Municipality or the successor Paying Agent, anything herein to the contrary notwithstanding, provided only that such successor Paying Agent shall be satisfactory to the Municipality and eligible under the provisions of Section 3.04(d)(4) hereof.

SECTION 3.05. INTERCHANGEABILITY OF BONDS. The Bonds, upon surrender thereof at the office of the Paying Agent, together with an assignment duly executed on the Bond by the Registered Owner or his attorney or legal representative, may be exchanged for an equal aggregate principal amount of Bonds of the same series and maturity, of any denomination or denominations authorized by this Bond Resolution, and bearing interest at the same rate.

SECTION 3.06. REGISTRATION BOOKS AND BOND REGISTRAR. (a) In the event the Purchaser shall fail to designate the names, addresses and social security or tax identification numbers of the Registered Owners of the Bonds within thirty (30) days of the date of sale, or at such other later date as may be designated by the Municipality, one Bond registered in the name of the Purchaser may be issued in the full amount for each maturity. Ownership of the Bonds shall be in the Purchaser until the initial Registered Owner has made timely payment and, upon request of the Purchaser within a reasonable time of the initial delivery of the Bonds, the Paying Agent shall re-register any such Bond upon its records in the name of the Registered Owner to be designated by the Purchaser in the event timely payment has not been made by the initial Registered Owner.

(b) So long as any Bonds shall remain Outstanding, the Municipality shall maintain at the office of the Paying Agent books for the registration and transfer of Bonds. The Paying Agent is hereby appointed Bond Registrar for the Municipality for the purpose of registration and transfer of the Bonds. The Paying Agent, as Bond Registrar, shall register in such books and permit to be transferred thereon, under such reasonable regulations as the Paying Agent may prescribe, any Bond entitled to registration or transfer.

SECTION 3.07. TRANSFER OF BONDS. (a) Each Bond shall be transferable only on the books of the Municipality kept at the Paying Agent, upon surrender thereof at the principal office of the Paying Agent, together with a written instrument of transfer satisfactory to the Paying Agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the transfer of any such Bond, the Municipality shall issue in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond.

(b) The Municipality and the Paying Agent may deem and treat the Person in whose name any Bond shall be registered upon the books of the Municipality as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes. All such payments so made to any such Registered Owner or upon his order shall be valid and effectual to satisfy and discharge the liability of the Municipality upon such Bond to the extent of the sum or sums so paid. Neither the Municipality nor the Paying Agent shall be affected by any notice to the contrary.

(c) In all cases in which the privilege of transferring Bonds is exercised, the Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution.

SECTION 3.08. REGULATIONS WITH RESPECT TO EXCHANGES AND TRANSFERS. (a) In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Municipality shall, in the manner and to the extent, if any, required hereunder, execute and the Paying Agent, as Registrar, shall authenticate and deliver Bonds in accordance with provisions of this Bond Resolution without expense to the Holders of the Bond.

(b) Neither the Municipality nor the Paying Agent shall be obligated to exchange or transfer any Bond during the fifteen (15) days next preceding (i) a Payment Date or (ii) in the case of any proposed redemption of Bonds, the date of the mailing of notice of such redemption.

SECTION 3.09. BONDS MUTILATED, DESTROYED, STOLEN, OR LOST. In case any Bond shall become mutilated or be destroyed, stolen, or lost, the Municipality may cause to be authenticated and delivered a new Bond in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen, or lost and upon the Bondholder's furnishing the Municipality or the Paying Agent proof of his ownership thereof and satisfactory indemnity and complying with the statutes of the State of Mississippi and such other reasonable regulations and conditions as the Municipality or the Paying Agent may require. All Bonds so surrendered shall be canceled and held for the account of the Municipality. If any such Bond shall have matured or be about to mature, instead of issuing a substituted Bond, the Municipality may pay or cause to be paid the same upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof. Any such duplicate Bonds issued pursuant to this Section shall constitute additional contractual obligations on the part of the Municipality, whether or not the lost, stolen, or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the Net Revenues of the System with all other Bonds issued hereunder.

SECTION 3.10. FORM OF THE BONDS. The Bonds and the registration and validation certificate shall be in substantially the following form, with such omissions, insertions, and variations as may be approved by the Mayor and/or City Clerk, delivery or execution thereof to be conclusive evidence of such approval:

UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
CITY OF STARKVILLE
ELECTRIC SYSTEM REVENUE BOND
SERIES 2020

No. $

Rate of Interest	Maturity	Dated Date	CUSIP
%	___ 1, 20__	___, 20__	

Registered Owner:

Principal Amount: __________ DOLLARS

The City of Starkville, located in the State of Mississippi (the "Municipality"), a body politic existing under the Constitution and laws of the State of Mississippi, acknowledges itself to owe and for value received, promises to pay in lawful money of the United States of America to the Registered Owner identified above, upon the presentation and surrender of this Bond, at the principal office of _________________, ____________, __________, or its successor, as paying agent (the "Paying Agent") for the Municipality's Electric System Revenue Bonds, Series 2020, in the aggregate principal amount of Eight Million Five Hundred Thousand Dollars ($8,500,000), dated __________, 20__ (the "Bonds"), the principal amount identified above on the maturity date identified above. Except as provided in the Bond Resolution, as hereinafter defined, with respect to Defaulted Principal (as defined therein), payment of the principal amount of this Bond shall be made to the Registered Owner hereof whose name shall appear in the registration records of the Municipality maintained by the Paying Agent, which shall also serve as registrar and transfer agent, as of the fifteenth (15th) day of the calendar month preceding the maturity date hereof.

The Municipality further promises to pay interest, calculated on the 30/360 basis, on such principal amount from the date of this Bond, or from the most recent interest payment date to which interest has been paid at the rate of interest per annum set forth above on __________ 1, and semiannually thereafter on __________ 1 of each year, until said principal sum is paid. Except as provided in the Bond Resolution, as hereinafter defined, with respect to Defaulted Interest (as defined therein), interest payments on this Bond shall be paid to the Registered Owner hereof whose name shall appear in the registration records of the Municipality maintained by the Paying Agent as of the fifteenth (15th) day of the calendar month preceding the applicable interest payment date.

This Bond is issued under the authority of the Constitution and statutes of the State of Mississippi, including Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended, and by the further authority of proceedings duly had by the Mayor and Board of Aldermen of the Municipality (the "Governing Body"), including a resolution authorizing and directing the issuance of the Bonds, adopted by the Governing Body on ___________, 20__ (the "Bond Resolution"). Capitalized terms used herein and not otherwise defined shall have the definitions given in the Bond Resolution.

Interest on this Bond shall be paid and, following presentation and surrender of this Bond as set forth above, principal of this bond shall be paid by check or draft mailed on the applicable payment date to the Registered Owner of this bond as of the Record Date at the address appearing in the registration records of the Paying Agent. Such address may be changed by written notice from the Registered Owner hereof to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the Paying Agent not later than the fifteenth (15th) day of the calendar month preceding the applicable payment date to be effective as of such date.

This Bond is one of a series of Bonds of like date of original issue, tenor, and effect, except as to denomination, number, rate of interest, and date of maturity, issued in the aggregate authorized principal amount of Eight Million Five Hundred Thousand Dollars ($8,500,000), out of an authorized amount of Twelve Million Dollars ($12,000,000), to provide funds for improvements, repairs, and extensions (the "Authorized Purpose" and the "Project") to the electric system of the Municipality (the "System").

The Bonds maturing after __________ 1, 20__, are subject to redemption prior to their stated dates of maturity at the option of the Municipality, on and after __________ 1, 20__, at par, plus accrued interest to the date of redemption, in whole or in part on any date, in inverse order of maturity, as follows:

(1) Interest shall cease to accrue on any of the Bonds which are duly called for redemption on the date set for redemption if payment thereof on the redemption date has been duly made or provided for.

(2) At least thirty (30) days before the redemption date of any Bonds, the City Clerk shall cause a notice of any such redemption, either in whole or in part, signed by the City Clerk, (i) to be filed with the Paying Agent and (ii) to be mailed, postage prepaid, to all Registered Owners of the Bonds to be redeemed at their addresses as they appear on the registration books herein provided for on the date of such mailing, but failure so to file or mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the place or places at which payment shall be made, and, if less than all of the Bonds of any one maturity shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed.

(3) Prior to the date fixed for redemption, funds shall be placed with the Paying Agent to pay the Bonds called for redemption and accrued interest thereon to the redemption date and the premium, if any, in trust with irrevocable instructions to apply such funds to such payment on such date. Upon the happening of the above conditions, the Bonds, or portions thereof, thus called for redemption shall cease to bear interest from and after the redemption date, shall no longer be protected by the Bond Resolution and shall not be deemed to be Outstanding under the provisions of the Bond Resolution.

The Bonds are registered as to both principal and interest, and are to be issued or reissued in the denomination of Five Thousand Dollars ($5,000) each, or integral multiples thereof up to the amount of a single maturity.

This Bond may be transferred or exchanged by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent, but only in the manner and subject to the limitations in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon such transfer or exchange, a new Bond or Bonds of like aggregate principal amount in authorized denominations of the same maturity will be issued.

The Municipality and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the Municipality nor the Paying Agent shall be affected by any notice to the contrary.

The principal of, premium, if any, and interest on this Bond shall be payable solely from (i) a sufficiency of the revenues derived from the operation of the System, subject to the prior payment of the reasonable and necessary expenses of operating and maintaining the System and the payment of the Non-Parity Bonds (as defined in the Bond Resolution), and (ii) the Current Debt Service Account and the Debt Service Reserve Account, both of which sources have been pledged on a parity of lien with any Additional Bonds issued in accordance with the provisions of the Bond Resolution. Additional Bonds on a parity of lien with the Bonds may be issued pursuant to the provisions of the Bond Resolution.

In order to secure the payment of the principal of, premium, if any, and interest on the Bonds, the Municipality hereby irrevocably pledges (i)) a sufficiency of the revenues derived from the operation of the System, subject to the prior payment of the reasonable and necessary expenses of operating and maintaining the System and the payment of the Non-Parity Bonds (as defined in the Bond Resolution), and to make the payments into the Current Debt Service Account and into the Debt Service Reserve Account, and all other payments provided for in the Bond Resolution as the same become due and payable, and (ii) the Current Debt Service Account and the Debt Service Reserve Account. The Bonds are secured on a parity of lien with any Additional Bonds issued pursuant to the Bond Resolution. The Bonds shall be secured equally and ratably by such pledge.

The Bonds shall not be or constitute an indebtedness of the Municipality within the meaning of any constitutional, statutory, or charter limitation of indebtedness, but shall be payable solely from the sources herein provided. No Bondholder shall ever have the right to compel the exercise of ad valorem taxing power of the Municipality or taxation in any form of any property therein to pay the principal of and interest on the Bonds or the making of any reserve or other payments provided for in the Bond Resolution

The Municipality covenants and agrees that it will perform all duties required by law and by the Bond Resolution; that it will apply the proceeds of this Bond to the purposes above set forth; that, as long as this Bond is Outstanding, it will operate and maintain the System; that it will fix and maintain rates and make and collect charges for the services of the System, without regard to the user thereof, sufficient to provide for the operation and maintenance of the System in good repair and working order, to provide for the payment of the principal of and interest on this Bond as same shall mature and accrue, and to provide for a Depreciation Fund and a Contingent Fund, all as set forth in the Bond Resolution; and that such an amount of the revenues of the System remaining after paying the expense of operating and maintaining the System, the payment of the Non-Parity Bonds (as defined in the Bond Resolution), and as will maintain the Bond and Interest Fund for this Bond, as the same shall mature and accrue, is hereby irrevocably pledged to said purpose.

IT IS HEREBY CERTIFIED, RECITED, AND REPRESENTED that all conditions, acts, and things required by law to exist, to have happened, and to have been performed precedent to and in the issuance of this Bond, in order to make the same a legal and binding limited obligation of the Municipality, according to the terms hereof, do exist, have happened, and have been performed in regular and due time, form, and manner as required by law.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Bond Resolution until the "Certificate of Registration and Authentication" hereon shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the Municipality has caused this Bond to be executed in its name by the manual or facsimile signature of the Mayor of the Municipality, countersigned by the manual or facsimile signature of the City Clerk of the Municipality, under the facsimile or manual seal of the Municipality, which said facsimile signatures and seal said officials adopt as and for their own proper signatures and seal, all as of __________, 20__.

City of Starkville, Mississippi

____
Mayor

COUNTERSIGNED:

(seal)

____
City Clerk

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Resolution and is one of the $8,500,000 Electric System Revenue Bonds, Series 2020, dated __________, 20__, of the City of Starkville, Mississippi.

___________________________________,
as Paying Agent

____
Authorized Signatory

Date of Registration and Authentication: __________________________

REGISTRATION AND VALIDATION CERTIFICATE

I, the undersigned City Clerk of the City of Starkville, Mississippi, do hereby certify that the within Bond has been duly registered by me as an obligation of the Municipality pursuant to law in a book kept in my office for that purpose, and has been validated and confirmed by Validation Judgment of the Chancery Court of Oktibbeha County, Mississippi, rendered on __________, 20__.

____
City Clerk

(seal)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto __________
____
(Name and Address of Assignee)
____
the within Bond and does hereby irrevocably constitute and appoint _____________________________________ as Paying Agent to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Signature guaranteed:

____
(Bank, Trust Company or Paying Agent)

____
NOTICE: The signature to this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without any alteration whatsoever.

____
(Authorized Officer)

Date of Assignment: _____________________

Insert Social Security Number or Other Tax Identification Number of Assignee: _____________

ARTICLE IV
SECURITY FOR THE BONDS

SECTION 4.01. BONDS SECURED BY PLEDGE OF NET REVENUES AND CERTAIN OTHER FUNDS. In order to secure the payment of the principal of, premium, if any, and interest on the Bonds, the Municipality hereby irrevocably pledges (i) a sufficiency of the Net Revenues to pay the principal of, premium, if any, and interest on the Bonds, and to make the payments into the Current Debt Service Account and into the Debt Service Reserve Account, and all other payments provided for in this Bond Resolution as the same become due and payable, and (ii) the Current Debt Service Account and the Debt Service Reserve Account. The Bonds are secured on a parity of lien with any Additional Bonds issued pursuant to this Bond Resolution. The Bonds shall be secured equally and ratably by such pledge.

SECTION 4.02. BONDS ARE LIMITED OBLIGATIONS. The Bonds shall not be or constitute an indebtedness of the Municipality within the meaning of any constitutional, statutory, or charter limitation of indebtedness, but shall be payable solely from the sources herein provided. No Bondholder shall ever have the right to compel the exercise of ad valorem taxing power of the Municipality or taxation in any form of any property therein to pay the principal of and interest on the Bonds or the making of any reserve or other payments provided for in this Bond Resolution.

ARTICLE V
RATE COVENANT; REVENUES OF SYSTEM AND APPLICATION THEREOF

SECTION 5.01. RATE COVENANT. (a) So long as any of the principal of or interest on any of the Bonds shall be Outstanding and unpaid, or until adequate provision has been made for the payment of the principal of, premium, if any, and interest on the Bonds in accordance with Section 9.02 of this Bond Resolution, as applicable, the Municipality covenants with the Bondholders that the Municipality will fix, establish, maintain, levy, and collect such rates, fees, rents, and other charges for the services and facilities of the System and all parts thereof, and will revise the same from time to time whenever necessary, as will always provide Revenues at least sufficient: (1) to pay the Current Expenses of the System, and (2) to provide one hundred twenty percent (120%) of the amount of the maximum Principal and Interest Requirements for the current Bond Year on account of the Bonds then Outstanding. The Municipality shall maintain a rate ordinance which shall provide Revenues in each Fiscal Year sufficient to satisfy the requirements of this Section. To the extent permitted by applicable law, the aforesaid rate ordinance shall also provide for a penalty charge for non-payment of bills within a specified number of days after their due date and discontinuance of service upon non-payment of bills within a specified number of days after their due date, and the Municipality shall discontinue the supplying of the services and facilities of the System for non-payment of bills for such services and facilities within such time period and will not restore the services and facilities of the System to any of such delinquent users until payment in full of all delinquent charges, including reasonable charges for restoration of services.

(b) If the Revenues in any Fiscal Year as shown by the Municipality's audit are less than the total amount set forth in Section 5.01(a), then it shall, as promptly as possible, request the Consulting Engineer, the Municipal Advisor, or an accountant, to make recommendations as to a revision of such rates, fees, rents and other charges or methods of operating the System which will result in producing the required amount in Revenues in the following Bond Year. Upon receipt of such recommendations the Municipality shall, subject to applicable requirements imposed by law, immediately revise such rates, fees, rents, and other charges and take such other actions respecting the methods of operation of the System as shall in its discretion be deemed necessary.

SECTION 5.02. ELECTRIC SYSTEM REVENUE FUND. An amount of the Revenues of the System sufficient to provide for the deposits hereinafter required by Section 5.03 shall be deposited on or before the first (1st) Business Day of each month, commencing in the first (1st) calendar month following the Closing Date, into the Revenue Fund authorized, established, designated, and provided for in this Section of the Bond Resolution. The Revenue Fund shall continue for the purposes of this Bond Resolution and for any Additional Bonds.

SECTION 5.03. DISPOSITION OF REVENUES; ESTABLISHMENT OF FUNDS. (a) The Municipality will set aside, allocate, and deposit funds from the Revenue Fund into the separate funds as authorized, established, designated, and provided for herein. Such sums shall be set aside, allocated, and deposited by the City Clerk without further direction of or action by the Governing Body in the following manner and order of priority:

(1) Operation and Maintenance Fund. On or before the first (1^{st}) Business Day of each month, beginning with the first (1^{st}) calendar month following the Closing Date, an amount which, when added to any funds then on deposit in the Operation and Maintenance Fund, shall be equal to the estimated Current Expenses of the System for the next succeeding calendar month, including any amounts needed to cover deficiencies in preceding months. Funds in the Operation and Maintenance Fund shall be disbursed from time to time as needed for the operation and maintenance of the System.

(2) Bond and Interest Fund. From the funds in the Revenue Fund there shall next be apportioned, set aside, and deposited into the Bond and Interest Fund the amounts required for the following accounts in the Bond and Interest Fund to be funded in the order listed:

(A) Current Debt Service Account. On or before the first (1^{st}) Business Day of each month, beginning in the first calendar month following the Closing Date (but not sooner than one (1) year prior to the first (1^{st}) principal payment date as to principal payments), there shall be apportioned, set aside, and deposited into the Current Debt Service Account, Revenues for the payment of interest in an amount which, together with funds on deposit in the Current Debt Service Account for such purpose and together with approximately equal subsequent monthly deposits on or before the first (1^{st}) Business Day of each month, will provide a sum for the payment of interest equal to the amount necessary to pay the next installment of interest on the Bonds, and Revenues for the payment of principal in an amount which, together with funds on deposit in the Current Debt Service Account for such purpose and together with approximately equal subsequent monthly deposits on or before the first (1^{st}) Business Day of each month, will provide a sum for the payment of principal equal to the amount necessary to pay the next installment of principal on the Bonds (including for this purpose any advancement of maturity pursuant to a mandatory sinking fund payment).

(B) Debt Service Reserve Account. (i) Provided, that in addition to the funds hereby required to be paid into the Current Debt Service Account of the Bond and Interest Fund, the Debt Service Reserve Account shall be maintained as a subaccount in the Bond and Interest Fund in order to meet any deficiency therein in future years. In order to fully fund the Debt Service Reserve Account, the City Clerk shall immediately upon delivery of the Bonds deposit an amount from the proceeds of the sale of the Bonds or any other legally available funds of the Municipality, which, together with funds on deposit in the Debt Service Reserve Account, will be equal to the Reserve Account Requirement (calculated with respect to the Bonds), at which amount the Debt Service Reserve Account shall thereafter be maintained by such future payments as may be necessary for that purpose. The Debt Service Reserve Account shall be used only to pay maturing principal and accruing interest, or both, and only whenever and to the extent that funds otherwise available in the Current Debt Service Account are insufficient for that purpose. No funds paid into the Debt Service Reserve Account shall be used to prepay the principal unless such prepayment is for the entire balance of the principal amount of the Bonds.

(ii) On or before the first (1^{st}) Business Day of each month, commencing in the first (1^{st}) calendar month after a withdrawal from the Debt Service Reserve Account causes the amount on deposit therein to fall below the Reserve Account Requirement or in the first (1^{st}) calendar month after an annual valuation of the Debt Service Reserve Account reveals that the fair market value of the investments therein is less than the Reserve Account Requirement, there shall be apportioned, set aside, and deposited to the Debt Service Reserve Account all funds remaining in the Revenue Fund after the payments required by Section 5.03(a)(2)(A) have been made until the amount in the Debt Service Reserve Account equals the Reserve Account Requirement; provided, that no such deposits shall be made until all required payments have been made in full into the Current Debt Service Account, including any deficiencies for prior payments. Funds in the Debt Service Reserve Account shall be used only for the purpose of paying maturing principal of or interest on the Bonds when the funds in the Current Debt Service Account are insufficient therefor and for no other purpose, except that said funds may be invested or reinvested as provided for herein.

(iii) No further payments into the Current Debt Service Account or into the Debt Service Reserve Account shall be required when the aggregate amount of funds in both the Current Debt Service Account and the Debt Service Reserve Account are at least equal to the aggregate principal amount of the Bonds then Outstanding, plus the amount of interest then due or to become due on the Bonds then Outstanding, or when the Bonds shall be deemed fully paid within the meaning of Section 9.02 hereof.

(iv) The Municipality, in its sole discretion and with the prior consent of the Bond Insurer, if any, may fund all or a portion of the Reserve Account Requirement with a Reserve Fund Surety Bond. Any such Reserve Fund Surety Bond must either extend to the final maturity date of the then Outstanding Bonds or the Municipality must agree, by a resolution supplementing this Bond Resolution, that the Municipality will replace such Reserve Fund Surety Bond prior to its expiration with another Reserve Fund Surety Bond which shall have no adverse effect on ratings then in effect on the Outstanding Bonds, or with cash, or with a combination of both. The face amount of the Reserve Fund Surety Bond, together with amounts on deposit in the Debt Service Reserve Account, including the face amount of any other Reserve Fund Surety Bond, shall be at least equal to the Reserve Account Requirement.

(v) Funds in the Debt Service Reserve Account shall be used only for the purpose of paying maturing principal of or interest on the Bonds when the funds in the Current Debt Service Account are insufficient therefor and for no other purpose, except that said funds may be invested or reinvested as provided for herein. In the event that amounts credited to the Debt Service Reserve Account are used to pay maturing principal or interest on the Bonds when funds on hand in the Current Debt Service Account are insufficient therefor or that amounts credited to the Debt Service Reserve Account are at any time less than the amount of the Reserve Account Requirement, the Municipality shall provide written notice of such event and of the amount of such deficiency to the Bond Insurer, if any. If a disbursement is made from the Debt Service Reserve Account to pay maturing principal or interest on the Bonds, only such amount as may at the time be drawn under any Reserve Fund Surety Bond then credited to the Debt Service Reserve Account shall be included in computing the amounts credited to the Debt Service Reserve Account. The Municipality shall be obligated to restore the amounts credited to the Debt Service Reserve Account to the amount of the Reserve Account Requirement by either: (1) causing any Reserve Fund Surety Bond to be reinstated; (2) providing one or more Reserve Surety Bonds; (3) depositing Revenues into the Debt Service Reserve Account in accordance with Section 5.03(a)(2)(B); or (4) any combination of the foregoing. With respect to such replenishment of the Debt Service Reserve Account, any funds received for such purpose shall be used first to reimburse any provider of a Reserve Fund Surety Bond then credited to the Debt Service Reserve Account, thereby reinstating such Reserve Fund Surety Bond, and second to replenish any cash in the Debt Service Reserve Account and/or to provide one or more Reserve Fund Surety Bonds.

(3) Depreciation Fund. In order to fund the Depreciation Fund provided for herein, after the deposits required by paragraphs (a)(1) and (a)(2) of this Section, there shall next be deposited into the Depreciation Fund the amount of Five Thousand Dollars ($5,000); provided, however, that deposits may be made on or before the first (1^{st}) Business Day of each month, beginning with the first (1^{st}) calendar month after the Closing Date, until the amount on deposit in the Depreciation Fund is equal to Five Thousand Dollars ($5,000), at which amount it shall thereafter be maintained by such future monthly deposits as may be necessary for that purpose. The Depreciation Fund shall be used for the purpose of paying the cost of replacing such parts of the System as may need replacement in order to keep the System operating in an economical and efficient manner; provided, however, that in the event the funds provided for in this Bond Resolution for the payment of the principal of and interest on the Bonds should be insufficient for said purpose, then and in that event, to the extent of any such insufficiency, the amount necessary to pay accruing interest and to provide for the payment of the principal of the Bonds as set forth in paragraph (a)(2)(A) of this Section shall be drawn from the Depreciation Fund, and shall be used together with funds otherwise available to pay such accruing interest and to provide for the payment of principal as set forth in paragraph (a)(2)(A) of this Section. No funds paid into the Depreciation Fund shall be used to prepay principal or premium, if any, unless such prepayment is for the entire balance of the principal amount of the Bonds.

(4) Contingent Fund. In order to fund the Contingent Fund provided for herein, after the deposits required by paragraphs (a)(1), (a)(2) and (a)(3) of this Section, there shall next be deposited into the Contingent Fund the amount of Five Thousand Dollars ($5,000); provided, however, that deposits may be made on or before the first (1^{st}) Business Day of each month, beginning with the first (1^{st}) calendar month after the Closing Date, until the amount on deposit in the Contingent Fund is equal to Five Thousand Dollars ($5,000), at which amount it shall thereafter be maintained by such future monthly deposits as may be necessary for that purpose. The Contingent Fund shall be used for the purpose of paying the cost of unforeseen contingencies arising in the operation and maintenance of the System, including the construction of reasonable and proper improvements, repairs, and extensions thereto; provided, however, that in the event the funds provided for in this Bond Resolution for the payment of the principal of and interest on the Bonds should be insufficient for said purpose, then and in that event, to the extent of any such insufficiency, the amount necessary to pay accruing interest and to provide for the payment of the principal of the Bonds as set forth in paragraph (a)(2)(A) of this Section shall be drawn from the Contingent Fund and shall be used, together with funds otherwise available, to pay such accruing interest and to provide for the payment of principal as set forth in Section 5.03(a)(2)(A).

(b) The funds in the foregoing funds shall be held separate and apart from all other funds of the Municipality and shall be applied in the manner provided. Any surplus Revenues remaining after all deposits required or allowed by this Section have been made may be used solely for purposes pertaining to the System, including payment of any general obligation debt previously or hereafter incurred for the System. The foregoing notwithstanding, any amounts required to be paid by the Municipality from such surplus Revenues for general administrative charges pertaining to the System shall be considered as being used for purposes pertaining to the System.

(c) If in any month the Revenues are insufficient to deposit the required amount in any of the funds as hereinbefore provided, the deficiency shall be made up in the subsequent payment or payments in addition to the payments which would otherwise be required to be made into such funds in subsequent months; provided, however, that any deficiency in the Current Debt Service Account and the Debt Service Reserve Account shall be made up before any further payment is made to the Depreciation Fund or the Contingent Fund.

(d) The investments of funds in the Debt Service Reserve Account shall be valued in such manner as the Municipality shall determine at the fair market value thereof annually on the last Business Day of each Fiscal Year. If the fair market value of said investments is less than the Reserve Account Requirement, the Municipality shall, as soon as possible but in any event within the following twelve (12) months, place money from the Revenue Fund into the Debt Service Reserve Account as provided in paragraph (a)(2)(B) of this Section to bring the aggregate value of the Debt Service Reserve Account up to the Reserve Account Requirement. If the fair market value of such investments is greater than the Reserve Account Requirement, the amount of money in excess of the Reserve Account Requirement shall be paid into the Current Debt Service Account.

SECTION 5.04. INVESTMENT OF FUNDS ON DEPOSIT IN THE FUNDS. The funds at any time on deposit in any fund or account provided for by this Bond Resolution not immediately required for disbursement for the purposes for which such funds or accounts are established, shall be invested in such instruments or investments as are permissible under the Code or under applicable law of the State of Mississippi. The income received on the investment of any such funds shall be credited to the fund or account for which such investments are made; provided that, with respect to the Current Debt Service Account and the Improvement Fund, the excess, if any, of such income above the amounts required to be on deposit in such funds or accounts shall be transferred to the Current Debt Service Account and applied to the purposes for which such account is established. The income received on any investments in the Improvement Fund shall be credited to such fund until the Project is complete.

ARTICLE VI
IMPROVEMENT FUND

SECTION 6.01. ELECTRIC SYSTEM IMPROVEMENT FUND. Pursuant to Section 2.01 hereof, the proceeds of the Bonds remaining after deposits have been made to the various funds and accounts described in Section 2.01 shall be irrevocably deposited by the Municipality into a fund hereby authorized, established, and designated the Improvement Fund. Funds in the Improvement Fund shall be applied solely and only to the payment of the costs of the Project and costs incidental thereto (including but not limited to the costs of the authorization, issuance, sale, validation, and delivery of the Bonds, Bond Insurance Policy premiums, if any, for the Bonds, ratings fees for the Bonds, if any, and fees for the Reserve Fund Surety Bond, if any). Any balance remaining in the Improvement Fund after completion of the Project shall be transferred to the Current Debt Service Account and applied to the payment of the principal of and interest on the Bonds.

ARTICLE VII
COVENANTS OF THE MUNICIPALITY

So long as any of the principal of or interest on any of the Bonds shall be Outstanding and unpaid, or until adequate provision has been made for the payment of the principal of, premium, if any, and interest on the Bonds, the Municipality covenants with the holders of any and all of such Bonds as follows:

SECTION 7.01. OPERATION AND MAINTENANCE. The Municipality will maintain in good condition the System and all parts thereof, and will continuously operate the same in an efficient and economical manner, making such expenditures for equipment and for renewal, repair, and replacement as may be proper for the economical operation and maintenance thereof.

SECTION 7.02. SALE OF THE SYSTEM. The System may be sold or otherwise disposed of only as a whole or substantially as a whole, and only if the net proceeds to be realized shall be sufficient, together with other funds available therefor, to provide for the payment of the principal of, premium, if any, and interest on the Bonds and to fully retire all of the Bonds and any other indebtedness to the payment of which the Net Revenues of the System are pledged, and all interest thereon to their respective dates of maturity or earlier redemption dates. The proceeds from such sale or other disposition of the System shall immediately be deposited into the Current Debt Service Account, or if the Bonds are not then redeemable, into an escrow fund as provided in Section 9.02, and shall be used only for the purpose of paying the principal of, premium, if any, and interest on the Bonds, as the same shall become due, or for the redemption of callable Bonds (subject to provisions of Section 3.01), or the purchase of Bonds at a price not greater than the then applicable redemption price of the Bonds, or, if the Bonds to be purchased are not then redeemable prior to maturity, at prices not greater than the redemption price of such Bonds on the next allowable redemption date.

The foregoing provision notwithstanding, the Municipality shall have and hereby reserves the right to sell or otherwise dispose of any of the property comprising a part of the System hereafter determined in the manner provided herein to be no longer necessary, useful, or profitable in the operation thereof, for fair and reasonable prices.

Prior to any such sale or other disposition of said property, the Consulting Engineer shall make a finding in writing determining that such property comprising a part of the System is no longer necessary, useful, or profitable in the operation thereof, and the proceeds from any sale of such property shall be deposited into the Revenue Fund and used only as provided herein for such fund.

SECTION 7.03. ISSUANCE OF OTHER OBLIGATIONS PAYABLE OUT OF REVENUES. The Municipality will not issue any other obligations, except upon the conditions and in the manner provided in Section 9.01, payable from the Net Revenues and being on a parity with the lien of the Bonds and the interest thereon, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance, or any other charge having priority to or being on a parity with the lien of the Bonds and the interest thereon.

The Municipality may issue obligations junior and subordinate to the Bonds at any time, provided that the issuance of such obligations does not violate any covenants of the Municipality concerning any of its then Outstanding Bonds. All obligations issued by the Municipality secured by Net Revenues other than Additional Bonds shall contain an express statement that such obligations are junior and subordinate in all respects to the Bonds as to lien on and source of and security for payment from the Net Revenues, and in all other respects.

SECTION 7.04. INSURANCE FOR THE SYSTEM. As long as any of the Bonds shall remain Outstanding and unpaid, the Municipality shall carry and maintain all-risk insurance upon all the properties forming a part of the System which may be of an insurable nature, such insurance to be of the type and kind and for such amount or amounts as carried and maintained by other municipalities rendering services of a similar character in similar communities. The proceeds of all such insurance shall be used only for the maintenance and restoration of the System, or for the payment of the principal of, premium, if any, and the interest on the Bonds.

To the extent the Municipality is not covered by sovereign immunity, the Municipality shall also carry adequate public liability and property damage insurance. Proceeds of insurance awards, except public liability and property damage policies, will be used to repair the damaged property or replace the destroyed property, and excess proceeds shall be deposited into the Depreciation Fund or in the Current Debt Service Account to redeem the Bonds, or if the Bonds are not then redeemable, into an escrow fund as provided in Section 9.02.

SECTION 7.05. BOOKS AND RECORDS. The Municipality will keep books and records of the System, which shall be separate and apart from all other books, records, and accounts of the Municipality in which complete and correct entries shall be made in accordance with generally accepted accounting principles consistently applied of all transactions relating to the System, and any Bondholder and the Paying Agent shall have the right at all reasonable times to inspect the System and all parts thereof, and all records, accounts, and data of the Municipality relating thereto.

The Municipality shall promptly after the close of each Fiscal Year cause the books, records, and accounts of the System for the preceding Fiscal Year to be properly audited by a qualified and independent firm of certified public accountants, which report shall cover in reasonable detail the operation of the System and the insurance carried with respect thereto. The Municipality shall make available generally said report, or a reasonable summary thereof, to any Bondholder upon request.

The Municipality shall also, prior to the commencement of each Fiscal Year, cause the System to be inspected by the Consulting Engineer, who shall file an annual report with the City Clerk prior to the commencement of such Fiscal Year, setting out the condition of the physical plant of the System and any recommendations which the Consulting Engineer shall deem to be advisable. Such annual report shall include the following:

(a) Advice and recommendations concerning the maintenance, repair, and operation of the System;

(b) Advice and recommendations as to renewals or replacements of any part of the System;

(c) Advice and recommendations as to extensions of the System;

(d) The estimated cost of any recommended renewals, replacements, or extensions to the System;

(e) Advice and recommendations concerning the amount and character of insurance that should be carried on the System;

(f) Advice and recommendations concerning any revision of the rates to be charged for the services of the System; and

(g) A statement of the judgment of the Consulting Engineer concerning whether the System had been maintained in good repair and operating order, with such suggestions as the Consulting Engineer may deem advisable concerning changes in the methods of operating the System.

The Municipality covenants with the Registered Owners that if the report of the Consulting Engineer shall show that the System has not been maintained in good repair and operating condition, it will, from available Revenues and from the Depreciation Fund and, to the extent applicable, from the Contingent Fund, promptly restore the System to good repair and operating condition; that all recommendations of said report shall receive impartial consideration by the Governing Body; and that the Municipality and the Governing Body shall endeavor in good faith to carry out the recommendations that may be made by the Consulting Engineer.

SECTION 7.06. OPERATING BUDGET. Prior to the commencement of each Fiscal Year following the Closing Date, the Governing Body shall prepare or shall cause to be prepared and adopted by resolution of the Governing Body a detailed budget setting out the estimated receipts and expenditures of the System for the then ensuing Fiscal Year. This budget shall contain:

(a) an estimate of the Revenues expected to be derived from the operation of the System during the next ensuing Fiscal Year;

(b) a statement of the estimated Current Expenses during the next ensuing Fiscal Year;

(c) a statement of the amount of principal and interest due on the Bonds and any other indebtedness payable from Net Revenues during the next ensuing Fiscal Year;

(d) a statement of what replacements to the System may be anticipated and the estimated cost thereof;

(e) a statement of the total amount anticipated to be payable from Revenues during the next ensuing Fiscal Year; and

(f) a statement of the amount on deposit in each of the funds referred to in Section 5.03 of this Bond Resolution.

SECTION 7.07. NO FREE SERVICES. The Municipality will not render or cause to be rendered any free services of any nature by the System or any part thereof, including services provided to the Municipality itself or any agency thereof, nor will any preferential rates or services be established for users of the same class. All users of the System will use the System as members of the general public, notwithstanding that such users utilize the System in their business capacities.

If any other municipality, instrumentality, public or private corporation, firm, or individual, shall avail itself of the facilities or services provided by the System or any part thereof, the same rates, fees, rents, or other charges applicable to other customers receiving like services under similar circumstances shall be charged therefor. The Municipality will not provide water or sewer service on a "take or pay" basis without first obtaining an opinion of Nationally Recognized Bond Counsel that the same will not adversely affect the tax-exempt status of interest on the Bonds.

Such charges shall be paid as they accrue. The Revenues so received shall be deemed to be Revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other Revenues derived from such operation of the System.

SECTION 7.08. ENFORCEMENT OF COLLECTION. The Municipality will diligently enforce and collect all rates, fees, rents, or other charges for the services and facilities of the System, and take all steps, actions, and proceedings for the enforcement and collection of such rates, fees, rents, or other charges which shall become delinquent to the full extent permitted or authorized by the laws of the State of Mississippi.

The Municipality will, to the full extent permitted by law, under reasonable rules and regulations, shut off and discontinue the supplying of the services and facilities of the System for the non-payment of rates, fees, rents, or other charges for services of the System, and will not restore said services until all delinquent rates, fees, rents, other charges, and reasonable penalties have been paid in full.

SECTION 7.09. NO COMPETING FACILITIES. The Municipality will not grant any franchise, license, or permit for the construction or operation of any facilities which will be competitive with the services and facilities of the System and will oppose the granting of any such franchise by any other public board having jurisdiction over such matters; provided, however, that this Section shall not affect any vested rights of any persons, firms, or corporations now owning or operating such facilities.

SECTION 7.10. CONSULTING ENGINEER. The Municipality will retain the Consulting Engineer to inspect the System and make the annual report and to perform the duties provided for herein for such Consulting Engineer.

SECTION 7.11. COVENANTS REGARDING TAX EXEMPTION OF BONDS.

(a) The Municipality covenants and certifies to and for the benefit of the owners of the Bonds that it will neither take any action nor omit to take any action nor make any investment or use of the proceeds from the issue and sale of the Bonds, including amounts treated as proceeds, if any, which will cause the Bonds to be classified as arbitrage bonds within the meaning of Section 148 of the Code and any regulations thereunder as such may be applicable to the Bonds, at the time of such action, investment, or use.

(b) (1) In the event it is subsequently determined for any reason that rebates should be made on the Bonds, then the Municipality shall take all actions necessary in order to comply with the requirements of Paragraphs (2) and (3) of Subsection 148(f) in order that none of the Bonds shall be treated as an arbitrage bond pursuant to Paragraph (1) of Subsection 148(f), including payment of all amounts, if any, required to be paid to the United States of America in accordance with and within the time limits prescribed in Subsection 148(f) and the Subsection 148(f) Regulations, the making of any and all calculations, computations and filings required pursuant to Subsection 148(f) and the Subsection 148(f) Regulations, and the maintenance of all such records as may be required pursuant to Subsection 148(f) and the Subsection 148(f) Regulations.

(2) In order to effectuate the foregoing covenants, the Municipality hereby covenants and certifies that: (A) prior to delivery of the Bonds, it shall have received written instructions from Nationally Recognized Bond Counsel with respect to specific actions which will, under Subsection 148(f) and such regulations as may have been promulgated prior to delivery of the Bonds, assure compliance with such covenants; and (B) the Municipality shall comply with such instructions until the Municipality shall have received from Nationally Recognized Bond Counsel written advice that continued compliance with such instructions is not necessary in order to avoid adversely affecting the tax-exempt status of the Bonds or alternative written instructions with respect to certain actions which will assure compliance with the covenants set forth above, in which event the Municipality shall thereafter comply with all such alternative instructions.

(c) The Municipality shall not intentionally use any portion of the proceeds (within the meaning of Subsection 148(a) of the Code and any regulations promulgated pursuant thereto) of the Bonds to acquire higher yielding investments (as defined in Subsection 148(a) of the Code and all regulations promulgated pursuant thereto) or to replace funds which were used directly or indirectly to acquire higher yielding investments, except to the extent specifically permitted pursuant to Section 148 of the Code and any regulations promulgated thereunder.

(d) The Municipality shall not purchase or acquire any investment property with proceeds (within the meaning of Section 148 of the Code) of the Bonds in a manner or for a price which would cause any of the Bonds to be or become an arbitrage bond, within the meaning of Section 148 of the Code and all regulations promulgated thereunder, including, without limitation, to the extent prescribed by applicable regulations, investments (regardless of yield) which do not comply with the provisions of any regulations intended to assure that obligations are acquired at their "market price" or "fair market value".

(e) The Mayor and/or City Clerk are hereby authorized to execute a "nonarbitrage and federal tax certificate" in connection with the sale and delivery of the Bonds, setting forth the reasonable expectations of the Municipality with respect to the investment and use of proceeds of the Bonds and also setting forth certain covenants, stipulations, and certifications with respect to the investment and expenditures of the proceeds of the Bonds, and the Municipality shall comply with all certifications, stipulations, and covenants set forth in such certificate. In addition, such officials are authorized to make such elections on behalf of the Municipality as are necessary or appropriate under the Code or the Subsection 148(f) Regulations.

SECTION 7.12. OTHER COVENANTS REGARDING TAX EXEMPT STATUS.

(a) The Municipality shall take such actions as may be necessary in order to assure that the Bonds are not "private activity bonds" within the meaning of Section 141 of the Code.

(b) No more than ten percent (10%) of the proceeds of the Bonds will be used, directly or indirectly, in a trade or business carried on by any person other than a governmental unit.

(c) No more than ten percent (10%) of any property with respect to which all or any part of the proceeds of the Bonds will be used, directly or indirectly, in a trade or business carried on by any person other than a governmental unit.

(d) None of the proceeds of the Bonds will be used for any private business use (within the meaning of Section 141 of the Code) which is not related to the governmental use (within the meaning of Section 141 of the Code) of such proceeds.

(e) The amount of proceeds of the Bonds used with respect to any private business use which is related to a governmental use of such proceeds of the Bonds will not exceed the amount of proceeds of the Bonds which are used for the governmental use to which such private business use relates.

(f) None of the proceeds of the Bonds will be used to make or finance loans for persons other than governmental units.

