MINUTES OF THE REGULAR MEETING
OF THE MAYOR AND BOARD OF ALDERMEN
The City of Starkville, Mississippi
December 2, 2025

Be it remembered that the Mayor and Board of Alderman met in a Regular Meeting on December 2, 2025 at 5:30 p.m. in the Municipal Court Room of City Hall, located at 110 West Main Street, Starkville, MS. Present were Mayor Lynn Spruill, Aldermen Kim Moreland, Sandra Sistrunk, Kyle Skinner, William Pochop, Roy A'. Perkins and Henry Vaughn, Sr., Mike Brooks appeared telephonically as well as City Attorney Berk Huskison and City Clerk Joanna McLaurin.

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

REQUESTED REVISIONS TO THE OFFICIAL AGENDA:

Mayor Spruill called for any changes to the agenda as presented. Vice Mayor Roy A'. Perkins asked to add Mayor's Business, item A to the consent agenda and Alderman Henry Vaughn asked to remove Board Business, item A from the consent agenda. There being no objections or additional changes requested, the Mayor called for a motion to approve the agenda as amended with consent items.

Vice Mayor voiced high praise for Ms. Cobbins in comments as part of moving her appointment as HR Director to the consent agenda. He spoke specifically about her education and exemplary work history as supporting the appointment.

1. A MOTION TO APPROVE THE OFFICIAL AGENDA WITH CONSENT ITEMS.

Alderman Moreland offered a motion, duly seconded by Alderman Pochop, to approve the December 2, 2025 Official Agenda as amended. The Board voted as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Yea
Alderman Mike Brooks	Voted: Yea
Alderman William Pochop	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 and then read the consented items.

OFFICIAL AGENDA OF
THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI REGULAR MEETING OF TUESDAY, DECEMBER 2, 2025
5:30 P.M., MUNICIPAL COURT ROOM, CITY HALL - 110 WEST MAIN STREET

I. <u>CALL THE MEETING TO ORDER</u>

II. <u>PLEDGE OF ALLEGIANCE AND A MOMENT OF SILENCE</u>

III. APPROVAL OF THE OFFICIAL AGENDA INCLUDING CONSENTED ITEMS

IV. APPROVAL OF THE BOARD OF ALDERMEN MINUTES

CONSIDERATION OF THE MINUTES OF THE NOVEMBER 14, 2025 WORK SESSION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE.

CONSIDERATION OF THE MINUTES OF THE NOVEMBER 18, 2025 RECESS MEETING OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE.

V. ANNOUNCEMENTS AND COMMENTS

A. MAYOR'S COMMENTS: Christmas holiday garbage schedule
City holiday schedule

B. BOARD OF ALDERMEN COMMENTS:

VI. CITIZEN COMMENTS

VII. PUBLIC APPEARANCES

VIII. PUBLIC HEARINGS

SECOND PUBLIC HEARING AND CONSIDERATION OF REVISING THE AGGRESSIVE PANHANDLING ORDINANCE 12.3.09-10 TO PROHIBIT SOLICITING DURING HOURS FROM SUNSET TO SUNRISE.

IX. MAYOR'S BUSINESS

A. CONSIDERATION AND APPROVAL OF APPOINTING STACY COBBINS AS THE NEW HUMAN RESOURCES DIRECTOR FOR THE CITY OF STARKVILLE.

X. BOARD BUSINESS

A. CONSIDERATION AND APPROVAL OF THE RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AUTHORIZING AND DIRECTING THE ISSUANCE OF COMBINED WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2026, OF THE CITY OF STARKVILLE, MISSISSIPPI, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $10,000,000, TO PROVIDE FUNDS FOR IMPROVING, REPAIRING, AND EXTENDING THE COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; PRESCRIBING THE FORM AND INCIDENTS OF THE SERIES 2026 BONDS; PROVIDING FOR THE COLLECTION, SEGREGATION, AND

DISTRIBUTION OF THE REVENUES TO BE DERIVED FROM THE OPERATION OF THE SYSTEM IN AMOUNTS SUFFICIENT TO PAY THE COST OF THE OPERATION AND MAINTENANCE THEREOF AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE SERIES 2026 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 SERIES 2026 BONDS; AUTHORIZING BOND INSURANCE; AUTHORIZING A BOND RATING; OFFERING THE SERIES 2026 BONDS FOR SALE; APPROVING AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE SERIES 2026 BONDS; AUTHORIZING THE EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE SERIES 2026 BONDS; ACKNOWLEDGING AND AUTHORIZING THE EXECUTION OF POST ISSUANCE COMPLIANCE PROCEDURES; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT PERTAINING TO THE SERIES 2026 BONDS; AND FOR RELATED PURPOSES.

B. CONSIDERATION AND APPROVAL OF THE RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AUTHORIZING AND DIRECTING THE ISSUANCE OF GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026, OF THE CITY OF STARKVILLE, MISSISSIPPI, IN THE MAXIMUM PRINCIPAL AMOUNT OF $15,000,000, IN ONE OR MORE FEDERALLY TAXABLE OR TAX-EXEMPT SERIES, TO PROVIDE FUNDS FOR THE AUTHORIZED PURPOSES AS DESCRIBED HEREIN; PRESCRIBING THE FORM AND INCIDENTS OF THE BONDS; PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF THE BONDS; PROVIDING FOR THE SALE OF THE BONDS; MAKING PROVISION FOR MAINTAINING THE TAX-EXEMPT STATUS OF THE BONDS; APPROVING AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE BONDS; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT PERTAINING TO THE BONDS; ACKNOWLEDGING AND AUTHORIZING THE EXECUTION OF POST ISSUANCE COMPLIANCE PROCEDURES; AND FOR RELATED PURPOSES.