(g) In no event will the payment of the principal of or the interest on more than ten percent (10%) of the proceeds of the Bonds be (under the terms of the Bonds or any underlying arrangement) directly or indirectly secured (within the meaning of Section 141 of the Code) by any interest in property used or to be used in a private business use or payments in respect to such property or to be derived from payments (whether or not to the Municipality) in respect of property or borrowed money used or to be used for a private business use.

(h) The Municipality covenants and certifies that there are no other obligations heretofore issued or to be issued by or on behalf of any state, territory or possession of the United States of America, or political subdivision of any of the foregoing, or of the District of Columbia, by or for the benefit of the Municipality, which (1) were or are to be sold at substantially the same time as the Bonds, (2) were or are to be sold pursuant to the same plan of financing as the financing plan for the Bonds, and (3) are payable directly or indirectly by the Municipality or from substantially the same source from which the Bonds are payable. The Municipality covenants and certifies that there are no additional facts or circumstances which may further evidence that the Bonds are part of any other issue of obligations.

(i) The Municipality covenants and certifies that no payment of principal of or interest on the Bonds is or will be guaranteed (in whole or in part, directly or indirectly) by the United States of America, or any agency or instrumentality thereof or any entity with statutory authority to borrow from the United States of America. The Municipality represents, warrants and covenants that none of the bond proceeds will be: (1) used to make loans, the payment of principal of or interest on which is or will be guaranteed (in whole or in part, directly or indirectly) by the United States of America or any agency or instrumentality thereof or any entity with statutory authority to borrow from the United States of America; or (2) invested (directly or indirectly) in any deposit or account which is insured under federal law by the Federal Deposit Insurance Corporation, the National Credit Union Administration or any similar federally chartered corporation other than: (A) the investment of the proceeds of the Bonds for an initial temporary period (within the meaning of Subparagraph 3(B) of Subsection 149(b) of the Code) until such proceeds are needed for the purpose for which the Bonds are being issued; (B) investments of a bona fide debt service fund (within the meaning of Subparagraph 3(B) of Subsection 149(b) of the Code); (C) investments of a reserve which meets the requirements of Subsection 148(d) of the Code; (D) investments in bonds issued by the United States Treasury; or (E) other investments permitted under regulations promulgated by the Internal Revenue Service pursuant to Subsection 149(b) of the Code.

(j) The Municipality covenants and certifies that, notwithstanding any provision of this Bond Resolution or the rights of the Municipality hereunder, the Municipality will not take or permit to be taken on its behalf any action which would impair the exclusion of interest on the Bonds from gross income for purposes of federal income taxation, and it will take such reasonable action as may be necessary to continue such exclusion, including, without limitation, the preparation and filing of any statements required to be filed by it in order to maintain such exclusion.

SECTION 7.13. WHEN COMPUTATIONS, DEPOSITS, OR REBATE PAYMENTS ARE NOT REQUIRED. In the event it is determined that the Bonds do not meet the requirements of Paragraph (4) of Subsection 148(f), but in the event the Municipality receives an opinion of Nationally Recognized Bond Counsel to the effect that any of the computations, deposits or payments referenced in Sections 7.11 and 7.12 herein are not required to be made in order to maintain the tax-exempt status of interest on the Bonds, the Municipality need not make such computations, deposits or payments.

SECTION 7.14. COVENANT REGARDING HEDGE BONDS. The Municipality reasonably expects that not less than eighty-five percent (85%) of the spendable proceeds of the Bonds will be used to carry out the governmental purposes of the Bonds within a three-year period beginning on the date of issuance of the Bonds. No more than fifty percent (50%) of the proceeds of the Bonds will be invested in non-purpose investments (as defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four (4) years or more.

SECTION 7.15. CONTINUING DISCLOSURE. The Municipality hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Bond Resolution, failure of the Municipality to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default pursuant to Section 8.01 hereof; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Municipality to comply with its obligations under this Section.

SECTION 7.16. BOOK-ENTRY SYSTEM. Notwithstanding anything herein to the contrary, the Bonds shall be initially issued in the form of a separate, single, and fully registered Bond for each of the maturities thereof. In such case, upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC, and except as provided in Section 7.17 hereof, all of the outstanding Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the Municipality and the Paying Agent shall have no responsibility or obligation to any participant for whom DTC is a security depository nominee ("DTC participants") or to any Person on behalf of whom such a DTC participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Municipality and the Paying Agent shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC participant with respect to any ownership interest in the Bonds, (b) the delivery to any DTC participant or any other Person, other than a Registered Owner, as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any DTC participant or any other Person, other than a Registered Owner, as shown in the Bond Register, of any amount with respect to principal of, premium, if any, or interest on, the Bonds. Notwithstanding any other provision of this Bond Resolution to the contrary, the Municipality and the Paying Agent shall be entitled to treat and consider the Person in whose name each Bond is registered in the Bond Register as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent, shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Registered Owners, as shown in the Bond Register as provided in this Bond Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Municipality's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Bond Register, shall receive a Bond certificate evidencing the obligation of the Municipality to make payments of principal, premium, if any, and interest pursuant to this Bond Resolution. Upon delivery by DTC to the Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Bond Resolution with respect to interest checks or drafts being mailed to the Registered Owner at the close of business on the Record Date, the words "Cede & Co." in this Bond Resolution shall refer to such new nominees of DTC.

SECTION 7.17. SUCCESSOR SECURITIES DEPOSITORY; TRANSFERS OUTSIDE BOOK-ENTRY SYSTEM. In the event that the Municipality and the Paying Agent determine that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Municipality and the Paying Agent shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC participants of the appointment of such successor securities depository and transfer one or more separate Bond certificates to such successor securities depository or (b) notify DTC and DTC participants of the availability through DTC of Bond certificates and transfer one or more separate Bond certificates to DTC participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Bond Resolution.

SECTION 7.18. PAYMENTS AND NOTICES TO CEDE & CO. Notwithstanding any other provision of this Bond Resolution to the contrary, so long as any of the Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

ARTICLE VIII
DEFAULT AND REMEDIES

SECTION 8.01. DEFAULT. An "Event of Default" as used in this Bond Resolution shall mean any of the following: (a) failure to pay the principal of, premium, if any, or interest on any of the Bonds when such payments shall become due, (b) failure to comply with any other of the covenants of the Municipality set out in this Bond Resolution and the continuation thereof for thirty (30) days after written notice specifying such failure shall have been given to the Municipality by any Bondholder, or Bond Insurer, if any, provided that, if such default cannot with due diligence and dispatch be wholly cured within thirty (30) days but can be wholly cured, the failure of the Municipality to remedy such default within such thirty (30) day period shall not constitute a default hereunder if the Municipality shall immediately upon receipt of such notice commence with due diligence and dispatch the curing of such default and, having so commenced the curing of such default, shall thereafter prosecute and complete the same with due diligence and dispatch within no longer than sixty (60) days after the aforesaid written notice, and (c) filing by the Municipality of a petition seeking a composition of indebtedness under the federal bankruptcy laws, or under any other applicable federal or state law.

SECTION 8.02. REMEDIES. The Registered Owner of any of the Bonds may, by suit, action, mandamus, or other proceedings at law or in equity, enforce and compel performance by the appropriate official or officials of the Municipality of any or all acts and duties to be performed by the Municipality under the provisions of the Act and of this Bond Resolution. If there be any default in the payment of the principal of and interest on the Bonds, any court having jurisdiction in the proper action may, upon petition of the Registered Owners of a majority in principal amount of the Bonds then Outstanding, appoint a receiver to administer and operate the System with power to fix rates and collect charges sufficient to provide for the payment of the Bonds and to pay the expense of operating and maintaining the System in conformity with the provisions of the Act and of this Bond Resolution.

ARTICLE IX
ADDITIONAL BONDS; DEFEASANCE

SECTION 9.01. ADDITIONAL BONDS. So long as any of the Bonds are Outstanding, no Additional Bonds shall be issued unless the following conditions are complied with:

(a) The Municipality must be current in all deposits into the various funds and all payments theretofore required to have been deposited or made by it under the provisions of this Bond Resolution.

(b) If the Additional Bonds are to be issued for the purpose of financing improvements, repairs, or extensions to the System or acquisitions for the System, then:

(1) The amount of the Net Revenues during any twelve (12) consecutive months of the eighteen (18) months immediately preceding the delivery of the Additional Bonds, as certified by the Consulting Engineer, the Municipal Advisor, or an accountant, will be equal to one hundred twenty percent (120%) of the Maximum Annual Debt Service Requirement for the then Outstanding Bonds.

(2) The Consulting Engineer, the Municipal Advisor, or an accountant shall also certify that the amount of the Net Revenues derived from the operation of the System in each year after acquisitions for the System or completion of improvements, repairs, or extensions to the System and during the period such Additional Bonds will be Outstanding, as estimated by the Consulting Engineer, the Municipal Advisor, or an accountant, will, in each year, be at least equal to one hundred twenty percent (120%) of the principal and interest which will mature and become due in each such year on (A) the then Outstanding Bonds, and (B) the Additional Bonds then proposed to be issued.

(3) If such Additional Bonds are being issued for the purpose of extending the System by acquiring operating utility properties having an earnings record, the Consulting Engineer, the Municipal Advisor, or an accountant shall estimate the effect on the Net Revenues of the acquisition of such utility properties and the integration thereof into the System, and shall certify that the amount of the Net Revenues derived from the operation of the System in each year after such acquisition and during the period such Additional Bonds will be Outstanding, as estimated by the Consulting Engineer, will, in each year, be at least equal to one hundred twenty percent (120%) of the principal and interest which will mature and become due in each such year on (A) the then Outstanding Bonds, and (B) the Additional Bonds then proposed to be issued. Any such estimate shall be based upon the operating experience and records of the Municipality during the period in which the System has been operated by the Municipality and upon any available financial statements and records relating to the earnings of such utility properties to be acquired.

(4) If any changes have been made and are in effect at the time of the adoption of the Additional Bonds Resolution in the schedule of rates and charges imposed by the Municipality for services furnished by the System which were in effect during any part of the consecutive twelve-month period referred to in this Section, the Consulting Engineer, the Municipal Advisor, or accountant may, if such changes resulted in increases in such rates and charges, and shall, if such changes resulted in reductions in such rates and charges, adjust the Net Revenues to be certified for such consecutive twelve-month period to reflect any change in such Net Revenues which would have occurred if the schedule of rates and charges in effect at the time of the adoption of the Additional Bonds Resolution had been in effect during that portion of such consecutive twelve-month period in which such schedule was not in effect.

(c) If the Additional Bonds are to be issued for the purpose of refunding all or a portion of any series of Outstanding Bonds, the issuance of such Additional Bonds shall either result in a net present value debt service savings of not less than two percent (2%) of the principal amount of the Bonds to be refunded or the issuance of such Additional Bonds shall satisfy the applicable tests set forth in Section 9.01(a) and Section 9.01(b).

(d) The Municipality covenants and provides in this Bond Resolution that the Additional Bonds Resolution shall provide that the Debt Service Reserve Account shall be additionally fully funded in an amount equal to the Reserve Account Requirement.

(e) The Additional Bonds Resolution must provide that principal shall mature on the Payment Date on which principal is due and interest shall come due on the Payment Date on which interest is due.

(f) All of such Additional Bonds, regardless of the time or times of their issuance shall rank equally with respect to their lien on the Net Revenues of the System and their source of and security for payment therefrom without preference of any Bonds over any other.

(g) The Municipality shall not issue any obligations whatsoever payable from the Net Revenues of the System which rank equally as to lien and source and security for their payment from such Net Revenues with the Bonds, except in the manner and under the conditions provided in this Section. The Municipality may issue bonds junior and subordinate to the Bonds at any time, provided that the issuance of such bonds does not violate any covenants of the Municipality concerning any of its then Outstanding Bonds.

SECTION 9.02. DEFEASANCE OF BONDS. If the Municipality shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds the principal of, premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Resolution, then the pledge of any Net Revenues, and other funds and securities pledged under this Bond Resolution and all covenants, agreements, and other obligations of the Municipality to the Bondholders, shall thereupon cease, terminate, and become void and be discharged and satisfied.

The Bonds or interest installments for the payment or redemption of which funds shall have been set aside and shall be held in trust by the Paying Agent (through deposit by the Municipality of funds for such payment or redemption or otherwise) shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this Section. All Outstanding Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this Section if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Municipality shall have adopted a resolution or order directing the call and redemption of such Bonds on said date, (b) there shall have been deposited with the Paying Agent either funds in an amount which shall be sufficient, or funds which shall be invested in direct obligations of the United States of America or obligations the principal of and interest on which is guaranteed by the United States of America and which are not redeemable prior to their maturity by the issuer or any other person other than the holder thereof, the principal of and the interest on which obligations when due will provide funds which, together with the funds, if any, deposited with the Paying Agent at the same time, shall be sufficient, without reinvestment, to pay when due the principal or redemption price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Municipality shall have adopted a resolution or order directing the call and redemption of such Bonds and notice to the Holders of such Bonds has been given that the deposit required by (b) above has been made with the Paying Agent and that said Bonds are deemed to have been paid in accordance with this Section and stating such maturing or redemption date upon which funds are to be available for the payment of the principal or redemption price, if applicable, on said Bonds on such date. Neither investments nor funds deposited with the Paying Agent pursuant to this Section nor principal or interest payments on any such investments shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or interest payments on the Bonds; provided, that if the interest on such investments deposited with the Paying Agent, if not then needed for such purpose, may to the extent practicable and legally permissible, be reinvested in investments of the type allowed in Section 5.04 of this Bond Resolution maturing at times and in amounts sufficient to pay when due the principal or redemption price, if applicable, on the interest date or maturity date thereof, as the case may be, and interest earned from such reinvestments may be paid over to the Municipality, as received by the Paying Agent, free and clear of any trust, lien or pledge.

Amounts paid by the Bond Insurer, if any, to the Holders of the Bonds shall not constitute the payment of the Bonds pursuant to this Section, and the Bonds shall continue to be Outstanding and the amounts due thereon shall continue to be due and owing hereunder until paid in accordance with this Bond Resolution.

ARTICLE X
NOTICE OF BOND SALE

SECTION 10.01. NOTICE OF BOND SALE. As required by Section 31-19-25, Mississippi Code of 1972, as amended, the City Clerk is hereby authorized and directed to give the Notice by publishing an advertisement at least two (2) times in *The Starkville Daily News*, a newspaper published in and of general circulation in the Municipality, the first publication thereof to be made at least ten (10) days preceding the date fixed herein for the receipt of bids. The Notice shall be in substantially the following form:

NOTICE OF BOND SALE

$8,500,000
ELECTRIC SYSTEM REVENUE BONDS, SERIES 2020
OF THE
CITY OF STARKVILLE, MISSISSIPPI

NOTICE IS HEREBY GIVEN that the Mayor and Board of Aldermen of the City of Starkville, Mississippi (the "Governing Body" of the "Municipality") will receive sealed bids at the City Hall located at 110 West Main Street, Starkville, Mississippi, until the hour of 3:00 p.m. on Tuesday, February 18, 2020, at which time said bids will be publicly opened and read for the purchase in its entirety, at not less than par and accrued interest to the date of delivery thereof, of an issue of Eight Million Five Hundred Thousand Dollars ($8,500,000) Electric System Revenue Bonds, Series 2020, of the Municipality (the "Bonds"). The City Clerk of the Municipality will act on behalf of the Governing Body to receive such bids at the aforesaid date, time, and place.

Award of the bid will be made at the regular meeting of the Governing Body on Tuesday, February 18, 2020, at 5:30 p.m.

THE BONDS: The Bonds will be dated and bear interest from March 1, 2020; will be delivered in definitive form as registered bonds; will be in the denomination of Five Thousand Dollars ($5,000) each, or integral multiples thereof up to the amount of a single maturity; will be numbered from one upward in the order of issuance; will be payable as to principal at a bank or trust company to be named by the Governing Body, in the manner hereinafter provided; and will bear interest, payable on March 1, 2021, and semiannually thereafter on March 1 and September 1 of each year at the rate or rates offered by the successful bidder in its bid in accordance with this Notice of Bond Sale.

MATURITIES: The Bonds will mature serially, with option of prior payment, on March 1 in each of the years and amounts as follows:

YEAR	AMOUNT
2021	$455,000
2022	$470,000
2023	$485,000
2024	$500,000
2025	$515,000
2026	$530,000
2027	$545,000
2028	$565,000
2029	$580,000
2030	$595,000
2031	$615,000
2032	$635,000
2033	$650,000
2034	$670,000
2035	$690,000

REDEMPTION: The Bonds maturing after March 1, 2027, are subject to redemption prior to their stated dates of maturity at the option of the Municipality, on and after March 1, 2026, at par, plus accrued interest to the date of redemption, either in whole or in part, in whole or in part on any date, in inverse order of maturity. Interest shall cease to accrue on any of the Bonds which are duly called for redemption on the date set for redemption if payment thereof on the redemption date has been duly made or provided for. At least thirty (30) days before the redemption date of any Bonds, the City Clerk shall cause a notice of any such redemption, either in whole or in part, signed by the City Clerk, (1) to be filed with the Paying Agent (as hereinafter defined) and (2) to be mailed, postage prepaid, to all Registered Owners of the Bonds at their addresses as they appear on the registration books of the Paying Agent, but failure so to file or mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid, the place or places at which payment shall be made and, if less than all of the Bonds of any one maturity shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed.

AUTHORITY AND SECURITY: The Bonds will be issued pursuant to the authority of Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended (the "Act"), and the resolution of the Municipality adopted January 21, 2020, authorizing and directing the issuance of the Bonds (the "Bond Resolution"). The principal of, premium, if any, and interest on the Bonds will be payable solely from (i) a sufficiency of the revenues derived from the operation of the Electric System (the "System") of the Municipality, subject to the prior payment of the reasonable and necessary expenses of operating and maintaining the System and the payment of the Non-Parity Bonds (as defined in the Bond Resolution), and (ii) the Current Debt Service Account, the Debt Service Reserve Account (if any), or the Reserve Fund Surety Bond, all provided for in the Bond Resolution.

PURPOSE: The Bonds are being issued to provide funds for improvements, repairs, and extensions to the System.

FORM OF BIDS: Bids should be addressed to the Governing Body and should be plainly marked "Bid for $8,500,000 Electric System Revenue Bonds, Series 2020, of the City of Starkville, Mississippi," and should be filed with the City Clerk of the Municipality on or prior to 3:00 p.m. on Tuesday, February 18, 2020. All bids should be submitted via the Official Bid Form prepared by the Municipality, copies of which may be obtained from the Municipality.

INTEREST RATE AND BID RESTRICTIONS: The Bonds shall not bear a greater overall maximum interest rate to maturity than thirteen percent (13%) per annum, nor shall the interest rate for any one maturity exceed thirteen percent (13%) per annum. No Bond shall bear more than one (1) rate of interest; each Bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bid; all Bonds of the same maturity shall bear the same rate of interest from date to maturity; and the lowest interest rate specified shall not be less than seventy percent (70%) of the highest interest rate specified. Each interest rate specified in any bid must be a multiple of one-eighth of one percent ($1/8^{th}$ of 1%) or one-tenth of one percent ($1/10^{th}$ of 1%), and a zero rate of interest cannot be named.

GOOD FAITH DEPOSIT: Each bid must be accompanied by a cashier's check, certified check, or exchange, issued or certified by a bank located in the State of Mississippi, payable to the Governing Body of the Municipality, in the amount of One Hundred Seventy Thousand Dollars ($170,000), as a guaranty that the bidder will carry out its contract and purchase the Bonds if its bid be accepted. All checks of unsuccessful bidders will be returned immediately on award of the Bonds. If the successful bidder fails to purchase the Bonds pursuant to its bid and contract, then the amount of such good faith check shall be retained by the Municipality as liquidated damages for such failure. No interest will be allowed on the amount of the good faith deposit.

AWARD OF BONDS: The award, if any, will be made to the bidder complying with the terms of sale and offering to purchase the Bonds at the lowest net interest cost to the Municipality, which shall be determined by computing the aggregate interest on the Bonds over the life of the issue at the rate or rates of interest specified by the bidder, less premium offered, if any. It is requested that each bid be accompanied by a statement of the net interest cost (computed to six decimal places), but such statement will not be considered a part of the bid. All bids shall remain firm until an award of the Bonds, or rejection of bids, will be made by the Governing Body at the regular meeting of the Governing Body on 5:30 p.m. on Tuesday, February 18, 2020.

RIGHT OF REJECTION, CANCELLATION: The Governing Body reserves the right to reject any or all bids submitted, as well as to waive any irregularity or informality in any bid. The successful bidder shall have the right, at its option, to cancel its agreement to purchase the Bonds if the Bonds are not tendered for delivery within sixty (60) days from the date of sale thereof, and in such event the Governing Body shall return to said bidder its good faith deposit. The Governing Body shall have the right, at its option, to cancel its agreement to sell the Bonds if within five (5) days after the tender of the Bonds for delivery the successful bidder shall not have accepted delivery of and paid for the Bonds, and in such event the Governing Body shall retain the successful bidder's good faith deposit as liquidated damages as hereinabove provided.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The successful bidder may designate a bank or trust company located within the State of Mississippi to serve as paying agent (the "Paying Agent") for the Bonds within forty-eight (48) hours of the date of the sale of the Bonds, subject to the approval of the Board. The Board's approval of the Paying Agent shall be contingent on a determination as to the willingness and ability of the Paying Agent to perform the duties of registrar and transfer agent and on the satisfactory negotiation of service fees. The Paying Agent shall be subject to change by order of the Governing Body under the conditions and in the manner provided in the Bond Resolution under which the Bonds are issued. Both principal of and interest on the Bonds will be payable by check or draft mailed to Registered Owners of the Bonds as of the fifteenth (15^{th}) day of the month preceding the maturity date for such principal or interest payment at the addresses appearing in the registration records of the Municipality maintained by the Paying Agent. The Bonds will be transferable only upon the books of the Paying Agent, and payment of principal at maturity shall be conditioned on the proper presentation and surrender of the Bonds to the Paying Agent.

DELIVERY: The successful bidder must designate within twenty (20) days of the date of sale, or at such other later date as may be designated by the Governing Body, the names and addresses of the Registered Owners of the Bonds and the denominations in which the Bonds of each maturity are to be issued. If the successful bidder fails to submit such information within the required time, one Bond may be issued for each maturity in the full amount maturing on that date registered in the name of the successful bidder. The Bonds will be delivered at a place to be designated by the purchaser and without cost to the purchaser, and payment therefor shall be made in immediately available funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Bonds unless specifically declined by the purchaser, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid by the Municipality; the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the purchaser.

LEGAL OPINION; CLOSING DOCUMENTS: The Bonds are offered subject to the unqualified approval of the legality thereof by Jones Walker LLP, Jackson, Mississippi, as Bond Counsel. In the opinion of Bond Counsel, interest on the Bonds is excluded from gross income for purposes of federal and Mississippi income taxes under existing laws, regulations, rulings, and judicial decisions, with such exceptions as shall be described in the Official Statement for the Bonds. A copy of the opinion of Bond Counsel, together with the usual closing papers, including a no-litigation certificate dated the date of delivery of the Bonds, evidencing that no litigation is pending in any way affecting the legality of the Bonds or the revenues pledged for the payment of the principal thereof and interest thereon, and a transcript of the proceedings relating to the Bonds, will be delivered to the successful bidder without charge. The Municipality will pay for all legal fees and will pay for the printing and validation of the Bonds.

BONDS <u>NOT</u> QUALIFIED TAX-EXEMPT OBLIGATIONS: The Municipality has <u>not</u> designated the Bonds as qualified tax-exempt obligations within the meaning and for purposes of Section 265(b)(3) of the Code.

INFORMATION FROM PURCHASER: The purchaser must certify to the Municipality the initial offering price to the public (excluding bond houses, brokers, and other intermediaries) of each maturity of the Bonds at which a substantial amount of Bonds of that maturity were sold, to enable the Municipality to compute the yield on the Bonds for federal arbitrage law purposes.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the Municipality will undertake, pursuant to the Bond Resolution and a Continuing Disclosure Agreement, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. Failure of the Municipality to deliver the Continuing Disclosure Agreement at the time of issuance and delivery of the Bonds shall relieve the successful bidder from its obligation to purchase the Bonds.

MUNICIPAL BOND INSURANCE: Pursuant to the Bond Resolution, the Governing Body has authorized prospective bidders to obtain municipal bond insurance to guarantee the payments of the principal of and interest on the Bonds.

REOFFERING CERTIFICATE: The winning bidder must provide Bond Counsel with the reoffering prices and yields for the Bonds it will purchase on the day Bonds are issued upon the conclusion of the bidding. See above under "AWARD OF BONDS." The reoffering prices and yields so provided will be printed on the inside cover of the final official statement relating to the Bonds (the "final Official Statement").

The winning bidder shall assist the Municipality in establishing the issue price of the Bonds and shall execute and deliver to the Municipality at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, in a form reasonably required by the Municipality's Municipal Advisor and Bond Counsel.

The Municipality intends that the provisions of Treasury Regulation Section 1 .148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because: (1) the Municipality shall disseminate this Notice of Sale to potential purchasers in a manner that is reasonably designed to reach potential purchasers; (2) all bidders shall have an equal opportunity to bid; (3) the Municipality may receive bids from at least three purchasers of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and (4) the Municipality anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

In the event that the competitive sale requirements are not satisfied, the Municipality shall so advise the winning bidder. The Municipality shall treat the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the Municipality if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Municipality will not require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the Municipality the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

By submitting a bid, each bidder confirms that: (i) any agreement among purchasers, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each purchaser, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among purchasers relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each purchaser that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such purchaser that either the 10% test has been satisfied as to the Bonds of that maturity or all

Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder or such purchaser and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an purchaser shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale: (i) "public" means any person other than an purchaser or a related party; (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Municipality (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public); (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and (iv) "sale date" means the date that the Bonds are awarded by the Municipality to the winning bidder.

Failure to provide the reoffering prices and yields, or such certificate in a form satisfactory to Bond Counsel, may result in cancellation of the sale and/or forfeiture of the winning bidder's good faith deposit.

FURTHER INFORMATION: The Municipality has prepared a Preliminary Official Statement which it deems, for purposes of S.E.C. Rule 15c2-12, to be final and complete as of its date, except for the omission of the offering prices, interest rates, and any other terms of the Bonds depending on such matters, subject to revision, amendment, and completion in a final Official Statement. By submission of its bid, the successful bidder will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. Upon the award of the Bonds, the Municipality will publish an Official Statement in substantially the same form as the Preliminary Official Statement subject to minor additions, deletions, and revisions as required to complete the Preliminary Official Statement. The Municipality will furnish sufficient copies of the Official Statement to the successful bidder of the Bonds without charge within seven (7) business days after the award of the bid. By submission of its bid, the successful bidder will be deemed to have agreed to supply to the Municipality all necessary pricing information and any purchaser or purchaser identification determined by the Municipality to be necessary for the Official Statement within twenty-four (24) hours after the award of the Bonds. A copy of the Preliminary Official Statement may be obtained from the Municipality.

By order of the Mayor and Board of Aldermen of the City of Starkville, Mississippi, on January 21, 2020.

~~/s/ Lesa Hardin~~
Lesa Hardin, City Clerk

Publication Information:
The Starkville Daily News
February 4, 2020, and February 11, 2020

ARTICLE XI
BOND INSURANCE; BOND RATING; AMENDMENTS; MISCELLANEOUS

SECTION 11.01. RESOLUTION CONSTITUTES CONTRACT. In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Bond Resolution shall be deemed to be and shall constitute a contract between the Municipality and such Bondholders, and the covenants and agreements herein set forth to be performed by the Municipality shall be for the equal benefit, protection, and security of the legal holders of any and all of the Bonds, all of which shall be of equal rank and without preference, priority, or distinction of any of the Bonds over any other thereof except as expressly provided therein and herein.

SECTION 11.02. BOND INSURANCE AND BOND RATINGS AND RESERVE FUND SURETY BOND AUTHORIZED.

(a) The Mayor is hereby authorized to execute a commitment for a Bond Insurance Policy and to do such other things and take such other actions as may be necessary to obtain such Bond Insurance Policy for the Bonds if the Mayor determines that obtaining such Bond Insurance Policy is in the best interests of the Municipality or that the Municipality may realize a savings in connection with the issuance of the Bonds.

(b) The provisions of the Bond Insurance Policy (if any) and the commitment pertaining thereto, together with any attachments and documents referenced therein, as long as the Bond Insurance Policy remains outstanding and the Bond Insurer has not failed to comply with its payment obligations thereunder and notwithstanding anything contained in this Bond Resolution to the contrary, shall govern and are made a part of this Bond Resolution as though set forth in full herein. In addition to all notices and reporting requirements specifically set forth herein, the Bond Insurer shall be provided with such additional information as the Bond Insurer may reasonably request from time to time.

(c) The Bonds are issued subject to certain requirements and covenants set forth in this Bond Resolution, including without limitation those requirements and covenants pertaining to the Bond Insurance Policy, if any, for the Bonds.

(d) The Mayor is hereby authorized to obtain a bond rating with regard to the sale of the Bonds, and to execute such documents and to do such other things and take such other actions as may be necessary with regard thereto, if the Mayor determines that obtaining such rating or ratings is in the best interests of the Municipality or that the Municipality may realize a savings in connection with the issuance of the Bonds.

(e) The Mayor is hereby authorized to execute a commitment for a Reserve Fund Surety Bond and to do such other things and take such other actions as may be necessary to obtain such Reserve Fund Surety Bond for the Bonds if the Mayor determines that obtaining such Reserve Fund Surety Bond is in the best interests of the Municipality.

SECTION 11.03. MODIFICATION OR AMENDMENT. (a) No material modification or amendment of this Bond Resolution or of any resolution amendatory hereof or supplemental hereto, may be made without the consent in writing of the Holders of two-thirds (2/3^{rds}) or more in principal amount of the Bonds then Outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of the Bonds or a reduction in the rate of interest thereon, or affect the unconditional promise of the Municipality to fix, maintain, and collect rates, fees, rents, and other charges for the System or to pay the interest and principal on the Bonds, as the same mature and become due, from the Net Revenues of the System, or reduce such percentage of Holders of the Bonds required above for such modification or amendment without the consent of the Holders of all of the Bonds.

(b) The foregoing shall not be construed to prohibit supplemental amendments of this Bond Resolution without the consent of Bondholders for the following purposes:

(1) to add to the covenants and agreements of the Municipality herein contained other covenants and agreements thereafter to be observed and performed by the Municipality, provided that such other covenants and agreements shall not either expressly or implicitly limit or restrict any of the obligations of the Municipality contained in this Bond Resolution;

(2) to cure any ambiguity or to cure, correct, or supplement any defect or inconsistent provision contained in this Bond Resolution or in any supplemental resolution or to make any provisions with respect to matters arising under this Bond Resolution or any supplemental resolution for any other purpose if such provisions are necessary or desirable and are not inconsistent with the provisions of this Bond Resolution or any supplemental resolution and do not adversely affect the interests of the Holders of the Bonds;

(3) to subject to the lien of the Bonds and the pledge herein contained additional Revenues or receipts;

(4) to provide for the use of a Reserve Fund Surety Bond in the Debt Service Reserve Account; or

(5) to provide for the issuance of Additional Bonds.

(c) Notwithstanding any provision herein to the contrary, this Bond Resolution may be amended by resolution of the Municipality prior to the delivery of any of the Bonds with the consent of the Purchaser and the Bond Insurer, if any.

SECTION 11.04. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements, or provisions of this Bond Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements, or provisions, and shall in no way affect the validity of any of the other provisions of this Bond Resolution or of the Bonds issued hereunder.

SECTION 11.05. PAYMENTS DUE ON DAYS OTHER THAN BUSINESS DAYS. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds, or the date on which any funds are required to be deposited into a fund pursuant hereto, shall be a day other than a Business Day, then paying of interest or principal, and premium, if any, or deposit into the funds pursuant hereto, need not be made on such date but shall be made on the next succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption, or the date fixed for deposit into a fund, and no interest shall accrue for the period after such date.

SECTION 11.06. OFFICIAL STATEMENT; CONTINUING DISCLOSURE. (a) The Governing Body hereby approves the Preliminary Official Statement pertaining to the sale of the Bonds, and the distribution of said Preliminary Official Statement is hereby authorized in substantially the form attached hereto as **Attachment A**.

(b) The Governing Body hereby approves and adopts the Official Statement pertaining to the sale of the Bonds in substantially the form of the Preliminary Official Statement with such completions, changes, insertions, and modifications as shall be approved by the officers of the Municipality executing and delivering the same, the execution thereof by such officers to be conclusive evidence of such approval.

(c) The Governing Body hereby approves the execution by the Mayor and the City Clerk of the Official Statement for and on behalf of this Governing Body, and the distribution of such Official Statement pertaining to the sale of the Bonds is hereby approved.

(d) The Governing Body hereby approves and adopts the Continuing Disclosure Agreement attached to the Preliminary Official Statement, and approves and authorizes the execution of said Continuing Disclosure Agreement by the City Clerk of the Municipality for and on behalf of the Municipality, in substantially the form attached to the Preliminary Official Statement, with such completions, changes, insertions, and modifications as shall be approved by the officer of the Municipality executing and delivering the same, the execution thereof to be conclusive evidence of such approval.

SECTION 11.07. REOFFER OF BONDS. It is specifically provided, notwithstanding the dates set out in this Bond Resolution for the date of the Bonds and the payment dates for principal and interest, that in the event the delivery of the Bonds is delayed by a contest of the validation of the Bonds or otherwise, and the initial Purchaser shall decline to take delivery of the Bonds, then the Bonds may be reoffered for sale. In such event, all principal maturities may be adjusted so that such maturities will fall due in the same amounts and intervals as herein provided, but beginning on the next first day of May that is more than twelve (12) months from the actual date of the Bonds as provided by the subsequent resolution directing the sale thereof, and continuing through the fifteenth (15^{th}) anniversary date from such first principal payment. The interest payments may also be adjusted accordingly, with interest payments due semiannually, commencing on the next March 1 or September 1 following such actual date of the Bonds. After the validation of the Bonds, no amendment, revision, or supplement contemplated by this Section shall be cause for the re-submission of the proceedings for the issuance of the Bonds, as amended, revised, or supplemented, to any further validation proceedings, it being the intent of this Bond Resolution that any such amendments, revisions, or supplements be covered by the initial validation proceeding.

SECTION 11.08. ALLOCATION OF FUNDS. Whenever any amounts are required by this Bond Resolution to be on deposit in a specified account or fund, it shall be sufficient if there is a clear allocation of such amounts in the records of the Municipality, notwithstanding that such amounts are combined with other funds of the Municipality in a combined deposit or investment.

SECTION 11.09. BOND RESOLUTION FOR BENEFIT OF MUNICIPALITY, PAYING AGENT, AND REGISTERED OWNERS. Nothing in this Bond Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Municipality, the Paying Agent, and the Registered Owners of the Bonds, any right, remedy or claim under or by reason of this Bond Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Bond Resolution contained by and on behalf of the Municipality shall be for the sole and exclusive benefit of the Municipality, the Paying Agent, and the Registered Owners of the Bonds.

SECTION 11.01. POST ISSUANCE COMPLIANCE PROCEDURES. The Municipality hereby approved and adopts the Post Issuance Compliance Procedures are hereby authorized in substantially the form attached hereto as **Attachment B.**

ARTICLE XII
FURTHER ACTION; REPEALING CLAUSE AND EFFECTIVE DATE

SECTION 12.01. FURTHER ACTION. At some appropriate time hereafter, this Governing Body shall take such further action as may be necessary to provide for the preparation, execution, issuance and delivery of the Bonds.

SECTION 12.02. REPEALING CLAUSE AND EFFECTIVE DATE. All ordinances, resolutions, or orders of the Governing Body in conflict with the provisions of this Bond Resolution shall be, and the same are hereby repealed, rescinded, and set aside, but only to the extent of such conflict. For cause, this Bond Resolution shall become effective immediately upon the adoption thereof.

Alderman Vaughn offered and Alderman Beatty seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

Alderman Hamp Beatty	voted: aye
Alderman Ben Carver	voted: aye
Alderwoman Sandra C. Sistrunk	voted: aye
Alderman David Little	voted: aye
Alderman Jason Walker	voted: aye
Alderman Roy A. Perkins	voted: aye
Alderman Henry N. Vaughn, Sr.	voted: aye

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried, and the resolution adopted on this day, January 21, 2020.

City of Starkville, Mississippi

Lynn Spruill, Mayor

ATTEST:

Lesa Hardin, City Clerk

CITY OF STARKVILLE STATE OF MISSISSIPPI

(seal)

{JX405632.3}

This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1). This Preliminary Official Statement and the information contained herein are subject to completion or amendment. 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.

PRELIMINARY OFFICIAL STATEMENT DATED __________, 20__

BOOK-ENTRY

Insured Rating: __________ (_____)
(See “Bond Insurance” and “Bond Rating” herein)

In the opinion of Bond Counsel, assuming the accuracy of certain representations herein and continuing compliance with all covenants set forth in the Bond Resolution, and subject to the conditions set forth herein, under existing statutes, regulations, rulings, and decisions, as presently interpreted and construed, interest on the Bonds earned by the respective owners thereof is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code, except as described in "TAX EXEMPTION" herein. Bond Counsel is of the opinion that under existing law, interest on the Bonds earned by the respective owners thereof is exempt from State of Mississippi income taxes.

$8,500,000
ELECTRIC SYSTEM REVENUE BONDS, SERIES 2020
CITY OF STARKVILLE, MISSISSIPPI

DATED: March 1, 2020 **DUE: March 1, as shown below**

Interest on the Bonds is payable on March 1, 2021, and semiannually thereafter on March 1 and September 1 of each year. Payments of interest on the Bonds will be made to the Record Date Registered Owner, and payments of principal and premium, if any, will be made upon presentation and surrender of the Bonds at the principal office of the Paying Agent to the Record Date Registered Owner. The Bonds will be issued as fully registered bonds in the denomination of $5,000 each, or any integral multiple thereof up to the amount of a single maturity. The Bonds will be subject to redemption as set forth herein.

The Bonds will be issued under and in conformity with the Constitution and Laws of the State of Mississippi and pursuant to the Bond Resolution adopted by the Mayor and Board of Aldermen of the Municipality on January 21, 2020. The principal of, premium, if any, and interest on the Bonds will be payable solely from a sufficient amount of the Net Revenues of the System and from the Current Debt Service Account and the Debt Service Reserve Account, all as provided in the Bond Resolution. The Bonds shall not be or constitute an indebtedness of the Municipality within the meaning of any constitutional, statutory or charter limitation of indebtedness.

Year of Maturity	Principal Amount	Interest Rate	Yield	Year of Maturity	Principal Amount	Interest Rate	Yield
2021	$455,000			2029	$580,000		
2022	$470,000			2030	$595,000		
2023	$485,000			2031	$615,000		
2024	$500,000			2032	$635,000		
2025	$515,000			2033	$650,000		
2026	$530,000			2034	$670,000		
2027	$545,000			2035	$690,000		
2028	$565,000						

The Bonds are being offered for sale in accordance with the official Notice of Bond Sale dated January 21, 2020. Sealed bids for the Bonds will be received at 3:00 o'clock p.m. on February 18, 2020, by the Mayor and Board of Aldermen of the City of Starkville, Mississippi, in the City Hall located at 110 West Main Street in the City of Starkville, Mississippi.

The Bonds are not being offered as qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Code.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal insurance policy to be issued concurrently with the delivery of the Bonds by **__________.**

[Bond Insurer logo]

The Bonds are offered subject to the final approval of the legality thereof by Jones Walker LLP, Jackson, Mississippi, Bond Counsel. It is expected that the Bonds will be available for delivery in book type and entry-only form delivered to DTC, New York, New York, on or about March 10, 2020.

No dealer, broker, salesman, or other person has been authorized to make any representations with respect to the Bonds other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon. This Official Statement, which includes the cover page and Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates, and expressions of opinion contained herein are subject to change without notice, and while all information has been secured from sources which are believed to be reliable, all parties preparing and distributing this Official Statement make no guaranty or warranty relating thereto. All opinions, estimates, or assumptions, whether or not expressly identified, are intended as such and not as representations of fact. 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 Municipality or the System since the date hereof.

__________ ("_____") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, _____ 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 _____, supplied by _____ and presented under the heading "Bond Insurance" and Appendix F – Specimen Municipal Bond Insurance Policy.

TABLE OF CONTENTS

Page

INTRODUCTION 1
Defined Terms 1
THE BONDS 7
Terms of the Bonds 7
Purpose 8
Redemption of the Bonds 8
Security for the Bonds 8
Limitation of the Obligation of the Municipality 8
CONTINUING DISCLOSURE 9
THE ELECTRIC SYSTEM OF THE MUNICIPALITY 10
General. .... **Error! Bookmark not defined.**
Electric Enterprise Fund. .... **Error! Bookmark not defined.**
Management of the System. .... **Error! Bookmark not defined.**
Establishment of Rates. .... **Error! Bookmark not defined.**
Rate Structure .... **Error! Bookmark not defined.**
Revenues Available for Debt Service. .... **Error! Bookmark not defined.**
Litigation and Claims Affecting the System and the Municipality. 10
Sovereign Immunity 10
RISK FACTORS 11
SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION 11
Application of the Series 2020 Bond Proceeds 11
Rate Covenant. 12
Electric System Revenue Fund 12
Disposition of Revenues; Establishment of Funds 12
Investment of Funds on Deposit in the Funds 16
Electric System Improvement Fund 16
Operation and Maintenance 16
Sale of the System 17
Issuance of Other Obligations Payable Out of Revenues 17
Insurance for the System 17
Books and Records 18
Operating Budget 19
Consulting Engineers 19
Default and Remedies 19
Additional Bonds 20
Defeasance of Bonds 21
Modification or Amendment 22
TAX EXEMPTION 23
Exclusion from Gross Income Pursuant to Section 103 of the Internal Revenue Code 23
VALIDATION 25
APPROVAL OF LEGAL PROCEEDINGS 25
LITIGATION 25

OFFICIAL STATEMENT CERTIFICATE 25
REGISTRATION, SALE, AND DISTRIBUTION 26
THE MUNICIPAL ADVISOR 26
AUDITORS 26
BOND INSURANCE 26
BOND RATING 26
MISCELLANEOUS 27

APPENDIX A – GENERAL INFORMATION REGARDING THE MUNICIPALITY AND ITS ECONOMY
APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE MUNICIPALITY FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018; BUDGET FOR THE MUNICIPALITY FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019; BUDGET FOR THE MUNICIPALITY FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020; AUDITED FINANCIAL STATEMENTS OF THE ELECTRIC SYSTEM FOR THE FISCAL YEAR ENDED JUNE 30, 2018; BUDGET FOR THE ELECTRIC SYSTEM FOR THE FISCAL YEAR ENDING JUNE 30, 2019; BUDGET FOR THE ELECTRIC SYSTEM FOR THE FISCAL YEAR ENDING JUNE 30, 2020
APPENDIX C – FORM OF BOND COUNSEL OPINION
APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENT OF THE CITY OF STARKVILLE, MISSISSIPPI
APPENDIX E – NOTICE OF BOND SALE
APPENDIX F – SPECIMEN MUNICIPAL BOND INSURANCE POLICY

CITY OF STARKVILLE, MISSISSIPPI

LYNN SPRUILL
Mayor

Board of Aldermen

HAMP BEATTY	BEN CARVER
DAVID LITTLE	ROY A'. PERKINS
SANDRA C. SISTRUNK	HENRY N. VAUGHN, JR.
JASON WALKER	

LESA HARDIN
City Clerk

CHRISTOPHER J. LATIMER
Mitchell, McNutt & Sams, P.A.
Oxford, Mississippi
Attorney for the Municipality

WATKINS, WARD AND STAFFORD, PLLC
Starkville, Mississippi
Certified Public Accountants for the Municipality and the System

GOVERNMENT CONSULTANTS, INC.
Madison, Mississippi
Municipal Advisor

JONES WALKER LLP
Jackson, Mississippi
Bond Counsel

OFFICIAL STATEMENT

$8,500,000
ELECTRIC SYSTEM REVENUE BONDS, SERIES 2020
CITY OF STARKVILLE, MISSISSIPPI

INTRODUCTION

The purpose of this Official Statement is to set forth certain information in connection with the issuance of the Electric System Revenue Bonds, Series 2020, dated March 1, 2020, and issued March 10, 2020, in the aggregate principal amount of Eight Million Five Hundred Thousand Dollars ($8,500,000) (the "Bonds"), of the City of Starkville, Mississippi (the "Municipality"). In addition to any terms elsewhere defined herein, capitalized terms used in this Official Statement have the meanings set forth under the subheading "Defined Terms" herein below.

The Bonds will be issued pursuant to the provisions of Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended (the "Act"), and the resolution directing the issuance of the Bonds adopted by the Mayor and Board of Aldermen of the Municipality (the "Governing Body") on January 21, 2020 (the "Bond Resolution").

In order to issue the Bonds, the Governing Body adopted a resolution on September 18, 2018, declaring its intention to issue electric system revenue bonds in the maximum principal amount of Eight Million Five Hundred Thousand Dollars ($8,500,000) to raise money for the purpose of improving, repairing, and extending (the "Authorized Purpose") the electric system of the Municipality (the "System") and gave notice of such intention by publication of said resolution three times in a newspaper having a general circulation in the Municipality. If twenty percent (20%) of the qualified electors of the Municipality had filed a written protest against the issuance of such bonds on or before the date specified in said resolution, an election on the question of the issuance of such bonds would have been held. November 6, 2018, was set by the Governing Body as the date on or before which written protest was required to have been filed. No written protest was received on or before said date. The Municipality is now authorized and empowered by the Act to issue the Bonds to provide funds for the Authorized Purpose without the necessity of calling and holding an election on the question of the issuance thereof.

Reference is made to the Act, the Bond Resolution, and any and all modifications and amendments thereof for a description of the nature and extent of the security for the Bonds, the pledge of revenues for the payment of the principal of and interest on the Bonds and any Additional Bonds, the nature and extent of said pledge and the terms and conditions under which the Bonds are issued.

Defined Terms. In addition to any words and terms elsewhere defined herein or in the Bond Resolution, the following words and terms shall have the following meanings unless some other meaning is plainly intended:

"Act" shall mean Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended.

"Additional Bonds" shall mean Bonds issued on a parity of lien with the Bonds pursuant to the requirements of the Bond Resolution.

"Additional Bonds Resolution" shall mean any resolution of the Governing Body authorizing and directing the issuance of Additional Bonds.

"Annual Debt Service Requirement" shall mean for any Fiscal Year, the sum of the following with respect to all Bonds Outstanding: (a) all amounts required to pay principal (at maturity or upon mandatory redemption other than mandatory sinking fund redemption payments), (b) the amount of any mandatory sinking fund requirement (including for the Fiscal Year in which such Bonds shall be redeemed from the sinking fund only such amount as was not required to be funded prior to such Fiscal Year), and (c) interest due on all Bonds Outstanding.

“Authorized Purpose” shall mean improving, repairing, and extending the System.

"Bonds" or “Bond” shall mean the Electric System Revenue Bonds, Series 2020, of the Municipality in the original principal amount of Eight Million Five Hundred Thousand Dollars ($8,500,000), authorized and directed to be issued in the Bond Resolution, and any Additional Bonds hereafter issued under the terms, limitations, and conditions provided in the Bond Resolution.

"Bond and Interest Fund" shall mean the Bond and Interest Fund authorized, established, designated, and provided for in Section 5.03(a)(2) of the Bond Resolution.

"Bond Counsel" shall mean Jones Walker LLP, Jackson, Mississippi, or any other Nationally Recognized Bond Counsel.

"Bond Insurance Policy" shall mean the insurance policy, if any, issued by the Bond Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.

"Bond Insurer" or “_____” shall mean __________, __________, __________, or another such municipal bond insurer, if any, as is approved for such purpose by both the Underwriter and by the Mayor on behalf of the Municipality, or any successor thereto or assignee thereof.

"Bond Resolution" shall mean this resolution authorizing and directing the issuance of the Bonds.

"Bond Year" shall mean the period beginning on the Closing Date and ending on the next occurring principal payment date and each one-year period thereafter during which any Bonds remain Outstanding; provided, however, that the final Bond Year shall end on the date the Bonds are retired.

"Bondholder" or "Holder" shall mean the Registered Owner of any Bond issued pursuant to the Bond Resolution.

"Business Day" shall mean a day of the year on which banks located in the city in which the principal office of the Paying Agent is located are not required or authorized to remain closed.

"City Clerk" shall mean the City Clerk of the Municipality.

"Closing Date" with respect to the Bonds shall mean the date of issuance and delivery of the Bonds to the Underwriter.

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

"Consulting Engineer" shall mean Atwell & Gent, P.A., Starkville, Mississippi, a competent engineering firm, engaged by the Municipality to study the System in order to determine the nature and extent of the Project and to make estimates of the cost thereof, , or any competent engineering firm subsequently engaged by the Municipality to provide prescribed services to the Municipality for the System.

"Contingent Fund" shall mean the Electric System Contingent Fund authorized, established, designated, and provided for in Section 5.03(a)(4) of the Bond Resolution.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement to be executed by the Municipality and dated the closing date, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“County” shall mean Oktibbeha County, Mississippi.

"Current Debt Service Account" shall mean the Current Debt Service Account authorized, established, designated, and provided for in Section 5.03(a)(2)(A) of the Bond Resolution.

"Current Expenses" shall mean the reasonable and necessary current expenses of maintenance, repair, and operation of the System, and shall include, without limiting the generality of the foregoing, expenses not annually recurring, premiums for insurance, administrative, and engineering expenses relating to maintenance, repair, and operation, fees and expenses of the Paying Agent, legal and financial advisory expenses, taxes lawfully imposed on the System, reasonable payments to pension or retirement funds for employees of the System, and any other expenses of the System required or permitted to be paid by the Municipality under the provisions of the Bond Resolution, or by law, but shall not include any allowance for depreciation or deposits or transfers to the credit of the Bond and Interest Fund, the Depreciation Fund, or the Contingent Fund.

"Debt Service Reserve Account" shall mean the Debt Service Reserve Account authorized, established, designated, and provided for in Section 5.03(a)(2)(B) of the Bond Resolution.

"Defaulted Interest" shall mean interest on any Bond which is not paid on the date due.

"Defaulted Principal" shall mean principal of any Bond which is not paid on the date due.

"Depreciation Fund" shall mean the Electric System Depreciation Fund authorized, established, designated, and provided for in Section 5.03(a)(3) of the Bond Resolution.

"DTC" shall mean The Depository Trust Company, New York, New York.

"Event of Default" shall mean an event of default as described in Section 8.01 of the Bond Resolution.

"Fiscal Year" with respect to the Municipality shall mean the period commencing on the first day of October of any year and ending on the last day of September of the following year.

"Governing Body" shall mean the Mayor and Board of Aldermen of the Municipality.

"Improvement Fund" shall mean the Electric System Improvement Fund authorized, established, designated, and provided for in Section 6.01 of the Bond Resolution.

"Maximum Annual Debt Service Requirement" shall mean, at any given time of determination with respect to the Bonds, or any series thereof, an amount equal to the maximum Annual Debt Service Requirement coming due thereon for the then current or any future Fiscal Year.

"Mayor" shall mean the Mayor of the Municipality.

"Municipality" shall mean the City of Starkville, Mississippi.

“Municipal Advisor” shall mean Government Consultants, Inc., Madison, Mississippi.

"Nationally Recognized Bond Counsel" shall mean an attorney or firm of attorneys with a national reputation for rendering opinions in connection with the issuance of municipal obligations and the tax-exempt status under federal law of interest on such obligations.

"Net Revenues" shall mean all Revenues remaining after payment of Current Expenses and debt service on the Non-Parity Bonds.

“Non-Parity Bonds” shall mean the Municipality’s $2,665,000 General Obligation Refunding Bonds, Series 2011, dated and issued March 22, 2011 (the “Series 2011 Bonds”), maturing on April 1, 2021, and the Municipality’s $2,410,000 General Obligation Utility Refunding Bonds, Series 2013, dated and issued May 17, 2013 (the “Series 2013 Bonds”), maturing on November 1, 2020.

"Notice" shall mean the Notice of Bond Sale attached as **APPENDIX E**.

"Operation and Maintenance Fund" shall mean the Electric System Operation and Maintenance Fund authorized, established, designated, and provided for in Section 5.03(a)(1) of the Bond Resolution.

"Outstanding" in connection with the Bonds shall mean, as of the time in question, all Bonds authenticated and delivered under the Bond Resolution or any Additional Bonds Resolution, except:

(1) Bonds theretofore canceled or required to be canceled under any of the aforesaid bond resolutions;

(2) Bonds deemed paid under the aforesaid bond resolutions; and

(3) Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to any of the aforesaid bond resolutions.

In determining whether the Holders of a requisite aggregate principal amount of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent, or waiver under the provisions hereof, unless all Bonds Outstanding are so held, Bonds which are held by or on behalf of the Municipality or any person controlling, controlled by or under common control with the Municipality shall be disregarded for the purpose of any such determination.

"Paying Agent" shall mean any bank, trust company, or other institution herein or hereafter designated by the Governing Body to make payments of the principal of and interest on the Bonds, and to serve as registrar and transfer agent for the registration of owners of the Bonds, and for the performance of other duties as may be herein or hereafter specified by the Governing Body.

"Payment Date" shall mean March 1, 2021, and semiannually thereafter on March 1 and September 1 of each year, and continuing until the last such date on which any of the Bonds is Outstanding, or is paid in full whether at maturity or upon redemption thereof.

"Person" shall mean an individual, partnership, corporation, trust, or unincorporated organization, and a government or agency or political subdivision thereof.

"Principal and Interest Requirements" for any Bond Year shall mean the sums sufficient for the payment of the principal of and interest on the Bonds which will mature and accrue during such period, including the Non-Parity Bonds, excluding any principal or premium payable pursuant to any optional redemption provisions but including, with respect to Bonds which are term Bonds, any principal and interest coming due in such Bond Year pursuant to any mandatory sinking fund redemption payments pertaining to such term Bonds.

“Procedures” shall mean the Post Issuance Compliance Procedures, attached hereto as **Attachment B**.

"Project" shall mean the improvements, repairs, and extensions to the System, to be made in substantial accordance with the plans and specifications, as they may be amended and supplemented, prepared by the Consulting Engineer.

"Record Date" shall mean, as to interest payments, the fifteenth (15th) day of the month preceding the dates set for payment of interest on the Bonds and, as to payments of principal, the fifteenth (15th) day of the month preceding the maturity date thereof.

"Record Date Registered Owner" shall mean the Registered Owner as of the Record Date.

"Redemption Price" shall mean, with respect to a Series 2020 Bond, the principal amount of such Series 2020 Bond, plus the applicable premium, if any, payable upon redemption thereof in the manner contemplated in accordance with its terms and pursuant to the provisions hereof.

"Registered Owner" shall mean the Person whose name shall appear in the registration records of the Municipality as the Registered Owner of a Bond or Bonds.

"Representation Letter" shall mean the Blanket Letter of Representation to DTC pertaining to book-entry obligations of the Municipality.

"Reserve Account Requirement" for an issue of Bonds shall, except as otherwise provided below, be calculated as of the date of initial issuance of such issue of Bonds and shall be the lesser of: (a) ten percent (10%) of the "principal amount" of all Bonds of such issue; (b) the Maximum Annual Debt Service Requirement with respect to such issue, calculated on a Bond Year basis; and (c) one hundred twenty-five percent (125%) of the average annual debt service on such issue, calculated on a Bond Year basis. The amount of the Reserve Account Requirement for an issue of Bonds shall be calculated and/or recalculated as of: the date of initial issuance of such issue of Bonds; any date on which such issue of Bonds shall be retired, paid in full or defeased; and any date on which a portion, but not all, of the Bonds of such issue shall be refunded. If a portion, but not all, of the Bonds of an issue (the "Refunded Issue") shall be refunded, the Reserve Account Requirement shall be computed on the date of initial issuance of the refunding Bonds (the "Refunding Issue") and thereafter as applicable collectively with respect to the Refunded Issue and the Refunding Issue as the lesser of: (a) the greater of (i) ten percent (10%) of the aggregate Outstanding principal of the Refunded Issue plus ten percent (10%) of the principal of the Refunding Issue, and (ii) the Reserve Account Requirement with respect to the Refunded Issue as of its date of initial issuance; (b) the aggregate Maximum Annual Debt Service Requirement, taking into account all Outstanding Bonds of the Refunded Issue and the Refunding Issue, calculated on a Bond Year basis; (c) one hundred twenty-five percent (125%) of the average future annual debt service on all Outstanding Bonds of the Refunded Issue and the Refunding Issue, calculated on a Bond Year basis; and (d) the maximum amount which can be allocated to the Debt Service Reserve Account without causing the Debt Service Reserve Account to be other than a reasonably required reserve or replacement fund under Treasury Regulations as applicable to the Refunded Issue and the Refunding Issue. The Reserve Account Requirement may be funded with a Reserve Fund Surety Bond, cash, or a combination of both. As used in this paragraph, the term "principal amount" shall mean, with respect to any Bond, the stated principal amount of such Bond, unless the issue of Bonds which included such Bond had more than a de minimis amount (as defined in Section 1.148-1(b) of the Treasury Regulations) of original issue discount or premium, in which event principal amount shall mean the issue price (as defined in Section 1.148-1(b) of the Treasury Regulations) of such Bond.

"Reserve Fund Surety Bond" shall mean an insurance policy, letter of credit, or surety bond issued by an insurance company or financial institution acceptable to and approved by the Municipality and the rating agency, if any, and also approved by the Bond Insurer, if any, which shall be issued in an amount equal to all or a portion of the Reserve Account Requirement and may be utilized in whole or in part to satisfy the deposit and funding requirements set forth in the Bond Resolution in lieu of or in substitution for a deposit of cash or securities.

“Responsible Party” shall mean the party specified in each section of the Procedures as being responsible for compliance.

"Revenue Fund" shall mean the Electric System Revenue Fund authorized, established, designated, provided for in Section 5.02 of the Bond Resolution.

"Revenues" shall mean all payments, proceeds, fees, charges, rents, and all other income (including investment income) derived by or for the account of the Municipality from its ownership and operation of the System, excluding all acreage, front-footage, assessment, and similar fees and charges derived by the Municipality in connection with the provision of or payment for capital improvements constituting a part of the System and gifts, grants, bequests, and proceeds of tax levies, all as calculated in accordance with generally accepted accounting principles.

"Special Record Date" shall mean the date fixed by the Paying Agent pursuant to Section 3.02(d) and 3.02(e) of the Bond Resolution for the payment of Defaulted Interest and Defaulted Principal, respectively.

"Subsection 148(f)" shall mean Subsection 148(f) of the Code.

"Subsection 148(f) Regulations" shall mean any regulations promulgated from time to time pursuant to Subsection 148(f).

"System" shall mean the electric system of the Municipality, as the same presently exists and as hereafter improved, repaired, and extended.

"Underwriter" shall mean the successful bidder for the Bonds to be hereafter designated by the Governing Body.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words and terms herein defined shall be equally applicable to the plural as well as the singular form of any of such words and terms.

THE BONDS

Terms of the Bonds. The Bonds shall be in registered form; shall be dated March 1, 2020, and issued March 10, 2020; shall be in the denomination of $5,000 each or integral multiples thereof up to the amount of a single maturity; shall be numbered from one (1) upward in order of issuance; shall bear interest from the date thereof at the rates set forth on the cover page of this Official Statement, payable on March 1, 2021, and semiannually thereafter on March 1 and

September 1 in each year; and shall mature, with option of prior payment, on March 1 in the years and principal amounts as set forth on the cover page of this Official Statement.

Purpose. The Bonds are being issued to provide funds for the Authorized Purpose and the Project and to pay the costs of the authorization, issuance, sale, validation, and delivery of the Bonds.

Redemption of the Bonds. The Bonds maturing after March 1, 2027, are subject to redemption prior to their stated dates of maturity at the option of the Municipality, on and after March 1, 2026, at par, plus accrued interest to the date of redemption, either in whole or in part, in whole or in part on any date, in inverse order of maturity, as follows:

(a) Interest shall cease to accrue on any of the Bonds which are duly called for redemption on the date set for redemption if payment thereof on the redemption date has been duly made or provided for.

(b) At least thirty (30) days before the redemption date of any Bonds, the City Clerk shall cause a notice of any such redemption, either in whole or in part, signed by the City Clerk, (i) to be filed with the Paying Agent and (ii) to be mailed, postage prepaid, to all Registered Owners of the Bonds to be redeemed at their addresses as they appear on the registration books herein provided for on the date of such mailing, but failure so to file or mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the place or places at which payment shall be made, and, if less than all of the Bonds of any one maturity shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed.

(c) Prior to the date fixed for redemption, funds shall be placed with the Paying Agent to pay the Bonds called for redemption and accrued interest thereon to the redemption date and the premium, if any, in trust with irrevocable instructions to apply such funds to such payment on such date. Upon the happening of the above conditions, the Bonds, or portions thereof, thus called for redemption shall cease to bear interest from and after the redemption date, shall no longer be protected by this Bond Resolution and shall not be deemed to be Outstanding under the provisions of this Bond Resolution.

Security for the Bonds. In order to secure the payment of the principal of, premium, if any, and interest on the Bonds, the Municipality hereby irrevocably pledges (i) a sufficiency of the Net Revenues derived from the operation of the System, subject to the prior payment of the reasonable and necessary expenses of operating and maintaining the System and the payment of the Non-Parity Bonds, to pay the principal of, premium, if any, and interest on the Bonds, and to make the payments into the Current Debt Service Account and into the Debt Service Reserve Account, and all other payments provided for in this Bond Resolution as the same become due and payable and (ii) the Debt Service Account and the Debt Service Reserve Account, both of which sources have been pledged on a parity of lien with any Additional Bonds issued in accordance with the provisions of the Bond Resolution. The Bonds shall be secured equally and ratably by such pledge.

Limitation of the Obligation of the Municipality. The Bonds shall not be or constitute an indebtedness of the Municipality within the meaning of any constitutional, statutory, or charter limitation of indebtedness, but shall be payable solely from the sources as provided in the Bond Resolution. No Bondholder shall ever have the right to compel the exercise of ad valorem taxing power of the Municipality or taxation in any form of any property therein to pay the principal of and interest on the Bonds or the making of any reserve or other payments provided for in the Bond Resolution.

CONTINUING DISCLOSURE

The Municipality will execute a Continuing Disclosure Agreement for the benefit of holders of the Bonds wherein the Municipality will agree to provide annually certain financial information and operating data relating to the Municipality (the "Annual Reports"), and to provide notices through the Electronic Municipal Market Access ("EMMA") system established by the Municipal Securities Rulemaking Board (the "MSRB") (or such other system as may be subsequently authorized by the MSRB). The Annual Reports and notices of material events will be filed by the Municipality through the EMMA system (or such other system as may be subsequently authorized by the MSRB). The specific nature of the information to be contained in the Annual Reports or the notices of material events and the other provisions of the Continuing Disclosure Agreement are set forth in **APPENDIX D** hereto. A failure by the Municipality to comply with the Continuing Disclosure Agreement must be reported in accordance with Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission of the United States of America and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The Municipality's intention is to file the information required under the Continuing Disclosure Agreement for the Bonds in a complete and timely manner. The Municipality has hired an independent agent to monitor compliance throughout the term of the Bonds. The Municipality has also signed up for the EMMA tickler system reminders.

The Municipality is obligated to make continuing disclosure filings under certain prior continuing disclosure agreements which require annual operating information and financial statements to be filed annually. These continuing disclosure agreements set forth various deadlines for filing financial statements. As new continuing disclosure agreements are entered into and the obligations under prior continuing disclosure agreements terminate, the Municipality's goal is to make the information required to be filed and the submission deadlines uniform to facilitate compliance.

In the past five years, the Municipality has failed to file Audited Financial Statements, or Unaudited Financial Statements in the event Audited Financial Statements were not available, by the submission dates required by some of the continuing disclosure agreements that were in effect. In two instances, the Municipality also failed to file a "Notice of Failure to File" its audited financial statements. The Annual Reports for the past five fiscal years were timely filed under most continuing disclosure agreements, but the Municipality failed to file the annual reports under all of the applicable CUSIPs. The annual report for the fiscal year ended September 20, 2016, was mislabeled as the annual report for the fiscal year ended September 20, 2015; this error was corrected by the Municipality. There was also a late filing of the Budget Report for several fiscal years.

Each continuing disclosure agreement also obligated the Municipality to file a notice of the occurrence of any event listed in the Rule. Included in the listed events are bond calls and rating changes. During the past five years, the Municipality failed to file notices concerning changes in underlying ratings and the ratings of its bond insurers, including the downgrade of National Public Finance Guarantee Corporation on June 27, 2017.

The Audited Financial Statements of the electric system of the Municipality were filed late to for the Series 2006 Bonds for the fiscal years ended September 30, 2012 and 2013; the unaudited financial statements were not filed with the Annual Report in the absence of the Audited Financial Statements; a "Notice of Failure to File" was not filed for the fiscal years ended September 30, 2012 and 2013, and a failure was not disclosed in the prior Official Statement.

The audited financial statements for the fiscal year ended September 30, 2017, were filed February 19, 2018. The Annual Report for the fiscal year ended September 30, 2018, was filed on March 27, 2019, along with a Notice of Failure to file the audited financial statements for the fiscal year ended September 30, 2018. The audited financial statements for the fiscal year ended September 30, 2018. The audited financial statements for the fiscal year ended September 30, 2019, will be filed as soon as they are available.

THE ELECTRIC SYSTEM OF THE MUNICIPALITY

[Insert Information Here]

Litigation and Claims Affecting the System and the Municipality.

System Litigation. Currently there are no pending or threatened lawsuits, claims, or other proceedings (private, governmental, or otherwise) pertaining to the System which might be expected to affect the availability of Revenues of the System to pay principal of, premium, if any, and interest on the Bonds.

Other Litigation. From time to time, claims are made against the Municipality, some of which result in litigation against the Municipality. None of the pending or threatened claims are expected to affect the Municipality's ability to perform its obligations to the Registered Owners of the Bonds.

Sovereign Immunity. In 1982, in Pruett v. City of Rosedale, the Mississippi Supreme Court (the "Supreme Court") abolished the judicial common law doctrine of sovereign immunity, effective July, 1984, and invited a legislative response by creation of statutory sovereign immunity. In 1984, the Legislature enacted a tort claims act (the "Tort Claims Act") that gave statutory sovereign immunity to the State and its political subdivisions, and then provided for a limited and capped waiver of that immunity.

The Tort Claims Act, as amended, provides a broad statutory sovereign immunity for acts and omissions of governmental entities, whether governmental, proprietary, discretionary or ministerial, including for breach of an implied contract, and without regard to whether a fee, charge or other consideration was paid. The Tort Claims Act waives this statutory sovereign immunity up to certain maximum limits of liability, except for specified circumstances; the maximum liability arising out of a single occurrence is $250,000 for claims arising on or after June 1, 1997, and before June 1, 2001, and $500,000 for claims arising on or after June 1, 2001. Attorney fees and punitive damages are not allowed unless otherwise specifically authorized by law; trial of claims arising under the Tort Claims Act shall be conducted without a jury; a claimant must exhaust his administrative remedies before he files suit, and he must file within one year after the cause of action arises; governmental entities and their employees acting within the course and scope of their employment shall not be liable for any claims under specified circumstances; all political subdivisions must purchase liability insurance or set up self-insurance reserves sufficient to cover risks of claims under the Tort Claims Act; all governmental entities may purchase liability insurance in excess of the maximum liability and immunity shall be waived to the extent of the excess liability insurance; and any two or more political subdivisions may enter into agreement to pool liabilities through insurance or self-insurance reserves.

Under existing law, the defense of sovereign immunity would not be available to the Municipality against a claim for payment, when due, of principal of or interest on the Bonds.

RISK FACTORS

The Bonds are secured by and are payable solely from a sufficient amount of Net Revenues of the System. Growth of the System is dependent in large part on the growth of numbers of users of the System. The growth of numbers of users of the System may be dependent upon population growth in the area served by the System.

Revenues of the System may also be affected by the expansion or contraction of operations of industrial and commercial users of the System. It is impossible to project such industrial or commercial expansion or contraction.

SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION

The following is a summary of certain provisions of the Bond Resolution. The summary does not purport to be comprehensive or definitive. All references herein to the Bond Resolution are qualified in their entirety by reference to such document.

Application of the Series 2020 Bond Proceeds. All funds received from the sale of the Bonds shall, on the Closing Date, be applied as follows:

(a) *Bond and Interest Fund.* Into the Bond and Interest Fund as follows:

(1) Current Debt Service Account. A sum equal to the amount of accrued interest received upon the sale and delivery of the Bonds shall be deposited into the Current Debt Service Account of the Bond and Interest Fund.

(2) Debt Service Reserve Account. To the extent that other funds of the Municipality have not been deposited into the Debt Service Reserve Account, so that the amount therein is equal to the Reserve Account Requirement, or a Reserve Fund Surety Bond has not been issued to the Municipality, then such sum as is necessary, in addition to other funds on

deposit in the Debt Service Reserve Account, shall be deposited into the Debt Service Reserve Account so that the total amount therein is equal to the Reserve Account Requirement.

(b) *Improvement Fund.* The remaining portion of the proceeds of the sale of the Bonds shall be deposited into the Improvement Fund.

Rate Covenant.

(a) As long as any of the Bonds are outstanding and unpaid, the Municipality covenants with the Bondholders that the Municipality will fix, establish, maintain, levy, and collect such rates, fees, rents, and other charges for the services and facilities of the System and all parts thereof, and will revise the same from time to time whenever necessary, as will always provide Revenues at least sufficient: (a) to pay the Current Expenses of the System and (b) to provide one hundred twenty percent (120%) of the amount of the maximum Principal and Interest Requirement for the current Bond Year on account of the Bonds then Outstanding. The Municipality shall maintain a rate ordinance which shall provide Revenues in each Fiscal Year sufficient to satisfy the requirements under this subheading. To the extent permitted by applicable law, the aforesaid rate ordinance shall also provide for a penalty charge for non-payment of bills within a specified number of days after their due date and discontinuance of service upon non-payment of bills within a specified number of days after their due date, and the Municipality shall discontinue the supplying of the services and facilities of the System for non-payment of bills for such services and facilities within such time period and will not restore the services and facilities of the System to any of such delinquent users until payment in full of all delinquent charges, including reasonable charges for restoration of services.

(b) If the Revenues in any Fiscal Year as shown by the Municipality's audit are less than the total amount set forth in subsection (a) above, then it shall, as promptly as possible, request the Consulting Engineers to make recommendations as to a revision of such rates, fees, rents, and other charges or methods of operating the System which will result in producing the required amount of Revenues in the following Bond Year. Upon receipt of such recommendations the Municipality shall, subject to applicable requirements imposed by law, immediately revise such rates, fees, rents, and other charges and take such other actions respecting the methods of operation of the System as shall in its discretion be deemed necessary.

Electric System Revenue Fund. An amount of the Revenues of the System sufficient to provide for the deposits required by the Bond Resolution shall be deposited on or before the first (1^{st}) Business Day of each month, commencing in the first calendar month following the Closing Date, in the Revenue Fund provided for in the Bond Resolution. The Revenue Fund shall constitute a trust fund for the purposes provided in the Bond Resolution, and shall be kept separate and distinct from all other funds of the Municipality and used only in the manner provided for in the Bond Resolution.

Disposition of Revenues; Establishment of Funds. (a) The Municipality will set aside, allocate and deposit funds from the Revenue Fund into the separate funds as provided in the Bond Resolution. Such sums shall be set aside, allocated and deposited by the Clerk without further direction of or action by the Governing Body in the following manner and order of priority:

(1) *Operation and Maintenance Fund.* On the first (1^{st}) Business Day of each month, beginning with the first calendar month following the Closing Date, an amount which, when added to any funds then on deposit in the Operation and Maintenance Fund, shall be equal to the estimated Current Expenses of the System for the next succeeding calendar month, including any amounts needed to cover deficiencies in preceding months. Funds in the Operation and Maintenance Fund shall be disbursed from time to time as needed for the operation and maintenance of the System.

(2) *Bond and Interest Fund.* From the funds in the Revenue Fund there shall next be apportioned, set aside, and deposited into the Bond and Interest Fund the amounts required for the following accounts in the Bond and Interest Fund to be funded in the order listed:

(A) Current Debt Service Account. On or before the first (1^{st}) Business Day of each month, beginning in the first calendar month following the Closing Date (but not sooner than one year prior to the first principal payment date as to principal payments), there shall be apportioned, set aside, and deposited into the Current Debt Service Account, Revenues for the payment of interest in an amount which, together with funds on deposit in the Current Debt Service Account for such purpose and together with approximately equal subsequent monthly deposits on or before the first Business Day of each month, will provide a sum for the payment of interest equal to the amount necessary to pay the next installment of interest on the Bonds, and Revenues for the payment of principal in an amount which, together with funds on deposit in the Current Debt Service Account for such purpose and together with approximately equal subsequent monthly deposits on or before the first (1^{st}) Business Day of each month, will provide a sum for the payment of principal equal to the amount necessary to pay the next installment of principal on the Bonds (including for this purpose any advancement of maturity pursuant to a mandatory sinking fund payment).

(B) Debt Service Reserve Account. (i) Provided, that in addition to the funds required to be paid into the Current Debt Service Account by the Bond Resolution, the Debt Service Reserve Account shall be maintained as a subaccount in said fund in order to meet any deficiency therein in future years. In order to fully fund the Debt Service Reserve Account, the Clerk shall immediately upon delivery of the Bonds deposit an amount from the proceeds of the sale of the Bonds or any other legally available funds of the Municipality, which, together with funds on deposit in the Debt Service Reserve Account, will be equal to the Reserve Account Requirement, at which amount the Debt Service Reserve Account shall thereafter be maintained by such future payments as may be necessary for that purpose. The Debt Service Reserve Account shall be used only to pay maturing principal and accruing interest, or both, and only whenever and to the extent that funds otherwise available in the Current Debt Service Account are insufficient for that purpose. No funds paid into the Debt Service Reserve Account shall be used to prepay the principal unless such prepayment is for the entire balance of the principal amount of the Bonds.

(ii) On or before the first (1^{st}) Business Day of each month, commencing in the first calendar month after a withdrawal from the Debt Service Reserve Account causes the amount on deposit therein to fall below the Reserve Account Requirement or in the first calendar month after an annual valuation of the Debt Service Reserve Account reveals that the fair market value of the investments therein is less than the Reserve Account Requirement, there shall be apportioned, set aside and deposited to the Debt Service Reserve Account all funds remaining in the Revenue Fund after the payments required by paragraph (a)(2)(A) above have been made until the amount in the Debt Service Reserve Account equals the Reserve Account Requirement; provided, that no such deposits shall be made until all required payments have been made in full into the Current Debt Service Account, including any deficiencies for prior payments. Funds in the Debt Service Reserve Account shall be used only for the purpose of paying maturing principal of or interest on the Bonds when the funds in the Current Debt Service Account are insufficient therefor and for no other purpose, except that said funds may be invested or reinvested as provided for in the Bond Resolution.

(iii) No further payments into the Current Debt Service Account or into the Debt Service Reserve Account shall be required when the aggregate amount of funds in both the Current Debt Service Account and the Debt Service Reserve Account are at least equal to the aggregate principal amount of the Bonds then Outstanding, plus the amount of interest then due or to become due on the Bonds then Outstanding, or when the Bonds shall be deemed fully paid within the meaning of the Bond Resolution.

(iv) The Municipality, in its sole discretion and with the prior written consent of the Bond Insurer, if any, may fund all or a portion of the Reserve Account Requirement with a Reserve Fund Surety Bond. Any such Reserve Fund Surety Bond must either extend to the final maturity date of the then Outstanding Bonds or the Municipality must agree, by a resolution supplementing the Bond Resolution, that the Municipality will replace such Reserve Fund Surety Bond prior to its expiration with another Reserve Fund Surety Bond which shall have no adverse effect on ratings then in effect on the Outstanding Bonds, or with cash, or with a combination of both. The face amount of the Reserve Fund Surety Bond, together with amounts on deposit in the Debt Service Reserve Account, including the face amount of any other Reserve Fund Surety Bond, shall be at least equal to the Reserve Account Requirement.

(v) Funds in the Debt Service Reserve Account shall be used only for the purpose of paying maturing principal of or interest on the Bonds when the funds in the Current Debt Service Account are insufficient therefor and for no other purpose, except that said funds may be invested or reinvested as provided for in the Bond Resolution. In the event that amounts credited to the Debt Service Reserve Account are used to pay maturing principal or interest on the Bonds when funds on hand in the Current Debt Service Account are insufficient therefor or that amounts credited to the Debt Service Reserve Account are at any time less than the amount of the Reserve Account Requirement, the Municipality shall provide written notice of such event and of the amount of such deficiency to the Bond Insurer, if any. If a disbursement is made from the Debt Service Reserve Account to pay maturing principal or interest on the Bonds, only such amount as may at the time be drawn under any Reserve Fund Surety Bond then credited to the Debt Service Reserve Account shall be included in computing the amounts credited to the Debt Service Reserve Account. The Municipality shall be obligated to restore the amounts credited to the Debt Service Reserve Account to the amount of the Reserve Account Requirement by either: (1) causing any Reserve Fund Surety Bond to be reinstated; (2) providing one or more Reserve Fund Surety Bonds; (3) depositing Revenues into the Debt Service Reserve Account in accordance with (a)(2)(B) above; or (4) any combination of the foregoing. With respect to such replenishment of the Debt Service Reserve Account, any funds received for such purpose shall be used first to reimburse any provider of a Reserve Fund Surety Bond then credited to the Debt Service Reserve Account, thereby reinstating such Reserve Fund Surety Bond, and second to replenish any cash in the Debt Service Reserve Account and/or to provide one or more Reserve Fund Surety Bonds.

(3) *Depreciation Fund.* In order to fund the Depreciation Fund provided for herein, after the deposits required by paragraphs (a)(1) and (a)(2) of this Section, there shall next be deposited into the Depreciation Fund the amount of Five Thousand Dollars ($5,000); provided, however, that deposits may be made on or before the first (1st) Business Day of each month, beginning with the first (1st) calendar month after the Closing Date, until the amount on deposit in the Depreciation Fund is equal to Five Thousand Dollars ($5,000), at which amount it shall thereafter be maintained by such future monthly deposits as may be necessary for that purpose. The Depreciation Fund shall be used for the purpose of paying the cost of replacing such parts of the System as may need replacement in order to keep the System operating in an economical and efficient manner; provided, however, that in the event the funds provided for in this Bond Resolution for the payment of the principal of and interest on the Bonds should be insufficient for said purpose, then and in that event, to the extent of any such insufficiency, the amount necessary to pay accruing interest and to provide for the payment of the principal of the Bonds as set forth in paragraph (a)(2)(A) of this Section shall be drawn from the Depreciation Fund, and shall be used together with funds otherwise available to pay such accruing interest and to provide for the payment of principal as set forth in paragraph (a)(2)(A) of this Section. No funds paid into the Depreciation Fund shall be used to prepay principal or premium, if any, unless such prepayment is for the entire balance of the principal amount of the Bonds.

(4) *Contingent Fund.* In order to fund the Contingent Fund provided for herein, after the deposits required by paragraphs (a)(1), (a)(2) and (a)(3) of this Section, there shall next be deposited into the Contingent Fund the amount of Five Thousand Dollars ($5,000); provided, however, that deposits may be made on or before the first (1st) Business Day of each month, beginning with the first (1st) calendar month after the Closing Date, until the amount on deposit in the Contingent Fund is equal to Five Thousand Dollars ($5,000), at which amount it shall thereafter be maintained by such future monthly deposits as may be necessary for that purpose. The Contingent Fund shall be used for the purpose of paying the cost of unforeseen contingencies arising in the operation and maintenance of the System, including the construction of reasonable and proper improvements, repairs, and extensions thereto; provided, however, that in the event the funds provided for in this Bond Resolution for the payment of the principal of and interest on the Bonds should be insufficient for said purpose, then and in that event, to the extent of any such insufficiency, the amount necessary to pay accruing interest and to provide for the payment of the principal of the Bonds as set forth in paragraph (a)(2)(A) of this Section shall be drawn from the Contingent Fund and shall be used, together with funds otherwise available, to pay such accruing interest and to provide for the payment of principal as set forth in Section 5.03(a)(2)(A).

(b) The funds in the foregoing funds shall be held separate and apart from all other funds of the Municipality and shall be applied in the manner provided. Any surplus Revenues remaining after all deposits required by the Bond Resolution have been made may be used solely for purposes pertaining to the System, including payment of any general obligation debt previously or hereafter incurred for the System. The foregoing notwithstanding, any amounts required to be paid by the Municipality from such surplus Revenues for general administrative charges pertaining to the System shall be considered as being used for purposes pertaining to the System.

(c) If in any month the Revenues are insufficient to deposit the required amount in any of the funds as hereinbefore provided, the deficiency shall be made up in the subsequent payment or payments in addition to the payments which would otherwise be required to be made into such funds in subsequent months; provided, however, that any deficiency in the Current Debt Service Account and the Debt Service Reserve Account shall be made up before any further payment is made to the Depreciation Fund or the Contingent Fund.

(d) The investments of funds in the Debt Service Reserve Account shall be valued in such manner as the Municipality shall determine at the fair market value thereof annually on the last Business Day of each Fiscal Year. If the fair market value of said investments is less than the Reserve Account Requirement, the Municipality shall, as soon as possible but in any event within the following 12 months, place money from the Revenue Fund into the Debt Service Reserve Account as provided in paragraph (a)(2)(B) above to bring the aggregate value of the Debt Service Reserve Account up to the Reserve Account Requirement. If the fair market value of such investments is greater than the Reserve Account Requirement, the amount of money in excess of the Reserve Account Requirement shall be paid into the Current Debt Service Account.

Investment of Funds on Deposit in the Funds. The funds at any time on deposit in any fund or account provided for by the Bond Resolution not immediately required for disbursement for the purposes for which such funds or accounts are established, shall be invested in such instruments or investments as are permissible under the Code or under applicable law of the State. The income received on the investment of any such funds shall be credited to the fund or account for which such investments are made; provided that, with respect to the Current Debt Service Account and except with respect to the Improvement Fund, the excess, if any, of such income above the amounts required to be on deposit in such funds or accounts shall be transferred to the Current Debt Service Account and applied to the purposes for which such account is established. The income received on any investments in the Improvement Fund shall be credited to such fund until the Project is complete.

Electric System Improvement Fund. Pursuant to the Bond Resolution, the proceeds of the Bonds remaining after deposits have been made to the various funds and accounts described therein shall be irrevocably deposited by the Municipality into the Improvement Fund. Funds in the Improvement Fund shall be applied solely and only to the payment of the costs of the Project and costs incidental thereto (including but not limited to costs of the authorization, issuance, sale, validation, and delivery of the Bonds and Bond Insurance Policy premiums, if any, for the Bonds). Any balance remaining in the Improvement Fund after completion of the Project shall be transferred to the Current Debt Service Account and applied to the payment of the principal of and interest on the Bonds

Operation and Maintenance. The Municipality will maintain the System and all parts thereof in good condition, and will continuously operate the same in an efficient and economical manner, making such expenditures for equipment and for renewal, repair, and replacement as may be proper for the economical operation and maintenance thereof.

Sale of the System. The System may be sold or otherwise disposed of only as a whole or substantially as a whole, and only if the net proceeds to be realized shall be sufficient, together with other funds available therefor, to provide for the payment of the principal of, premium, if any, and interest on the Bonds and fully to retire all of the Bonds and any other indebtedness to the payment of which the Net Revenues of the System are pledged, and all interest thereon to their respective dates of maturity or earlier redemption dates. The proceeds from such sale or other disposition of the System shall immediately be deposited into the Current Debt Service Account, or if the Bonds are not then redeemable, into an escrow fund as provided in the Bond Resolution, and shall be used only for the purpose of paying the principal of, premium, if any, and interest on the Bonds, as the same shall become due, or for the redemption of callable Bonds (subject to the Bond Resolution).

The foregoing provision notwithstanding, the Municipality shall have and reserves the right to sell or otherwise dispose of any of the property comprising a part of the System hereafter determined in the manner provided in the Bond Resolution to be no longer necessary, useful or profitable in the operation thereof, for fair and reasonable prices.

Prior to any such sale or other disposition of said property, the Consulting Engineers shall make a finding in writing determining that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof, and the proceeds from any sale of such property shall be deposited into the Revenue Fund and used only as provided in the Bond Resolution for such fund.

Issuance of Other Obligations Payable Out of Revenues. The Municipality will not issue any other obligations, except upon the conditions and in the manner provided in the Bond Resolution, payable from the Net Revenues and being on a parity with the lien of the Bonds and the interest thereon, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance, or any other charge having priority to or being on a parity with the lien of the Bonds and the interest thereon.

The Municipality may issue obligations junior and subordinate to the Bonds at any time, provided that the issuance of such obligations does not violate any covenants of the Municipality concerning any of its then outstanding obligations. All obligations issued by the Municipality secured by Net Revenues other than Additional Bonds shall contain an express statement that such obligations are junior and subordinate in all respects to the Bonds as to lien on and source of and security for payment from the Net Revenues, and in all other respects.