XI. <u>DEPARTMENT BUSINESS</u>

A. AIRPORT

THERE ARE NO ITEMS FOR THIS AGENDA

B. COMMUNITY DEVELOPMENT AND PLANNING DEPARTMENT

THERE ARE NO ITEMS FOR THIS AGENDA

C. COURTS

THERE ARE NO ITEMS FOR THIS AGENDA

D. ENGINEERING

1. CONSIDERATION OF APPROVING THE PROFESSIONAL SERVICES CONTRACT WITH TUNNEL, SPANGLER & ASSOCIATES, INC. (TSW) FOR ON-CALL COMPLETE STREETS PLANNING, POLICY REVIEW, AND DEVELOPMENT OF TRANSPORTATION-RELATED STANDARDS FOR AN HOURLY, NOT-TO-EXCEED AMOUNT OF $25,000.00.

2. CONSIDERATION OF APPROVING STARKVILLE MAIN STREET ASSOCIATION'S INVOICE FOR MAIN STREET IMPROVEMENTS LIGHTS OVERAGE FOR A TOTAL AMOUNT OF $17,950.00.

3. CONSIDERATION OF APPROVING THE LOW QUOTE FROM HANNON, LLC FOR THE 601 S JACKSON ST ADA IMPROVEMENTS PROJECT IN THE AMOUNT OF $14,550.00.

E. FINANCE AND ADMINISTRATION

1. REQUEST APPROVAL OF THE CITY OF STARKVILLE CLAIMS DOCKET FOR ALL DEPARTMENTS INCLUDING STARKVILLE UTILITIES DEPARTMENT AS OF NOVEMBER 25, 2025 FOR FISCAL YEAR ENDING 9/30/26, 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.

F. FIRE DEPARTMENT

1. CONSIDERATION OF APPROVAL FOR A CHANGE ORDER IN PRICE IN THE AMOUNT OF $1,041.25 TO REPAIR BROKEN CONCRETE IN FRONT OF FIRE STATION 1. THE PRICE DIFFERENCE IS DUE TO 49 MORE SQUARE FEET OF CONCRETE POURED TO COMPLETE THE JOB.

2. CONSIDERATION OF APPROVAL OF THE LOW QUOTE FROM COMSOUTH IN THE AMOUNT OF $39,083.10 FOR KENWOOD RADIOS

AND ACCESSORIES WITH THE HOMELAND SECURITY GRANT PROGRAM (HSGP) OF WHICH $37,500 WILL BE REIMBURSED FROM THE GRANT AND $1,583.10 FROM CITY FUNDING.

G. HUMAN RESOURCES

1. REQUEST AUTHORIZATION TO HIRE JAMAAL JONES AND JAVIAN MOBLEY AS STREET MAINTENANCE WORKERS IN THE STREET DEPARTMENT.

2. REQUEST AUTHORIZATION TO HIRE JOHN DERIVAUX AS A NON-CERTIFIED POLICE OFFICER IN THE STARKVILLE POLICE DEPARTMENT.

H. INFORMATION TECHNOLOGY

THERE ARE NO ITEMS FOR THIS AGENDA

I. PARKS

THERE ARE NO ITEMS FOR THIS AGENDA

J. POLICE DEPARTMENT

1. POLICE

a. REQUEST APPROVAL TO PURCHASE FROM AXON ENTERPRISES, INC A 180 CAMERA, FUSUS CORE ELITE AI 2.0 WITH 44 TB HDD STORAGE AND ONBOARD AI AT A COST OF $5,000.00, PER THE ATTACHED QUOTE. THIS CORE IS A SOLE SOURCE VENDOR AND COMPATIBLE WITH THE EXISTING FUSUS SYSTEM.

2. CODE ENFORCEMENT

THERE ARE NO ITEMS FOR THIS AGENDA

K. SANITATION DEPARTMENT

THERE ARE NO ITEMS FOR THIS AGENDA

L. UTILITIES DEPARTMENT

1. REQUEST AUTHORIZATION TO APPROVE EMERGENCY PURCHASE QUOTE FROM PARKS AND PARKS AT CURRY STREET PLANT FOR CURRY WELL INSPECTION IN THE AMOUNT OF $23,600.00.

2. CONSIDERATION OF APPROVAL OF TASK ORDER #6 FOR PLANNING, DESIGN, AND CONSTRUCTION ENGINEERING AND INSPECTION FOR THE NEW PRODUCTION WELL AND WATER TREATMENT PLANT FROM NEEL-SCHAFFER.

XII. CLOSED DETERMINATION SESSION

XIII. OPEN SESSION

XIV. EXECUTIVE SESSION

XV. OPEN SESSION

XVI. RECESS UNTIL DECEMBER 16, 2025 @ 5:30 IN THE COURT ROOM AT 110 WEST MAIN STREET.

The City of Starkville is accessible to persons with disabilities. Please call the ADA Coordinator, Stein McMullen, at (662) 323-2525, ext. 3121 at least forty-eight (48) hours in advance for any services requested.