Insurance for the System. As long as any of the Bonds shall remain Outstanding and unpaid, the Municipality shall carry and maintain all-risk insurance upon all the properties forming a part of the System which may be of an insurable nature, such insurance to be of the type and kind and for such amount or amounts as carried and maintained by other municipalities rendering services of a similar character in similar communities. The proceeds of all such insurance shall be used only for the maintenance and restoration of the System, or for the payment of the principal of, premium, if any, and the interest on the Bonds.

To the extent the Municipality is not covered by sovereign immunity, the Municipality will also carry adequate public liability and property damage insurance. Proceeds of insurance awards, except public liability and property damage policies, will be used to repair the damaged property or replace the destroyed property, and excess proceeds shall be deposited into the Depreciation Fund or in the Current Debt Service Account to redeem the Bonds, or if the Bonds are not then redeemable, into an escrow fund as provided in the Bond Resolution.

Books and Records. The Municipality will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Municipality in which complete and correct entries shall be made in accordance with generally accepted accounting principles consistently applied of all transactions relating to the System, and any Bondholder and the Paying Agent shall have the right at all reasonable times to inspect the System and all parts thereof, and all records, accounts and data of the Municipality relating thereto.

The Municipality shall promptly after the close of each Fiscal Year cause the books, records and accounts of the System for the preceding Fiscal Year to be properly audited by a qualified and independent firm of certified public accountants, which report shall cover in reasonable detail the operation of the System and the insurance carried with respect thereto. The Municipality shall make available generally said report, or a reasonable summary thereof, to any Bondholder upon request.

The Municipality shall also, prior to the commencement of each Fiscal Year, cause the System to be inspected by the Consulting Engineers, who shall file a report with the Clerk prior to the commencement of such Fiscal Year, setting out the condition of the physical plant of the System and any recommendations which the Consulting Engineers shall deem to be advisable. Such report shall include the following:

(a) Advice and recommendations concerning the maintenance, repair and operation of the System.

(b) Advice and recommendations as to renewals or replacements of any part of the System.

(c) Advice and recommendations as to extensions of the System.

(d) The estimated cost of any recommended renewals, replacements or extensions to the System.

(e) Advice and recommendations concerning the amount and character of insurance that should be carried on the System.

(f) Advice and recommendations concerning any revision of the rates to be charged for the services of the System.

(g) A statement of the judgment of the Consulting Engineers concerning whether the System had been maintained in good repair and operating order, with such suggestions as the Consulting Engineers may deem advisable concerning changes in the methods of operating the System.

The Municipality covenants with the Registered Owners that if the report of the Consulting Engineers shall show that the System has not been maintained in good repair and operating condition, it will, from available Revenues and from the Depreciation Fund and, to the extent applicable, from the Contingent Fund, promptly restore the System to good repair and operating condition; that all recommendations of said report shall receive impartial consideration by the Governing Body; and that the Municipality and the Governing Body shall endeavor in good faith to carry out the recommendations that may be made by the Consulting Engineers.

Operating Budget. Prior to the commencement of each Fiscal Year following the Closing Date, the Governing Body shall prepare or shall cause to be prepared and adopted by resolution of the Governing Body a detailed budget setting out the estimated receipts and expenditures of the System for the then ensuing Fiscal Year. This budget shall contain:

(a) an estimate of the Revenues expected to be derived from the operation of the System during the next ensuing Fiscal Year;

(b) a statement of the estimated Current Expenses during the next ensuing Fiscal Year;

(c) a statement of the amount of principal and interest due on the Bonds and any other indebtedness payable from Net Revenues during the ensuing Fiscal Year;

(d) a statement of what replacements to the System may be anticipated and the estimated cost thereof;

(e) a statement of the total amount anticipated to be payable from Revenues during the next ensuing Fiscal Year; and

(f) a statement of the amount on deposit in each of the funds referred to in the Bond Resolution.

Consulting Engineers. The Municipality will retain Consulting Engineers to inspect the System and make the annual report concerning the same referred to in the Bond Resolution, and to perform the duties provided for therein for such Consulting Engineers.

Default and Remedies. An "Event of Default" as used in the Bond Resolution shall mean any of the following: (a) failure to pay the principal of, premium, if any, or interest on any of the Bonds when such payments shall become due, (b) failure to comply with any other of the covenants of the Municipality set out in the Bond Resolution and the continuation thereof for 30 days after written notice specifying such failure shall have been given to the Municipality by any Bondholder, or Bond Insurer, if any, provided that, if such default cannot with due diligence and dispatch be wholly cured within 30 days but can be wholly cured, the failure of the Municipality to remedy such default within such 30 day period shall not constitute a default under the Bond Resolution if the Municipality shall immediately upon receipt of such notice commence with due diligence and dispatch the curing of such default and, having so commenced the curing of such default, shall thereafter prosecute and complete the same with due diligence and dispatch within no longer than 60 days after the aforesaid written notice, or (c) filing by the Municipality of a petition seeking a composition of indebtedness under the federal bankruptcy laws, or under any other applicable federal or state law or (d) the declaration or determination of a default under the additional bond Resolutions.

The Registered Owner of any of the Bonds may, by suit, action, mandamus or other proceedings at law or in equity, enforce and compel performance by the appropriate official or officials of the Municipality of any or all acts and duties to be performed by the Municipality under the provisions of the Act and of the Bond Resolution. If there be any default in the payment of the principal of and interest on the Bonds, any court having jurisdiction in the proper action may, upon petition of the Registered Owners of a majority in principal amount of the Bonds then Outstanding, appoint a receiver to administer and operate the System with power to fix rates and collect charges sufficient to provide for the payment of the Bonds and to pay the expenses of operating and maintaining the System in conformity with the provisions of the Act and the Bond Resolution.

Additional Bonds. No Additional Bonds shall be issued unless the conditions set forth in the Bond Resolution are satisfied and unless all of the following conditions are complied with:

(a) The Municipality must be current in all deposits into the various funds and all payments theretofore required to have been deposited or made by it under the provisions of the Bond Resolution.

(b) If the Additional Bonds are to be issued for the purpose of financing the construction or acquisition of improvements to the System then:

(1) The amount of the Net Revenues during any twelve (12) consecutive months of the eighteen (18) months immediately preceding the delivery of the Additional Bonds, as certified by the Consulting Engineers or an accountant, will be equal to one hundred twenty percent (120%) of the Maximum Annual Debt Service Requirement for the then Outstanding Bonds.

(2) The Consulting Engineers or accountant shall also certify that the amount of the Net Revenues derived from the operation of the System in each year after acquisition or completion of such improvements and during the period such Additional Bonds will be Outstanding, as estimated by the Consulting Engineers, will, in each year, be at least equal to one hundred twenty percent (120%) of the principal and interest which will mature and become due in each such year on (A) the then Outstanding Bonds and (B) the Additional Bonds then proposed to be issued.

(3) If any changes have been made and are in effect at the time of the adoption of the Additional Bonds Resolution in the schedule of rates and charges imposed by the Municipality for services furnished by the System which were in effect during any part of the consecutive twelve-month period referred to in this subsection (b), the Consulting Engineers or accountant may, if such changes resulted in increases in such rates and charges, and shall, if such changes resulted in reductions in such rates and charges, adjust the Net Revenues to be certified for such consecutive twelve-month period to reflect any change in such Net Revenues which would have occurred if the schedule of rates and charges in effect at the time of the adoption of

the Additional Bonds Resolution had been in effect during that portion of such consecutive twelve-month period in which such schedule was not in effect.

(c) If the Additional Bonds are to be issued for the purpose of refunding all or a portion of any series of Outstanding Bonds, the issuance of such Additional Bonds shall either result in a net present value debt service savings of not less than 2 percent of the principal amount of the Bonds to be refunded or the issuance of such Additional Bonds shall satisfy the applicable tests set forth in subsections (b) and (c) above.

(d) The Municipality covenants and provides in the Bond Resolution that the Additional Bonds Resolution shall provide that the Debt Service Reserve Account shall be additionally fully funded in an amount equal to the Reserve Account Requirement.

(e) The Additional Bonds Resolution must provide that principal shall mature on the Payment Date on which principal is due and interest shall come due on the Payment Date on which interest is due.

All of such Additional Bonds, regardless of the time or times of their issuance shall rank equally with respect to their lien on the Net Revenues of the System and their source of and security for payment therefrom without preference of any Bonds over any other.

The Municipality shall not issue any obligations whatsoever payable from the Net Revenues of the System which rank equally as to lien and source and security for their payment from such Net Revenues with the Bonds, except in the manner and under the conditions provided above. The Municipality may issue bonds junior and subordinate to the Bonds at any time, provided that the issuance of such bonds does not violate any covenants of the Municipality concerning any of its then Outstanding Bonds.

Defeasance of Bonds. If the Municipality shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds the principal of, premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Bond Resolution, then the pledge of any Net Revenues, and other funds and securities pledged under the Bond Resolution and all covenants, agreements and other obligations of the Municipality to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied.

Bonds or interest installments for the payment or redemption of which funds shall have been set aside and shall be held in trust by the Paying Agent (through deposit by the Municipality of funds for such payment or redemption or otherwise) shall be deemed to have been paid within the meaning and with the effect expressed in the first paragraph under this subheading. All Outstanding Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the first paragraph under this subheading if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Municipality shall have adopted a resolution or order directing the call and redemption of such Bonds on said date and (b) there shall have been deposited with the Paying Agent either funds in an amount which shall be sufficient, or funds which shall be invested in direct obligations of the United States of America or obligations the principal of and interest on which is guaranteed by the United States of America and which are not redeemable prior to their maturity by the issuer or any other person other than the holder thereof, the principal of and the interest on which when due will provide money which, together with the funds, if any, deposited with the Paying Agent at the same time, shall be sufficient, without reinvestment, to pay when due the principal and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be and (c) in the event said Bonds are not by their terms subject to redemption within the next succeeding 60 days, the Municipality shall have adopted a resolution or order directing the call and redemption of such Bonds on such date. Neither investments nor funds deposited with the Paying Agent pursuant to the provisions under this subheading nor principal or interest payments on any such investments shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or interest payments on the Bonds; provided, that if the interest on such investments deposited with the Paying Agent, if not then needed for such purpose, may to the extent practicable and legally permissible, be reinvested in investments of the type allowed in the Bond Resolution maturing at times and in amounts sufficient to pay when due the principal or interest due on the interest date or maturity date of the Bonds, as the case may be, and interest earned from such reinvestments may be paid over to the Municipality, as received by the Paying Agent, free and clear of any trust, lien or pledge.

Amounts paid by the Bond Insurer, if any, to the Holders of the Bonds shall not constitute the payment of the Bonds pursuant to the Bond Resolution, and the Bonds shall continue to be Outstanding and the amounts due thereon shall continue to be due and owing under the Bond Resolution until paid in accordance therewith.

Modification or Amendment. (a) No material modification or amendment of the Bond Resolution or of any resolution amendatory thereof or supplemental thereto, may be made without the consent in writing of the Holders of two-thirds or more in principal amount of the Bonds then Outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of the Bonds or a reduction in the rate of interest thereon, or affect the unconditional promise of the Municipality to fix, maintain and collect fees, rentals and other charges for the System or to pay the interest and principal on the Bonds, as the same mature and become due, from the Net Revenues of the System, or reduce such percentage of Holders of the Bonds required above for such modification or amendment without the consent of the Holders of all of the Bonds.

(b) The foregoing shall not be construed to prohibit supplemental amendments of the Bond Resolution without the consent of Bondholders for the following purposes:

(1) to add to the covenants and agreements of the Municipality contained in the Bond Resolution other covenants and agreements thereafter to be observed and performed by the Municipality, provided that such other covenants and agreements shall not either expressly or implicitly limit or restrict any of the obligations of the Municipality contained in the Bond Resolution;

(2) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision contained in the Bond Resolution or in any supplemental resolution or to make any provisions with respect to matters arising under the Bond Resolution or any

supplemental resolution for any other purpose if such provisions are necessary or desirable and are not inconsistent with the provisions of the Bond Resolution or any supplemental resolution and do not adversely affect the interests of the Holders of the Bonds;

(3) to subject to the lien of the Bonds and the pledge contained in the Bond Resolution additional Revenues or receipts;

(4) to provide for the use of a Reserve Fund Surety Bond in the Debt Service Reserve Account; or

(5) to provide for the issuance of Additional Bonds.

(c) Notwithstanding any provision therein to the contrary, the Bond Resolution may be amended by resolution of the Municipality prior to the delivery of any of the Bonds with the consent of the Underwriter and the Bond Insurer, if any.

TAX EXEMPTION

Exclusion from Gross Income Pursuant to Section 103 of the Internal Revenue Code. In the opinion of Bond Counsel, under existing statutes, regulations, rulings and decisions, as presently interpreted and construed, and based on the assumptions described below, and subject to the exceptions, conditions and limitations described below, interest on the Bonds earned by the respective owners thereof is excludable from gross income for federal income tax purposes pursuant to the Code.

The Code includes certain restrictions, conditions and requirements, compliance with which subsequent to issuance of the Bonds is necessary in order that interest on the Bonds be (and continue to be) excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code. In rendering its opinion, Bond Counsel will assume continuous compliance with all provisions of the Code, compliance with which subsequent to the date of issuance of the Bonds is necessary in order that interest on the Bonds be and continue to be excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code. The Municipality has covenanted to comply with each such requirement, and failure of the Municipality to comply with such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes, retroactive to the date of issuance of the Bonds.

Alternative Minimum Tax. Pursuant to Section 55 of the Code, an alternative minimum tax is imposed if a taxpayer's regular income tax for a year is less than such taxpayer's "tentative minimum tax" for such year. "Tentative minimum tax" is computed on the basis of "alternative minimum taxable income." "Alternative minimum taxable income" is taxable income determined with certain adjustments and increased by certain items of tax preference.

Among the adjustments applicable in determining "alternative minimum taxable income" for corporations (other than S corporations, regulated investment companies, real estate investment trusts and real estate mortgage investment conduits, as such terms are defined in the Code) is 75 percent of the amount by which "adjusted current earnings" exceeds the "alternative minimum taxable income" (determined without regard to the adjustments based on "adjusted current earnings" and the alternative net operating loss deduction described in Section 56 of the Code). Interest on the Bonds will be included in computing "adjusted current earnings."

Among the items of tax preference for all taxpayers is interest on any "specified private activity bond," reduced by any deduction (not allowable in computing the regular tax) which would have been allowable if such were included in gross income. In the opinion of Bond Counsel, the Bonds will not be "specified private activity bonds."

Certain Other Provisions of the Code Affecting Owners of the Bonds; Other Federal Tax Consequences of Interest on the Bonds.

Branch Profits Tax. Interest on the Bonds earned by certain foreign corporations doing business in the United States of America may be subject to the branch profits tax imposed by Section 884 of the Code.

S Corporations. Interest on the Bonds will be includable in calculating the tax on "excess net passive income" imposed by Section 1375 of the Code on certain Subchapter S corporations that have Subchapter C earnings and profits.

Social Security and Railroad Retirement Benefits. Interest on the Bonds held by persons who also receive Social Security or Railroad Retirement Benefits may have the effect of subjecting part of such benefits to federal income taxation.

Insurance Companies. Pursuant to Section 832 of the Code, deductible underwriting losses of property and casualty insurance companies will be reduced by 15 percent of the amount of interest earned on the Bonds. (If the amount of the reduction exceeds the amount otherwise deductible as losses incurred, such excess may be includable in income).

Financial Institutions. Section 265(b)(1) of the Code provides that commercial banks, thrift institutions, and other financial institutions may not deduct the portion of their otherwise allowable interest expense allocable to tax-exempt obligations acquired after August 7, 1986 (other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code).

The Bonds are not "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

Bond Counsel is of the opinion that under existing law, interest on the Bonds earned by the respective owners thereof is exempt from State of Mississippi income taxes.

Bond Counsel Opinion. Bond Counsel will not address or opine with respect to any federal tax consequences arising with respect to the Bonds, other than its opinion with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code, its opinion that the Bonds are "qualified tax-exempt obligations," and its opinion that the Bonds are not "specified private activity bonds." Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Future Federal Legislation. Legislation which may affect the tax consequences of owning municipal bonds is constantly being considered by the United States Congress. There can be no assurance that legislation enacted after the date of issuance of the Bonds will not adversely affect the tax consequences of owning the Bonds, the exclusion of interest on the Bonds from gross income for federal income tax purposes or the market price of the Bonds.

VALIDATION

The Bonds will be submitted to validation before the Chancery Court of the County as provided by Sections 31-13-1 *et seq.*, Mississippi Code of 1972, as amended.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters in connection with the authorization and issuance of the Bonds are subject to the final approval of the legality thereof by Bond Counsel. Copies of such opinion will be available at the time of delivery of the Bonds. No representation is made to the Registered Owners of the Bonds that Bond Counsel has verified the accuracy, completeness or fairness of the statements in this Official Statement and Bond Counsel assumes no responsibility to the Registered Owners of the Bonds except for the matters set forth in such opinion.

LITIGATION

No litigation is pending or, to the knowledge of the Municipality, threatened in any court to restrain or enjoin the issuance or delivery of any of the Bonds or the collection of Revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the Bond Resolution or the power to collect and pledge said Revenues to pay the Bonds, or contesting the powers or authority of the Municipality to issue the Bonds or adopt the Bond Resolution.

OFFICIAL STATEMENT CERTIFICATE

The information contained in this Official Statement has been taken from sources considered reliable, but is not guaranteed. At the time of the delivery of the Bonds, the representative of the Underwriter will receive a certificate signed on behalf of the Municipality by an authorized officer of the Municipality acting solely in his/her official capacity, substantially to the effect that to the best of his/her knowledge and belief, as of the date of the delivery of the Bonds to the Underwriter, this Official Statement, excluding the Appendices, as then supplemented or amended, does not contain an untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein in the light of the circumstances under which they were made, not misleading. In rendering such certificate, the official executing the certificate may state that he/she has relied in part on his/her examination of the records of the Municipality relating to matters within his/her own area of responsibility, and discussions with, or certificates or correspondence signed by, certain other officials, employees, consultants and representatives of the Municipality.

REGISTRATION, SALE, AND DISTRIBUTION

The Bonds have not been registered under the Securities Act of 1933, as amended (in reliance upon an exemption therefrom), or the blue sky laws of any jurisdiction. No assurance can be given that any trading market will develop for the Bonds after their initial sale by the Municipality. The Municipality has no control over the prices at which the Bonds will be initially reoffered to the public.

THE MUNICIPAL ADVISOR

The Municipality has retained the firm of Government Consultants, Inc., Madison, Mississippi (the "Municipal Advisor"), as an independent Municipal Advisor to the Municipality in connection with the issuance of the Bonds. In such capacity the Municipal Advisor has provided recommendations and other financial guidance to the Municipality with respect to the preparation of documents, the preparation for the sale of the Bonds and of the time for the sale, tax-exempt bond market conditions and other factors related to the sale of said Bonds.

Although the Municipal Advisor performed an active role in preparing 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 municipal records and from other sources which are believed to be reliable, including financial records of the Municipality and other entities which may be subject to interpretation. No guarantee is made as to the accuracy or completeness of any information obtained from sources other than the Municipality. Any summaries or excerpts of statutes, ordinances, resolutions or other documents do not purport to be complete statements of same and reference is made to such original sources in all respects.

AUDITORS

The financial statements of the Municipality as of September 30, 2018, and the financial statements of the System as of June 30, 2019, have been audited by Watkins, Ward and Stafford, PLLC, Starkville, Mississippi, independent certified public accountants, as set forth in their reports thereon appearing as **APPENDIX B** hereto. Watkins, Ward and Stafford, PLLC has not performed any procedures relating to this Official Statement.

BOND INSURANCE

Bond Insurance Policy

BOND RATING

_____, a business unit of **_____** (“**_____**”) is expected to assign its municipal rating of **_____** to the Bonds, as a result of a municipal bond insurance policy issued by **__________** (“**_____**”) at the time of delivery of the Bonds (see “BOND INSURANCE” and **APPENDIX F**). An explanation of the significance of such rating may be obtained from **_____**. The rating reflects only the view of **_____** and the Municipality makes no representation as to the appropriateness of such rating.

MISCELLANEOUS

The references, excerpts, and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds, and the rights and obligations of the Registered Owners thereof.

The information contained in this Official Statement has been taken from sources considered reliable, but is not guaranteed. To the best of our knowledge, information in this Official Statement does not include any untrue statement of material fact; nor does the information omit the statement of any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The Municipality has prepared this Official Statement which it deems, for purposes of Rule 15c2-12 of the Securities and Exchange Commission, to be final and complete as of its date, except for the omission of the offering prices, interest rates,, and any other terms of the Bonds depending on such matters, and the identity of the Underwriter, subject to revision, amendment, and completion in a final Official Statement. By submission of its bid, the successful bidder will be deemed to have certified that it has obtained and reviewed this Official Statement. Upon the sale and award of the Bonds, the Municipality will publish an Official Statement in substantially the same form as this Official Statement subject to minor additions, deletions and revisions as required to complete this Official Statement. The successful bidder must notify the Clerk of the Municipality in writing within five business days of the sale and award if the bidder requires additional copies of the Official Statement to comply with applicable regulations. The cost for such additional copies will be paid by the successful bidder requesting such copies. By submission of its bid, the successful bidder will be deemed to have agreed to supply to the Municipality all necessary pricing information and any Underwriter identification determined by the Municipality to be necessary for the Official Statement within 24 hours after the sale and award of the Bonds.

A copy of this Official Statement may be obtained from:

Lesa Hardin, City Clerk l.hardin@cityofstarkville.org City Hall 110 West Main Street Starkville, Mississippi 38654	or	Brad C. Davis, Esq. bdavis@joneswalker.com Jones Walker LLP P. O. Box 427 Jackson, Mississippi 39205-0427

City of Starkville, Mississippi

BY:/s/ Lynn Spruill
Mayor

General Description. The Municipality, the county seat of the County, is located in the northeastern section of the County. The Municipality, originally named "Boardtown," was renamed "Starkville" in 1834 in honor of General John Stark, a hero of the American Revolution. The Municipality is located 125 miles northeast of Jackson, the capital city of the State, 130 miles southwest of Birmingham, Alabama, 165 miles southeast of Memphis, Tennessee, and 286 miles northeast of New Orleans, Louisiana.

Mississippi State University of Agriculture and Applied Science (the "University") is located primarily immediately adjacent to the Municipality, with only a small portion on the western edge of the University within the boundaries of the Municipality. The University is an important factor in the Municipality's growth and development. The University was established by the Legislature in 1878 as a Land Grant Institution and is comprised of ten colleges and schools that offer 120 majors.

The County, located in the northeastern prairie soil area of the State, was named for the Indian word meaning "bloody water," and has a land area of 459 square miles. Twenty-six of the existing eighty-two counties in the State were in existence before the County was formally organized on December 23, 1833, from a portion of the Choctaw Territory ceded by the Treaty of Dancing Rabbit Creek in 1830.

Population. The population of the Municipality and the County have been recorded as follows:

	2017	2010	2000	1990	1980
The Municipality	25,352	23,888	21,869	18,474	16,139
The County	49,799	47,671	42,902	38,404	36,060

SOURCE: United States Department of Commerce, Census data at ***www.census.gov***.

Government. The Municipality operates under a Code Charter approved in May, 1837, and is governed by the Mayor and Board of Aldermen, consisting of seven aldermen who are elected from separate precincts or wards. The Mayor is elected at-large. The Mayor and members of the Board of Aldermen are elected for four year terms which run concurrently.

The current Mayor and members of the Board of Aldermen are:

Name	Occupation	Position Held Since
Lynn Spruill	Mayor	2017
Hamp Beatty	MSU Extension Service	2019
Ben Carver	MSU Center for Governmental Training	2009
David Little	Insurance Claims Adjuster	2013
Roy A'. Perkins	Attorney	1993
Sandra C. Sistrunk	Accountant	2017
Henry N. Vaughn, Sr.	Shipping/Receiving Supervisor	2009
Jason Walker	Professor at Mississippi State University	2013

Transportation. Access to the Municipality is available by several means. U. S. Highway 82 and State Highways 12, 25, 182 and 389 serve the immediate area. A number of county highways provide access to many outlying areas in the County.

Rail service is provided to the Municipality by the Kansas City Southern Railroad. Several common carriers are authorized to serve the Municipality. The nearest commercial airport is Golden Triangle Regional Airport in Lowndes County, 15 miles from the Municipality. Bryan Field is located within the County a distance of three miles from the Municipality. The nearest port is the Lowndes County Port, which has a channel depth of nine feet and is located 22 miles distant in Lowndes County on the Tennessee-Tombigbee Waterway.

Per Capita Income.

Year	County	Mississippi	United States	County as % of U. S.
2018	N/A	37,834	54,446	N/A
2017	32,464	36,636	51,640	62.87%
2016	31,408	35,936	49,571	63.36%
2015	30,445	34,771	48,112	63.27%
2014	29,636	34,431	46,049	64.40%
2013	29,653	33,913	44,765	66.24%

SOURCE: United States Department of Commerce, Bureau of Economic Analysis www.bea.gov.

Major Employers. The following is a partial listing of the Municipality's major employers, their products or services and their approximate number of employees:

Employer	Employees	Product/Service
Mississippi State University	4,500	Education
Sitel	900	Computer call center
Starkville School District	800	Education
Oktibbeha County Hospital	652	Health care
Wal-Mart Stores, Inc.	500	Retail
Flexsteel Industries, Inc.	370	Furniture manufacturing
Southwire Company	280	Wire and cable
City of Starkville	260	Local government
Weavexx	260	Felt
Oktibbeha County School District	215	Education
NE Miss. Coca-Cola Distributors	185	Sales and distribution
Gulf States Manufacturing	175	Commercial steel buildings
Oktibbeha County	150	Government
Garan Manufacturing Company	140	children's clothing company

Retail Sales.

State Fiscal Year Ended June 30	Starkville	Oktibbeha County
2019	Not Available	Not Available
2018	$554,800,486	$765,063,477
2017	543,449,953	740,610,467
2016	531,523,901	793,499,323
2015	488,569,075	719,169,505
2014	457,518,130	654,401,207

SOURCE: Mississippi Department of Revenue website: http://www.dor.ms.gov

Sales Tax Rebates from State. The State rebates monthly 18.5% of the total State sales tax for all sales originating within the Municipality; this rebate may be used for any lawful purpose. Sales tax rebates from the State to the Municipality are as follows:

State Fiscal Year Ended June 30	Amount
2019	Not Available
2018	$6,962,566
2017	6,953,218
2016	6,805,249
2015	6,350,826
2014	5,884,847

SOURCE: Mississippi Department of Revenue website: http://www.dor.ms.gov

Employment Statistics of the County.

	2014	2015	2016	2017	2018
Residence Based Amounts.					
Civilian Labor Force	22,100	22,550	23,000	23,040	22,930
Unemployed	1,590	1,410	1,260	1,110	1,050
Unemployment Rate	7.2	6.3	5.5	4.80	4.60
Employed	20,510	21,140	21,740	21,930	21,880
Establishment Based Amounts.					
Manufacturing	1,500	1,620	1,660	1,690	1,660
Nonmanufacturing	20,290	20,410	20,600	20,890	21,050

SOURCE: Mississippi Department of Employment Security, website: www.mdes.ms.gov Annual Averages, Labor Force and Establishment Based Employment.

Educational Facilities. Starkville Oktibbeha Consolidated School District (the "District") is one of the largest school districts in the state, with a student enrollment of more than 4,300.

Students in preschool through grade 12 in the District are housed in seven school plants. Emerson Preschool is a licensed preschool that provides year-round comprehensive developmentally appropriate program for young children. Emerson is currently enrolling children ages 2 to 5.

Sudduth Elementary School and West Oktibbeha Elementary School serve kindergarten through grade two students. Henderson Ward Elementary School serves grades three through five. East Oktibbeha Elementary School serves kindergarten through grade five.

Armstrong Middle School serves grades six through eight and was constructed in 1976. An addition was completed in 1996 and additional renovations were completed in 1999.

Starkville High School serves grades nine through twelve and was constructed in 1961 with additions in 1976, 1984, 1987 and 1998. Also on the Starkville High School campus is Millsaps Vocational Center which was constructed in 1972 and renovated in 1998.

The administrative office for the District is located in the Greensboro Center which is the renovated former Starkville High School. The building was constructed in 1927-29 and was extensively renovated in 1987. The facility now also serves as a civic center for the Municipality and surrounding area.

Related facilities of the District include a bus transportation complex, a maintenance building, an athletic complex, three gymnasiums, a baseball field, a softball field and a newly constructed football stadium with an approximate seating capacity of 6,500.

Enrollment figures for the District for the scholastic year 2018-19 and for the four preceding years are as follows:

Scholastic Year	Enrollment
2019-20	5,061
2018-19	5,078
2017-18	5,117
2016-17	5,175
2015-16*	5,152
2014-15	4,378

SOURCE: Mississippi Department of Education website: www.mde.k12.ms.us

*The Municipality School system merged with Oktibbeha County beginning in the 2015-2016 school year.

TAX INFORMATION

Assessed Valuation.

Assessment Year	Real Property	Personal Property	Public Utility Property	Total
2019	$210,841,781	$58,970,059	$1,709,393	$271,521,233
2018	203,454,984	55,527,666	1,678,660	260,661,310
2017	187,675,537	53,040,836	1,759,249	242,475,622
2016	182,103,479	52,298,211	1,839,272	236,240,962
2015	173,918,688	48,709,628	1,879,960	224,508,276
2014	171,415,194	49,386,184	1,922,383	222,723,761

SOURCE: Office of the City Clerk, January 2020.

The above assessed valuations are based upon the following assessment ratios: real and personal property (excluding single-family owner-occupied residential real property and motor vehicles, respectively), 15 percent of true value; single-family owner-occupied residential real property, 10 percent of true value; motor vehicles and public utility property, 30 percent of true value.

Procedure For Property Assessments. Real and personal property valuations other than motor vehicles and property owned by public utilities are determined by the county tax assessor. All taxable real property situated in the Municipality is assessed each year and taxes thereon paid for the ensuing year. Assessment rolls of such property subject to taxation are prepared by the county tax assessor and are delivered to the Governing Body on the first Monday in July. Thereafter, the assessments are equalized by the Governing Body and notice is given to the taxpayers that the Governing Body will meet to hear objections to the assessments. After objections are heard, the Governing Body adjusts the rolls and submits them to the Mississippi Department of Revenue, which examines them on receipt. The Mississippi Department of Revenue may then accept the rolls or, if it finds a roll incorrect in any particular, return the rolls to the Governing Body to be corrected in accordance with the recommendations of the Mississippi Department of Revenue. If the Governing Body has any objections to the order of the Mississippi Department of Revenue, it may arrange a hearing before such agency. Otherwise, the assessment roll is finalized and submitted to the county tax collector for collection. The assessed value of motor vehicles is determined by an assessment schedule prepared each year by the Mississippi Department of Revenue. With minor exceptions the property of public utilities is assessed each year by the Mississippi Department of Revenue.

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 type and dollar amount of property that may come within the exemption.

Those homeowners who qualify for homestead exemption and who have reached the age of 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 classified 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. No taxing unit may be reimbursed an amount in excess of 106 percent of the total net reimbursement made to such taxing unit in the next preceding year.

Tax Levy Per $1,000 Valuation.

	2020	2019	2018	2017	2016	2015
General Purpose.	15.59	26.63	$25.58	$25.58	$21.98	$21.98
Bond and Interest Fund	11.55					
Fire Department	0.25					
Library	0.74					
Total	28.13	26.63	$25.58	$25.58	$21.98	$21.98

Pursuant to special legislative authority, the Municipality also levies a tax of 2 mills for the provision of parking facilities and the development and growth of the Downtown Business District.

SOURCE: Office of the City Clerk, January 2020.

DEBT INFORMATION

Legal Debt Limit Statement.

(as of January 1, 2020)	15% Limit	20% Limit
Authorized Debt Limit (Last Completed Assessment for Taxation - $271,521,233)	$40,728,185	$54,304,247
Present Debt Subject to Debt Limits	27,845,000	29,864,025
Margin for Further Debt Under Debt Limits after Issuance of Bonds	**$13,243,185**	**$24,440,222**

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

In computing general obligation bonded indebtedness for purposes of this 15 percent limitation, there may be deducted all bonds or other evidences of indebtedness issued for the construction of hospitals, ports or other capital improvements payable primarily from the net revenues to be generated from such hospital, port or other capital improvements in cases where such revenue is pledged to the retirement of the indebtedness, together with the full faith and credit of such county.

The total general obligation indebtedness of a county, both bonded and floating (including bonds excepted from the 15 percent limit above), may not exceed 20 percent of the assessed value of all taxable property within such county, but bonds issued for school purposes and industrial development bonds issued under the State's Balance Agriculture with Industry Program are specifically excluded from both the 15 percent limitation and the 20 percent limitation (but are subject to statutory limits applicable to bonds of each type, respectively). Bonds issued for washed-out or collapsed bridges apply only against the 20 percent limitation. Industrial development revenue bonds are excluded from all limitations on indebtedness, as are contract obligations subject to annual appropriations.

Outstanding General Obligation Bonded Debt.

(as of January 1, 2020)

Issue	Date of Issue	Amount Outstanding
Refunding Bonds	3/22/11	615,000
Utility Refunding Bonds	10/18/12	1,589,025
Utility Refunding Bonds	5/17/13	175,000
Public Improvement Bonds	6/25/15	2,300,000
Public Improvement Bonds 2016A	10/15/16	2,665,000
Public Improvement Bonds 2016B	10/15/16	2,130,000
Taxable Development Bonds	10/12/17	6,300,000
Refunding Bonds	4/24/18	6,590,000
Public Improvement Bonds	4/30/18	4,500,000
Public Improvement Bonds	10/30/19	3,000,000
		$29,864,025

Certificates of Participation.
(as of January 1, 2020)

Issue	Date of Issue	Amount Outstanding
Certificates of Participation, Series 2013[1]	6/13/13	$1,425,000

[1]Subject to neither the 15 percent nor the 20 percent debt limitation.

Other Debt. The Municipality has entered into agreements with the State of Mississippi for various Capital Improvements Revolving Loans, Drinking Water Improvements Revolving Loans, and Water Pollution Control Revolving Loans. The Municipality has also entered into a number of capital leases which are subject to annual appropriations. For additional information, see **APPENDIX B** hereto.

Pension Plan and PERS Liability.

The Municipality has no pension plan or retirement plan for employees. All full-time employees of the Municipality 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, including employer contribution rates, are established by State statute and may be amended from time to time only by the State Legislature. The State statute currently provides for the PERS Board of Trustees to set employer contribution rates based on liabilities of the pension plan as determined by actuarial valuation. The percentage that an employer is required to contribute was increased from 14.26% to 15.75% effective July 1, 2013. The PERS Board of Trustees voted on June 26, 2018 to increase the employer contribution requirement from 15.75% to 17.40% effective July 1, 2019.

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 Municipality).

As a result of the implementation of GASB-68, in the audited financial statements of the Municipality for the fiscal year ending September 30, 2018, a net pension liability of $30,748,467 has been recorded, which is attributable to the Municipality and the Municipality's Electric Department, based upon the reported unfunded actuarial accrued liability of PERS of $17,591,973,000, as of June 30, 2019, based on the actuarial report of Cavanaugh MacDonald Consulting, LLC, to the Board of Trustees of PERS dated November 12, 2019.

For more information on the Municipality's pension plan and obligations, see **APPENDIX B** attached hereto.

Appendix B

Audited Financial Statements Of The Municipality For The Fiscal Year Ended September 30, 2018; Budget For The Municipality For The Fiscal Year Ending September 30, 2019; Budget For The Municipality For The Fiscal Year Ending September 30, 2020; Audited Financial Statements Of The Electric System For The Fiscal Year Ended June 30, 2018; Budget For The Electric System For The Fiscal Year Ending June 30, 2019; Budget For The Electric System For The Fiscal Year Ending June 30, 2020

__________, 20__

To whom it may concern:

We have acted as bond counsel in connection with the issuance by the City of Starkville, Mississippi (the "Municipality"), of its $8,500,000 Electric System Revenue Bonds, Series 2020, dated and issued March 1, 2020, and issued March 10, 2020 (the "Bonds") pursuant to the provisions of Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended (the "Act"), and a bond resolution (the "Bond Resolution") of the Municipality adopted January 21, 2020, authorizing the issuance of the Bonds.

All capitalized terms not defined herein shall have the meanings given to them in the Bond Resolution.

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion, including but not limited to the Act and the Bond Resolution.

As to questions of fact material to our opinion, we have relied upon the representations of the Municipality contained in the Bond Resolution and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation, and we express no opinion relating to the accuracy, completeness or sufficiency of any offering material relating to the Bonds.

Based upon our examination, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Municipality is duly created and validly existing as a body corporate and politic and public instrumentality of the State of Mississippi with the corporate power to adopt the Bond Resolution, perform the agreements on its part contained therein and issue the Bonds.

2. The Bond Resolution has been duly adopted by the Municipality and constitutes a valid and binding obligation of the Municipality enforceable upon the Municipality.

3. Pursuant to the Act, the Bond Resolution creates a valid lien on the funds pledged by the Bond Resolution for the security of the Bonds issued pursuant to the requirements set forth in the Bond Resolution, pledged on a parity of lien with any Additional Bonds issued in accordance with the provisions of the Bond Resolution.

4. The Bonds have been duly authorized, executed and delivered by the Municipality and are valid and binding special obligations of the Municipality, payable solely from the sources provided therefor in the Bond Resolution. The Bonds and the payment of debt service

are not secured by an obligation or pledge of any funds raised by taxation and the Bonds do not represent or constitute a pledge of the general credit of the Municipality.

5. Subject to the condition set forth in the immediately succeeding sentence, (a) the interest on the Bonds (including any original issue discount properly allocable to a holder thereof) is excluded from gross income for federal income tax purposes and (b) the Bonds are not "specified private activity bonds" and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. The opinions set forth in the immediately preceding sentence are subject to the condition that the Municipality comply with all requirements of the Internal Revenue Code of 1986 (the "Code"), compliance with which subsequent to the issuance of the Bonds is necessary in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Municipality has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds.

6. The Bonds are <u>not</u> qualified tax-exempt obligations as such term is used in Section 265(b)(3) of the Code.

7. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

8. Under existing statutes, regulations and court decisions as presently interpreted and construed, interest on the Bonds earned by the respective owners thereof is excludable from gross income for purposes of computing income taxes imposed by the State of Mississippi.

9. The Bonds are exempt from registration under the Securities Act of 1933 and Mississippi securities laws and the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939.

The rights of the holders of the Bonds and the enforceability thereof and of the Bond Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Respectfully submitted,

Jones Walker LLP

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Certificate") is executed and delivered by the City of Starkville, Mississippi (the "Issuer"), in connection with the issuance of its $8,500,000 Electric System Revenue Bonds, Series 2020, dated March 1, 2020, and issued March 10, 2020 (the "Bonds"). The Bonds are being issued pursuant to a resolution adopted by the Mayor and Board of Alderman (the “Board”) of the Issuer on January 21, 2020 (the "Bond Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and Beneficial Owners and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

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

"Annual Report" means any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" means a banking institution or other person or entity appointed by resolution of the Issuer as the Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has provided the Issuer a written acceptance of such designation; Jones Walker LLP, Jackson, Mississippi, serves as Dissemination Agent for the Issuer.

“EMMA” means MSRB’s Electronic Municipal Market Access system on the MSRB Website.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board established under the 1933 Securities Act, as amended, or any successor thereto.

“MSRB Website” means www.emma.msrb.org.

“National Repository” means (a) MSRB’s EMMA, and (b) in the future, any successor repository or repositories prescribed by the SEC for the purpose of serving as repository under the Rule.

"Official Statement" means the Official Statement dated __________, 20__, pertaining to the Bonds.

"Participating Underwriter" means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Required Electronic Format" means the electronic format then prescribed by the SEC or the MSRB pursuant to the Rule.

"Repository" means each National Repository and the State Repository.

"Rule" means Rule l5c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" means the State of Mississippi.

"State Repository" means any public or private repository or entity designated by the State as a state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Disclosure Certificate, there is no State Repository.

"Submission Date" means the date on which the Annual Report is submitted to the Repositories pursuant to Section 3 of this Disclosure Certificate, which shall be a date not later than twelve (12) months after the end of the Issuer's fiscal year (presently September 30), commencing with the report for the 2020 fiscal year.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than the Submission Date, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. 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 Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than fifteen (15) Business Days prior to the Submission Date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). If the Issuer is unable to provide to the Repositories an Annual Report by the Submission Date, the Issuer shall send a notice to each Repository or the Municipal Securities Rulemaking Board and the State Repository, if any, in substantially the form attached as "Exhibit A."

(c) The Dissemination Agent shall:

(1) determine each year prior to the Submission Date the name and address of each National Repository and the State Repository, if any; and

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

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference (a) financial information of the type included in the subsections of the Official Statement Entitled "*The Electric System Of The Municipality*" and (b) the audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the Submission Date, the audited financial statements shall be filed in the same manner as the Annual Report when they become available. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events. The Municipality shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, in a timely manner not in excess of ten (10) business days after the occurrence thereof:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) 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 security, or other material events affecting the tax status of the security;

(7) modifications to rights of security holders, if material;

(8) bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution or sale of property securing repayment of the securities, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Municipality;

(13) consummation of a merger, consolidation, or acquisition involving the Municipality, the sale of all or substantially all of the assets of the Municipality 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; and

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a financial obligation (as defined in the Rule) of the Municipality, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Municipality, any of which may affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Municipality, any of which reflect financial difficulties.

The events listed above are quoted from the Rule and some may not be applicable to the Municipality or the Bonds.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the manner as for a Listed Event under Section 5(c).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. From the date hereof until such time (if any) that the Issuer appoints a Dissemination Agent, or if a Dissemination Agent appointed by the Issuer resigns or is discharged and the Issuer does not appoint a successor Dissemination Agent, the Issuer, acting through the City Clerk of the Issuer, shall carry out the duties of the Dissemination Agent under this Disclosure Certificate.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (1) is approved by the Bondholders in the same manner as provided in the Bond Resolution for amendments to the Bond Resolution with the consent of Bondholders or (2) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders or Beneficial Owners.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (a) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (b) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer 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 Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer 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 Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Bondholder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer 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 Bond Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and the Bondholders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: __________, 2020.

City of Starkville, Mississippi

By: ________________________________
City Clerk

<u>Exhibit A</u>

Notice to Repositories of Failure to File Annual Report

Name of Issuer:	City of Starkville, Mississippi
Name of	$8,500,000 Electric System Revenue Refunding Bonds, Series 2020
Date of Issuance:	__________, 20__

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-referenced Bonds as required by the Bond Resolution. The Issuer anticipates that the Annual Report will be filed by __________, 20__.

Date: __________, 20__.

City of Starkville, Mississippi

PROCEDURES FOR POST-ISSUANCE COMPLIANCE

CITY OF STARKVILLE, MISSISSIPPI
$__________ ELECTRIC SYSTEM REVENUE BONDS, SERIES 20__

General

The purpose of these Procedures for Post-Issuance Compliance, Tax-Exempt Financings (the "Procedures") is to ensure that the tax-exempt financings of the City of Starkville, Mississippi (the "Municipality" or the “Issuer”), remain in compliance with the following federal tax requirements:

- Record retention
- Arbitrage yield restriction and rebate
- Proper and timely use of bond proceeds and bond-financed property
- Timely return filings
- Corrective actions
- Other general requirements

These Procedures apply to any obligations to which Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended, and any Treasury Regulations promulgated thereunder (together, as applicable, the "Code") apply. The Municipality will comply with any requirements set forth in the Code and subsequent rulings and other advice published by the Internal Revenue Service (the "Service" or the "IRS"), as such authorities may apply to the Municipality and its obligations.

The "Financing"

There are different types of obligations that can evidence a tax exempt loan including but not limited to bonds, notes, obligations, leases, or installment sales transactions. This document refers to "bonds" but applies to all of these types of transactions and all such debt instruments.

Responsible Parties

The Municipality designates the City Clerk of the Municipality (the “City Clerk”) and the General Manager of the electric system of the Municipality (the “General Manager”) as the primary persons responsible for compliance with this policy (the “Responsible Parties”). The Responsible Parties will coordinate efforts with the Mayor and Board of Aldermen and other parties working with the Municipality on financings and the operation of bond financed facilities to ensure that any actions taken with respect to bond financed facilities will be in compliance with the requirements of the Code and rulings of the IRS.

General Recordkeeping

The Municipality will maintain a copy of the following documents on file at all times:

- Audited Financial Statements for each years that tax-exempt bonds are outstanding
- Reports of any examinations by the IRS of the Municipality or its tax-exempt financings for, or in relation to conduit transactions with, the Municipality

With respect to each issue of tax-exempt bonds, the Municipality hereby requires, and each Municipality agrees to retain, the following for the life of the bonds plus three years:

- Financing transcript
- Minutes and resolution(s) authorizing the issue
- Certifications of issue price
- Any formal elections (e.g., election to employ an accounting methodology other than specific tracing)
- Appraisals, demand surveys, and/or feasibility studies for bond-financed property
- Government grant documentation related to construction, renovation, or purchase of bond-financed facilities
- Bond Trustee or bank statements regarding investment and expenditures of bond funds
- Any agreement listed in "Private Business Use" (below) that relates to a bond financed facility

Separate Bank Account

Many of the Code provisions related to tax exempt bonds pertain to how bond proceeds are invested, and when such bond proceeds are spent. The Municipality will establish a separate bank account or trust fund for bond proceeds and keep records for any such account showing:

- All expenditures on the bond-financed property
- Investment of bond proceeds

Investments and Arbitrage Compliance

Many of the Code provisions deal with restrictions if bond proceeds are invested at a yield higher than the yield on the bonds. The Responsible Parties are responsible for monitoring such investments, and taking steps to ensure compliance with the yield restriction requirements of Section 148(a) of the Code and the rebate requirements of section 148(f) of the Code. Such monitoring includes, but is not limited to:

- tracking the allocation of bond proceeds to expenditures for compliance with any temporary period and spending exceptions, no less frequently than annually
- ensuring that any forms required to be filed with the IRS relating to arbitrage or rebate and any payments required pursuant thereto are filed in a timely manner
- ensuring that "fair market value" is used with respect to the purchase and sale of investments

Additionally, the Responsible Parties will monitor compliance with rebate and yield restriction rules on an annual basis.

With respect to each issue of tax-exempt bonds, the Municipality agrees to retain the following for the life of the bonds plus three years:

- Documentation of allocations of investments of bond proceeds and calculations of investment earnings
- Documentation for investments of bond proceeds related to:
    a) Investment contracts (e.g., guaranteed investment contracts)

b) Credit enhancement transactions (e.g., bond insurance contracts)
c) Financial derivatives (e.g., swaps, caps, etc.)
d) Bidding of financial products

- Documentation regarding arbitrage compliance, including:
  a) Computation of bond yield
  b) Computation of rebate and yield reduction payments
  c) Form 8038-T, *Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate*
  d) Form 8038-R, *Request for Recovery of Overpayments Under Arbitrage Rebate Provisions*

Expenditures and Assets

The Code generally requires that at least 85% of bond proceeds are to be expended on the project within three years of the date the bonds are issued.

The Responsible Parties are responsible for oversight of the expenditure of bond proceeds, including monitoring whether such expenditures are made in a timely manner for the purposes for which the bonds were authorized. The Responsible Parties will ensure that all proceeds of a bond issue are allocated to expenditures by the later of 18 months after the expenditure was made or the date the project is placed in service (and in no event, later than 60 days after (i) the fifth anniversary of the issue date or (ii) retirement of the issue).

With respect to each issue of tax-exempt bonds, the Municipality will retain the following for the life of the bonds plus three years:

- Documentation of allocations of bond proceeds to expenditures (e.g., allocation of bond proceeds for expenditures for the construction, renovation or purchase of facilities)
- Documentation of allocations of bond proceeds to bond issuance costs
- Copies of all requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks related to bond proceeds spent during the construction period
- Copies of all contracts entered into for the construction, renovation or purchase of bond-financed facilities
- Records of expenditure reimbursements incurred prior to issuing bonds for bond-financed facilities
- List or schedule of all bond-financed facilities or equipment
- Depreciation schedules for bond-financed depreciable property
- Documentation of any purchase or sale of bond-financed assets

Private Business Use

The legal and tax restrictions on private use of tax-exempt bond-financed property are set forth in detail in the applicable federal tax certificate executed in connection with the issue of tax-exempt bonds.

Generally, private use results from the sale or lease of tax-exempt bond-financed property or the granting of special legal entitlements to a private business or the Federal government. Private business use can also result from contracts that permit private business activities to be conducted using bond-financed property or from research performed in a tax-exempt bond-financed facility for private parties or the Federal government.

Any material agreement that permits a private business or the Federal government to use tax-exempt bond-financed property should be reviewed by Bond Counsel prior to execution. Annually, a general review of the use of tax-exempt bond-financed facilities should be conducted. Tax-exempt bond-financed property should not be sold or leased without first consulting with Bond Counsel.

Corrective Action

A corrective action may be required if, for example, it is determined that bond proceeds were not properly expended, the Municipality is not in compliance with the arbitrage requirements imposed by the Code or the Municipality has taken a deliberation action that results in impermissible private business use (e.g., sale or lease of bond-financed property) or entering a management contract with a private company for that facility. If the Municipality determines or is advised that corrective action is necessary with respect to any issue of its tax-exempt obligations, the Municipality will in a timely manner:

- seek to enter into a closing agreement under the Tax-Exempt Bonds Voluntary Closing Agreement Program described in Notice 2001-60 (or any successor notice thereto)
- take remedial action described under Section 1.141-12 of the Code
- take such other action as recommended by Bond Counsel

Internal Revenue Service Examination of Bonds

In the event that bonds issued by the Municipality are selected for examination by the IRS, the Municipality will retain qualified and experienced counsel to represent the Municipality and will work with such counsel to provide such documents and information requested by the IRS as are in the possession of the Municipality.

Policy Supplemental to all Existing Policies

This Policy is supplemental to all existing policies of the Municipality.

City of Starkville, Mississippi

By: ____
City Clerk

By: ____

Title: ____

Dated: __________, 20__

(seal)

6. CONSIDERATION OF APPROVAL TO ACTIVATE THE HIGHWAY 182/ MARTIN LUTHER KING JR. BUILD GRANT.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 21, 2019 Official Agenda, and to accept items for consent, whereby the "approval to activate the Highway 182/ Martin Luther King Jr. BUILD Grant and authorize the Mayor and City Engineer to execute any project activation documents as required by the MDOT Project Development Manual and authorize the Mayor to sign a Memorandum of Agreement with MDOT for this project pending the City Attorney's review" is enumerated, this consent item is thereby approved.

7. CONSIDERATION OF APPROVAL FOR THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT WITH MISSISSIPPI STATE UNIVERSITY AND OKTIBBEHA COUNTY TO COMPLETE THE LINKAGE TRANSPORTATION ALTERNATIVES PROJECT.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 21, 2019 Official Agenda, and to accept items for consent, whereby the "approval for the Mayor to execute an Interlocal Agreement with Mississippi State University and Oktibbeha County to complete the Linkage transportation alternatives project" is enumerated, this consent item is thereby approved.

INTERLOCAL COOPERATIVE AGREEMENT BETWEEN

STARKVILLE, MISSISSIPPI, MISSISSIPPI STATE UNIVERSITY
AND OKTIBBEHA COUNTY, MISSISSIPPI
FEDERAL AID PROJECT NO. STP-0420-00 (024) LPA 108010-701000

This INTERLOCAL COOPERATIVE AGREEMENT ("Agreement") is executed by and between STARKVILLE, MISSISSIPPI (the "City"), MISSISSIPPI STATE UNIVERSITY (the "University") and OKTIBBEHA COUNTY, MISSISSIPPI (the "County"), effective as of the_________ day of _______________, 201_____

WITNESSSETH

WHEREAS, Miss. Code Ann. § 17-13-7 authorizes local governmental units of the State to contract with one another for joint or cooperative action to provide services and facilities; and

WHEREAS, the University, City, and County (sometimes collectively "the Parties") are authorized to enter into this Agreement pursuant to Miss. Code Ann. § 17-13-7, and independently and cooperatively to exercise the power, authority and responsibility to engage in the functions and perform the services outlined below; and

WHEREAS, the City, County, and University desire to enter into an lnterlocal Agreement for the purpose of constructing a multi-use path from Spring Street to the University Amphitheater ("Linkage Multi-Use Path Project" or "Project"); and

WHEREAS, the City has applied for and received Federal Transportation Alternative Funds to design and construct the Linkage Multi-Use Path Project; and

WHEREAS, the City reasonably estimates that the total cost of designing and constructing the multi-use path will be $819,280.00, with $588,000.00 coming from Federal Transportation Alternative Funds and the remainder of the cost being split between the Parties; and

WHEREAS, the Parties have determined that it is in their best interest to take action as may reasonably be necessary to facilitate and accelerate the construction of the Linkage Multi-Use Path Project because the Project will provide and improve pedestrian and alternative transportation routes in their jurisdictions; and

WHEREAS, the Parties have found that the construction of the Linkage Multi-use Path Project is feasible, beneficial, and within the financial resources of the Parties, and will benefit the Parties, and in turn, the general public; and

WHEREAS, the Parties desire to work in coordination and cooperation with each other in a government-to-government relationship for their benefit; and

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and other good and valuable consideration, the Parties do hereby agree as follows:

1. **PURPOSE**. This Agreement establishes the protocol and defines the responsibilities and obligations of the Parties in connection with their joint and cooperative efforts to complete the Linkage Multi-Use Path Project. The City proposes to construct the Project with federal funds outlined above. The Parties agree to split the remaining costs as outlined below. The City will oversee all aspects of the construction of the project.

2. ADMINISTRATION AND RESPONSIBILITIES OF THE PARTIES

A. The City agrees as follows:

1. To conform throughout the Project to appropriate details and requirements of all applicable state and federal laws.

2. To complete design plans for the Project. This will include all activities and documents normally associated with design of a federal transportation alternatives project.

3. To provide construction management for the Project.

4. To advertise for bids, receive bids, open bids, and award a contract or contracts for construction of the Project.

5. To administer the Project construction contract or contracts, including making all payments to the contractors, and to complete the construction of the Project with other legally available funds of the City.

6. To manage the engineering, bidding, and construction process in a manner that furthers the purpose of this Agreement.

7. To provide an equal one-third (1/3) share of the cost of the Project over and above the Federal Transportation Alternative Funds plus a one-third (1/3) share of preliminary engineering costs.

8. To require the Project contractor to: (1) list the University as a "co-owner" on the Project performance bond; and (2) execute a Letter of Assurance in favor of the University in the form attached and incorporated herein as Exhibit A.

B. The University and County hereby covenant, warrant and agree as follows:

1. To assist the City in every reasonable and appropriate manner by providing the City with financial, statistical, and other records and reports as may be requested or required by state and federal regulations or guidelines for the Project.

2. To grant the City any and all temporary licenses and/or permits along the Project route to allow the design and construction of the Linkage Multi-Use Path.

3. To each provide an equal one-third (1/3) share of the cost of the Project over and above the Federal Transportation Alternative Funds plus a one-third (1/3) share each of preliminary engineering costs.

3. AMENDMENTS. This Agreement may only be amended in writing as mutually agreed upon by the Parties.

4. DISPOSITION OF PROPERTY. Throughout the operation of this Agreement, and following its expiration, all property attendant to the Linkage Multi-Use Path Project shall remain the property of the original owner.

5. SEVERABILITY. Should any provision of this Agreement be found to be unconstitutional, or otherwise contrary to the laws of the State of Mississippi or the United States of America, to the extent that it is reasonably possibly to do so, the remainder of this Agreement shall remain in full force and effect.

6. AUTHORITY. Authority for this Agreement has been granted by the Mississippi Legislature pursuant to Miss. Code Sec. § 17-13-7.

SO EXECUTED AND AGREED THIS____ DAY OF____________________, 2020.

CITY OF STARKVILLE, MISSISSIPPI

By: ____
D. Lynn Spruill, Mayor

MISSISSIPPI STATE UNIVERSITY, MISSISSIPPI

By: ____
Dr. Mark Keenum, President

OKTIBBEHA COUNTY, MISSISSIPPI

By: ____
John Montgomery, County Board President

8. CONSIDERATION FOR ACCEPTANCE OF THE DECEMBER 2019 FINANCIAL STATEMENTS.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "acceptance of the December 2019 Financial Statements" is enumerated, this consent item is thereby approved.

9. CONSIDERATION TO HIRE ELIZABETH BECK, STEPHEN GARCIA AND GARRETT MILES AS ENTRY LEVEL POLICE OFFICERS AND ARIN HANOHANO AS A CERTIFIED POLICE OFFICER IN THE STARKVILLE POLICE DEPARTMENT.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "approval to hire Elizabeth Beck, Stephen Garcia and Garrett Miles as Entry Level Police Officers and Arin Hanohano as a Certified Police Officer in the Starkville Police Department" is enumerated, this consent item is thereby approved.

10. CONSIDERATION TO HIRE MARQUIS JORDAN AS MAINTENANCE WORKER IN THE SANITATION/ENVIRONMENTAL SERVICES DEPARTMENT.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "approval to hire Marquis Jordan as Maintenance Worker in the Sanitation/Environmental Services Department" is enumerated, this consent item is thereby approved.

11. CONSIDERATION TO HIRE DESTIN GLADNEY AND ARLIE BRANDON AS PART-TIME CUSTOMER SERVICE REPRESENTATIVES IN THE STARKVILLE UTILITIES DEPARTMENT.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "approval to hire Destin Gladney and Arlie Brandon as part-time Customer Service Representatives in the Starkville Utilities Department" is enumerated, this consent item is thereby approved.

12. CONSIDERATION OF APPROVAL TO ENTER A FIVE YEAR LEASE PURCHASE AGREEMENT WITH ACTIVE SOLUTIONS, LLC, THE LOWEST AND BEST OF TWO QUOTES, ENABLING THE ACQUISITION OF FIVE SURVEILLANCE CAMERAS WITH ALL-WEATHER EQUIPMENT ENCLOSURES.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 21, 2019 Official Agenda, and to accept items for consent, whereby the "approval to enter a five year lease purchase agreement with Active Solutions, LLC, the lowest and best of two quotes, enabling the acquisition of five surveillance cameras with all-weather equipment enclosures" is enumerated, this consent item is thereby approved.

Active Solutions
We Make Your World Safer™

QUOTE

City of Starkville, MS
101 E. Lampkin Street
Starkville, Mississippi
C/O Joel Clements

November 22, 2019

Quote Description
SafeCityCam w/Axis P3807 PVE & P3717 PLE

SALESPERSON	Project Description	Payment Terms	DUE DATE
Brad Giacone (504) 909-2505	City of Starkville SafeCity Cameras	Net 30	

QTY	Part Number	DESCRIPTION	UNIT PRICE	LINE TOTAL
5	AS-SafeCity Enc	Active Solutions SafeCity Enclosure	$3,135.00	$15,675.00
		Includes power and surge requirements, brackets/mounts, remote reboot module, programmable strobe lighting package and onboard camera storage (128GB Surveillance Grade SD Card) in a weatherproof enclosure. Enclosure will accommodate the MaxxSouth hardware.		
3	AXIS P3807 PVE	8MP 180 Degree Full HD Dome Camera - Multi Sensor	$1,098.61	$3,295.84
2	AXIS P3717-PLE	Flexible multisensor fixed camera with four 1080p sensors.	$1,227.59	$2,455.18
5	AS-PW-PS-25	25' Length - Cable with photo sensor fits standard street light power base	$195.00	$975.00
5	ASLABOR-ASMBLY	Installation - Unpacking - Assembly	$125.00	$625.00
		Site Inspections/Prep - Onsite & Remote		
18	ASLABOR-ASMBLY	Installation - Unpacking - Assembly	$125.00	$2,250.00
		Camera Unpacking & Assembly		
25	ASLABOR-ASMBLY	Installation - Unpacking - Assembly	$125.00	$3,125.00
		Camera Installations/Remote Support		
25	ASLABOR-CONFIG	Initial Camera/Software Programming & Configuration	$125.00	$3,125.00
8	ASLABOR-ProjMgmt	Project Management	$185.00	$1,480.00
5	Axis ACS Software Lic	Axis Camera Station - Camera License - One Time License	$76.69	$383.44
3.00%	AS-Maint	Maintenance and Support - 1 Year	$22,401.01	$672.03
		Based On Percentage of System Price		
			SUBTOTAL	$34,061.48
			SALES TAX	$0.00
			TOTAL	**$34,061.48**

Quote does not include freight/shipping charges.
Quote does not include data backhaul currently provided by MaxxSouth.

The prices above, specifications and conditions are satisfactory and accepted. By affixing my signature below, I authorize Active Solutions to perform the work outlined above and agree to the payment terms as stated.

____

Please return signed Proposal to Active Solutions with your deposit to commence the aforementioned work.

SKYHAWK

Connection and protection in the digital world.

844-SKYHAWK

www.GoSkyhawk.com

PROPOSAL

Number SKYQ5374-01

Date Nov 7, 2019

Prepared For

City of Starkville MS.
Joel Clements
110 W. Main Street
Starkville, MS 38759
United States

Phone 662.323.2525
Fax

Representative

Devlin Roussel

225-214-1444

droussel@goskyhawk.com

Qty	Description	Unit Price	Ext. Price
1	Q6155-E	$2,964.82	$2,964.82
	AXIS Q6155-E Network Camera - MPEG-4 AVC, Motion JPEG, H.264 - 1920 x 1080 - 30x Optical - CMOS - Parapet Mount, Pole Mount, Wall Mount, Pendant Mount, Ceiling Mount, Corner Mount	$2,722.09	$2,722.09
	AXIS T91G61 Wall Mount	$180.63	$180.63
	AXIS 64 GB Class 10 microSDXC - 20 MB/s Read - 20 MB/s Write	$62.10	$62.10
1	P3717-PLE	$1,567.71	$1,567.71
	AXIS P3717-PLE 8 Megapixel Network Camera - 49.21 ft Night Vision - H.264, MPEG-4, MJPEG - 1920 x 1080 - 2x Optical - CMOS - Bracket Mount	$1,214.04	$1,214.04
	AXIS T8134 60 W Midspan - 120 V AC, 230 V AC Input - 1 10/100/1000Base-T Output Port(s) - 60 W - Wall/Shelf/DIN Rail-mountable	$135.24	$135.24
	AXIS T94N01D Ceiling Mount	$80.09	$80.09
	AXIS T91D61 Wall Mount for Surveillance Camera	$76.24	$76.24
	AXIS 64 GB Class 10 microSDXC - 20 MB/s Read - 20 MB/s Write	$62.10	$62.10
1	Q3517-LVE	$1,344.73	$1,344.73
	AXIS Q3517-LVE 5 Megapixel Network Camera - H.264, Motion JPEG - 2x Optical - Wall Mount, Junction Box Mount	$1,133.68	$1,133.68
	AXIS T91H61 Wall Mount	$157.49	$157.49
	AXIS T94M01D Mounting Adapter for Network Camera - White - White	$53.56	$53.56
1	P3807-PVE	$1,462.72	$1,462.72
	AXIS P3807-PVE 8.3 Megapixel Network Camera - H.264, MPEG-4, MJPEG - 4320 x 1920 - RGB CMOS - Recessed Mount, Pole Mount, Wall Mount, Parapet Mount, Ceiling Mount, Corner Mount	$1,224.45	$1,224.45
	AXIS T91H61 Wall Mount	$157.49	$157.49
	AXIS Mounting Bracket for Network Camera	$80.78	$80.78
1	Surveillance Cabinet for Fiber	$1,828.75	$1,828.75

*Boxes to be delivered to customer pre-configured.
*Customer will be responsible for mounting boxes to desired locations.
*Customer will be repsonsible for providing power to the boxes.
*If Customer requests Skyhawk to mount boxes, a seperate quote will be issued.

ASSIGNMENT

This **Assignment** is made as of December 11, 2019, between **Active Solutions, LLC** whose address is 1215 Prytania Street, Ste 301 , New Orleans, LA 70130, ("Assignor") and **Government Leasing, LLC ,** located at 830 Tenderfoot Hill Road, Suite 301, Colorado Springs, Colorado 80906 ("Assignee").

WHEREAS, Assignor is the Lessor under a Municipal Lease and Option Agreement identified as Municipal Lease and Option Agreement No.: 23851, between it and City of Starkville as Lessee ("Lessee"), pursuant to which the Lessee has agreed to lease 5 Surveilance Cameras and sensors more thorougly described in Exhibit A to the Lease; and

WHEREAS, Assignor wishes to assign all of its rights and interests in and to Lessor's Rights and Equipment, to Assignee,

NOW, THEREFORE, in consideration of the mutual benefits to be derived from this Assignment, and to induce Assignee to accept an assignment of the Equipment and Lessor's Rights, the parties hereto agree as follows:

1. **DEFINITIONS.** The following capitalized terms used in this Assignment shall have the following meanings:

    a) "Equipment" shall mean the Equipment identified in the Lease.

    b) "Lease" shall mean the Municipal Lease and Option Agreement No.: 23851, concerning the lease of the Equipment described therein and which is between Lessor and Lessee.

    c) "Lease Documents" shall mean all of the documents, instruments and other agreements evidencing, arising from or pertaining to the Lease (complete copies of which have been delivered to Assignee), including but not limited to the Lease and any guaranty or guaranties, debt and lien subordination agreements, assignments, financing statements, and insurance policies or coverage (all as amended, modified, supplemented and renewed from time to time, together with all exhibits, schedules, attachments and annexes thereto).

    d) "Lessor's Rights" shall mean all of the Lessor's rights under the Lease Documents, including, but not limited to Lessor's rights, title and interest in and to all (i) payments, collections and recoveries, including without limitation late or delinquency charges, and buyout and/or purchase option payments, if any, and the right to direct claims and/or appeals against the Lessee related to the Lease Documents; and (ii) Equipment and all other property that is the subject of such lease; (iii) all Lessor's rights to enforce the Lessee's obligations pursuant to the Lease Documents; (iv) all of Lessor's rights under any representations, warranties, covenants, guaranties, recourse rights, debt and lien subordinations, cross-default and cross-collateralization agreements, if any, associated with the Lease Documents; (v) insurance and other rights and interests of Lessor arising from or pertaining to the Lease Documents; and (vi) all rights Lessor may have against any vendor or manufacturer of the Equipment thereof.

2. **TRANSFER**. Subject to the terms of this Assignment, Assignor does hereby transfer and assign to Assignee, and its assigns, the Equipment and all of Lessor's Rights, including, but not limited to, Lessor's rights to the lease payments described in the Lease, any right to insurance proceeds, renewals, buyout or purchase option amounts, payable by or on behalf of Lessee, whether now due or which may hereafter become due under the Lease Documents. Furthermore, to secure Assignor's obligations hereunder and, to the extent that the transfer is not deemed complete, Assignor hereby grants Assignee a valid perfected first priority security interest in Lessor's Rights. Assignee assumes and shall have none of the obligations of the Lessor under the Lease Documents or any other arrangement or agreement concerning the Equipment or the Lessee. The Assignee's rights in and to the Equipment shall be subject to the Lessee's rights as described in the Lease Documents.

3. **FUNDING CONDITIONS.** Assignee's obligations to pay Assignor the purchase price of $34,061.48 is subject to the following conditions:

    a) Receipt of (i) consent to this Assignment duly executed by the Lessee, (ii) Acceptance Certificate duly executed by Lessee, (iii) opinion of counsel to Lessee concerning the Lease, (iv) opinion of counsel to the Assignor concerning this Assignment, (v) complete description of the leased property with serial numbers and locations, (vi) UCC-1 showing Lessee as debtor and Assignor as secured party referencing the leased property, (vii) UCC-1 showing Assignor as debtor and Assignee as secured party referencing the Lessor's Rights, (viii) for tax exempt transactions, IRS form 8038-G or 8038GC (as appropriate), duly executed by Lessee, and (ix) proof of insurance (Acord Form 27 or equivalent level of assurance) showing Assignee as an additional insured;
    b) No default by either the Assignor or Lessee under the Lease Documents;
    c) All representations and warranties contained herein and in the Lease Documents shall be and remain true, accurate and complete; and
    d) All filings necessary to perfect Assignee's rights, title and interest in Lessor's Rights shall have been duly made.

Each of the foregoing shall be in form and substance satisfactory to Assignee in its sole discretion.

4. **ASSIGNOR'S WARRANTIES AND AGREEMENTS**. Assignor does hereby warrant to and agree with Assignee that:

    a) All payments described in the Lease Documents are being assigned hereby;
    b) Assignor is, on the date hereof, the owner of Lessor's Rights and the Equipment, free and clear of any liens, encumbrances or interests of any third party, subject only to the rights of Lessee under the Lease Documents;
    c) Assignor has the power and authority to execute and deliver this Assignment to Assignee and to perform Assignor's obligations hereunder;

d) All signatures on the Lease Documents are the true signatures of those persons whose signatures they purport to be;
e) The Lease is a bona fide lease of new equipment described therein first placed in service on or about the date of the Lessee's Acceptance;
f) Assignor's rights to receive the lease payments are not subject to any further performance of any obligations to Lessee by anyone;
g) The Lease Documents are complete, are not subject to any terms not set forth therein, and will not be amended without the prior written consent of Assignee, and, to the knowledge of Assignor, Lessor's Rights and the Lease Documents are enforceable in all respects;
h) Assignor has disclosed all material facts to Assignee and has not omitted to disclose any material fact to Assignee with respect to this Assignment, the Equipment, Lessor's Rights, the Lease Documents and the transaction described therein;
i) To the knowledge of Assignor, the Lease is and will continue to be free from setoff, counterclaims, abatements, and defenses of any kind;
j) There has been no default by any party or any other circumstance that could constitute a default under the Lease Documents;
k) If the Lease resulted from a formal solicitation of bids, Assignor has complied with all applicable laws and regulations concerning the solicitation of bid and award of contracts applicable to the transaction described in the Lease and the Lease Payments have been priced and computed as required thereunder;
l) Assignor shall, has and will continue to timely perform each and every obligation required of the Lessor under the Lease Documents or otherwise required as a result of the Solicitation or otherwise;
m) Assignor has paid any third party vendor(s) the entire purchase price of the Equipment;
n) There is only one executed Lease (i.e., chattel paper original) and it is delivered to Assignee hereby if there is more than one executed counterpart, the signature page of each such counterpart each has been labeled:

COUNTERPART NO. _____ OF ___ SERIALLY NUMBERED MANUALLY EXECUTED COUNTERPARTS. TO THE EXTENT THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

Only one Counter part is numbered "1 of __" (the others are numbered 2 of 6 though 6 of 6, respectively). Counterpart numbered "1 of __" is fully executed and is being delivered to GLC as a condition of funding;
o) Lessor has paid all sales, use or privilege taxes payable as a result of the acquisition and lease of the Equipment to the Lessee and the assignment to Assignee described herein (or Lessee will receive amounts payable by Assignee hereunder, in trust, for the purpose of payment of such taxes, until such taxes have been paid) and, Assignee may pay part of the consideration payable hereunder to Assignor, by a two party check, naming Assignor and the appropriate tax authority both as payees, in an amount equal to an estimate of such tax liability;
p) The Lessee has notice of this Assignment and it has been approved and accepted by the Lessee and will not violate any of the terms of the Lease Documents;
q) The address of Assignor's chief executive offices, state of incorporation, and organizational identification number are accurately set forth in the initial paragraph above;
r) Assignor possesses all franchises, licenses (including sales and use tax licenses or the equivalent), permits, consents and authorizations necessary for it to perform its obligations under the Lease Documents and this Assignment.

5. **REPURCHASE OBLIGATION**. If Assignor is in breach of any of the warranties, representations or agreements contained herein, Assignee shall provide Assignor written notice of the claimed breach. If Assignor fails to cure the breach within thirty (30) days of the written notice, Assignor shall repurchase the Equipment and Lessor's Rights as of the date of such repurchase. The repurchase price shall equal (i) the present value of all payments scheduled but not yet paid and including all payments not yet payable through the entire term of the Lease, including all optional extensions thereof, plus (ii) the residual value of the property subject to the Lease (the sum of (i) and (ii) shall be discounted at the interest rate on United States Treasury Bills with a term corresponding to the term of the Lease as of the date it was funded), less (iii) any unearned finance charges (not previously adjusted for by discounting), plus (iv) all attorneys fees, costs and expenses of Assignee incurred in connection with the default under the Lease Documents and this Assignment giving rise to the repurchase obligation. Upon repurchase, Assignee shall reassign to Assignor all rights previously assigned to Assignee under this Assignment without recourse or any implied or express warranties of any type or nature.

6. **ADDITIONAL DOCUMENTS.** Assignor has executed and delivered to and for the benefit of Assignee a Uniform Commercial Code Financing Statement (Form UCC-1) concerning the Equipment and Lessor's Rights for filing in the appropriate records of the state where Assignor's place of business is located, or if it has more than one place of business, in the appropriate records of the state where its chief executive office is located. Assignor agrees that it will execute and deliver, and file and record, as appropriate, any document reasonably requested by Assignee to evidence or better perfect its rights under this Assignment.

7. **ASSIGNEE'S WARRANTIES AND REPRESENTATIONS.** Assignee does hereby warrant and represent to Assignor that: (a) Assignee is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Colorado; (b) the execution and performance of this Assignment by Assignee has been duly authorized by all requisite corporate action; and (c) this Assignment constitutes a valid and binding obligation of Assignee.

8. **NOTICES.** Any notice, request or other document to be given hereunder by either party to the other shall be in writing and delivered personally or sent by overnight courier capable of providing proof of delivery, to the parties at their respective addresses above, and if to Assignee, then sent to Attn: President; if to Assignor, then sent to Attn: Legal Department. Either party may change the person to be notified or its address by a notice given in accordance with this section.

9. **GOVERNING LAW.** This Assignment shall be governed by and construed in accordance with the substantive and procedural law of the State of Colorado, without regard to its rules regarding conflicts of law. In the event of any litigation to enforce any obligations under this Assignment, the prevailing party shall be entitled to recover its reasonable attorneys fees, costs and expenses incurred in such proceeding.

10. **ENTIRE AGREEMENT.** This Assignment contains the entire agreement of Assignor and Assignee with respect to the transactions contemplated hereby and supersedes all previous discussions, negotiations, commitments and writings. This Assignment cannot be amended except by a writing signed by both parties. This Assignment may be executed in two counterparts, and each such counterpart shall be deemed an original, and both of which together shall constitute one and the same instrument. The signature of any authorized person executing this Assignment, if transmitted by telecopier, shall be as valid and binding as if the signature were original.

11. **SEVERABILITY.** Insofar as possible, each provision of this Assignment shall be interpreted so as to be effective under applicable law; if any provision of this Assignment is held to be prohibited or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, except if giving effect to such prohibition or invalidity would constitute a material change of the terms of this Assignment taken as a whole, then the parties shall negotiate in good faith to agree on a substitute provision that would give effect to the intent of the parties with respect to the terms of this Assignment taken as a whole.

12. **SUCCESSOR AND ASSIGNS.** This Assignment shall inure to the benefit of and be binding on the successors and assigns of Assignor and Assignee.

13. **INDEMNIFICATION.** Assignor assumes liability for, and hereby agrees to indemnify, protect, defend and hold harmless Assignee, its officers, directors, employees, agents, successors and assigns, from and against any and all liabilities, losses, damages, claims, and expenses (including, attorneys fees and disbursements) of any kind at any time attributable to acts or omissions of Assignor and relating to, arising out of or resulting from (i) the inaccuracy of any representation, warranty or certification made by Assignor in this Agreement or the Lease Documents or (ii) the failure of Assignor to perform any of its obligations in this Assignment or the Lease Documents. Assignee will provide Assignor with prompt notice of any claim or action related to this indemnification.

14. **FURTHER ASSURANCES.** Assignor will execute and deliver to Assignee such other and further instruments or documents as in the judgment of the Assignee may be reasonably required to better effectuate the transactions contemplated hereby.

IN WITNESS WHEREOF, this Assignment has been executed as of the date first above written and will be governed by and construed in accordance with the laws of the State of Colorado.

ASSIGNOR: Active Solutions, LLC

By: ______________________________ Date: ______________________________

ASSIGNEE: Government Leasing, LLC

By: ______________________________ Date: ______________________________
Tom Wittwer, President

NOTICE OF ASSIGNMENT

LESSEE NAME: City of Starkville
LESSEE ADDRESS: 110 West Main Street, Starkville, MS 39759

RE: Municipal Lease and Option Agreement No. 23851 ("Lease Agreement") by and between Active Solutions, LLC and City of Starkville ("Lessee")

Sir/Madam:

Please be advised that Active Solutions, LLC has exercised its right, in accordance with the above described Lease Agreement, and has assigned all of its rights and interest in and to Sixty (60) monthly payments in the amount of $667.00each that are payable under the above referenced Lease Agreement, and to the grant of a security interest in the Lease Agreement and the property/equipment leased thereunder, and the right to receive payments thereunder to **Government Leasing, LLC** ("Assignee"). Such assignment does not include any obligation of the Lessor to perform under the provisions of the Lease Agreement, which obligations are retained by Active Solutions, LLC.

All payments now becoming due under the Agreement are now to be made to the Assignee at the following address:

Government Leasing, LLC
830 Tenderfoot Hill Rd. Ste 301
Colorado Springs, CO 80906

Please acknowledge your receipt of this assignment information, and your understanding of the payments becoming due under the Lease Agreement being made directly to the Assignee by the signature of a duly authorized official of your organization in the space provided below.

Sincerely, Active Solutions, LLC.	Acknowledged: City of Starkville
(signature)	(signature)
(typed/printed name)	D. Lynn Spruill (typed/printed name)
(title)	Mayor (title)
(date)	1/21/2020 (date)

Limited Power of Attorney

TO: Government Leasing, LLC
830 Tenderfoot Hill Rd. Ste 301
Colorado Springs, CO 80906

FROM: Active Solutions, LLC
1215 Prytania Street, Ste 301
New Orleans, LA 70130

RE: Municipal Lease and Option Agreement No. 23851 ("Agreement") by and between Active Solutions, LLC and City of Starkville ("Lessee")

With respect only to checks received by Government Leasing, LLC ("Assignee") from the City of Starkville, the Lessee, for the above-referenced Agreement and made payable to the Vendor, said Vendor hereby authorizes the Assignee, to deposit such funds into any bank account maintained by the Assignee.

This Limited Power of Attorney shall continue until all Agreement payments have been received from the Lessee by the Assignee or until the Equipment covered by the Agreement is bought-out, whichever is earlier. The Vendor hereby acknowledges and agrees that when Assignee is acting in reliance upon this Limited Power of Attorney, Vendor shall have no right to inquire into, monitor or in any way control, or require Assignee to account for its withdrawal, use, disbursement or other handling by Assignee of funds deposited pursuant to this Limited Power of Attorney.

By: ______________________________

Dated: ____________________

Name: ____________________________

Title: ___________________________
Active Solutions, LLC
1215 Prytania Street, Ste 301
New Orleans, LA 70130

____
(notary signature)

Subscribed and sworn to before me, this
_______ day of ______________, 20_____.

Witness my hand and official seal.

Lease No.: 23851
Lessee: City of Starkville MS

LESSEE'S INSTRUCTIONS
Required For Municipal Lease and Option Transactions

In order to complete the lease transaction described above, the Lessee must complete, sign and return each of the documents identified and must attach each of the documents identified as documents to be provided by Lessee. Lessee must INITIAL ANY CHANGE ADDITION OR DELETION in any of the documents. Documents not marked are not required for this transaction.

DOCUMENTS PROVIDED BY LESSOR THAT MUST BE COMPLETED, SIGNED AND RETURNED BY LESSEE:

- ☐ MUNICIPAL LEASE AND OPTION AGREEMENT: Needs to be signed by duly authorized employee of Lessee and MUST be attested to by Lessee's Clerk, Board Secretary or a person serving a similar function, with appropriate seal applied, or it may be notarized.
- ☐ PAYMENT SCHEDULE: This is a schedule of payment due dates and amounts. PLEASE SIGN.
- ☐ AMENDMENTS/ADDENDA: Modifications to the Municipal Lease and Option Agreement as a result of statutes/regulations governing Lessee for transactions of this type, or otherwise required by the proposed transaction.
- ☐ ACCEPTANCE CERTIFICATE: To be signed by highest ranking official at Equipment location and attested to by the person signing the Agreement for Lessee (TWO SIGNATURES ARE REQUIRED). Date when Equipment is accepted must be inserted by Lessee.
- ☐ INCUMBENCY CERTIFICATE: Certificate identifying the person signing the Agreement for Lessee and verifying that person's authority to be the signer of Agreement and any other documents to be executed in connection therewith.
- ☐ DEPARTMENT OF THE TREASURY: IRS Form 8038-GC is required to qualify this Agreement as a tax-exempt transaction. Requires Federal ID (nine-digit number with NO LETTERS). This is not a sales tax exemption number and is only required on transactions involving interest that qualifies as income tax exempt.

DOCUMENTS THAT MUST BE PROVIDED BY LESSEE (MARKED WITH A RED X OR THAT HAVE BEEN HIGHLIGHTED):

- ☐ PURCHASE ORDER: Issued to Vendor. (Sample Purchase Order enclosed) MUST be written by Lessee, specifying total term of the Agreement (e.g., such as 36 months at $126.00).
- ☐ ADVANCE PAYMENT: Invoice enclosed. Please forward, please make payable to Lessor.
- ☐ BID/BID RESPONSE/AWARD(S): Documents upon which this quote and documentation has been generated.
- ☐ MINUTES: Shows necessary approval from (city, state, county, Tribal Council, etc.) of the transaction and to use the funds for this purpose.
- ☐ INSURANCE CERTIFICATE: As required by the Municipal Lease and Option Agreement, please provide a Certificate of Insurance (Acord Form 27 or equivalent), naming Lessor as ADDITIONAL INSURED AND LOSS PAYEE, or letter evidencing self-insurance (if approved by Lessor).

Upon execution of these documents, please make copies for your records and forward all of the ORIGINAL documents to

Government Leasing, LLC
830 Tenderfoot Hill Rd, Ste 301
Colorado Springs, CO 80906

MUNICIPAL LEASE AND OPTION AGREEMENT

LESSOR:	**Active Solutions, LLC** **1215 Prytania Street, Ste 301** **New Orleans, LA 70130**		**Agreement No.: 23851**
LESSEE:	**City of Starkville** **110 West Main Street** **Starkville, MS 39759** Attention: **Mr. Robert Camp** **(662) 418-5943** Fax:	**VENDOR:**	**Active Solutions, LLC** **1215 Prytania St. #301** **New Orleans, LA 70130** Attention: **Mr. Brian Fitzpatrick** **(504) 524-6579** Fax:

NOTE: This is an interest income tax-exempt transaction. No TIN/SSN must be provided because none of the payments are I.R.S reportable (such as Form 1099) (See Sections 103, 149, and 6041 of the Internal Revenue Code of 1986, as amended, and the Instructions for Forms 1099, 8038-G and 8038-GC.)

EQUIPMENT DESCRIPTION (make, model, serial no. and attachments – Equipment is new unless noted)

5 Survellance Cameras and sensors more thorougly described in Exhibit A

Any additional equipment will be described in any Detailed Equipment Description Amendment that is executed and which refers to this Agreement.

Lessor assumes and shall have no responsibility for performance or maintenance of Equipment. Equipment is to be insured by Lessee. **VENDOR IS NOT AN AGENT OF LESSOR** and no representative of Vendor is authorized to waive, supplement or otherwise alter any provision hereof. Maintenance and/or supplies **ARE NOT** included in this Agreement unless specified in the Equipment Description. Lessor or assignee has a security interest in Equipment and must be notified in writing of any removal or trade-in of Equipment before full payment is made to Lessor or assignee.

EQUIPMENT COST – TERM – PAYMENTS

LEASE TERM	**60 Months (includes interest, see Section 5.02).**
PAYMENTS	**Sixty (60) payments in the amount of $667.00 each with the first payment due upon the Lessee's written acceptance of the leased Equipment and each remaining payment due monthly thereafter as provided in Payment Schedule**
TOTAL AMOUNT FINANCED	**$34,061.48 – Includes no sales tax, any and all additional taxes will be the sole responsibility of Lessee.**
PURCHASE OPTION AMOUNT	**Purchase Option is $1.00 after timely making all payments.**

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE FOLLOWING PAGE, WHICH TERMS ARE MADE A PART HEREOF.

TERMS AND CONDITIONS

Lessor hereby leases the Equipment to Lessee for the following purposes and upon the following terms and conditions:

ARTICLE I: COVENANTS OF LESSEE. Lessee represents, covenants and warrants, for the benefit of Lessor and its assignee(s), as follows:

A. Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State as set forth above ("State") and will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

B. Lessee has been duly authorized to execute, deliver and perform this Agreement under the Constitution and laws of the State and under the terms and provisions of the resolution of its governing body, or by other appropriate official approval. Lessee further represents, covenants and warrants that all requirements have been met, and procedures have occurred in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. If requested, Lessee shall deliver to Lessor an opinion of Lessee's counsel in form acceptable to Lessor.