Consent Items 2-15:

2. CONSIDERATION OF THE MINUTES OF THE NOVEMBER 14, 2025 WORK SESSION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the minutes of the November 14, 2025 work session of the Mayor and Board of Aldermen" is enumerated, this consent item is thereby approved.

3. CONSIDERATION OF THE MINUTES OF THE NOVEMBER 18, 2025 MEETING OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the minutes of the November 18, 2025 meeting of the Mayor and Board of Aldermen" is enumerated, this consent item is thereby approved.

4. CONSIDERATION AND APPROVAL OF APPOINTING STACY COBBINS AS THE NEW HUMAN RESOURCES DIRECTOR FOR THE CITY OF STARKVILLE.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of appointing Stacy Cobbins as the new Human Resources Director for the City of Starkville" is enumerated, this consent item is thereby approved.

5. CONSIDERATION AND APPROVAL OF THE RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AUTHORIZING AND DIRECTING THE ISSUANCE OF GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026, OF THE CITY OF STARKVILLE, MISSISSIPPI, IN THE MAXIMUM PRINCIPAL AMOUNT OF $15,000,000, IN ONE OR MORE FEDERALLY TAXABLE OR TAX-EXEMPT SERIES, TO PROVIDE FUNDS FOR THE AUTHORIZED PURPOSES AS DESCRIBED HEREIN; PRESCRIBING THE FORM AND INCIDENTS OF THE BONDS; PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF THE BONDS; PROVIDING FOR THE SALE OF THE BONDS; MAKING PROVISION FOR MAINTAINING THE TAX-EXEMPT STATUS OF THE BONDS; APPROVING AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE BONDS; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT PERTAINING TO THE BONDS; ACKNOWLEDGING AND AUTHORIZING THE EXECUTION OF POST ISSUANCE COMPLIANCE PROCEDURES; AND FOR RELATED PURPOSES.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the resolution of the Mayor and Board of Aldermen of the City of Starkville, Mississippi, authorizing and directing the issuance of general obligation public improvement bonds, series 2026, of the City of Starkville, Mississippi, in the maximum principal amount of $15,000,000, in one or more federally taxable or tax-exempt series, to provide funds for the authorized purposes as described herein; prescribing the form and incidents of the bonds; providing for the levy of taxes for the payment of the bonds; providing for the sale of the bonds; making provision for maintaining the tax-exempt status of the bonds; approving and authorizing the distribution of a preliminary official statement; authorizing the execution and distribution of an official statement pertaining to the sale of the bonds; authorizing the execution of a continuing disclosure agreement pertaining to the bonds; acknowledging and authorizing the execution of post issuance compliance procedures; and for related purposes" is enumerated, this consent item is thereby approved.

6. CONSIDERATION OF APPROVING THE PROFESSIONAL SERVICES CONTRACT WITH TUNNEL, SPANGLER & ASSOCIATES, INC. (TSW) FOR ON-CALL COMPLETE STREETS PLANNING, POLICY REVIEW, AND DEVELOPMENT OF TRANSPORTATION-RELATED STANDARDS FOR AN HOURLY, NOT-TO-EXCEED AMOUNT OF $25,000.00.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the professional services contract with Tunnel, Spangler & Associates, Inc. (TSW) for on-call complete streets planning, policy review, and development of transportation-related standards for an hourly, not-to-exceed amount of $25,000.00" is enumerated, this consent item is thereby approved.

AGENDA ITEM DEPT.: Board Business

CITY OF STARKVILLE COVERSHEET **AGENDA DATE: December 2, 2025**

RECOMMENDATION FOR BOARD ACTION **PAGE:** Page 1

SUBJECT: Consideration and Approval of the Resolution of the Mayor and Board of Aldermen of the City of Starkville, Mississippi, authorizing and directing the issuance of general obligation public improvement bonds, series 2026, of the City of Starkville, Mississippi, in the maximum principal amount of $15,000,000, in one or more federally taxable or tax-exempt series, to provide funds for the authorized purposes as described herein; prescribing the form and incidents of the bonds; providing for the levy of taxes for the payment of the bonds; providing for the sale of the bonds; making provision for maintaining the tax-exempt status of the bonds; approving and authorizing the distribution of a preliminary official statement; authorizing the execution and distribution of an official statement pertaining to the sale of the bonds; authorizing the execution of a continuing disclosure agreement pertaining to the bonds; acknowledging and authorizing the execution of post issuance compliance procedures; and for related purposes.

REQUESTING DEPARTMENT: Board Business

SUGGESTED MOTION: Move approval of the Resolution of the Mayor and Board of Aldermen of the City of Starkville, Mississippi, authorizing and directing the issuance of general obligation public improvement bonds, series 2026, of the City of Starkville, Mississippi, in the maximum principal amount of $15,000,000, in one or more federally taxable or tax-exempt series, to provide funds for the authorized purposes as described herein; prescribing the form and incidents of the bonds; providing for the levy of taxes for the payment of the bonds; providing for the sale of the bonds; making provision for maintaining the tax-exempt status of the bonds; approving and authorizing the distribution of a preliminary official statement; authorizing the execution and distribution of an official statement pertaining to the sale of the bonds; authorizing the execution of a continuing disclosure agreement pertaining to the bonds; acknowledging and authorizing the execution of post issuance compliance procedures; and for related purposes.