C. During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.

D. During the period this Agreement is in force, Lessee will annually provide Lessor or its assignee(s) with current financial statements, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue performing its obligations under this Agreement as may be reasonably requested by Lessor or its assignee(s). Lessee further agrees to make its best effort to budget for and have appropriated for each budget and/or appropriation cycle, sufficient funds to make the Lease Purchase Payments throughout the entire Lease Term.

E. The Equipment will have a useful life in the hands of the Lessee that is substantially in excess of the Original Term plus any Renewal Terms.

F. The Equipment is, and shall remain during the period this Agreement is in force, personal property and when subject to use by Lessee under this Agreement, will not be or become a fixture under applicable law.

G. This Agreement, as written, including all of its Amendments and Addendums, supercedes and replaces any and all representations made by Vendor.

H. The Equipment described above is NOT BEING LEASED ON ANY TYPE OR FORM OF A TRIAL OR RENTAL BASIS.

I. Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986 (the "Code"), including without limitation Sections 103 and 148 thereof, and the applicable regulations of the U.S. Treasury Department in order to maintain the exclusion of the interest components of Lease Purchase Payments from gross income for the purposes of U.S. federal income taxation.

J. Lessee will use the proceeds of this Agreement as soon as practicable, and with all reasonable dispatch, for the purpose for which this Agreement has been entered into. No part of the proceeds of this Agreement shall be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of this Agreement, would have caused any portion of the Agreement to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code, as amended, and the applicable regulations of the U.S. Treasury Department.

K. Lessee hereby designates the Agreement as a "qualified tax-exempt obligation" as defined in Section 265(b)(3) (B) of the Code.

L. Lessee represents and warrants that it is a governmental unit, under the laws of the State with general taxing powers, this Agreement is not a private activity bond as defined in Section 141 of the Code, as amended, 95% or more of the net proceeds of this Agreement will be used for local governmental activities of Lessee.

ARTICLE II: DEFINITIONS.

The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Municipal Lease and Option Agreement.

"Lease Term" means the Original Term defined in Article III hereof and a sufficient number of automatic renewal Terms as will equal the Lease Term set forth on the face of this Agreement.

"Lessor" means (i) the entity designated on the face of this Agreement as Lessor hereunder, (ii) any surviving, resulting or transferee corporation, and (iii) except where the context requires otherwise, any assignee(s) of Lessor.

"Buy-out After Payment Amount" means the amount of the payments for the balance of the entire Lease Term (assuming no early termination) plus the Purchase Option Amount shown above, if any, discounted to the date of payment at the rate equal to the rate paid on United States Treasury obligations have a similar term as of the date of original acceptance of the Equipment by the Lessee, plus payment of any amounts due hereunder but not yet paid, together with interest on such overdue amounts at ten percent (10%) per annum through the date of payment.

"Renewal Term(s)" means the automatic renewal periods of this Agreement, each having a duration of one (1) year co-terminus with Lessee's fiscal year except the last of such periods which shall end on the anniversary of the Commencement Date. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Lease Purchase Payments shall be as provided in the attached Payment Schedule.

"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment.

ARTICLE III: COMMENCEMENT OF LEASE TERM.

The Original Term of this Agreement shall commence on the date the Equipment is accepted by Lessee as indicated on the Certificate of Acceptance ("Commencement Date") and shall terminate the last day of Lessee's current fiscal year. For the duration of the Lease Term, this Agreement will be automatically renewed at the end of the Original Term and any Renewal Term unless the Lessee gives written notice to Lessor not less than thirty (30) days prior to the end of the Original Term or Renewal Term then in effect of Lessee's intention to terminate this Agreement pursuant to Section 5.05 as the case may be. If Lessee fails to accept the Equipment within a reasonable time after its delivery (not to exceed ten (10) days), then at the option of Lessor, the obligations of Lessor to provide the Equipment to Lessee hereunder may be cancelled and in such event Lessee shall assume all of Lessor's obligations under any purchase order or purchase agreement with the Vendor related to the Equipment in lieu of its obligation to make Lease Purchase Payments.

ARTICLE IV: INSPECTION.

Lessor and any assignee of Lessor's right under this Agreement shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

ARTICLE V: LEASE PURCHASE PAYMENTS.

Section 5.01. Lease Purchase Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Lease Purchase Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

Section 5.02 Payment of Lease Purchase Payments. Lessee shall pay Lease Purchase Payments, exclusively from legally available funds, in lawful money of the United States of America to Lessor or, in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in the Payment Schedule attached to this Agreement. A portion of each Lease Purchase Payment is paid as, and represents payment of, interest and principal, respectively. The Payment Schedule sets forth the interest component and principal component of each Payment during the Lease Term.

Section 5.03 Lease Purchase Payments to be Unconditional. Subject to Section 5.05, the obligation of Lessee to make payment of Lease Purchase Payments and other payments required under this Agreement shall be absolute and unconditional in all events and are intended by the parties to be "net" of taxes and insurance Lessee shall make all such payments when due and shall not withhold any such payments as a result of any disputes arising between or among Lessee and Lessor, any Vendor or any other person, nor shall Lessee have the right to assert any set-off, reduction or deduction, defense, or counterclaim against its obligation to make such payments or be entitled to any abatement of such payments as a result of accident or unforeseen circumstances or any other reason.

Section 5.04 Continuation of Lease Term by Lessee. Lessee intends to renew this Agreement through all of the Renewal Terms and to pay all the Lease Purchase Payments hereunder. Lessee reasonably believes that legally available funds of an amount sufficient to make all Lease Purchase Payments during the Original Term and each Renewal Term can be obtained. Lessee further intends to do all things lawfully within its power to obtain and maintain funds from which Lease Purchase Payments may be made, including making provision for such payments to the extent necessary in each bi-annual, annual, or otherwise periodic budget submitted and adopted in accordance with applicable provisions of state and local law, to have such portion of the budget approved and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.

Section 5.05 Non-appropriation. In the event sufficient funds shall not be appropriated for the payment of the Lease Purchase Payments required to be paid in the next occurring Renewal Term, then Lessee may terminate this Agreement at the end of the Original Term or then current Renewal Term, and Lessee shall not be obligated to make payment of the Lease Purchase Payments provided for in this Agreement beyond the Original Term or the then current Renewal Term. Lessee agrees to deliver proof of non-appropriation including rejection of reviews and appeals and notice to Lessor of such termination at least thirty (30) days prior to the end of the Original Term or the then current Renewal Term. However, failure to deliver such proof of non-appropriation and notice to Lessor shall not extend the term of this Agreement beyond the end of the Original Term or the then current Renewal Term. If this Agreement is terminated under this Section 5.05, Lessee agrees, at Lessee's cost and expense, to peaceably deliver the Equipment to Lessor at the location specified by Lessor that is a reasonable distance from the initial location of the leased Equipment.

ARTICLE VI: TITLE TO EQUIPMENT; SECURITY INTEREST.

Section 6.01 Title to the Equipment. During the term of this Agreement, risk of loss and title to the Equipment and any and all additional, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement. In the event of default as set forth in Section 12.01 or non-appropriation as set forth in Section 5.05, title to the Equipment shall immediately vest in Lessor, and Lessee will, upon Lessor's request, surrender possession of the Equipment to Lessor.

Section 6.02 Security Interest. To secure the payment of all Lessee's obligations under this Agreement, Lessee grants to Lessor a first priority purchase money security interest in the Equipment and on all additions, attachments, accessions and substitutions thereto, and on any proceeds therefrom. Lessee agrees to execute and authorizes Lessor to execute and file on Lessee's behalf, such additional documents, including a UCC-1 financing statement in the form required for filing, and such other financing statements, certificates of title, affidavits, notices and similar instruments, satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest, and upon assignment, the security interest of any assignee of Lessor, in the Equipment.

ARTICLE VII: MAINTENANCE; MODIFICATION; TAXES; AND INSURANCE.

Section 7.01 Maintenance of Equipment by Lessee. Lessee agrees that at all times during the Lease Term, Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and will from time to time make or cause to be made all necessary and proper repairs, replacements and modifications. If appropriate, Lessee will enter into a maintenance contract for the Equipment with Vendor or such other firm as Lessee may choose subject to the express written approval of Lessor, which approval shall not be unreasonably withheld.

Section 7.02 Taxes, Other Governmental Charges and Utility Charges. The parties to this Agreement contemplate that the Equipment will be used for governmental or proprietary purpose of Lessee and, therefore, the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event the ownership, use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes payable by Lessor) Lessee will pay, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment. If such tax is imposed directly on Lessor or its assigns, Lessee shall reimburse the person paying such tax on demand. If Lessee causes or allows events to happen that changes the interest income tax-exempt status of this Agreement, as outlined in Sections 103, 149, and 6041 of the Internal Revenue Code of 1986, as amended, or, assuming the Lessee has designated this Agreement as a "qualified tax-exempt obligation", if the Lessee exceeds ten million dollars ($10,000,000.00) in "qualified tax-exempt obligations", as specified in Section 265 (b) (3) (B) of the Internal Revenue Code of 1986, as amended, during the calendar year of commencement of this Agreement so that Lessee does not qualify as a "qualified small issuer" thereunder it will pay the "taxable interest rate" on this Agreement retroactive to its Commencement Date. The "taxable interest rate" is hereby defined as that rate that results in the same after tax yield to the Lessor or to its Assigns, as the tax-exempt rate on this Agreement or the highest rate permitted by law, whichever is less. In all events, Lessee shall pay all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment.

Section 7.03 Insurance. At its own expense Lessee shall cause casualty, PUBLIC LIABILITY AND PROPERTY DAMAGE insurance to be carried and maintained, or shall demonstrate to Lessor's satisfaction that adequate self-insurance is provided with respect to the Equipment, sufficient to protect the full replacement value (new) of the Equipment or the then applicable Buy-Out After Payment Amount, whichever is greater), and to protect Lessor from any liability related to the Equipment in all events. All insurance proceeds from casualty losses shall be payable as provided in Article VIII hereof. Lessee shall pay all deductibles and shall furnish to Lessor, or to its Assigns, Certificates evidencing such coverage throughout the Lease Term. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies, which cover not only the Equipment but also other properties. If Lessee shall insure similar properties by self-insurance, Lessee will insure the Equipment by means of an adequate insurance fund. All insurance shall name Lessee and Lessor as insureds and loss payees as their respective interests may appear and shall provide for at least ten (10) days prior written notice by the underwriter or insurance company to the Lessor and its assigns in the event of cancellation or expiration.

ARTICLE VIII: DAMAGE; DESTRUCTION AND CONDEMNATION; PROCEEDS.

Section 8.01 Damage, Destruction and Condemnation. Lessee is responsible for any theft or destruction of, or damage to, the Equipment, whether insured or not ("Loss"). Lessee shall continue to satisfy all its obligations hereunder (including, but not limited to the payment of Lease Purchase Payments), even if there has been a Loss. If prior to the termination of the Lease Term (a) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof or the estate of Lessee or Lessor in the Equipment or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the proceeds of any insurance claim or condemnation award, after deducting all expenses (including attorney's fees) incurred in the collection of such claim or award ("Net Proceeds"), to be applied to Lessee's obligations pursuant to Section 8.02 hereof.

Section 8.02 Application of Net Proceeds. Provided the Equipment is not deemed to be a total loss, Lessee shall, if Lessee is not in default hereunder, cause the repair, replacement or restoration of the Equipment and pay the cost thereof, and, if Lessee is in default hereunder, cause the net proceeds to be applied as if total destruction or damage had occurred. In the event of total destruction or damage to the Equipment, whether or not Lessee is in default, at Lessor's option, Lessee shall pay to Lessor on the Lease Purchase Payment due date next succeeding the date of such loss the amount of the Buy-Out after Payment Amount applicable to such date, plus the Lease Purchase Payment due on such date, plus any other amounts payable by Lessee hereunder, and, upon payment in full of such amounts, the Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate. Lessee shall retain Net Proceeds in excess of the then applicable Buy-Out after Payment Amount, if any. Lessee agrees that if the Net Proceeds are insufficient to pay in full Lessee's obligations hereunder, Lessee shall make such payments to the extent of any deficiency.

ARTICLE IX: DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE.

Section 9.01 Disclaimer of Warranties. (Reserved)

Section 9.02 Vendor's Warranties. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, which Lessor may have against the Vendor of the Equipment. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability or enforceability of such warranties of the Vendor or manufacturer.

Section 9.03 Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdictions in which its operations involving any item of Equipment may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement. Lessee agrees that no more than 10% of the use of the Equipment in any month will be by persons or entities other than the Lessee or its employees on matters relating to such employment, and no more than 5% of the use of the Equipment in any month will be unrelated to use by or for the Lessee. Lessee further agrees that no management contracts will be entered into with respect to the use of the Equipment unless: (a) at least half of the compensation is on a periodic, fixed fee basis; (b) no compensation is based on a share of net profits; (c) the Lessee is able to terminate the contract without penalties at the end of any three yeears; and (d) the total term of such contract, including any renewals does not exceed five years.

ARTICLE X: EARLY OPTION TO PURCHASE.

Provided Lessee is not in default hereunder, Lessee may, upon giving Lessor not less than thirty (30) days prior written notice, elect to purchase all, but not less than all, of the Equipment at the end of each month, or Payment due date as established by the Commencement Date, for the Buy-Out After Payment Amount. Upon exercise of this early option to purchase, Lessee shall pay these amounts to Lessor or its assigns, on demand. As a condition precedent to exercising this early option to purchase, Lessee shall deliver to Lessor and its assigns a termination of any maintenance funding or disbursing obligations related to this Agreement.

ARTICLE XI: ASSIGNMENT; SUBLEASING; AND ADDITIONAL COVENANTS.

Section 11.01 Assignment by Lessor. This Agreement, and the right to receive the payments to be made hereunder, may be assigned by Lessor and reassigned in whole or in part to one or more assignees at any time subsequent to the execution of this Agreement, without obtaining the consent of Lessee. Lessor agrees to give notice of assignment and upon receipt of such notice Lessee agrees to make all payments to the assignee designated in the notice of assignment, notwithstanding any claim, defense, set-off or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor, or the assignee. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested and provided by Lessor or its assignee in order to protect their interests in the Equipment and in this Agreement. The Lessor's interest in this Agreement may not be assigned or reassigned in whole or in part unless (i) the document by which such assignment or reassignment is made discloses the name and address of the assignee and (ii) the Lessee receives written notification of the name and address of the assignee. The Lessee covenants and agrees with the Lessor and each subsequent assignee of Lessor to maintain for the full term of this Agreement a complete and accurate written record of each such assignment and reassignment in form necessary to comply with Section 149(e) of the Internal Revenue Code of 1986, as amended, and the regulations proposed or existing from time to time promulgated hereunder. Anything in the foregoing apparently to the contrary notwithstanding, the Lessor's interest in this Agreement may be assigned in whole or in part upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for holders of certificates of participation in this Agreement, provided the Lessee receives written notification of the name and address of such collection and paying agent, and such collection and paying agent covenants and agrees to maintain for the full remaining term of this Agreement a written record of each assignment and reassignment of such certificates of participation.

Section 11.02 No Sale, Assignment or Subleasing by Lessee. This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

Section 11.03 Additional Covenants. (Reserved)

ARTICLE XII: EVENTS OF DEFAULT AND REMEDIES.

Section 12.01 Events of Default Defined. The following shall constitute an "event of default" hereunder:

A. Failure by Lessee to pay any Lease Purchase Payment or other payment required to be paid hereunder at the time specified herein; or

B. Failure by Lessee to observe and perform any other covenant, condition or agreement on its part to be observed or performed, other than for a period of thirty (30) days after written notice to Lessee, specifying such failure and requesting that it be remedied unless Lessor shall agree in writing to an extension of such time prior to its expiration provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected; or

C. Breach of any material representation or warranty by Lessee under this Agreement; or

D. Commencement by Lessee of a case or proceeding under the Federal bankruptcy laws or filing by Lessee of any petition or answer seeking reorganization, arrangement, composition, readjustment, liquidation or similar relief under any existing or future bankruptcy, insolvency or other similar law or an answer admitting or not contesting the material allegations of a petition filed against Lessee in any such proceeding; or

E. A petition against Lessee in a proceeding under any existing or future bankruptcy, insolvency or other similar law shall be filed and not withdrawn or dismissed within thirty (30) days thereafter.

Section 12.02 Remedies on Default. Upon the occurrence of an event of default, Lessor shall have the right, at its sole option without any further demand or notice, to exercise any one or more of the following remedies:

A. By written notice to Lessee, Lessor may declare all payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;

B. With or without terminating this Agreement, retake possession of the Equipment and sell, lease or sublease the Equipment with the net proceeds thereof to be applied as provided herein;

C. Require Lessee at Lessee's risk and expense to promptly return the Equipment in the manner and in the condition set forth in Section 13.10 hereof;

D. If Lessee refuses to return the Equipment for any reason, the Equipment shall be deemed a total loss and Lessee shall pay to Lessor the Buy-Out after Payment Amount,

E. Take whatever other action at law or in equity that may appear necessary or desirable to enforce its rights as the owner of the Equipment; and,

F. The proceeds of such sale, lease or sublease of the Equipment pursuant to Section 12.02 B shall be applied in the following order: 1) to all expenses of Lessor in exercising its remedies under this Agreement, including without limitation all expenses of taking possession, storing, reconditions and selling, leasing or subleasing of the Equipment and all brokerage, auctioneers' and attorneys' fees 2) the applicable Buy-out After Payment Amount 3) all unpaid Lease Purchase Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term and 4) the balance to the Lessee unless Lessee shall so waive such payment. If the proceeds of such sale, lease or sublease shall be insufficient to pay all of items 1), 2), and 3), Lessee shall remain liable for any deficiency as to item 3), but will not remain liable for any deficiency as to items 1) and 2) in this section F.

Section 12.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

ARTICLE XIII: MISCELLANEOUS.

Section 13.01 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective addresses.

Section 13.02 Binding Effect. Subject to the limitations on assignment, this Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03 Severability; Interest Limitations. In the event any court of competent jurisdiction shall hold any provision of this Agreement invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision hereof. Lessee will not be required to pay and Lessor will not be permitted to collect any amount in excess of the maximum amount of interest permitted by law ("Excess Interest"). If any Excess Interest is provided for or determined to have been provided for under this Agreement, then: (A) this subsection shall govern and control; (B) Lessee will not be obligated to pay any Excess Interest; (C) any Excess Interest that Lessor may have received hereunder shall be, at Lessor's option (1) applied as a credit against the outstanding lease payment obligations (not to exceed the maximum amount permitted by law), (2) refunded to Lessee, or (3) any combination of the foregoing; (D) any interest rate(s) provided for herein shall be automatically reduced to the maximum lawful rate allowed under applicable law, and this Agreement shall be deemed to have been, and shall be, reformed and modified to reflect such reduction; and (E) Lessee will not have any action against Lessor for any damages arising out of the payment or collection of any Excess Interest.

Section 13.04 Advances. In the event Lessee fails to pay any amounts due hereunder or to perform any of its obligations under this Agreement, Lessor may at its option pay such amounts or perform such obligation, and Lessee shall reimburse Lessor the amount of such payment or cost of performance upon demand, together with interest at the rate of eighteen percent (18%) per annum or the highest rate permitted by law, whichever is less.

Section 13.05 Execution in Counterparts. This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument. The counterpart bearing Lessor's signature shall constitute the sole chattel paper original of this Agreement.

Section 13.06 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of the Lessee.

Section 13.07 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 13.08 Entire Agreement. This Agreement constitutes the entire agreement between Lessor and Lessee and may not be amended, altered or modified except by written instrument signed by Lessor and Lessee. The execution of such writing by Lessor's assignee shall be sufficient for such purposes if Lessor has assigned this Agreement. There are no understandings, agreements, representations or warranties, express or implied, not specified herein regarding this Agreement or the Equipment leased hereunder. Any terms and conditions of any purchase order or other document (with the exception of Supplements) submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply.

Section 13.09 Finance Lease. The parties intend that the Lessor shall have all benefits of a lessor under a finance lease under the uniform commercial code. Lessor did not select, manufacture, or supply the leased property and only acquired it (or the right to use such leased property) in connection with this Agreement. Further, Lessee acknowledges: (a) Lessee received a copy of the contract by which Lessor acquired the leased property before signing this Agreement, (b) Lessee approved said contract as a condition of the effectiveness of this Agreement, (c) prior to signing this Agreement, Lessee received a statement designating the vendor promises, warranties and limitations or modifications of remedies, or (d) prior to signing this Agreement, Lessee was told that the uniform commercial code – leases, governs this transaction and that Lessee may communicate directly with the vendor concerning the matters described in subsection (c) of this sentence. Lessee waives any and all rights and remedies Lessee may have under the UCC 2A-508 through 2A-522, including any right to: (a) cancel this Agreement; (b) reject tender of the Equipment; (c) revoke acceptance of the Equipment; (d) recover damages for any breach of warranty; and (e) make deductions or set-offs, for any reason, from amounts due us under this Agreement. If any part of this Agreement is inconsistent with UCC 2A, the terms of this Agreement will govern.

Section 13.10. Return of Equipment. Upon termination of the Agreement for any reason (except purchase by the Lessee), at the option of Lessor, (i) at its sole cost and expense, Lessee will immediately return the Equipment to Lessor in accordance with the provisions of this section, or (ii) Lessor shall transfer ownership of the Equipment to Lessee If shipped, the Equipment shall be packed in accordance with the Vendor's specifications and returned to Lessor at the location specified by Lessor in the Continental United States reasonably close to where it was originally delivered, in the same condition as when accepted, ordinary wear and tear excepted. Such shipment shall be f.o.b. destination. Lessee shall bear all costs associated with such packing and shipping and the risk of loss shall not pass to Lessor until the Equipment has been received by it.

INSURANCE COVERAGE REQUIREMENTS

In accordance with Section 7.03 of this Agreement either:

1. We have instructed the following insurance agent: ______________________________

(insert name, address and telephone number)

to issue to you:

a. All Risk Physical Damage Insurance on the leased Equipment properly reflected by an Evidence of Insurance and Long Form Loss Payable Clause (Acord Form 27 or its equivalent) naming Lessor designated above and/or its Assigns as an additional insured and loss payee, and

b. Public Liability Insurance reflected by an Evidence of Insurance (Acord Form 27 or its equivalent) naming Lessor and/or its assigns as an additional insured and loss payee; or

2. We are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form together with a copy of the statute authorizing this form of insurance.

Proof of insurance coverage will be provided to you prior to the time that the Equipment is delivered to us.

Date: 1|21|2020

City of Starkville

By ______ (Authorized Official)

ESSENTIAL USE/SOURCE OF FUNDS LETTER

Ladies/Gentlemen:

This confirms and affirms that the Equipment described in this Agreement is essential to the function of the undersigned or to the service we provide to our citizens. Further, we have an immediate need for, and expect to make immediate use of, substantially all such Equipment which need is not temporary or expected to diminish in the foreseeable future. Such Equipment will be used by us only for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority. Specifically, such Equipment was selected by us to be used as follows: ______

The estimated useful life of such Equipment based upon manufacturer's representations and our projected needs is: ______.
Our source of funds for payments of the rent due under the Agreement for the current fiscal year is: Current/proposed budget.
We expect and anticipate adequate funds to be available for all future Lease Purchase Payments due after the current fiscal year for the following reasons: ______

Date: 1|21|2020

City of Starkville

By ______ (Authorized Official)

ACCEPTED BY:	Lessee acknowledges reading and receiving a copy of this Agreement. The undersigned affirms that she/he has been duly authorized to execute this Agreement on behalf of the above-named Lessee. Depending on the jurisdiction, this may be the highest elected official.
LESSOR: Active Solutions, LLC	**LESSEE: City of Starkville**
By: ______	**By:** ______
Name:	**Name:** ______
Title:	**Title:** ______
	Date: ______

EXHIBIT A
DETAILED EQUIPMENT DESCRIPTION AMENDMENT
MUNICIPAL LEASE AND OPTION AGREEMENT NO. 23851
ACTIVE SOLUTIONS, LLC ("LESSOR")
CITY OF STARKVILLE ("LESSEE")
DATED: ______________________

The parties to the Agreement identified above have agreed to the following additions, deletions and/or modifications. To the extent that the provisions of this Amendment conflict with, modify, or supplement the terms of the Agreement, the provisions contained in this Amendment shall prevail and control. The other terms and provisions of the Agreement shall continue to be effective. This Amendment shall be a part of the Agreement and is hereby incorporated therein.

The description of the Equipment in the Agreement is amended and restated to include the following specifically described equipment:

QTY	DESCRIPTION
5	Active Solutions SafeCity Enclosure
	Includes power and surge requirements, brackets/mounts, remote reboot module, programmable strobe lighting package and onboard camera storage (128GB Surveillance Grade SD Card) in a weatherproof enclosure. Enclosure will accommodate the MaxxSouth hardware.
3	8MP 180 Degree Full HD Dome Camera - Multi Sensor
2	Flexible multisensor fixed camera with four 1080p sensors.
5	25' Length - Cable with photo sensor fits standard street light power base
5	Installation - Unpacking - Assembly
	Site Inspections/Prep - Onsite & Remote
18	Installation - Unpacking - Assembly
	Camera Unpacking & Assembly
25	Installation - Unpacking - Assembly
	Camera Installations/Remote Support
25	Initial Camera/Software Programming & Configuration
8	Project Management
5	Axis Camera Station - Camera License - One Time License
3.00 %	Maintenance and Support - 1 Year
	Based On Percentage of System Price

LESSOR: Active Solutions, LLC

By: ______________________ Date: ______________________

LESSEE: City of Starkville

By: ______________________ Date: 1/21/2020
Authorized Signature

Printed Name: D. Lynn Spruill Title: Mayor

(152266.doc – 4/1/03 - 23851)

ACCEPTANCE CERTIFICATE

Madam/Sir:

In accordance with the terms of the Municipal Lease and Option Agreement No. 23851 ("Agreement") between Active Solutions, LLC ("Lessor"), and the undersigned ("Lessee"), Lessee hereby certifies and represents to, and agrees with, Lessor as follows:

1. The Equipment, as such term is defined in the Agreement, is new and has been delivered and installed at the Equipment Location specified in the Agreement and accepted on the date indicated below.

2. Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.

3. No Event of Default, as such term is defined in the Agreement, and no event which, with notice or lapse of time, or both, would become an Event of Default, has occurred and is continuing at the date set forth below.

4. Lessee represents, covenants and warrants, that if requested by Lessor, Lessee will deliver an Opinion of Counsel, to the effect that: (i) Lessee is a fully political subdivision or agency of the State of Mississippi, where the Equipment is located; (ii) the execution, delivery and performance by the Lessee of the Agreement have been duly authorized by all necessary action on the part of the Lessee; and, (iii) the Agreement constitutes a legal, valid and binding obligation of the Lessee enforceable in accordance with its terms.

5. Lessee agrees that: (i) it will do, or cause to be done, all things necessary to preserve and keep the Agreement in full force and effect; (ii) it has complied with all bidding requirements, where necessary, and by due notification presented the Agreement for approval and adoption as a valid obligation on its part; and (iii) it has sufficient appropriations, or other funds, available to pay all amounts due hereunder for the current fiscal period.

General Equipment Description: 5 Surveilance Cameras and sensors more thorougly described in Exhibit A

Equipment Serial No(s).____________________________
(Please use attachments if necessary)

LESSEE: City of Starkville

Signature: Lesa Hardin
(Actual User of Equipment at Equipment location)

Title: City Clerk

Attested by: [signature]
(Signer of Agreement)

Title: Mayor

ACTUAL EQUIPMENT ACCEPTANCE DATE:____________

Government Leasing, LLC

1-800-822-8070

Municipal Lease Program

Number: 23851
Lessee: City of Starkville
Vendor: Active Solutions, LLC
Equipment: 5 Surveilance Cameras and sensors more thorougly described in Exhibit A

---

* If an early buy-out is desired, please contact Government Leasing LLC at 1-800-822-8070.

Accepted by: Lesa Hardin

Printed Name: Lesa Hardin

Title: City Clerk / CFO

Date Accepted: 1-21-2020

Compound Period: Monthly

Equipment Cost:	$34,061.48
+Sales Tax Amt:	$0.00
-Down Pmt to Vendor:	$0.00
-Trade-In Allowance:	$0.00
=Net Equipment Cost:	$34,061.48
+Down Pmt to GLC:	$0.00
+Oth Lease Buy-Out:	$0.00
+Financed Maint Amt:	$0.00
=Lease Amount:	$34,061.48

First payment due upon the Lessee's written acceptance of the leased Equipment and each remaining payment due monthly thereafter

Payment Schedule

Payment #	Payment	Interest	Principal
1	667.00	-	667.00
2	667.00	188.39	478.61
3	667.00	185.69	481.31
4	667.00	182.98	484.02
5	667.00	180.25	486.75
6	667.00	177.50	489.50
7	667.00	174.74	492.26
8	667.00	171.96	495.04
9	667.00	169.17	497.83
10	667.00	166.36	500.64
11	667.00	163.54	503.46
12	667.00	160.70	506.30
13	667.00	157.84	509.16
14	667.00	154.97	512.03
15	667.00	152.08	514.92

16	667.00	149.17	517.83
17	667.00	146.25	520.75
18	667.00	143.31	523.69
19	667.00	140.36	526.64
20	667.00	137.39	529.61
21	667.00	134.40	532.60
22	667.00	131.40	535.60
23	667.00	128.38	538.62
24	667.00	125.34	541.66
25	667.00	122.28	544.72
26	667.00	119.21	547.79
27	667.00	116.12	550.88
28	667.00	113.01	553.99
29	667.00	109.88	557.12
30	667.00	106.74	560.26
31	667.00	103.58	563.42
32	667.00	100.40	566.60
33	667.00	97.21	569.79
34	667.00	93.99	573.01
35	667.00	90.76	576.24
36	667.00	87.51	579.49
37	667.00	84.24	582.76
38	667.00	80.95	586.05
39	667.00	77.65	589.35
40	667.00	74.32	592.68
41	667.00	70.98	596.02
42	667.00	67.61	599.39
43	667.00	64.23	602.77
44	667.00	60.83	606.17
45	667.00	57.41	609.59
46	667.00	53.97	613.03
47	667.00	50.52	616.48
48	667.00	47.04	619.96
49	667.00	43.54	623.46
50	667.00	40.02	626.98
51	667.00	36.49	630.51
52	667.00	32.93	634.07
53	667.00	29.35	637.65
54	667.00	25.76	641.24
55	667.00	22.14	644.86
56	667.00	18.50	648.50
57	667.00	14.84	652.16
58	667.00	11.16	655.84
59	667.00	7.46	659.54
60	667.00	3.74	663.26

INCUMBENCY CERTIFICATE
MUNICIPAL LEASE AND OPTION AGREEMENT NO. 23851
ACTIVE SOLUTIONS, LLC ("LESSOR")
CITY OF STARKVILLE ("LESSEE")

I, Lesa Hardin (Name), City Clerk (Title: Secretary or Clerk)

for City of Starkville , hereby certify that:

(Signature of Signer of Lease)

D. Lynn Spruill
(Print Name of Signer of Lease)

Mayor - City of Starkville
(Title of Signer of Lease)

of City of Starkville , has been, is, and, until further notice, continues to be duly authorized to execute any and all documents related to the Municipal Lease and Option Agreement No. 23851, for Equipment described therein and that the signature shown is his or her signature.

LESSEE: City of Starkville

By: City Clerk (Title: Secretary or Clerk) Date: 1-21-2020

Printed Name: Lesa Hardin Title: City Clerk/CFO

Lesa Hardin

(152257.doc – 5/7/02 - 23851)

MINUTES OF THE RECESS MEETING
OF THE MAYOR AND BOARD OF ALDERMEN
OF THE CITY OF STARKVILLE, MISSISSIPPI
January 21, 2020

Be it remembered that the Mayor and Board of Alderman met in a Recess Meeting on January 21, 2020 at 5:30 p.m. in the Courtroom of City Hall, located at 110 West Main Street, Starkville, MS. Present were Mayor Lynn Spruill, Aldermen Ben Carver, Sandra Sistrunk, David Little, Jason Walker, Hamp Beatty, Roy A.' Perkins and Henry Vaughn, Sr. Attending the Board were City Clerk / CFO Lesa Hardin and City Attorney Chris Latimer.

Mayor Lynn Spruill opened the meeting with the Pledge of Allegiance followed by a moment of silence.

Mayor Lynn Spruill asked for any revisions to the Official Agenda.

REQUESTED REVISIONS TO THE OFFICIAL AGENDA:

There being no changes, the Mayor called for a motion to approve the agenda with consent items.

A MOTION TO APPROVE THE AGENDA WITH CONSENT ITEMS.

Alderman Vaughn offered a motion, duly seconded by Alderman Beatty, to approve the January 21, 2020 Agenda as amended. Mayor Spruill then read the consented items after which the Board voted as follows:

Alderman Ben Carver	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman David Little	Voted: Yea
Alderman Jason Walker	Voted: Yea
Alderman Hamp Beatty	Voted: Yea
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion carried.

CONSIDERATION OF APPROVAL TO ENTER A FIVE YEAR LEASE PURCHASE AGREEMENT WITH ACTIVE SOLUTIONS, LLC, THE LOWEST AND BEST OF TWO QUOTES, ENABLING THE ACQUISITION OF FIVE SURVEILLANCE CAMERAS WITH ALL-WEATHER EQUIPMENT ENCLOSURES.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 21, 2019 Official Agenda, and to accept items for consent, whereby the "approval to enter a five year lease purchase agreement with Active Solutions, LLC, the lowest and best of two quotes, enabling the acquisition of five surveillance cameras with all-weather equipment enclosures" is enumerated, this consent item is thereby approved.

CITY OF STARKVILLE STATE OF MISSISSIPPI

These minutes will be adopted 2/18/20 by the Board of Aldermen, but I hereby certify this action to be a true and correct account.

I hereby certify this to be a true and correct copy of the original on file at Starkville City Hall.
Lesa Hardin
Date: 2-5-2020
Minute Book: 63 Page:

THIS IS A SAMPLE OF THE INFORMATION REQUIRED ON YOUR PURCHASE ORDER AND IS NOT TO BE USED AS AN ACTUAL DOCUMENT. IF YOU DO NOT HAVE A STANDARD PURCHASE ORDER YOU MAY USE THE FOLLOWING ON YOUR LETTERHEAD AS A PURCHASE ORDER.

PURCHASE ORDER

DATE 2·6·2020 PURCHASE ORDER NO. ____________

AGENCY ISSUING PURCHASE ORDER ("LESSEE"):

City of Starkville
110 West Main Street
Starkville, MS 39759
(662) 418-5943

TO: Active Solutions, LLC
1215 Prytania St. #301
New Orleans, LA 70130

SHIP TO:
Name: City of Starkville
Address: 110 West Main St.
City/State: Starkville, MS 39759
Contact: Joel Clements

QUANTITY ORDERED	EQUIPMENT DESCRIPTION	TOTAL PRICE
1	Equipment Description: Serial No.____________ [DESCRIBE EACH ITEM OF EQUIPMENT] 5 cameras - Serial #s: 690670, 690671, 690672, 690673 and 690674	$34,061.48

Lessee anticipates entering into a Municipal Lease and Option Agreement (the "Agreement") with Active Solutions, LLC ("Lessor") concerning the Equipment described above. Upon execution and delivery of the documents required by the Lessor and acceptance of the Equipment, the rights and obligations of the Lessee under this purchase order shall be deemed assigned to Lessor who will assume and agree to pay the obligations described herein (within 10 days after Lessor receives all required documentation) and upon such assignment, Lessee shall make 60 payments to Lessor, with (i) 1 Advance Payment(s) of $667.00, and (ii) the remaining amounts payable in Monthly payments of $667.00 as described in the Agreement.

APPROVING SIGNATURE

Ok'd - Lesa Hardin
City Clerk / CFO
(Director of Purchasing)

Joel C. Clements, Jr.
(Authorized Personnel) Director of Information Technology

(152244.doc – 7/31/03 - 23851)

Form **8038-GC** (Rev. January 2012) Department of the Treasury Internal Revenue Service

Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales

▶ **Under Internal Revenue Code section 149(e)**

Caution: *If the issue price of the issue is $100,000 or more, use Form 8038-G.*

OMB No. 1545-0720

Part I Reporting Authority Check box if **Amended Return** ▶ ☐

1 Issuer's name **City of Starkville**	2 Issuer's employer identification number (EIN)
3 Number and street (or P.O. box if mail is not delivered to street address) **101 East Lumpkin**	Room/suite
4 City, town, or post office, state, and ZIP code **Starkville, MS 39759**	5 Report number *(For IRS Use Only)*
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information	7 Telephone number of officer or legal representative

Part II Description of Obligations Check one: a single issue ☒ **or** a consolidated return ☐.

8a	Issue price of obligation(s) (see instructions)	**8a**	
b	Issue date (single issue) **or** calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶		
9	Amount of the reported obligation(s) on line 8a that is:		
a	For leases for vehicles	**9a**	
b	For leases for office equipment	**9b**	
c	For leases for real property	**9c**	
d	For leases for other (see instructions) Safecity cameras.	**9d**	34,061
e	For bank loans for vehicles	**9e**	
f	For bank loans for office equipment	**9f**	
g	For bank loans for real property	**9g**	
h	For bank loans for other (see instructions)	**9h**	
i	Used to refund prior issue(s)	**9i**	
j	Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	**9j**	
k	Other	**9k**	

10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box ▶ ☐

11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) ▶ ☐

12 Vendor's or bank's name: **Government Leasing, LLC**

13 Vendor's or bank's employer identification number: 4 6 | 2 8 2 2 7 3 4

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

▶ Lesa Hardin — Signature of issuer's authorized representative | 1-21-2020 — Date | ▶ Lesa Hardin, City Clerk/CFO — Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at *www.irs.gov/form8038*. Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than $100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of $100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than $100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than $100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

Late filing. An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

Where To File

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

Private delivery services. You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of $100,000 or more, use Form 8038-G.

Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

Definitions

Obligations. This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

Tax-exempt obligation. This is any obligation including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

Tax-exempt governmental obligation. A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or $5 million.

Issue. Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

Arbitrage rebate. Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

Construction issue. This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

Part I—Reporting Authority

Amended return. An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the "*Amended Return*" box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

Line 1. The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

Line 2. An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

Lines 3 and 4. Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

Note. The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

Line 5. This line is for IRS use only. Do not make any entries in this box.

Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

Line 8a. The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

Line 8b. For a single issue, enter the date of issue (for example, 03/15/2010 for a single issue issued on March 15, 2010), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2010, enter 01/01/2010).

Lines 9a through 9h. Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Do not complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

Lines 9i and 9j. For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

Line 9k. Enter on line 9k the amount on line 8a that does not represent an obligation described on lines 9a through 9j.

Line 10. Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

Line 11. Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

Line 12. Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Line 13. Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also print the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

Note. If the issuer authorizes in line 6 the IRS to communicate with a person other than an officer or other employee of the issuer, (such authorization shall include contact both in writing regardless of the address entered in lines 3 and 4, and by telephone) by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* **box**. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Learning about the law or the form	4 hr., 46 min.
Preparing the form	2 hr., 22 min.
Copying, assembling, and sending the form to the IRS	2 hr., 34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.

EVIDENCE OF PROPERTY INSURANCE

ACORD®

DATE (MM/DD/YYYY): 2/5/2020

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY — PHONE (A/C, No, Ext): (662) 323-5550

Renasant Insurance, Inc.
307 B University Drive
P. O. Box 843
Starkville MS 39760

FAX (A/C, No): (662) 323-3377 — E-MAIL ADDRESS:

CODE: — SUB CODE:

AGENCY CUSTOMER ID #: 00048769

COMPANY

Arthur J Gallagher & Co.
P. O. Box 532143
Atlanta GA 30353

INSURED

City of Starkville
City Hall Accounts Payable
110 W Main St
Starkville MS 39759

LOAN NUMBER:

POLICY NUMBER: YU2-Z51-292228-029

EFFECTIVE DATE	EXPIRATION DATE	CONTINUED UNTIL TERMINATED IF CHECKED
6/1/2019	6/1/2020	

THIS REPLACES PRIOR EVIDENCE DATED:

PROPERTY INFORMATION

LOCATION/DESCRIPTION

Blanket

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
5 - Active Solutions Safecity Cameras Serial#s 690670, 690671, 690672, 690673, 690674	$34,061.48	$1,000

REMARKS (Including Special Conditions)

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS

Active Solutions, LLC
and/or its Assigns
1215 Prytania Street
Suite 30
New Orleans, LA 70130

	MORTGAGEE		ADDITIONAL INSURED
	LOSS PAYEE	X	Addl Insd Lessor & LP

LOAN #:

AUTHORIZED REPRESENTATIVE

Ashley Vance/ADVMF

Ashley Vance

Active Solutions, LLC
1215 Prytania Street, Ste 301
New Orleans, LA 70130

TO: Accounts Payable
City of Starkville
110 West Main Street
Starkville, MS 39759

CONSOLIDATED PAYMENT INVOICE

Date of Invoice: 12/11/2019

Lease Number: 23851

Equipment Description: 5 Surveilance Cameras and sensors more thorougly described in Exhibit A

Total Amount Due: $667.00

When Payment is Due: On Written Acceptance of the leased Equipment

Make Check Payable to:

Government Leasing, LLC
830 Tenderfoot Hill Rd, Ste 301
Colorado Springs, CO 80906

13. CONSIDERATION OF THE SELECTION OF FRED TATE FOR CONCESSIONS SERVICES IN THE PARKS AND RECREATION DEPARTMENT, THE SOLE BIDDER.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "approval of the selection of Fred Tate for concessions services in the Parks and Recreation Department, the sole bidder" is enumerated, this consent item is thereby approved.

Concessions Agreement is on the following page.

14. CONSIDERATION OF THE APPROVAL OF THE FACILITY USE AGREEMENT WITH CROSSPOINT CHURCH FOR USE OF TRAVIS OUTLAW GYMNASIUM.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the "approval of the Facility Use Agreement with Crosspoint Church" is enumerated, this consent item is thereby approved.

Crosspoint Church Agreement follows the concessions agreement.

LEASE AGREEMENT
CONCESSION STANDS

between

STARKVILLE PARKS AND RECREATION
and

This agreement made and entered into this 21st day of January, 2020 by and between the Starkville Parks and Recreation Department, hereinafter called "SPRD" and Fred Tate, hereinafter called the "Lessee", both of which understands the follows:

WHEREAS, the "SPRD" is the owner of the 5 concession stands located at the Sportsplex and McKee Park;

WHEREAS both parties agree that the function of the buildings is to:

- provide well prepared snacks and meals for visitors and spectators to the area
- provide a clean and pleasant atmosphere for visitors and spectators to the area

NOW THEREFORE in consideration of the mutual covenants herein contained, the parties agree as follows:

The "SPRD" agrees to:

1. Pay for general maintenance of the concession stand; both interior and exterior.
2. Provide the following equipment that is presently within the buildings:

Youth

- 1 refrigerator
- 1 upright drink cooler
- 1 flat drink cooler
- 1 freezer
- 1 popcorn machine
- 1 grill
- 1 hotdog roller
- 1 bun warmer
- 1 nacho cheese warmer
- 1 ice machine
- 1 coffee maker
- 1 chip warmer

Gym (Inside Multipurpose Facility

- 2 flat drink coolers
- 1 grill
- 1 refrigerator
- 1 hotdog roller
- 1 popcorn machine

Adult

- 1 refrigerator
- 2 standup drink coolers
- 1 freezer
- 1 popcorn machine
- 1 grill
- 1 hotdog roller
- 1 bun warmer
- 1 nacho warmer

McKee Park

- 1 freezer

- 2 standup coolers
- 1 flat cooler
- 1 grill

3. Provide water/electrical service to be supplied to all concession stands.

The "Lessee" agrees to:

1. Be responsible for general clean up and tidiness in and around the concession stands on an ongoing basis. (Lessee can leave garbage bags/boxes outside the door of the concession stand and SPRD will pick them up the next day).
2. Assume responsibility for operation commencing the date of execution and continuing through December 31, 2020. The Lessee will notify the Park Office if the Concession Stand will not be open during its regular scheduled times and post a sign at the site indicating the same.
3. Relinquish the concession stand when other parties lease out the concession stand due to tournament, other events, etc… The "lessee" agrees to empty all of their goods, so that the other party can occupy the stand on the day before their event begins.
4. Concession Stands must be filled one hour before game time, no vehicles are allowed after that time.

Parks and Recreation – City of Starkville
Per:

____

____
Gerry Logan, Executive Director

____

Lessee

STARKVILLE PARKS AND RECREATION DEPARTMENT
FACILITY USE AGREEMENT

This is an agreement by and between the **CITY OF STARKVILLE**, a Mississippi municipal corporation herein after referred to as the "City", by and through its authorized representative, and **CROSSPOINT CHURCH,** herein after referred to as the "User."

ARTICLE I
GENERAL TERMS

1.01 This Agreement shall be in effect from the date of execution until December 31, 2020. The City will permit the User to use the Travis Outlaw Gymnasium, located at 405 Lynn Lane, Starkville, Mississippi 39759 for the duration of the agreement, herein after referred to as the "Facility" for the purposes of church services. The City shall have the option to immediately terminate this Agreement at any time with or without cause.

1.02 The schedule of facilities dates and times are subject to change at the discretion of the City. Any changes shall be communicated at least thirty (30) days in advance.

1.03 In exchange for the above-referenced use of the Facility, the User shall pay the City the amount described below for the term of the agreement:

(a) Total fee of $400 per use, paid on a monthly basis ($1,600 on months where there are four Sundays, $2,000 on months where there are five Sundays).

1.04 The User agrees that it will be solely responsible for the following items:

(a) Locking all doors to buildings and structures and securing all gates and other access points prior to leaving after each use of the Facility

(b) Picking up all litter from Facility, including all meeting rooms, aerobics room and gymnasium, prior to leaving and after each use of the Facility

(c) Paying for all damages related to and arising out of use of the Facility by the User

(d) Installation and removal of the basketball floor cover before and after each use of the facility

(e) Ensuring all organization representatives have a current background check.

1.05 To maintain order and safety, the User will assign one person as an on-site representative during all scheduled uses of the Facility and provide the City contact information for the individual assigned.

1.06 The City agrees that it will be responsible for providing the following items during the term of this Agreement:

> **(a)** Maintaining the facility properly to include regular inspection of all structures including doors and windows, replacing air filters and all other necessary maintenance required to keep the facility at a proper temperature, and any other maintenance needed to ensure public safety and proper use of the facility.
>
> **(b)** Cleaning and stocking of restrooms
>
> **(c)** Determining whether the Facility will be open or closed for the User's use because of inclement weather, damage to the Facilities, and other unforeseen acts of God and updating the City's pre-recorded telephone system, web page or other communication devices it may have in place to notify the public of such schedule changes. The User agrees to abide by all rulings regarding whether the facility is open or closed, and will be held responsible for damages resulting from failure to adhere to these rules.

1.07 The User is prohibited from using personal equipment to perform maintenance on any City facilities.

1.08 The User is prohibited from transferring use or renting out any city facility for profit. The City maintains the right to rent out all city facilities when not in use by the User.

1.09 The User acknowledges decisions regarding facility usage priority for other user groups is at the City's discretion.

ARTICLE II
INSURANCE REQUIREMENTS

2.01 During the term of this Agreement, the User shall procure and maintain, at its sole cost and expense, a General Liability insurance policy for injuries to persons or damages to property that may arise from or in connection with the use of the Facility and the activities associated with the use of the Facility by the User, its agents, representatives, participants, attendees, employees, and volunteers for limits of not less than **$1,000,000** for **personal injury, death, or property damage to the Facility out of any one occurrence. This insurance must name the City of Starkville, MS as an additional insured under the policy and contain a waiver of subrogation in favor of the City of Starkville, MS.** Only insurance carriers licensed and authorized to do business in the state of Mississippi will be accepted. The User's insurance coverage shall be primary insurance with respect to the City, its officials, agents, employees, and volunteers. Any insurance or self-insurance maintained by City, its officials, agents, employees or volunteers shall be considered secondary and in excess of the User's insurance and shall not contribute to it.

2.02 A certificate of insurance and copies of all endorsements shall be furnished to the City at the time of execution of this Agreement and approved by the City ***before*** any use of the Facility commences.

ARTICLE III
NON-DISCRIMINATION CLAUSE

The User hereby agrees to refrain from any activity in relation to use of the Facility that discriminates against any person or persons based upon race, color, creed, national origin, disability, religion, age, or sex, and in accordance with present federal and state laws.

ARTICLE IV
USE OF FACILITY KEYS

The City will issue key(s) to the User for and during the use of the Facility. The keys may not be reproduced or duplicated by the User. The User agrees to return these keys to City within five working days after the conclusion of the term of this Agreement unless mutually agreed upon otherwise by the parties. Upon failure to return any of said keys issued by the City to the User, the User agrees to reimburse City for the cost to make new key(s) and install new lock(s).

ARTICLE V
REPAIRS AND DAMAGES TO FACILITIES

The User agrees to be solely responsible for any and all damages related to and arising out of the use of the Facility during the term of this Agreement when the Facility is being used by the User. This applies, but not limited, to any and all persons associated with the User who use the Facility or who attend the User's events at the Facility during the term of the Agreement. The User agrees to be solely responsible for all repairs or costs of repairs to the Facility and for any and all related damages as set forth herein.

ARTICLE VI
SCHEDULE OF ACTIVITIES

6.01 The User must deliver a schedule of activities to the City prior to the beginning of the initial term of the Agreement.

ARTICLE VII
SAFETY PROCEDURES

The User hereby agrees to abide by generally-recognized standards of safety, regulations and procedures for the nature of the proposed use of the Facility. The User, including its members, employees and volunteers, are also required to abide by City of Starkville park rules and ordinances.

ARTICLE VIII
CRIMINAL BACKGROUND CHECKS

The User shall conduct criminal background checks on all persons acting in an official capacity with any organization involved in the User's activities. These checks shall be conducted on an annual basis and shall be valid for no more than one calendar year. The User shall employ a reputable company licensed by the State of Mississippi to conduct such checks unless these checks are conducted by the User's state or national sanctioning body. Should an individual be disqualified as a result of the check, based upon generally-recognized standards for the protection of youth, the User shall prohibit that individual from serving in any official capacity with the User's activities. Additionally, the User shall provide to the City, upon request, a listing of all individuals who have undergone a criminal background check.

ARTICLE IX
INDEMNIFICATION

The User shall indemnify, hold harmless, and defend the City, its officers, agents, employees and volunteers from and against any and all claims, losses, damages, causes of action, suits, and liability of every kind, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person or for damage to any property arising out of or in connection with the use of the Facility by the User. Such indemnity shall apply regardless of whether the claims, losses, damages, causes of action, suits, or liability arise in whole or in part from the negligence of the City, any other party indemnified hereunder, the User, or any third party. It is the intent of the parties that this provision shall extend to, and include, any and all claims, causes of action or liability caused by the concurrent, joint and/or contributory negligence of the City, an alleged breach of an express or implied warranty by the City or which arises out of any theory of strict or products liability.

ARTICLE X
RELEASE

The User hereby releases, relinquishes and discharges the City, its officers, agents, employees and volunteers from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property that is caused by or alleged to be caused by, arising out of, or in connection with the User's use of the Facility whether or not said claims, demands, or causes of action are covered in whole or in part by insurance.

ARTICLE XIV
MISCELLANEOUS TERMS

14.01 This Agreement has been made under and shall be governed by the laws of the State of Mississippi. The parties agree that performance and all matters related thereto shall be in Oktibbeha County, Mississippi.

14.02 This Agreement and the rights and obligations contained herein may not be assigned or sublet by the User without the prior written approval of the City.

14.03 This Agreement contains the entire agreement between the parties. There are no other written or oral agreements, contracts, or understandings between the parties.

14.04 No waiver or deferral by either party of any term or condition of this Agreement shall be deemed or construed to be a waiver or deferral of any other term or condition or to be a subsequent waiver or deferral of the same term or condition.

14.05 This Agreement may only be amended by written instrument approved and executed by both parties.

14.06 The parties hereby state that they have read the terms of this Agreement and hereby agree to the terms and conditions contained herein.

ATTACHMENTS

1. User's Certificate of Insurance

CROSSPOINT CHURCH

By: Scott Cappleman

Printed Name: Scott Cappleman

Title: Pastor

Date: 1/24/20

CITY OF STARKVILLE

By: [signature]
Mayor

Date: 1-21-2020

15. CONSIDERATION OF THE APPROVAL TO PURCHASE THE (FINGERPRINT MACHINE) TEN-PRINT LIVE SCAN KIOSK SYSTEM FROM AD&S INC OF BRANDON, MS, THE LOWEST AND BEST OF THREE QUOTES, AT $15,829.00.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the “approval to purchase a Ten-Print Live Scan Kiosk System from AD&S INC Brandon, MS for $15,829.00, the recommended and lowest of three quotes” is enumerated, this consent item is thereby approved.

Three quotes received: AD&S INC: $ 15,829.00, IDEMIA: $ 24,135.00 and CrossMatch: $ 21,128.82

16. REQUEST AUTHORIZATION TO ENTER INTO A GRANT WITH THE JUSTICE ASSISTANCE GRANT PROGRAM FOR FY20 FUNDING THE AREA OF HOT SPOT POLICING. THIS REQUEST FOR FUNDING IS FOR $25,000 IN OVERTIME HOT SPOT ENFORCEMENT, (1) TOTAL STATION (CRIME SCENE HARDWARE) $12,325.50.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the “approval to enter into a grant with the Justice Assistance Grant for FY20 Funding in the area of Hot Spot policing in the amount of $25,000.00 in overtime hot spot enforcement, (1) total station (crime scene hardware) $12,325.50” is enumerated, this consent item is thereby approved.

Grant documents follow this page.

17. REQUEST AUTHORIZATION OF THE RENTAL AGREEMENT WITH CANON SOLUTIONS AMERICA FOR 60 MONTHS RENTAL OF 3 CANON COPIERS TO BE USED BY THE STARKVILLE POLICE DEPARTMENT.

Upon the motion of Alderman Vaughn, duly seconded by Alderman Beatty, and adopted by the Board to approve the January 7, 2020 Official Agenda, and to accept items for consent, whereby the “approval of the Rental Agreement with Canon Solutions America for 60 months rental of 3 Canon copiers to be used by the Starkville Police Department” is enumerated, this consent item is thereby approved.

Rental agreements follow the JAG documents.

STATE OF MISSISSIPPI
DEPARTMENT OF PUBLIC SAFETY
DIVISION OF PUBLIC SAFETY PLANNING

PHIL BRYANT
GOVERNOR

MARSHALL L. FISHER
COMMISSIONER

December 30, 2019

Lynn Spruill, Mayor
City of Starkville
101 E. Lampkin Street
Starkville, MS 39759

Subject:	Project Number:	19HS2311
	Program:	Justice Assistance Grant (JAG)
	Effective Date:	January 1, 2020

Dear Mayor Spruill:

We are pleased to inform you that the Division of Public Safety Planning has approved your subgrant application for the **MS Justice Assistance Grant (JAG)** in the amount of **$37,325.50**. Enclosed are the following contractual items. Please read these documents to determine your requirements under the subgrant.

1. Subgrant Signature Sheet
2. Budget Summary - *initial*
3. Cost Summary Support Sheet – *initial*
4. OJP JAG Statement of Special Conditions – *initial all sheets*
5. OJP Subgrant Standard Assurances *(Attachment A)*
6. Certification of Equal Employment Opportunity *(Attachment B)*
7. Federal Civil Rights Compliance Checklist *(Attachment C-1)*
8. Civil Rights Training Certificate *(Attachment C-2)*
9. Discrimination Complaint Policy and Procedures *(Attachment E)*
10. Certification Regarding Debarment *(Attachment F)*
11. Certification Regarding Lobbying *(Attachment G)*
12. Match Certification *(Attachment H)*
13. Copy of Current CCR Registration
14. Return Document Checklist

We particularly want to bring to your attention the requirement that items **1 – 13 (*with the exception of item #9*) should be signed or initialed in blue ink and returned to the Department of Public Safety Planning immediately**. ***Please retain a copy for your files.*** If there are any questions concerning this award, please contact Frederick McGee at (601) 977-3763.

Sincerely,

Emberly K. Holmes

Emberly K. Holmes
Office Director

Division of Public Safety Planning
SUBGRANT SIGNATURE SHEET
Office of Justice Programs
1025 Northpark Drive
Ridgeland, Mississippi 39157
(601) 977-3700

1.Subgrantee's Name, Address, & Phone Number:	
City of Starkville 101 E. Lampkin St Starkville, MS 39759 Cpl. Christopher Jackson 662-769-4425 c.jackson@cityofstarkville.org	2. Effective Date: January 1, 2020 3. Subgrant Number: 19HS2311 4. Grant Identifier: (Funding Source & Year) 2019-MU-BX-0045 5. Beginning & Ending Dates: 01/01/2020—12/31/2020 6. Subgrant Payment Method: __X__ Cost Reimbursement _____ Other

7. The following funds are obligated:

Budget Category	Source of Funds						Total Program Budget
	Federal	%	State/Local	%	In-Kind	%	
Personnel	$25,000.00						$25,000.00
Fringe Benefits							
Equipment	$12,325.50						$12,325.50
Travel							
Operating Expenses							
Contractual Services							
Miscellaneous							
Indirect Costs							
TOTAL	$37,325.50						$37,325.50

8. The subgrantee agrees to operate the program outlined in this subgrant in accordance with all the provisions of this subgrant as included herein. The following sections are attached and incorporated into this agreement.

JAG Statement of Special Conditions

- Attachment A – Standard Assurances
- Attachment B – EEOC Certification
- Attachment C – Civil Rights Compliance Checklist
- Attachment C-2 – Civil Rights Training Certification
- Attachment E – Discrimination Complaint Policies
- Attachment F – Certification Regarding Debarment
- Attachment G – Certification Regarding Lobbying
- Attachment H – Match Certification Form

AGENCY APPROVAL	SUBGRANTEE ACCEPTANCE
9. Typed Name &Title of Approving DPSP Official: Emberly K. Holmes Office Director	10.Typed Name & Title of Authorized Subgrantee Official: Lynn Spruill Mayor, City of Starkville
11. Signature of DPSP Official: Date: Emberly K. Holmes 12/30/2019	12: Signature of Authorized Subgrantee Official: Date:

PUBLIC SAFETY PLANNING
BUDGET SUMMARY

1. Applicant Agency: City of Starkville PD

2. Subgrant Number	3. Grant Identification Number	4. Beginning Date	5. Ending Date
19HS2311	2019-MU-BX-0045	January 1, 2020	December 31, 2020
6. Submitted as part of (Check One):	A. Funding Request: X	B. Modification Number:	C. Modification Effective Date:

		Funding Sources				
7. For DPSP Use Only	8. Activity	Federal	State	Program Income	Other (Local-Private)	Total
	Byrne/JAG Drug Court	$37,325.50				$37,325.50
TOTAL		$37,325.50				$37,325.50

PUBLIC SAFETY PLANNING
COST SUMMARY SUPPORT SHEET

1. Applicant Agency: City of Starkville PD					Page 1 of 1
2. Subgrant Number	3. Grant Identifier Number	4. Beginning Date	5. Ending Date		
19HS2311	2019-MU-BX-0045	January 1, 2020	December 31, 2020		
6. Activity: Drug Court					

7. FOR DPSP USE ONLY	8. Category / 9. Line Item	10. Description of Item and/or Basis for Evaluation	11. Budget: Federal	All Other	Total
	PERSONNEL	Overtime @ Not to exceed	$25,000.00		$25,000.00
	EQUIPMENT	Crime Scene Investigation Kit @ Not to exceed	$12,325.50		$12,325.50
		TOTAL	$37,325.50		$37,325.50

JAG AWARD PACKET
RETURN CHECKLIST

Please check the list below against the items you are returning to ensure that all pertinent information is enclosed. **Do not return Attachment E. It is intended as an example of what complaint policies and forms should look like.**

- ☐ One Signature Sheet signed in blue ink.
- ☐ Budget Summary Sheet (initialed)
- ☐ Cost Summary Sheet (initialed)
- ☐ OJP JAG Statement of Special Conditions
- ☐ OJP Sub-grant Standard Assurances (Attachment A)
- ☐ Certification of Equal Employment Opportunity (Attachment B)
- ☐ Federal Civil Rights Compliance Checklist (Attachment C-1)
- ☐ Civil Rights Training Certification Form (Attachment C-2)
- ☐ Certification Regarding Debarment (Attachment F)
- ☐ Certification Regarding Lobbying (Attachment G)
- ☐ Match Certification (Attachment H)
- ☐ Document Return Checklist

All of the above award documents (**signed in blue ink**) are enclosed and returned by:

Christopher Jackson | 1/7/20

Sub-grant Contact Person | Date

Mississippi Department of Public Safety Planning
Office of Justice Programs (OJP)
JAG Standard Award Policy and Special Conditions

Pursuant to subgrantee management policies, the following special conditions are mandatory and are hereby made a part of this subgrant award:

Acceptance Procedures - The Subcontract Signature Sheet constitutes the operative document obligating and reserving Federal funds for use by the subgrantee in execution of the program or project covered by the award. `Such obligation may be terminated without further cause if the subgrantee fails to affirm its timely utilization of the grant by signing and returning the signed acceptance to the Division of Public Safety Planning (DPSP) **WITHIN 21 DAYS** from the date of award. No federal funds shall be disbursed to the recipient until the signed acceptance has been received.

The recipient agrees to sign and submit the following forms along with the Subcontract Signature Sheet:

- Budget and Cost Summary Sheets – (each sheet initialed)
- FY 2017 Certification of Compliance with 8 U.S.C. 1373
- OJP JAG Statement of Special Conditions
- Subgrant Standard Assurances (attachment A)
- Nondiscrimination and Equal Employment Opportunity (attachment B)
- Civil Rights Certification Form Check List (attachment C)
- Certificate of Exemption for Hiring Practices (attachment D)
- Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions (attachment F)
- Certification Regarding Lobbying (attachment G)
- Match Verification Requirement Form (attachment H)

The recipient also, agrees to comply with the financial and administrative requirements set forth in the current edition of the Office of Justice Programs (OJP) Financial Guide. www.ojp.gov

Special Cancellation Condition for Subgrantees:

(1) **Commencement with 60 Days**. If a project is not operational within 60 days of the original starting date of the grant period, the subgrantee must report by letter to the DPSP the steps taken to initiate the project, the reasons for the delay, and the expected starting date.

(2) **Operational within 90 Days**. If a project is not operational within 90 days of the original starting date of the grant period, the subgrantee must submit a

second statement to the DPSP explaining the implementation delay. Upon receipt of the 90-day letter, the DPSP may cancel the project and request redistribution of the funds to other project areas. The DPSP may also, where extenuating circumstances warrant, extend the implementation date of the project past the 90-day period. When this occurs, the appropriate subgrant files and records must so note the extension.

Modifications to the Original Subcontract - Budget modifications request must be submitted in writing with a detailed justification and budget revision. Sub grantees are limited to three (3) per modifications per cycle. All changes or revisions to the original approved contract must be approved by an authorized DPSP Program Director, prior to the action(s) being taken. The effective date of the modification is determined by the date the request is submitted to DPSP and approved by the specified program director. The final modification must be submitted 90 days prior to the award end date. Retro-active modifications or revisions will not be granted.

Non-expendable Property Purchased with Grant Funds. Subgrantee agrees to submit a fully executed copy of an Equipment Control Sheet (attached) listing all non-expendable property purchased with grant funds. The Equipment Control Sheet should be submitted to the DPSP no later than ten (10) working days after the last item of non-expendable property is received.

Subgrantee agrees to notify the DPSP of all lost, stolen, or damaged property and shall submit within five (5) working days a detailed narrative of the incident, a copy of the police report, and any measures taken to resolve the problem. Subgrantee agrees not to loan, transfer, or liquidate property under any circumstances, unless prior approval is given by an appropriate designated OJP official. (refer to OJP Financial Guide)

Project Reporting Requirements: The recipient agrees to submit **Monthly** Project Narrative and **Monthly** reimbursement reporting worksheets with supporting documents to the DPSP, Office of Justice Programs, no later than ten (10) working days after the end of each month. The recipient agrees to provide information on the activities supported and an assessment of the effects that the grant funds have had on the project. Failure to submit in a timely manner could result in the de-obligation of the subgrantee award and/or discontinuing future funding under this program.

BJA strongly encourages the recipient to submit annual (or more frequent) JAG success stories at JAG.Sowcase@ojp.usdoj.gov or via the online form at http://www.bja.gov/contactus.aspx. JAG success stories should include the name and location of program/project point of contact with phone number and e-mail; amount of JAG funding received and in which fiscal year; and a brief summary describing the program/project and its impact.

Prior Approval for Travel Request
Subgrantee agrees to request in writing prior approval to attend any related training or conferences within 45 days of the event. Such training should be program related. Travel request should identify those who will be in attendance, a detailed budget of the estimated cost and contain a justification for the training. When seeking reimbursement all receipts must be submitted to reflect the cost of the assigned trip such as: hotel receipts minus any incidentals outside of the room cost, meal receipts, parking receipts, transposition receipts, gas receipts, (1) baggage receipt per traveler and any other approved travel cost's associated.

Use of Federal Funds - The recipient understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government, without written approval of DPSP.

Certifications of Compliance with 8 U.S.C. § 1373 and 1644

No State, unit of local government or official that receives an award under the FY 2019 Byrne JAG Program may prohibit or in any way restrict any government entity or official from sending or receiving information regarding citizenship or immigration status as described in 8 U.S.C. 1373 (a); or (2) a government entity or agency from sending, requesting, or receiving, maintaining, or exchanging information regarding immigration status as described in either 8 U.S.C. 1373(b) or 1644. Any prohibition (or restriction) that violates this condition is an "information-communication restriction" under this award.

JAG – Subrecipient DHS question requirement

The sub-recipient agrees to obtain a properly executed certification of compliance with 8 U.S.C. 1373 along with responses to the questions identified in the program solicitation as "Information regarding Communication with the Department of Homeland Security (DHS) and/or Immigration and customs enforcement (ICE), and that certification and question responses have been submitted to BJA and BJA approves the subaward or that certification and question responses have been submitted to BJA and 30 days have passed since the submission without a denial from BJA.

Separate Tracking and Reporting of grant funds and outcomes - The recipient agrees to track, account for, and report on all funds from this award (including specific outcomes and benefits attributable to the project) and from all other funds, including DPSP award funds from non-federal awards awarded for the same or similar purposes or programs.

Accordingly, the accounting systems of the recipient and all subrecipients must ensure that funds awarded are not commingled with funds from any other source. The recipient further agrees that all personnel whose activities are to be charged to the award will maintain monthly timesheets and will document hours worked activities related to this award and non-related activities on the activity sheet.

Audit Requirements - The recipient agrees to comply with the organizational audit requirements as established by the Office of Management and Budget (OMB). One of the following will have specific information regarding your agency's audit requirements:

a. OMB Circular A-128. Audits of State and Local Governments.
b. OMB Circular A-133. Audits of Institutions of Higher Education and Other Non-profit Institutions.

All audit reports (initial and subsequent) shall be submitted no later than nine (9) months after the close of the Subgrantee's fiscal year.

Subgrantee Fiscal Year: ____ State (July - June)
(Check One) ____ Federal (October - September)
____ Calendar (January - December)

The Office of Management and Budget (OMB) Circular A-133 requires a Single Audit for state and local governments as well as for non-profit organizations when federal expenditures are at least $500,000. Please check below if you are required to have a Single Audit.

Single Audit Required: ____Yes ____ No

Sub Awarding Federal Funds - The recipient understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of any contract or subaward to either the Association of Community Organization for Reform Now (ACORN) or its subsidiaries.

Grantee Monitoring - The recipient understands that the OJP Programs will monitor all f subaward projects under each specified program in accordance with all applicable statutes, regulations, OMB circulars, and program guidelines, including the OJP Financial Guide, and the applicable special conditions of this award. The OJP Programs will review the oversight of the grantees financial and programmatic activities, files and will monitor the specific outcomes and benefits attributable to the use of grant funds by subrecipients. In addition, the recipient agrees to submit, upon request, all documentation of its policies and procedures.

Subawards – DUNS and CCR for Reporting - The recipient agrees to submit with the award document, documentations of a valid DUNS profile and an active registration with the Central Contractor Registration (CCR) database. A printed copy of the DUNS and CCR is required for grant funding. If the CCR expires within the awarding cycle, the grantee agrees to submit an updated CCR no later than 15 days after the expiration date to the designated awarding program under the Office of Justice Programs.

System for Award Management – (SAM) – The recipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at https://www.sam.gov/. This includes applicable requirements regarding registration with SAM, as well as maintain the currency of information in SAM.

Employment Eligibility Verification for hiring under the award – The recipient must ensure that, as part of the hiring process for any position within the United States that is or will be funded in whole or in part with award funds, the recipient properly verifies the employment eligibility of the individual who is being hired, consistent with the provisions of 8 U.S.C. 1324a(a)(1) and (2).

As part of the recordkeeping for the award (including pursuant to the Part 200 Uniform Requirements), maintain records of all employment eligibility verifications pertinent to compliance with this award condition in accordance with Form I-9 record retention requirements, as well as records of all pertinent notifications and trainings.

Staff involved in the hiring process - For purposes of this condition, persons "who are or will be involved in activities under this award" specifically includes (without limitation) any and all recipient officials or other staff who are or will be involved in the hiring process with respect to a position that is or will be funded (in whole or in part) with award funds.

Employment eligibility confirmation with E-Verify - For purposes of satisfying the requirement of this condition regarding verification of employment eligibility, the recipient may choose to participate in, and use, E-Verify (www.e-verify.gov), provided an appropriate person authorized to act on behalf of the recipient uses E-Verify and follows the proper E-Verify procedures, including in the event of a "Tentative Nonconfirmation" or a "Final

Nonconfirmation") to confirm employment eligibility for each hiring for a position in the United States that is or will be funded (in whole or in part) with award funds.

Rules of construction – The term "associate of the federal government" means any person or entity engaged or employed (in the past or at present) by or on behalf of the federal government – as an employee, contractor or subcontractor (at any tier), grant recipient (at any tier), agent or otherwise – in undertaking any work, project, or activity for or on behalf of (or in providing goods or services to or on behalf of) the federal government, and includes any applicant for such employment or engagement, and any person or entity committed by legal instrument to undertake any such work project, or activity (or to provide such goods or services) in the future.

Nothing in this condition shall be understood to authorize or require any recipient, or any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.

Determination of suitability to interact with participating minors – The Department of Justice funding announcement, or an associated federal statute – that a purpose of some or all of the activities to be carried out under the award by the recipient is to benefit a set of individuals under 18 years of age. The recipient must make determinations of suitability before certain individuals may interact with participating minors. This requirement applies regardless of an individual's employment status.

The details of this requirement are posted on the OJP website at https://ojp.gov/funding/Explorer/Interact-Minors.htm (Award condition: Determination of suitability required, in advance, for certain individuals who may interact with participating minors), and are incorporated by reference here.

Restrictions on "lobbying" - Federal funds awarded by OJP may not be used by the recipient either directly or indirectly, to support or oppose the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government. See 18 U.S.C. 1913.

Another federal law generally prohibits federal funds awarded by OJP from being used by the recipient to pay any person to influence (or attempt to influence) a federal agency, a Member of Congress, or Congress (or an official or employee of any of them) with respect to the awarding of a federal grant or cooperative agreement, subgrant, contract, subcontract, or loan, or with respect to actions such as renewing, extending, or modifying any such award. See 31 U.S.C. 1352.

Imminent Breach of Personally Identifiable Information (PII) – The recipient must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it (1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "personally identifiable information (PII)" (2 CFR 200.79) within the scope of an OJP grant-funded program or activity, or (2) uses or operates a Federal information system" (OMB Circular A-130). The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

Requirements pertaining to prohibited conduct related to trafficking in persons – The recipient must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients or individuals defined as employees of the recipient.

The details of the recipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP website at https://ojp.gov/funding/Explore/ProhibitedConduct - Trafficking.htm (Award condition: Prohibited conduct by recipients and subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award), and are incorporated by reference here.

Misuse of award funds - The recipient understands and agrees that misuse of award funds may result in a range of penalties, including suspension of current and future funds, suspension or debarment from federal grants, recoupment of monies provided under an award, and civil and/or criminal penalties.

Texting While Driving - Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving." 74 Fed. Reg. 51225 (October 1, 2009), the department encourages recipients to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this grant, and to establish workshop safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

Reporting Potential Fraud, Waste, and Abuse, and Similar Misconduct - The recipient must promptly refer to the DPSP and DOJ-OIG any credible evidence that a principal, employee, agent, contractor, subgrantee, subcontractor, or other person has either 1) submitted a false claim for grant funds under the False Claims Act; or 2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving grant funds. This condition also applies to any subrecipients. Potential fraud, waste, abuse, or misconduct should be reported to the DPSP by mail:

Mississippi Department of Public Safety Planning
Office of Justice Programs
1025 Northpark Drive
Ridgeland, Mississippi 39157
Contact 601-977-3700
or
e-mail: oig.hotline@usdoj.gov
Hotline: (in English/Spanish): (800) 869-4499 or Hotline fax: (202) 616-9881

Conflict with Other Standard Terms and Conditions - The recipient understands and agrees that all other terms and conditions contained in this award, or in applicable OJP grant policy statements or guidance, apply unless they conflict or are superseded by the terms and conditions included here in that specifically implement the grant requirements. Recipients are responsible for contacting their grant managers for any clarifications.

Americans With Disabilities Act – The recipient hereby assures and certifies compliance with Subtitle A, Title II of the Americans With Disabilities Act (ADA) 42 U.S.C.12131-12124, which removes the barriers that deny individuals with disabilities an equal opportunity to share in and contribute to the vitality of American life. In other words, full participation in, and access to, all aspects for society.

Civil Rights: EEOP - The recipient acknowledges that failure to submit an acceptable Equal Employment Opportunity Plan (if recipient is required to submit one pursuant to 28 C.F.R. Section 42.302), that is approved by the Office for Civil Rights, is a violation of its Certified Assurances and may result in suspension or termination of funding, until such time as the recipient is in compliance.

Discrimination Finding - The recipient assures that in the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, religion, national origin, sex, or disability against a recipient of victim assistance formula funds under this award, the grantee will forward a copy of the findings to the Division of Public Safety Planning: Office of Justice Programs and to the Office of Civil Rights of OJP.

Additional Requirements and Guidance - The recipient agrees to comply with any modifications or additional requirements that may be imposed during the award performance period or by law and future OJP (including government-wide) guidance and clarifications of OJP Programs requirements.

Law Enforcement Task Forces – Required Training

Within 120 days of award acceptance, each current member of a law enforcement task force funded with award funds who is a task force commander, agency executive, task force officer, or other task force member of equivalent rank, must complete required online (internet-based) task force training. Additionally, all future task force members must complete this training once during the period of performance for this award, or once every four years if multiple OJP awards include this requirement.

The required training is available free of charge online through the BJA-funded Center for Task Force Integrity and Leadership (www.ctfli.org). The training addresses task force effectiveness, as well as other key issues including privacy and civil liberties/rights, task force performance measurement, personnel selection, and task force oversight and accountability. If award funds are used to support a task force, the recipient must compile and maintain a task force personnel roster, along with course completion certificates.

Additional information regarding the training is available through BJA's web site and the Center for Task Force Integrity and Leadership (www.ctfli.org).

Certification of Body Armor "Mandatory Wear" Policies

The recipient agrees to submit a signed certification that all law enforcement agencies receiving body armor purchased with funds from this award have a written "mandatory wear" policy in effect. The recipient must keep signed certifications on file for any subrecipients planning to utilize funds from this award for ballistic-resistant and stab-resistant body armor purchases. This policy must be in place for at least all uniformed officers before any funds from this award may be used by an agency for body armor. There are no requirements regarding the nature of the policy other than it be a mandatory wear policy for all uniformed officers while on duty.

Body Armor – Compliance with NIJ Standards

Ballistic-resistant and stab-resistant body armor purchased with JAG award funds may be purchased at any threat level, make or model, from any distributor or manufacturer, as long as the body armor has been tested and found to comply with applicable National Institute of Justice ballistic or stab standards and is listed on the NIJ Compliant Body Armor Model List (https://nij.gov/). In addition, ballistic-resistant and stab-resistant body armor purchased must be American-made. The latest NIJ standard information can be found here: https://nij.gov/topics/technology/body-armor/pages/safety-initiative.aspx.

Mississippi Department of Public Safety Planning
Office of Justice Programs (OJP)
JAG Standard Award Policy and Special Conditions

Required Data on Law Enforcement Agency Training

Any law enforcement agency receiving direct or sub-awarded funding from this JAG award must submit quarterly accountability metrics data related training that officers have received on the use of force, racial and ethnic bias, de-escalation of conflict, and constructive engagement with the public.

EQUAL TREATMENT REGULATION

Subgrantee certifies that it complies with the Equal Treatment Regulation in 28 C.F.R. parts 31, 33, 38, 90, 91, and 93, which ensures that no organization will be discriminated against in a Department of Justice funded social services program based on religion. The regulation, entitles "Participation in Justice Department Programs by Religious Organization; Providing for Equal Treatment of all Justice Department Program Participants."

EQUAL EMPLOYMENT OPPORTUNITY

Subgrantee hereby certifies that it has formulated an Equal Employment Opportunity Program plan in accordance with 28 C.F.R.42, 301, et seq., Subpart e. of the Code of Federal Regulations. The plan is on file for review or audit by officials of the Mississippi Division of Public Safety Planning or the Office of Justice Programs, U.S. Department of Justice as required by relevant laws and regulations.

Please check one: ✓ Required _____ Not Required

ENFORCING CIVIL RIGHTS LAWS

Subgrantee certifies that as a local government entity or non-profit organization recipient of Federal financial assistance, regardless of the particular funding source, the amount of the grant award, or the number of employees in the workforce, is subject to the prohibitions against unlawful discrimination.

NON-SUPPLANT CERTIFICATION

The City of Starkville (Applicant/Agency) hereby assures that Federal funds will not be used to supplant State or local funds and that, Federal funds will be used to supplement existing funds for program activities and not to replace those funds which have been appropriated for the same purpose.

Mississippi Department of Public Safety Planning
Office of Justice Programs (OJP)
JAG Standard Award Policy and Special Conditions

Compliance with these requirements will be monitored during the annually programmatic onsite monitoring visit or during a programmatic desk audit.

By initialing and signing, your agency agrees to comply and adhere to all federal and state guidelines established governing the Mississippi Department of Public Safety, Office of Justice Grant Programs.

City of Starkville
Agency's Name

19HS2311
Subgrant Award Number

Authorized Official (Please Print)

Mayor
Authorized Official Title

Authorized Official (Signature)

Date

ATTACHMENT A

OFFICE OF JUSTICE PROGRAMS
SUBGRANT STANDARD ASSURANCES

The applicant/subgrantee assured and certified that:

1. It possesses legal authority to apply for and receive the grant; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understanding and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

2. It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352). Recipient will comply (and will require any subgrantees or contractors to comply) with any applicable federal nondiscrimination requirements, which may include the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. § 3789d); the Victims of Crime Act (42 U.S.C. § 10604(e)); the Violence Against Women Act (42 U.S.C. § 3796(gg)); the Juvenile Justice and Delinquency Prevention Act of 2002 (42 U.S.C. § 5672(b)); the Civil Rights Act of 1964 (42 U.S.C. § 2000d); the Rehabilitation Act of 1973 (29 U.S.C. § 794); the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12131-34); the Education Amendments of 1972 (20 U.S.C. §§ 1681, 1683, 1685-86); the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-07); 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Ex. Order 13279 (equal protection of the laws for faith-based and community organizations); and 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations). Additional information about civil rights obligations of grantees can be found at http://www.ojp.usdoj.gov/ocr/.

   In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, national origin, religion, sex, or disability against a recipient of funds, the recipient will forward a copy of the finding to the U.S. Department of Justice, Office of Justice Programs, Office for Civil Rights (OCR), and the Mississippi Department of Public Safety, Division of Public Safety Planning, Office of Justice Programs (MDPS DPSP OJP).

   Recipient will complete MDPS's *Standard Assurance Conditions for Subgrantees* document regarding its Equal Employment Opportunity Plan (EEOP) obligations.

   The recipient will determine whether it is required to formulate an EEOP in accordance with 28 CFR 42.301 et. seq. If the applicant is not required to formulate an EEOP, it will submit a certification form to the U.S. Department of Justice, Office of Justice Programs, Office for Civil Rights (OCR), and the MDPS DPSP OJP indicating that it is not required to develop an EEOP. If the applicant is required to develop an EEOP, but is not required to submit the EEOP to the OCR, the applicant will submit a certification form to the OCR and the MDPS certifying that it has an EEOP on file which meets the applicable requirements. If the applicant is awarded a grant of $500,000 or more and has fifty or more employees, it will submit a copy of its EEOP to the OCR and the MDPS. Non-profit organizations, Indian Tribes, and medical and education institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption (a copy should also be submitted to the MDPS).

   Additional information regarding a grantee's EEOP requirements can be found at http://www.ojp.usdoj.gov/about/ocr/eeop_comply.htm.

   As clarified by Executive Order 13166, Improving Access to Services for Persons with Limited English

Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, recipient must take reasonable steps to ensure that LEP persons have meaningful access to its programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. The recipient is encouraged to consider the need for language services for LEP persons served or encountered both in developing its budgets and in conducting its programs and activities. Additional assistance and information regarding your LEP obligations can be found at www.lep.gov.

The subrecipient shall not retaliate against individuals for taking action or participating in action to secure rights protected by these laws.

3. It will comply with requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced as a result of federal and federally assisted programs.

4. It will comply with the provisions of the Hatch Act which limit the political activity of employees.

5. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act, as they apply to hospital and educational institution employees of state and local government.

6. It will establish safeguards to prohibit employees from using their position for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties.

7. It will give the grantor agency or its duly designated representative, the State Auditor's Office, the Comptroller General of the United State or any authorized representative and the Office of Management and Audits (OMSA), Department of Finance and administration (DFA), access to at all reasonable times, and the right to examine, monitor, audit, copy, remove, or otherwise, all records, books, papers, documents, or items of like or similar nature related to the grant.

8. It will establish and maintain both fiscal and program controls and funds accounting procedures acceptable to grantor agency, to assure the proper expenditure and disbursement of all funds, and for program management and execution, and that it will keep and maintain such books and records until audited by the OMSA, DFA of by an official representative of that office, by the federal grantor agency, the State Auditor, or either's duly authorized representative. Records must be maintained for a period of at least three years. Before destruction of any record, written approval must be obtained from the OMSA. These records include, but are not limited to:

    Financial report covering expenditures of the grant;
    Internal and external audit reports and project evaluation;
    Approved budget and subsequent modifications;
    Contracts, leases, employment agreements, and purchase invoices;
    Indirect cost allocation plans;
    All invoices, billings, request for cash, and reporting worksheets;
    General ledger, cash receipts journals, cash disbursements journals, and other subsidiary records;
    All personnel records of individuals paid with grant funds, including time sheets,
    wage authorization, tax withholdings forms, employment applications and other relevant data;
    Inventory records for all property purchased with grant funds showing acquisition data, cost of property, identification number, bid information, and the use of the property; and
    Bank statements and reconciliations.

9. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the federal agency and the state grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.

10. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234, 87 Stat. 975). Section 102(a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where such insurances is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "federal financial assistance" includes any form of loan, grant, guaranty, insurance payment rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect federal assistance.

11. It will assist the federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archaeological and Historic Preservation Act of 1966 (16 U.C.S. 469a-1 et seq.) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary, to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see CFR Part 800.8) by the activity, and notifying the federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the federal grantor agency and the state grantor agency to avoid or mitigate adverse effects upon such properties.

12. It will insure that no member of the governing or policymaking body of applicant/grantee shall cast a vote or influence any matter which has a direct hearing on services to be provided by that member or any organization which such member directly or indirectly represents, or on any matter that would financially benefit such member or any organization such member represents.

13. It will comply with the provisions of the Single Audit Act of 1984 (P.L. 98-502) and if it does not meet minimum requirements as established in the Single Audit Act of 1984, it will consult with the OMSA, DFA, in regard to audit requirements.

We have read and understand all Subgrantee Standard Assurances as shown above and agree to fully comply with these conditions in the operation of the subgrant.