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AUTHORIZING AND DIRECTING THE ISSUANCE OF GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026, OF THE CITY OF STARKVILLE, MISSISSIPPI, IN THE MAXIMUM PRINCIPAL AMOUNT OF $15,000,000, IN ONE OR MORE FEDERALLY TAXABLE OR TAX-EXEMPT SERIES, TO PROVIDE FUNDS FOR THE AUTHORIZED PURPOSES AS DESCRIBED HEREIN; PRESCRIBING THE FORM AND INCIDENTS OF THE BONDS; PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF THE BONDS; PROVIDING FOR THE SALE OF THE BONDS; MAKING PROVISION FOR MAINTAINING THE TAX-EXEMPT STATUS OF THE BONDS; APPROVING AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE BONDS; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT PERTAINING TO THE BONDS; ACKNOWLEDGING AND AUTHORIZING THE EXECUTION OF POST ISSUANCE COMPLIANCE PROCEDURES; 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) Definitions. In addition to any words and terms elsewhere defined herein, the following words and terms will have the following meanings, unless some other meaning is plainly intended:

"Act" shall mean Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended, and other applicable laws of the State.

"Authorized Purposes" shall mean constructing, improving, and paving streets, sidewalks, and parkways, and purchasing land therefor; constructing bridges and culverts; establishing, repairing, improving, and extending the sanitary, storm, drainage, and sewerage systems of the Municipality; protecting the Municipality, its streets, and sidewalks from overflow, caving banks, and other like dangers; purchasing machinery and heavy equipment which will have an expected useful life in excess of ten years, but specifically not including any motor vehicles weighing less than 12,000 pounds; purchasing fire-fighting equipment and apparatus, and providing housing for the same, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect, and guide the current thereof; purchasing land for parks and public playgrounds, and improving, equipping, and adorning the same, including other recreational facilities; purchasing or constructing, repairing, improving, and equipping building for public libraries, and for purchasing land, equipment, and books therefor; erecting and purchasing waterworks, gas, electric, and other public utility plants or distribution systems or franchises, and repairing, improving, and extending the same; and, erecting municipal buildings, armories, auditoriums, community centers, gymnasiums, and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning, and equipping the same, and for erecting, equipping, and furnishing of buildings to be used as a municipal or civic arts center.

"Bond" or "Bonds" shall mean the General Obligation Public Improvement Bonds, Series 2026, of the Municipality, in the maximum principal amount of $15,000,000, in one or more federally taxable or tax-exempt series, authorized and directed to be issued in this Bond Resolution.

"Bond Counsel" shall mean Watkins & Eager PLLC, Jackson, Mississippi.

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

"Bond Insurer" shall mean a municipal bond insurance company, if any, guaranteeing the guaranteeing the scheduled payment of the principal of and interest on the Bonds when due.

"Bond Resolution" shall mean the resolutions authorizing and directing the issuance of the Bonds, adopted by the Governing Body on August 19, 2025, September 16, 2025, and December 2, 2025.

"Bondholder" or "Holder" shall mean the Registered Owner or Owners 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.

"Code" shall mean the Internal Revenue Code of 1986, as amended, supplemented or superseded.

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

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

"Event of Default" shall mean an event of default as described in Section 17 of this Bond Resolution.

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

"Improvement Fund" shall mean the Improvement Fund of the Municipality provided for in Section 13 hereof for the payment of the costs, fees, and expenses incurred by the Municipality in connection with the Authorized Purposes and with the authorization, issuance, sale, validation, and delivery of the Bonds.

"Infrastructure Modernization Act" shall mean the Infrastructure Modernization Act of 2018, House Bill 1, 2018 First Extraordinary Session, and any amendments thereto, codified as Sections 27-67-1 *et seq.*, Mississippi Code of 1972, as amended, adopted by the Legislature of the State.

"Mayor" shall mean the Mayor of the Municipality.

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

"Notice" shall mean the Notice of Bond Sale set out in Section 22 hereof.

"Bond Fund" shall mean the fund of the Municipality provided for in Section 12 hereof for the payment of the principal of and interest on the Bonds, and the payment of fees in connection with the issuance of the Bonds.

"Paying Agent" shall mean any bank, trust company, or other institution designated, whether herein or hereafter, by the Governing Body to make payments of the principal of and interest on the Bonds, 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.

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

"Procedures" shall mean the Post Issuance Compliance Procedures in substantially the form attached hereto as **Attachment A.**

"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 15th day of the month preceding the dates set for payment of interest on the Bonds and, as to payments of principal, the 15th day of the month preceding the date on which such principal will be due and payable, whether at maturity or upon redemption prior to maturity.

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

"Registered Owner" shall mean the Person whose name will appear in the registration records of the Municipality maintained by the Paying Agent.

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

"Series 2022 Bonds" shall mean the $5,000,000 General Obligation Public Improvement Bonds, Series 2022, of the Municipality, dated and issued December 6, 2022.

"Series 2024 Bonds" shall mean the $5,000,000 General Obligation Public Improvement Bonds, Series 2024, of the Municipality, dated and issued May 23, 2024.

"State" shall mean the State of Mississippi.

"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).

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

2. On August 19, 2025, the Governing Body adopted a resolution entitled "**RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, DECLARING THE INTENTION TO ISSUE GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS OF THE MUNICIPALITY, TO ISSUE A GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND OF THE MUNICIPALITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK, OR TO ENTER INTO A LOAN AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT BANK, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $15,000,000, IN ONE OR MORE FEDERALLY TAXABLE OR TAX-EXEMPT SERIES, TO PROVIDE FUNDS FOR THE AUTHORIZED PURPOSES DESCRIBED HEREIN; DIRECTING PUBLICATION OF NOTICE OF SUCH INTENTION; AND FOR RELATED PURPOSES**" (the "Resolution of Intent"), wherein the Governing Body found, determined, and adjudicated that it is necessary that the Bonds of the Municipality be issued in the amount and for the purpose aforesaid, declared its intention to issue the Bonds, and fixed 5:30 p.m. on September 16, 2025, as the date and hour on which it proposed to authorize the issuance of the 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 Resolution of Intent, the Resolution of Intent was published once a week for at least three 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, the first publication having been made not less than 21 days prior to June 21, 2022, and the last publication having been made not more than seven days prior to September 16, 2025, said Resolution of Intent having been published in *The Starkville Daily News* on August 22, 2025, August 28, 2025, September 4, 2025, and September 11, 2025, as evidenced by the publisher's affidavit, attached hereto as **Attachment B.**

4. The Governing Body finds, determines, and adjudicates that on or prior to September 16, 2025, at 5:30 p.m., the aforesaid hour and date set for the receipt of protests, no written protest or other objection of any kind or character against the issuance of the Bonds described in the Resolution of Intent had been filed or presented by qualified electors of the Municipality.

5. Pursuant to the Act, the Municipality has previously issued the Series 2022 Bonds

and the Series 2024 Bonds. The Series 2022 Bonds and the Series 2024 Bonds are payable from the use taxes remitted from the State to the Municipality as a result of the Infrastructure Modernization Act. The Governing Body is authorized pursuant to the Infrastructure Modernization Act to utilize the use taxes for certain authorized purposes, including the payment of debt service on debt obligations issues for certain authorized purposes. All or a portion of the debt service on the Series 2026 Bonds may be payable from the use taxes remitted from the State to the Municipality pursuant to the Infrastructure Modernization Act.

6. The Governing Body is now authorized and empowered by the provisions of the Act to issue the Bonds without an election on the question of the issuance thereof and is authorized to issue bonds registered as to principal and interest in the form and manner hereinafter provided for by Sections 31-21-1 *et seq.*, Mississippi Code of 1972, as amended.

7. The assessed value of all property within the Municipality, according to the last completed assessment for taxation, is $349,189,902; the Municipality has outstanding bonded indebtedness subject to the 15% debt limit prescribed by the Act in the amount of $17,445,000, and outstanding bonded and floating indebtedness subject to the 20% debt limit prescribed by the Act (which amount includes the sum set forth above subject to the 15% debt limit), in the amount of $25,743,800; the issuance of the Bonds hereinafter proposed to be issued, when added to the outstanding bonded indebtedness of the Municipality, will not result in bonded indebtedness, exclusive of indebtedness not subject to the aforesaid 15% debt limit, of more than 15% of the assessed value of taxable property within the Municipality, and will not result in indebtedness, both bonded and floating, exclusive of indebtedness not subject to the aforesaid 20% debt limit, in excess of 20% of the assessed value of taxable property within the Municipality and will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the Municipality.

8. The machinery and equipment will not include any motor vehicle weighing less than 12,000 pounds, and the life of the Bonds will not exceed the expected useful life of machinery and equipment financed with the proceeds of the Bonds.

9. It is advisable and in the public interest to authorize the Mayor to arrange for a municipal bond rating for the Bonds in the event that said officer determines that any such municipal bond rating is in the best interests of the Municipality. The Governing Body should authorize the obtaining of such municipal bond rating and the distribution or execution of any legal or financial documents necessary or appropriate for such purpose pertaining to any municipal bond rating by the Mayor if such officer or officer determines any such municipal bond rating to be in the best interest of the Municipality.

10. It is advisable and in the public interest to authorize the Mayor to arrange for a Bond Insurance Policy in the event that said officer determines that any such Bond Insurance Policy is in the best interests of the Municipality. The Governing Body should authorize the obtaining of such Bond Insurance Policy and the distribution or execution of any legal or financial documents necessary or appropriate for such purpose pertaining to any such Bond Insurance Policy by the Mayor if such officer or officer determines any such Bond Insurance Policy to be in the best interest of the Municipality.

11. 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 exemption of the interest on the Bonds from federal income taxes since such exemption may depend, in part, upon continuing compliance by the Municipality with certain requirements of the Code.

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

13. The Municipality is a governmental unit with general taxing powers; no obligation which is a part of the issue of the Bonds is a "private activity bond;" 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Municipality.

14. The Municipality reasonably expects that not less than 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.

15. It is now necessary to direct the issuance of and offer for sale the Bonds, in the maximum principal amount of $15,000,000, out of the authorized maximum principal amount of $15,000,000.

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

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

18. The execution and distribution of 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 and distribution thereof.

19. 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.

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

21. The Governing Body desires to go forward with preparation for the issuance of the Bonds for the Project, and desires to affirm or approve the engagement of certain professionals to assist with the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN, ACTING FOR AND ON BEHALF OF THE CITY OF STARKVILLE, MISSISSIPPI, AS FOLLOWS:

SECTION 1. Bond Resolution as Contract. In consideration of the purchase and acceptance of any and all of the Bonds by the Registered Owners thereof, this Bond Resolution will constitute a contract between the Municipality and the Registered Owners from time to time of the Bonds. The pledges made herein and the covenants and agreements herein set forth to be performed on behalf of the Municipality will be for the equal benefit, protection, and security of the Registered Owners of any and all of the Bonds, all of which, regardless of the time or times of their authentication, delivery, or maturity, will be of equal rank without preference, priority, or distinction.