City of Starkville
Name of Agency or Organization

19HS2311
Subgrant Number

Chief Administrative Officer

Date

ATTACHMENT B

STANDARD ASSURANCE CONDITIONS FOR SUBGRANTEES

CERTIFICATION OF COMPLIANCE WITH REGULATIONS NONDISCRIMINATION; EQUAL EMPLOYMENT OPPORTUNITY

IN COOPERATION WITH THE FEDERAL OFFICE FOR CIVIL RIGHTS, OFFICE OF JUSTICE PROGRAMS, UNITED STATES DEPARTMENT OF JUSTICE

Instructions: Complete the blank lines below by entering identifying information which is found on the Subgrant Signature Sheet. Also, read this form completely, identify and enter, under Part I, the name of the organization's designated person responsible for reporting civil rights findings; and then in Part II, mark or check only one box which indicates the appropriate certification that applies to your organization. The organization's Authorized Official must sign this form on page 3. Please return the original form to the **Office of Justice Programs, Division of Public Safety Planning, 1025 Northpark Drive, Ridgeland, Mississippi 39157,** within 45 days of the grant award or implementation date. You must also forward a copy of the completed form to the organization's civil rights representative whom you have identified.

Subgrant Number: 19HS2311 Award Amount $ 37,325.50

Subgrant Project Title:
Hot Spot

Organizational Name (Subgrantee or Funded Entity):
City of Starkville

Address:
110 W. Main St.
Starkville, MS 39759

Telephone Number: 662 323 4131

Subgrantee Duration:

Beginning Date: 1/1/2020 Ending Date: ____________

Project Director's Name, Address and Telephone Number:
Cpl. Christopher Jackson
101 E. Lampkin St.
Starkville, MS 39759
662-323-4131

AUTHORIZED OFFICIAL'S CERTIFICATION

As the Authorized Official for the above identified Subgrantee, I certify, by my signature below, that I have read and am fully cognizant of our duties and responsibilities under this Certification.

PART I. Requirements of Subgrant Recipients: All subgrant recipients (regardless of the type of entity or the amount awarded) are subject to prohibitions against discrimination in any program or activity, and must take reasonable steps to provide meaningful access for persons with limited English proficiency.

I certify that this agency will maintain data (and submit when required) to ensure that: our services are delivered in an equitable manner to all segments of the service population; our employment practices comply with Equal Opportunity Requirements, 28 CFR 42.207 and 42.301 et. seq.; our projects and activities provide meaningful access for people with limited English proficiency as required by Title VI of the Civil Rights Act, (See also, 2000 Executive Order #13166).

I also certify that the person in this agency or unit of government who is responsible for reporting civil rights findings of discrimination will submit these findings, if any, to the Office of Justice Programs, Division of Public Safety Planning (DPSP), Mississippi Department of Public Safety, within 45 days of the finding, and/or if the finding occurred prior to the grant award beginning date. A copy of this Certification will be provided to this person, as identified here:

The person responsible for reporting civil rights findings of discrimination is:
(Name, address and telephone number)
Navarrete Ashford
110 West Main Street
Starkville, MS 39759
662-323-2525

PART II. Equal Employment Opportunity Plan (EEOP) Certifications: Check the one box that applies to this subgrantee agency during the period of the grant duration noted above. (Check only the one appropriate certification (A, B, C1 or C2 below).

☐ **CERTIFICATION "A" [NO EEOP IS REQUIRED IF (1), (2) OR (3) APPLY]** This is the Certification that most non-profits and small agencies will use. Check (1), (2) and/or (3) as they apply to your entity: (Here, more than one may apply)

_____ (1) is an educational, medical or non-profit institution or an Indian Tribe; and/or
_____ (2) has less than 50 employees; and/or;
_____ (3) was awarded through this grant from the Office of Justice Programs, DPSP, less than $25,000 in federal U.S. Department of Justice funds.

Therefore, I hereby certify that this funded entity is not required to maintain an EEOP, pursuant to 28 CFR 42.301, et. seq.

☒ **CERTIFICATION "B" (EEOP MUST BE ON FILE)** This funded entity, as a for-profit entity or a state or local government having 50 or more employees, was awarded, through this grant from the Office of Justice Programs, DPSP, more than $25,000, but less than $500,000 in federal U.S. Department of Justice funds.

Therefore, I hereby certify that the funded entity has formulated an Equal Employment Opportunity Plan in accordance with 28 CFR 42.301, et.seq., subpart E, that it has been signed into effect by the proper authority and disseminated to all employees, and that it is on file for review or audit by officials of the Office of Justice Programs, DPSP, or the Office for Civil Rights, Office of Justice Programs, U.S. Department of Justice, as required by relevant laws and regulations.

☐ **CERTIFICATION "C" (EEOP MUST BE SUBMITTED)** This funded entity, as a for-profit entity or a state or local government having 50 or more employees, was awarded, through this grant from the Office of Justice Programs, DPSP, more than $500,000 in federal U.S. Department of Justice funds.

Therefore, I hereby certify that the funded entity will submit, within 45 days of the award, an EEOP or an EEOP Short Form, that will include a section specifically analyzing the subgrantee (implementing) agency.

As the Authorized Official for the above Subgrantee, I certify, by my signature below, that I have read and am fully cognizant of our duties and responsibilities under this Certification.

____
Authorized Official's Signature
(Subgrantee)

____
Date

____
Typed or Printed Name

Mayor
Person's Organizational Title

. . . .

This original signed form must be returned to the Office of Justice Programs, Division of Public Safety Planning, Department of Public Safety, within 45 days of the grant award beginning date. You must also forward a signed copy to the person you identified under "Part 1" on page 1. The Office of Justice Programs, DPSP will forward a copy to the Office for Civil Rights, Office of Justice Programs, U.S. Department of Justice.

ATTACHMENT C-1

Federal Civil Rights Compliance Checklist

1. If the subrecipient is required to prepare an Equal Employment Opportunity Plan (EEOP) in accordance with 28 C.F.R. §§42.301-.308, does the subrecipient have an EEOP on file for review?

   - [x] Yes
   - [ ] No

   If yes, on what date did the subrecipient prepare the EEOP?

   11/27/2017

2. Has the subrecipient submitted an EEOP Short Form to the Office for Civil Rights (OCR), Office of Justice Programs (OJP), U.S. Department of Justice (DOJ), if required by 28 C.F.R. 42.301-.308? If the subrecipient is not required to submit an EEOP Short Form to the OCR, has it submitted a certification form to the OCR claiming a partial or complete exemption from the EEOP requirements?

   - [ ] Yes – submitted an EEOP Short Form
   - [ ] Yes – submitted a certification
   - [x] No

   If the subrecipient prepared an EEOP Short Form, on what date did the subrecipient prepare it?

3. How does the subrecipient notify program participants and beneficiaries that it does not discriminate on the basis of race, color, national origin, religion, sex, disability, and age in the delivery of services (e.g. posters, inclusion in brochures or other program materials, etc.)?

   Comments: On our website, advertisement, job applications, job postings, and HR department

4. How does the subrecipient notify employees that it does not discriminate on the basis of race, color, national origin, religion, sex and disability in employment practices (e.g. posters, dissemination of relevant orders or policies, inclusion in recruitment materials, etc.)?

   Comments: In our employee handbook, brochures, and it's an everyday practice.

5. Does the agency have written policies or procedures in place for notifying program beneficiaries how to file complaints alleging discrimination by the subrecipient with the {State Administering Agency (DPSP)} or the OCR?

- [x] Yes
- [ ] No

If yes, an explanation of these policies and procedures: Documented in employee hand book

6. If the subrecipient has 50 or more employees and receives DOJ funding of $25,000 or more, has the subrecipient taken the following actions:

   a. Adopted grievance procedures that incorporate due process standards and provide for the prompt and equitable resolution of complaints alleging a violation of the DOJ regulations implementing Section 504 of the Rehabilitation Act of 1973, found at 28 C.F.R. Part 42, Subpart G, which prohibit discrimination on the basis of a disability in employment practices and the delivery of services?

   - [x] Yes
   - [ ] No

   b. Designated a person to coordinate compliance with the prohibitions against disability discrimination contained in 28 C.F.R. Part 42, Subpart G?

   - [x] Yes
   - [ ] No

   c. Notified participants, beneficiaries, employees, applicants, and others that the program does not discriminate on the basis of disability?

   - [x] Yes
   - [ ] No

Comments:

7. If the subrecipient operates an education program or activity, has the subrecipient taken the following actions:

   a. Adopted grievance procedures that provide for the prompt and equitable resolution of complaints alleging a violation of the DOJ regulations implementing Title IX of the Education Amendments of 1972, found at 28 C.F.R. Part 54, which prohibit discrimination on the basis of sex.

   - [x] Yes
   - [ ] No

b. Designated a person to coordinate compliance with the prohibitions against sex discrimination contained in 28 C.F.R. Part 54?

- [x] Yes
- [ ] No

c. Notified participants for admission and employment, employees, students, parents, and others that the agency does not discriminate on the basis of sex in its educational programs or activities?

- [x] Yes
- [ ] No

8. Has the subrecipient complied with the requirement to submit to the OCR any findings of discrimination against the agency issued by a federal or state court or federal or state administrative agency on the grounds of race, color, religion, national origin, or sex?

- [x] Yes
- [ ] No

Comments:

9. What steps has the subrecipient taken to provide meaningful access to its programs and activities to persons who have limited English proficiency (LEP)?
we have an employee assistance program

Comments, including an indication of whether the subrecipient has developed a written policy on providing language access services to LEP person(s):
we don't have anything in writing

10. Does the subrecipient conduct any training for its employees on the requirements under federal civil rights laws?

- [x] Yes
- [ ] No

Comments: This is handled during employee orientation

11. If the subrecipient conducts religious activities as part of its programs or services, does the subrecipient do the following: N/A

a. Provide services to everyone regardless of religion or religious belief?

- [ ] Yes
- [x] No

b. Ensure that it does not use federal funds to conduct inherently religious activities, such as prayer, religious instructions, or proselytization, and that such activities are kept separate in time or place from federally-funded activities?

- [x] Yes
- [ ] No

c. Ensure that participation in religious activities is voluntary for beneficiaries of federally- funded programs?

- [x] Yes
- [ ] No

12. Was a copy of the Mississippi Office of Justice Program Civil Rights Compliance PowerPoint Presentation provided to your agency?

√ Yes

No

City of Starkville
Name of Agency or Organization (Please Print)

19HS2311
Subgrant Number

Authorized Official or Authorized Designee Signature

Date

Office of Justice Programs Monitor's Signature

Date

Attachment C-2

Office of Justice Programs
Division of Public Safety Planning

Civil Rights Training Certification Form

The, Mayor Lynn Spruill, hereby certifies that our agency has received Civil Rights Training required by the Office for Civil Rights, Office of Justice Programs, U.S. Department of Justice, and the Mississippi Division of Public Safety Planning in order to administer federal funds according to federal guidelines. Our agency further certifies that we have and/or will notify all employees, clients, customers, and program participants that discrimination is prohibited and the procedures for filing a complaint of discrimination.

(Date) (Names(s) of Individual(s)) Cpl. Christopher Jackson
____

Date of Training ____________________
Location of Training ____________________

State of Mississippi
County of ________________
Signed [or attested] before me on ________, 20__ by ________________________

____
Authorized Signatory official

Stamp

____
Signature of Notarial Officer

____
Title of office
My commission expires: ________________

FOR OJP purposes only
This certification expires on: ________________

ATTACHMENT F

U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS
OFFICE OF THE COMPTROLLER

Certification Regarding
Debarment, Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions
(Sub-Recipient)

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 28 CFR Part 67, Section 67.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Mayor Lynn Spruill
Name and Title of Authorized Representative

Signature Date

City of Starkville
Name of Organization

110 W. Main Street Starkville, MS 39759
Address of Organization

ATTACHMENT G

CERTIFICATION REGARDING LOBBYING

Each person shall file the most current edition of this certification and disclosure form, if applicable, with each submission that initiates agency consideration of such person for an award of a federal contract, grant, or cooperative agreement of $100,000 or more; or Federal loan of $150,000 or more.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 or not more than $100,000 for each such failure.

The undersigned certifies, to the best of his or her knowledge and belief, that;

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer of employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or any employee of a member of Congress, in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.

(2) If any non-Federal funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall initial here_____________ and complete and submit "Disclosure of Lobbing Activities", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers and that all sub-recipients shall certify and disclose accordingly.

City of Starkville
Name and Address of Organization
110 W. Main St.
Starkville, MS 39759

____
Name of Authorized Individual
Signature and Date

19HS2311
Subgrant Number

ATTACHMENT H

Office of Justice Programs
Division of Public Safety Planning

Match Certification Form

Name of Organization or Unit of Government: City of Starkville

Program for which Match is being certified under: Hot Spot

Grant Award # 19HS2311

The Mayor hereby certifies that it will provide the matching funds or services in the amount required for this subgrant according to federal guidelines. It further certifies that the match is from a non-federal source that is not being used to match other federal grants. The match will be derived from the following source(s):

	Source(s)	Amount	Type (Cash)
1.	–	$ –	–
2.		$	
3.		$	
4.		$	

Signature ______________________ Date ______________

Note: If in-kind match will be used, the agency must provide the Division of Public Safety Planning with an analysis that shows how the value of the match was determined.

Revised Date: February 2017

RENTAL AGREEMENT
FOR USE BY MISSISSIPPI AGENCIES & GOVERNING AUTHORITIES
AND VENDORS
(applicable to equipment rental transactions)

This Rental Agreement (hereinafter referred to as Agreement) is entered into by and between **City Of Starkville** (hereinafter referred to as Customer), and **Canon USA, Inc.** (hereinafter referred to as Vendor). This Agreement becomes effective upon signature by Customer and Vendor, and shall take precedence over all agreements and understandings between the parties. Vendor, by its acceptance hereof, agrees to rent to Customer, and Customer, by its acceptance hereof, agrees to rent from Vendor, the equipment, including applicable software and services to render it continually operational, listed in Exhibit A, which is attached hereto and incorporated herein.

1. CUSTOMER ACCOUNT ESTABLISHMENT:

A. A separate Vendor Customer Number will be required for each specific customer/installation location.

B. The Customer is identified as the entity on the first line of the "bill-to" address. All invoices and notices of changes will be sent to the "bill-to" address in accordance with Paragraph 8 herein.

C. Ship-to and/or Installed-at address is the location to which the initial shipment of equipment/supplies will be made and the address to which service representatives will respond. Subsequent shipments of supplies for installed equipment will also be delivered to the "installed-at" address unless otherwise requested.

D. Unless creditworthiness for this Customer Number has been previously established by Vendor, Vendor's Credit Department may conduct a credit investigation for this Agreement. Notwithstanding delivery of equipment, Vendor may revoke this Agreement by written notice to the Customer if credit approval is denied within thirty (30) days after the date this Agreement is accepted for Vendor by an authorized representative.

2. EQUIPMENT SELECTION, PRICES, AND AGREEMENT: The Customer has selected and Vendor agrees to provide the equipment, including applicable software and services to render it continually operational, identified on Exhibit A attached to this Agreement. The specific prices, inclusive of applicable transportation charges, are as set forth on the attached Exhibit A. The parties understand and agree that the Customer is exempt from the payment of taxes.

3. SHIPPING AND TRANSPORTATION: Vendor agrees to pay all non-priority, ground shipping, transportation, rigging and drayage charges for the equipment from the equipment's place of manufacture to the installation address of the equipment as specified under this Agreement. If any form of express shipping method is requested, it will be paid for by Customer.

4. RISK OF LOSS OR DAMAGE TO EQUIPMENT: While in transit, Vendor shall assume and bear the entire risk of loss and damage to the equipment from any cause whatsoever. If, during the period the equipment is in Customer's possession, due to gross negligence of the customer, the equipment is lost or damaged, then, the customer shall bear the cost of replacing or repairing said equipment.

5. DELIVERY, INSTALLATION, ACCEPTANCE, AND RELOCATION:

A. DELIVERY: Vendor shall deliver the equipment to the location specified by Customer and pursuant to the delivery schedule agreed upon by the parties. If, through no fault of the Customer, Vendor is unable to deliver the equipment or software, the prices, terms and conditions will remain unchanged until delivery is made by Vendor. If, however, Vendor does not deliver the equipment or software within ten (10) working days of the delivery due date, Customer shall have the right to terminate the order without penalty, cost or expense to Customer of any kind whatsoever.

B. INSTALLATION SITE: At the time of delivery and during the period Vendor is responsible for maintenance of the equipment, the equipment installation site must conform to Vendor's published space, electrical and environmental requirements; and the Customer agrees to provide, at no charge, reasonable access to the equipment and to a telephone for local or toll free calls.

C. INSTALLATION DATE: The installation date of the equipment shall be that date as is agreed upon by the parties, if Vendor is responsible for installing the equipment.

D. ACCEPTANCE: Unless otherwise agreed to by the parties, Vendor agrees that Customer shall have ten (10) working days from date of delivery and installation, to inspect, evaluate and test the equipment to confirm that it is in good working order.

E. RELOCATION: Customer may transfer equipment to a new location by notifying Vendor in writing of the transfer at least thirty (30) calendar days before the move is made. If Vendor is responsible for maintenance of the equipment, this notice will enable Vendor to provide technical assistance in the relocation efforts, if needed, as well as to update Vendor's records as to machine location. There will be no cessation of rental charges during the period of any such transfer. The Vendor's cost of moving and reinstalling equipment from one location to another is not included in this Agreement, and Customer agrees to pay Vendor, after receipt of invoice of Vendor's charges with respect to such moving of equipment, which will be billed to Customer in accordance with Vendor's standard practice then in effect for commercial users of similar equipment or software and payment remitted in accordance with Paragraph 8 herein.

6. RENTAL TERM: The rental term for each item of equipment shall be that as stated in the attached Exhibit A. If the Customer desires to continue renting the equipment at the expiration of the original rental agreement, the Customer must enter into a new rental agreement which shall be separate from this Agreement. There will be no automatic renewals allowed. There shall be no option to purchase.

7. OWNERSHIP: Unless the Customer has obtained title to the equipment, title to the equipment shall be and remain vested at all times in Vendor or its assignee and nothing in this Agreement shall give or convey to Customer any right, title or interest therein, unless purchased by Customer. Nameplates, stencils or other indicia of Vendor's ownership affixed or to be affixed to the equipment shall not be removed or obliterated by Customer.

8. PAYMENTS:

A. INVOICING AND PAYMENTS: The charges for the equipment, software or services covered by this Agreement are specified in the attached Exhibit A. Charges for any partial month for any item of equipment shall be prorated based on a thirty (30) day month. Vendor shall submit an invoice with the appropriate documentation to Customer.

1. E-PAYMENT: The Vendor agrees to accept all payments in United States currency via the State of Mississippi's electronic payment and remittance vehicle. The Customer agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies", Section 31-7-301, *et seq*. of the 1972 Mississippi Code Annotated, as amended, which generally provides for payment of undisputed amounts by the agency within forty-five (45) days of receipt of the invoice.

2. PAYMODE: Payments by state agencies using Mississippi's Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by the State. The State, may at its sole discretion, require the Vendor to submit invoices and supporting documentation electronically at any time during the term of this Agreement. These payments shall be deposited into the bank account of the Vendor's choice. The Vendor understands and agrees that the State is exempt from the payment of taxes. All payments shall be in United States currency.

B. METER READINGS: If applicable, the Customer shall provide accurate and timely meter readings at the end of each applicable billing period on the forms or other alternative means specified by Vendor. Vendor shall have the right, upon reasonable prior notice to Customer, and during Customer's regular business hours, to inspect the equipment and to monitor the meter readings. If Customer meter readings are not received in the time to be agreed upon by the parties, the meter readings may be obtained electronically or by other means or may be estimated by Vendor subject to reconciliation when the correct meter reading is received by Vendor.

C. COPY CREDITS: If applicable, if a copier is being rented, the Customer will receive one (1) copy credit for each copy presented to Vendor which, in the Customer's opinion, is unusable and also for each copy which was produced during servicing of the equipment. Copy credits will be issued only if Vendor is responsible for providing equipment services or maintenance services (except time and materials maintenance). Copy credits will be reflected on the invoice as a reduction in the total copy volume, except for run length plans which will be credited at a specific copy credit rate as shown on the applicable price list.

9. USE OF EQUIPMENT: Customer shall operate the equipment according to the manufacturer's specifications and documented instructions. Customer agrees not to employ or use additional attachments, features or devices on the equipment or make changes or alterations to the equipment covered hereby without the prior written consent of Vendor in each case, which consent shall not be unreasonably withheld.

10. MAINTENANCE SERVICES, EXCLUSIONS, AND REMEDIES:

A. SERVICES: If Vendor is responsible for providing equipment services, maintenance services (except for time and materials), or warranty services: (1) Vendor shall install and maintain the equipment and make all necessary adjustments and repairs to keep the equipment in good working order. (2) Parts required for repair may be used or reprocessed in accordance with Vendor's specifications and replaced parts are the property of Vendor, unless otherwise specifically provided on the price lists. (3) Services will be provided during Customer's usual business hours. (4) If applicable, Customer will permit Vendor to install, at no cost to Customer, all retrofits designated by Vendor as mandatory or which are designed to insure accuracy of meters.

B. EXCLUSIONS: The following is not within the scope of services: (1) Provision and installation of optional retrofits. (2) Services connected with equipment relocation. (3) Installation/removal of accessories, attachments or other devices. (4) Exterior painting or refinishing of equipment. (5) Maintenance, installation or removal of equipment or devices not provided by Vendor. (6) Performance of normal operator functions as described in applicable Vendor operator manuals. (7) Performance of services necessitated by accident; power failure; unauthorized alteration of equipment or software; tampering; service by someone other than Vendor; causes other than ordinary use; interconnection of equipment by electrical, or electronic or mechanical means with noncompatible equipment, or failure to use operating system software. If Vendor provides, at the request of the Customer, any of the services noted above, the Customer may be billed by Vendor at a rate not to exceed the Master State Prices Agreement between the Vendor and the State of Mississippi, or in the absence of such agreement at the then current time and materials rates.

C. REMEDIES: If during the period in which Vendor is providing maintenance services, Vendor is unable to maintain the equipment in good working order, Vendor will, at no additional charge, provide either an identical replacement or another product that provides equal or greater capabilities.

11. HOLD HARMLESS: To the fullest extent allowed by law, Vendor shall indemnify, defend, save and hold harmless, protect, and exonerate the Customer and the State of Mississippi, its Commissioners, Board Members, officers, employees, agents, and representatives from and against all claims, demands, liabilities, suits, actions, damages, losses, and costs of every kind and nature whatsoever, including, without limitation, court costs, investigative fees and expenses, and attorneys' fees, arising out of or caused by Vendor and/or its partners, principals, agents, employees, and/or subcontractors in the performance of or failure to perform this Agreement. In the Customer's sole discretion, Vendor may be allowed to control the defense of any such claim, suit, etc. In the event Vendor defends said claim, suit, etc., Vendor shall use legal counsel acceptable to the Customer; Vendor shall be solely liable for all reasonable costs and/or expenses associated with such defense and the Customer shall be entitled to participate in said defense. Vendor shall not settle any claim, suit, etc., without the Customer's concurrence,

which the Customer shall not unreasonably withhold.

12. ALTERATIONS, ATTACHMENTS, AND SUPPLIES:

A. If Customer makes an alteration, attaches a device or utilizes a supply item that increases the cost of services, Vendor will either propose an additional service charge or request that the equipment be returned to its standard configuration or that use of the supply item be discontinued. If, within five (5) days of such proposal or request, Customer does not remedy the problem or agree in writing to do so within a reasonable amount of time, Vendor shall have the right to terminate this Agreement as provided herein. If Vendor believes that an alteration, attachment or supply item affects the safety of Vendor personnel or equipment users, Vendor shall notify Customer of the problem and may withhold maintenance until the problem is remedied.

B. Unless Customer has obtained title to the equipment free and clear of any Vendor security interest, Customer may not remove any ownership identification tags on the equipment or allow the equipment to become fixtures to real property.

13. ASSIGNMENT: The Vendor shall not assign, subcontract or otherwise transfer in whole or in part, its right or obligations under this Agreement without prior written consent of the Customer. Any attempted assignment or transfer without said consent shall be void and of no effect.

14. GOVERNING LAW: This Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi, excluding its conflicts of laws provisions, and any litigation with respect thereto shall be brought in the courts of said state. The Vendor shall comply with applicable federal, state, and local laws and regulations.

15. NOTICE: Any notice required or permitted to be given under this Agreement shall be in writing and personally delivered or sent by certified United States mail, postage prepaid, return receipt requested, to the party to whom the notice should be given at the address set forth below. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

For the Vendor:	**For the Customer:**
Name Canon Financial Services	Name City of Starkville
Title	Title Police Department
Address 14904 Collections Center Drive	Address 101 East Lampkin Street
City, State, & Zip Code Chicago, IL 60693	City, State, & Zip Code Starkville, MS 39759

16. WAIVER: Failure by the Customer at any time to enforce the provisions of this Agreement shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of this Agreement or any part thereof or the right of the Customer to enforce any provision at any time in accordance with its terms.

17. CAPTIONS: The captions or headings in this Agreement are for convenience only, and in no way define, limit or describe the scope or intent of any provision or section of this Agreement.

18. SEVERABILITY: If any term or provision of this Agreement is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

19. THIRD PARTY ACTION NOTIFICATION: Vendor shall give Customer prompt notice in writing of any action or suit filed, and prompt notice of any claim made against Vendor by any entity that may result in litigation related in any way to this Agreement.

20. AUTHORITY TO CONTRACT: Vendor warrants that it is a validly organized business with valid authority to enter into this Agreement and that entry into and performance under this Agreement is not restricted or prohibited by any loan,

security, financing, contractual or other agreement of any kind, and notwithstanding any other provision of this Agreement to the contrary, that there are no existing legal proceedings, or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Agreement.

21. RECORD RETENTION AND ACCESS TO RECORDS: The Vendor agrees that the Customer or any of its duly authorized representatives at any time during the term of this Agreement shall have unimpeded, prompt access to and the right to audit and examine any pertinent books, documents, papers, and records of the Vendor related to the Vendor's charges and performance under this Agreement. All records related to this Agreement shall be kept by the Vendor for a period of three (3) years after final payment under this Agreement and all pending matters are closed unless the Customer authorizes their earlier disposition. However, if any litigation, claim, negotiation, audit or other action arising out of or related in any way to this Agreement has been started before the expiration of the three (3) year period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved. The Vendor agrees to refund to the Customer any overpayment disclosed by any such audit arising out of or related in any way to this Agreement.

22. EXTRAORDINARY CIRCUMSTANCES: If either party is rendered unable, wholly or in part, by reason of strikes, accidents, acts of God, weather conditions or any other acts beyond its control and without its fault or negligence to comply with any obligations or performance required under this Agreement, then such party shall have the option to suspend its obligations or performance hereunder until the extraordinary performance circumstances are resolved. If the extraordinary performance circumstances are not resolved within a reasonable period of time, however, the non-defaulting party shall have the option, upon prior written notice, of terminating the Agreement.

23. TERMINATION: This Agreement may be terminated as follows: (a) Customer and Vendor mutually agree to the termination, or (b) If either party fails to comply with the terms and conditions of this Agreement and that breach continues for thirty (30) days after the defaulting party receives written notice from the other party, then the non-defaulting party has the right to terminate this Agreement. The non-defaulting party may also pursue any remedy available to it in law or in equity. Upon termination, all obligations of Customer to make payments required hereunder shall cease.

24. AVAILABILITY OF FUNDS: It is expressly understood and agreed that the obligation of the Customer to proceed under this Agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds. If the funds anticipated for the continuing fulfillment of the agreement are, at any time, not forthcoming or insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds or the discontinuance or material alteration of the program under which funds were provided or if funds are not otherwise available to the Customer, the Customer shall have the right upon ten (10) working days written notice to the Vendor, to terminate this Agreement without damage, penalty, cost or expenses to the Customer of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

25. MODIFICATION OR RENEGOTIATION: This Agreement may be modified, altered or changed only by written agreement signed by the parties hereto. The parties agree to renegotiate the Agreement if federal, state and/or the Customer's revisions of any applicable laws or regulations make changes in this Agreement necessary.

26. WARRANTIES: Vendor warrants that the equipment, when operated according to the manufacturer's specifications and documented instructions, shall perform the functions indicated by the specifications and documented literature. Vendor may be held liable for any damages caused by failure of the equipment to function according to specifications and documented literature published by the manufacturer of the equipment.

27. E-VERIFY COMPLIANCE: If applicable, the Vendor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act of 2008, Section 71-11-1, *et seq.* of the Mississippi Code Annotated (Supp 2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. The Vendor agrees to maintain records of such compliance and, upon request of the State and

approval of the Social Security Administration or Department of Homeland Security, where required, to provide a copy of each such verification to the Customer. The Vendor further represents and warrants that any person assigned to perform services hereafter meets the employment eligibility requirements of all immigration laws of these warranties, the breach of which may subject the Vendor to the following: (1) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (2) the loss of any license, permit, certification or other document granted to the Vendor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (3) both --in the event of such cancellation/termination, the Vendor would also be liable for any additional costs incurred by the Customer due to the contract cancellation or loss of license or permit.

28. HARD DRIVE SECURITY: Vendor must properly format the hard drive, deleting all information, or replace the hard drive with a new hard drive prior to storing or re-selling the equipment. The Customer may request to retain the hard drive for a nominal fee. Vendor will supply written notification to the Customer that all data has been made inaccessible. This notification must be provided with forty-five (45) days of the equipment being returned to the Vendor.

29. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement of the parties with respect to the equipment, software or services described herein and supersedes and replaces any and all prior negotiations, understandings and agreements, written or oral, between the parties relating hereto. No terms, conditions, understandings, usages of the trade, course of dealings or agreements, not specifically set out in this Agreement or incorporated herein, shall be effective or relevant to modify, vary, explain or supplement this Agreement.

30. TRANSPARENCY: This Agreement, including any accompanying exhibits, attachments, and appendices, is subject to the "Mississippi Public Records Act of 1983," codified as Section 25-61-1 et seq., Mississippi Code Annotated and exceptions found in Section 79-23-1 of the Mississippi Code Annotated (1972, as amended). In addition, this Agreement is subject to provisions of the Mississippi Accountability and Transparency Act of 2008 (MATA), codified as Section 27-104-151 of the Mississippi Code Annotated (1972, as amended). Unless exempted from disclosure due to a court-issued protective order, this Agreement is required to be posted to the Department of Finance and Administration's independent agency contract website for public access. Prior to posting the Agreement to the website, any information identified by the Vendor as trade secrets, or other proprietary information including confidential vendor information, or any other information which is required confidential by state or federal law or outside the applicable freedom of information statutes will be redacted. A fully executed copy of this Agreement shall be posted to the State of Mississippi's accountability website at: http://www.transparency.mississippi.gov.

31. COMPLIANCE WITH LAWS: The Vendor understands that the Customer is an equal opportunity employer and therefore maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, genetic information, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful and the Vendor agrees during the term of the Agreement that the Vendor will strictly adhere to this policy in its employment practices and provision of services. The Vendor shall comply with, and all activities under this Agreement shall be subject to, all applicable federal, State of Mississippi, and local laws and regulations, as now existing and as may be amended or modified.

Revised Date: February 2017

EXHIBIT A
RENTAL AGREEMENT
FOR USE BY
MISSISSIPPI Agencies AND VENDORS
(Applicable to Equipment Rental Transactions)

The following, when signed by the Customer and the Vendor shall be considered to be a part of the Rental Agreement between the parties.

State Contract Number: 8200044603

Vendor Company Name: Canon Solutions America

Customer Agency Name: City Of Starkville- Police Department

Bill To Address: 110 West Main Street

Police Dept.

Starkville, MS 39759

Ship To Address: 101 East Lampkin St.

Police Department

Starkville, MS 39759

Description of Equipment, Software, or Services	**Price:**
IRA C5550I III Base Model, Cassette Feeding Unit	
Super G3 Fax Board, Inner Finisher-H1	
Power Filter	**$400**

Remit Address: Canon Financial Services
14904 Collections Center Drive
Chicago, IL 60693

Delivery Schedule and Installation Date:
Rental Term: (Number of Months): 60
Start Date: 2/1/20
End Date: 1/31/25

Modifications: Maintenance includes all toner, parts, labor and supplies. Everything but paper. Paying per copy @ $.00623 per b/w copy and $.04674 per color copy . 11x 17 = Double Click.

Vendor Signature

Customer Signature

For the faithful performance of the terms of this Agreement, the parties have caused this Agreement to be executed by their undersigned representatives.

Witness my signature this the day of , 20 .

Vendor: Canon Solutions America

By:___________________________________

Authorized Signature

Printed Name:

Title:

Witness my signature this the day of , 20_____.

Customer:

By:

Authorized Signature

Printed Name:_____________________________

Title:___________________________________

ANNOUNCEMENTS AND COMMENTS:

MAYOR'S COMMENTS:

Mayor Spruill introduced new employees Code Enforcement Officer Jerald "Lyle" MeCaskey and Firemen Ryan Classen, George Grandfield and Jason O'Conner.
She then thanked everyone who organized the MLK Unity Breakfast and March on the previous day.

BOARD OF ALDERMEN COMMENTS: None

CITIZEN COMMENTS:

Alvin Turner, Ward 7, expressed his appreciation for the sidewalks being installed along Highway 12 and looks forward to their completion. He stated the sidewalks and cameras being installed will keep everyone safer.
Cassie Trainer, Mayor's Youth Council, welcomed anyone that wished to participate in the MYC clothes drive on March 7 to do so.

PUBLIC APPEARANCES:

PRESENTATION BY JEREMIAH DUMAS AND A PUBLIC HEARING FOR THE S.M.A.R.T. PROGRAM.

Director Jeremiah Dumas and Associate Director Ronnie White gave a brief overview of the Starkville – MSU Area Rapid Transit (SMART) public transportation system.

Funding is provided from the Federal Transit Authority 5311 Rural Mass Transit Funds via the MS Department of Transportation. Local cash match is provided by MSU parking services, the City of Starkville and Oktibbeha County.

Mr. Dumas discussed that this past year saw an increase of 18.4% passenger trips on City routes than the previous year. They discussed the goals for the upcoming year in the area of improved efficiency, increased customer service, new buses and maintenance of current buses, as well as the construction of a building to house the S.M.A.R.T. Program services.

The proposed FY 21 budget is $9,400,000 with $2,900,000 in proposed local cost share.

Jeremiah Dumas and Mayor Spruill opened the Public Hearing and called for public comments.

Alvin Turner, asked that drivers be respected and other drivers be considerate of the buses. Pedestrians should also be mindful of the buses. He is thankful for the services provided, especially the paratransit vans.

They also encouraged anyone with questions or comments to call their office.

Alderman Carver thanked them for their assistance in the recent evacuation of the citizens below the Oktibbeha County Dam and their willingness to always help when needed.

There being no additional comments from the public or any additional comments from the Board, the Mayor announced the public hearing closed.

PUBLIC HEARING: None

18. DISCUSSION AND CONSIDERATION OF PP 20-02 A REQUEST FOR PRELIMINARY PLAT APPROVAL FOR SUBDIVIDING AND RECONFIGURING +/-0.68-ACRE PARCEL INTO 2 LOTS LOCATED AT 400 HWY 389 IN A R-3 ZONE WITH THE PARCEL NUMBER 118I-00-103.00 AND 118I-00-104.00

Daniel Havelin presented PP 20-02: a request for Preliminary Plat by the applicant Double B Properties for subdividing and reconfiguring +/-0.68-acre parcel into 2 lots located at 400 Hwy 389 in a R-3 zone with the parcel number 118I-00-103.00 and 118I-00-104.00. The proposed subdivision is named “Double Properties”.

Alderman Walker, duly seconded by Alderman Vaughn, offered a motion to approve Preliminary Plat 20-02 with nine conditions listed below. The Board voted as follows:

Alderman Ben Carver	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman David Little	Voted: Yea
Alderman Jason Walker	Voted: Yea
Alderman Hamp Beatty	Voted: Yea
Alderman Roy A’. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion passed.

Conditions:

1. The preliminary plat shall meet the minimum standards for the State of Mississippi, as required by §17-1-23 and §17-1-25 of the Mississippi Code of 1972, as amended.
2. The preliminary plat shall meet the minimum requirements for R-3 zoning dimensions.
3. Approval of the preliminary plat shall be tentative, pending the submission of the final plat, as specified in Appendix B, Article IV, Section 3 of the City of Starkville’s Code of Ordinances.
4. Approval of the preliminary plat shall be valid for one year, per Appendix B, Article III, Section 2(6)(b) of the City of Starkville’s Code of Ordinances.
5. Applicant shall prepare and submit infrastructure plans in accordance with Appendix B, Article III, Sections 3 & 4 of the City of Starkville’s Code of Ordinances
6. When infrastructure plans have been approved for construction, a pre-construction conference shall be held with appropriate City staff prior to the commencement of any construction activities at the site.
7. All public utilities shall be in place and any non-conforming conditions noted during final inspection shall be corrected prior to placement on the Planning & Zoning Commission agenda for final plat approval.
8. When a final plat is submitted for review by the City’s Development Review Committee, all required improvements must be complete and the applicant shall provide “as-built” drawings of all infrastructure improvements (water, sewer, storm drainage, roadways, sidewalks, etc.) in “AutoCAD” format as well as a paper copy that is signed and sealed by a licensed professional engineer, indicating that the improvements were installed under his/her responsible direction and that the improvements conform to the approved construction plans, specifications and the City’s ordinances.
9. A final plat review and approval shall be required prior to the recording of the plat at the Office of the Oktibbeha County Chancery Clerk.

19. CONSIDERATION OF APPROVING THE NAMING OF "NORTH PAGE AVENUE".

Alderman Walker, duly seconded by Alderman Beatty, offered a motion to name the unfinished roadway that connects University Drive and College View Drive "North Page Avenue", for 2020 Census purposes, while the Board of Aldermen reserves the right to accept or reject the actual dedication of the roadway by subsequent Board Order.
The Board voted as follows:

Alderman Ben Carver Voted: Yea
Alderman Sandra Sistrunk Voted: Yea
Alderman David Little Voted: Yea
Alderman Jason Walker Voted: Yea
Alderman Hamp Beatty Voted: Yea
Alderman Roy A'. Perkins Voted: Yea
Alderman Henry Vaughn, Sr. Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion passed.

20. CONSIDERATION OF THE CITY OF STARKVILLE CLAIMS DOCKET

Upon the motion of Alderman Carver, duly seconded by Alderman Little, to approve the City of Starkville Claims Docket for all departments including Starkville Utilities, as of January 14, 2020 for fiscal year ending 9/30/20, acknowledging that the City Clerk has attested and certified on the cover of the claims docket that all claims on the docket are true, accurate, lawful and proper to the best of her knowledge, for payment pursuant to her duties under Miss. Code Sections 21-39-5, 21-39-7, 21-39-9, 21-39-17 and 21-15-21. The Board voted as follows:

Alderman Ben Carver Voted: Yea
Alderman Sandra Sistrunk Voted: Yea
Alderman David Little Voted: Yea
Alderman Jason Walker Voted: Yea
Alderman Hamp Beatty Voted: Yea
Alderman Roy A'. Perkins Voted: Nay
Alderman Henry Vaughn, Sr. Voted: Nay

Having received a majority affirmative vote, the Mayor declared the motion passed.

General Fund	001	$ 259,770.39
Airport Fund	015	39,038.35
Sanitation	022	79,003.02
Industrial Park Bond	303	5,779.73
Park and Rec, Tourism	375	117,526.00
Sub Total Before Utilities		$ 501,117.49
Utilities Dept.	SED	1,551,171.12
Total Claims	Total	$ 2,051,207.46

21. A MOTION TO ENTER INTO A CLOSED SESSION TO DETERMINE IF THERE IS PROPER CAUSE FOR EXECUTIVE SESSION.

There came for consideration the matter of entering a closed session to determine if there is a proper cause for executive session. Upon the motion of Alderman Little, seconded by Alderman Vaughn, to enter into a Closed Session to determine if there is proper cause for Executive Session, the Board voted as follows:

Alderman Ben Carver	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman David Little	Voted: Yea
Alderman Jason Walker	Voted: Yea
Alderman Hamp Beatty	Voted: Yea
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion passed.
The Board entered closed session.

22. A MOTION TO ENTER EXECUTIVE SESSION.

Alderman Little offered a motion to enter Executive Session for the purpose of discussion of the job performance of an employee of the Sanitation Department. Following a second by Alderman Vaughn, the Board voted as follows to enter Executive Session:

Alderman Ben Carver	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman David Little	Voted: Yea
Alderman Jason Walker	Voted: Yea
Alderman Hamp Beatty	Voted: Yea
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion passed.

The Mayor invited the public back in, and after allowing the public time to enter the room, made the announcement of the Board's decision to enter into Executive Session for the purpose of the job performance of an employee of the Sanitation Department. At this time, the Board entered Executive Session.

23. CONSIDERATION OF A MOTION TO RETURN TO OPEN SESSION.

Alderman Sistrunk offered a motion to return to open session. Alderman Carver seconded the motion and the Board voted as follows to return to open session:

Alderman Ben Carver	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman David Little	Voted: Yea
Alderman Jason Walker	Voted: Yea
Alderman Hamp Beatty	Voted: Yea
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion passed.

The Mayor invited the public back in and then announced that the Board had taken action in Executive Session.

24. CONSIDERATION OF A MOTION TO ACCEPT SANITATION DIRECTOR RECOMMENDATION TO TERMINATE EMPLOYMENT OF SANITATION EMPLOYEE JARRON JEFFERSON.

Alderman Little offered a motion to accept the recommendation of Sanitation Director Ware to terminate the employment of Sanitation employee Jarron Jefferson. Alderman Vaughn seconded the motion and the Board voted as follows:

Alderman Ben Carver	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman David Little	Voted: Yea
Alderman Jason Walker	Voted: Yea
Alderman Hamp Beatty	Voted: Nay
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, the Mayor declared the motion passed.

25. MOTION TO ADJOURN UNTIL FEBRUARY 4, 2020 @ 5:30 IN THE COURT ROOM AT 110 WEST MAIN STREET.

Upon the motion of Alderman Little, duly seconded by Alderman Vaughn, for the Board of Aldermen to adjourn the meeting until February 4, 2020 @ 5:30 at 110 West Main Street in the Court Room of City Hall, the Board voted as follows:

Alderman Ben Carver	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman David Little	Voted: Yea
Alderman Jason Walker	Voted: Yea
Alderman Hamp Beatty	Voted: Yea
Alderman Roy A'. Perkins	Voted: Yea
Alderman Henry Vaughn, Sr.	Voted: Yea

Having received a majority affirmative vote, Mayor Spruill declared the motion passed.

SIGNED AND SEALED THIS THE _______ DAY OF ____________________ 2020.

Attest:

____
D. LYNN SPRUILL, MAYOR

____
LESA HARDIN, CITY CLERK

(SEAL)