SECTION 2. Amount; Purpose. The Bonds are hereby authorized and ordered to be prepared and issued in the maximum principal amount of $15,000,000 to provide funds for the Authorized Purposes as authorized by the Act.

SECTION 3. (a) Payments. Payments of interest on the Bonds will be made to the Record Date Registered Owner, and payments of principal will be made without the necessity of presentation and surrender thereof at the principal office of the Paying Agent to the Record Date Registered Owner in lawful money of the United States of America. Interest will be paid on the principal amount of each Bond from the date of such Bond or from the most recent interest payment date to which interest has been paid at the rate of interest per annum set forth therein.

(b) Bond Details. The Bonds will be registered as to both principal and interest; will be dated the date of delivery thereof; will be issued in the denomination of $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 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 such date as detailed in the Notice and specified by further order of the Governing Body, and semiannually thereafter on such dates as detailed in the Notice and specified by further order of the Governing Body; and will mature and become due and payable, with option of prior payment, in the years and in the principal amounts as detailed in the Notice and specified by further order of the Governing Body.

(c) Prior Redemption. The Bonds shall be subject to redemption prior to their respective maturities at the election of the Municipality as detailed in the Notice and specified by further order of the Governing Body, either in whole or in part on any date, with the maturities and principal amounts thereof to be determined by the Municipality, at the principal amount thereof together with accrued interest to the date fixed for redemption. Notice of each such redemption shall be mailed, postage prepaid, not less than 30 days prior to the redemption date, to all Registered Owners of the Bonds to be redeemed at their addresses as they appear on the registration books of the Municipality kept by the Paying Agent.

SECTION 4. (a) Bonds Registered as Obligations; Registration and Validation Certificate. When the Bonds will have been validated and executed as herein provided, they will be registered as an obligation of the Municipality in the office of the City Clerk in a book maintained for that purpose, and the City Clerk will cause to be imprinted upon or accompany each of the Bonds, over his manual or facsimile signature and manual or facsimile seal, the certificate in substantially the form set out in Section 6 hereof.

(b) Execution. The Bonds will 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 signatory of the Paying Agent hereafter provided for, may be facsimile and will 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 will appear on the Bonds will cease to be such official before the delivery or reissuance thereof, such signature or such facsimile will nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery or reissuance.

(c) Delivery; Bond Transcript; Legal Opinion. The Bonds will 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.

(d) Items Filed with Paying Agent. Prior to or simultaneously with the delivery by the Paying Agent of any of the Bonds, the Municipality will 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.

(e) Authentication. The Paying Agent acting through its officers, employees, or agents, will authenticate the Bonds and deliver them to the Purchaser thereof upon payment of the purchase price of the Bonds to the Municipality.

(f) Bond Certificates. Certificates, blank as to denomination, rate of interest, date of maturity, and CUSIP number (if any), and sufficient in quantity in the judgment of the Municipality to meet the reasonable transfer and reissuance needs for the Bonds, may 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 will imprint the appropriate information as to denomination, rate of interest, date of maturity, and CUSIP number (if any) prior to the registration, authentication and delivery thereof to the transferee holder. The Paying Agent is hereby authorized upon the approval of the Governing Body to have printed from time to time as necessary additional certificates bearing the manual or facsimile seal of the Municipality and manual or facsimile signatures of the persons who were the officials of the Governing Body as of the date of original issue of the Bonds.

SECTION 5. (a) Designation of Paying Agent. A Paying Agent for the Bonds, which shall serve as paying agent, registrar, and transfer agent, shall be designated by further resolution of the Governing Body, authorizing the Mayor and/or the City Clerk to approve the engagement thereof.

(b) Paying Agent as Transfer Agent. So long as any of the Bonds remain outstanding, the Municipality will 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 will 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) Fees and Expenses of Paying Agent. The Municipality will pay or reimburse the Paying Agent 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, will 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.

(d) Change of Paying Agent. (1)A Paying Agent may at any time resign and be discharged of its duties and obligations as Paying Agent by giving written notice to the Municipality at least 60 days in advance, and may be removed as Paying Agent at any time by resolution of the Governing Body delivered to the Paying Agent. The resolution will specify the date on which such removal will take effect and the name and address of the successor Paying Agent, and will 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 will 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 will promptly appoint a successor Paying Agent by resolution of the Governing Body. Any appointment of a successor Paying Agent will become effective on the effective date of the resignation or removal of the predecessor Paying Agent upon acceptance of appointment by the successor Paying Agent. If no successor Paying Agent will have been so appointed and have accepted appointment within 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 will 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 will 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 will be fully paid. Every predecessor Paying Agent will 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 will be a bank, trust company or national banking association 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 will 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, will 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 will, 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 will terminate upon the accomplishment of all duties, obligations, and responsibilities imposed by law or required to be performed by this Bond Resolution.

(e) Successor Corporation or Association as Paying Agent. 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, will 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 will be satisfactory to the Municipality and eligible under the provisions of this Section.

SECTION 6. Bond Form. The Bonds will be in substantially the following form, with such appropriate variations, omissions, and insertions as are permitted or required by this Bond Resolution:

UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
CITY OF STARKVILLE, MISSISSIPPI
GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026

No. R-_____ $__________

Rate of Interest	Maturity	Dated Date	CUSIP

_____% __________, 20__ __________, 20__ __________

Registered Owner: Cede & Co.

Principal Amount: __________ Dollars

The Mayor and Board of Aldermen of the City of Starkville, Mississippi (the "Governing Body" of the "Municipality"), a body politic existing under the Constitution and laws of the State of Mississippi (the "State"), 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, on the maturity date stated above, without the necessity of presentation and surrender of this Bond, at the principal office of __________, __________, __________, or its successor, as paying agent (the "Paying Agent") for the $15,000,000 General Obligation Public Improvement Bonds, Series 2026, of the Municipality (the "Bonds"), on the maturity date identified above, the principal amount identified above. Payment of the principal amount of this Bond will be made to the Registered Owner hereof whose name will appear in the registration records of the Municipality maintained by the Paying Agent, which will also serve as registrar and transfer agent for the Bonds, as of the 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 payable on __________, 20__, and semiannually thereafter on __________ 1 and __________ 1 of each year, until said principal sum is paid, to the Registered Owner hereof whose name will appear in the registration records of the Municipality maintained by the Paying Agent as of the 15th day of the calendar month preceding the applicable interest payment date.

All capitalized terms not otherwise defined herein will have the meaning set forth in the resolutions authorizing and directing the issuance of the Bonds adopted by the Governing Body on August 19, 2025, September 16, 2025, and December 2, 2025 (together, the "Bond Resolution").

Payments of principal of and interest on this Bond will be made by check or draft delivered directly to or mailed on the date on which interest or principal and interest will be due and payable to such Registered Owner at his address as it appears on such registration records. The Registered Owner hereof may change such address by written notice 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 15th day of the calendar month preceding the applicable principal or interest payment date.

Bonds maturing after __________, 20__, are subject to redemption prior to their respective maturities at the election of the Municipality on and after __________, 20__, either in whole or in part on any date, with the maturities and principal amounts thereof to be determined by the Municipality, at the principal amount thereof together with accrued interest to the date fixed for redemption. Notice of each such redemption shall be mailed, postage prepaid, not less than 30 days prior to the redemption date, to all Registered Owners of the Bonds to be redeemed at their addresses as they appear on the registration books of the Municipality kept by the Paying Agent.

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 $15,000,000, out of an authorized amount of $15,000,000, to provide funds for the purpose of constructing, improving, and paving streets, sidewalks, and parkways, and purchasing land therefor; constructing bridges and culverts; establishing, repairing, improving, and extending the sanitary, storm, drainage, and sewerage systems of the Municipality; protecting the Municipality, its streets, and sidewalks from overflow, caving banks, and other like dangers; purchasing machinery and heavy equipment which will have an expected useful life in excess of ten years, but specifically not including any motor vehicles weighing less than 12,000 pounds; purchasing fire-fighting equipment and apparatus, and providing housing for the same, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect, and guide the current thereof; purchasing land for parks and public playgrounds, and improving, equipping, and adorning the same, including other recreational facilities; purchasing or constructing, repairing, improving, and equipping building for public libraries, and for purchasing land, equipment, and books therefor; erecting and purchasing waterworks, gas, electric, and other public utility plants or distribution systems or franchises, and repairing, improving, and extending the same; and, erecting municipal buildings, armories, auditoriums, community centers, gymnasiums, and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning, and equipping the same, and for erecting, equipping, and furnishing of buildings to be used as a municipal or civic arts center (the "Authorized Purposes").

This Bond is issued under the authority of the Constitution and statutes of the State, including Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended (the "Act"), and by the further authority of proceedings duly had by the Governing Body, including the Bond Resolution.

The Bonds are registered as to both principal and interest and are to be issued or reissued in the denomination of $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 provided by 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 will be affected by any notice to the contrary.

The Bonds shall be general obligations of the Municipality payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to rate or amount upon all the taxable property within the geographical limits of the Municipality. To the extent other moneys are not available, the Municipality will levy annually a direct and continuing tax upon all taxable property within the geographical limits of the Municipality, which tax, together with any other moneys available for such purpose, will be adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same falls due; provided, however, that such tax levy for any year shall be abated *pro tanto* to the extent the Municipality on or prior to September 1 of that year has transferred money to the Bond Fund, or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the Bonds due during the ensuing fiscal year of the Municipality, in accordance with the provisions of the Bond Resolution.

Provided, however, any other funds available to the Municipality which may be lawfully used for payment of the principal of, premium, if any, and interest on the Bonds, and which the Governing Body, in its discretion, may direct to be deposited into the Bond Fund, including, but not limited to, use taxes remitted from the State to the Municipality as a result of the Infrastructure Modernization Act of 2018, House Bill 1, 2018 First Extraordinary Session, and any amendments thereto, codified as Sections 27-67-1 *et seq.*, Mississippi Code of 1972, as amended, adopted by the Legislature of the State.

This Bond will 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 will have been signed by the Paying Agent, acting through its officers, employees, or agents.

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 the Bonds, in order to make the same legal and binding general obligations of the Municipality, according to the terms thereof, do exist, have happened and have been performed in regular and due time, form, and manner as required by law. For the performance in apt time and manner of every official act herein required, and for the prompt payment of this Bond, both principal and interest, the full faith and credit of the Municipality are hereby irrevocably pledged.

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 manual or facsimile seal of the Municipality, which said facsimile signatures of said officials adopt as and for their own proper signatures, all as of __________, 20__.

City of Starkville, Mississippi

____
Mayor

Countersigned:

____
City Clerk **(seal)**

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 said 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 of Starkville, Mississippi

(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 $15,000,000 General Obligation Public Improvement Bonds, Series 2026, of the City of Starkville, Mississippi.

__________, __________, __________,
as Paying Agent

____

Authorized Signatory

Date of Registration and Authentication: ____

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 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 Registered Owner as it appears upon the

____
(Authorized Signatory)

NOTICE: Signature(s) must be guaranteed by an institution that is a participant in a Securities Transfer Association recognized signature guarantee program.

face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Date of Assignment:___________________

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

[END OF BOND FORM]

SECTION 7. Replacement of Bond Certificates. In case any Bond will become mutilated or be stolen, destroyed, or lost, the Municipality will, if not then prohibited by law, cause to be authenticated and delivered a new Bond of like date, number, maturity, and tenor in exchange and substitution for and upon cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond stolen, destroyed, or lost, upon the Registered Owner's paying the reasonable expenses and charges of the Municipality in connection therewith, and in case of a Bond stolen, destroyed, or lost, his filing with the Municipality or Paying Agent evidence satisfactory to them that such Bond was stolen, destroyed, or lost, and of his ownership thereof, and furnishing the Municipality or Paying Agent with such security or indemnity as may be required by law or by them to save each of them harmless from all risks, however remote.

SECTION 8. Security for Payment. The Bonds shall be general obligations of the Municipality payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to rate or amount upon all the taxable property within the geographical limits of the Municipality. To the extent other moneys are not available, the Municipality will levy annually a direct and continuing tax upon all taxable property within the geographical limits of the Municipality, which tax, together with any other moneys available for such purpose, will be adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same falls due; provided, however, that such tax levy for any year shall be abated *pro tanto* to the extent the Municipality on or prior to September 1 of that year has transferred money to the Bond Fund, or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the Bonds due during the ensuing fiscal year of the Municipality, in accordance with the provisions of the Bond Resolution. Provided, however, any other funds available to the Municipality which may be lawfully used for payment of the principal of, premium, if any, and interest on the Bonds, and which the Governing Body, in its discretion, may direct to be deposited into the Bond Fund, including, but not limited to, the use taxes remitted from the State to the Municipality as a result of the Infrastructure Modernization Act. The Governing Body is authorized pursuant to the Infrastructure Modernization Act to utilize the use taxes for certain authorized purposes, including the payment of debt service on debt obligations issues for certain authorized purposes. Should there be a failure in any year to comply with the requirements of this Section, such failure will not impair the right of the Registered Owners of any of the Bonds in any subsequent year to have adequate taxes levied and collected to meet the obligations of the Bonds, both as to principal and interest.

SECTION 9. Certificate of Registration and Authentication. Only such of the Bonds as will have endorsed thereon a "Certificate of Registration and Authentication" in substantially the form hereinabove set forth, duly executed by the Paying Agent, will be entitled to the rights, benefits, and security of this Bond Resolution. No Bond will be valid or obligatory for any purpose unless and until such "Certificate of Registration and Authentication" will have been duly executed by the Paying Agent, which executed certificate will be conclusive evidence of registration, authentication, and delivery under this Bond Resolution. The Paying Agent's "Certificate of Registration and Authentication" on any Bond will be deemed to have been duly executed if signed by an authorized signatory of the Paying Agent, but it will not be necessary that the same signatory sign said certificate on all of the Bonds that may be issued hereunder at any one time.

SECTION 10. (a) Initial Registration. In the event the Purchaser will fail to designate the names, addresses, and social security or tax identification numbers of the Registered Owners of the Bonds within 30 days of the date of sale, or at such other later date as may be designated by the Municipality, 1 Bond registered in the name of the Purchaser may be issued in the full amount for each maturity. Ownership of the Bonds will 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 will 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) Registered Owner as Owner. Except as hereinabove provided, the Person in whose name any Bond will be registered in the records of the Municipality maintained by the Paying Agent may be deemed the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on any Bond will be made only to or upon the order of the Registered Owner thereof, or his legal representative, but such registration may be changed as hereinafter provided. All such payments will be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

SECTION 11. (a) Transfers. Each Bond will be transferable only in the records of the Municipality, upon surrender thereof at the 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 Bond, the Municipality, acting through its Paying Agent, will 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 or Bonds.

(b) Paying Agent to Transfer in Accordance with Bond Resolution. In all cases in which the privilege of transferring Bonds is exercised, the Paying Agent, acting through its officers, employees, or agents, will authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution.

(c) Expenses of Transfer. The Municipality or the Paying Agent may require payment by the Registered Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of Bonds. All other expenses incurred by the Municipality or the Paying Agent in connection with any transfer of Bonds will be paid by the Municipality.

SECTION 12. (a) Bond Fund. The Municipality will maintain with a qualified depository thereof the "Bond Fund," in its name for the payment of the principal of and interest on the Bonds, and the payment of Paying Agents' fees in connection therewith. There will be deposited into the Bond Fund as and when received:

(1) The accrued interest, if any, received upon delivery of the Bonds;

(2) The avails of any of the ad valorem taxes levied and collected pursuant to Section 8 hereof;

(3) Any income received from investment of moneys in the Bond Fund; and

(4) Any other funds available to the Municipality which may be lawfully used for payment of the principal of and interest on the Bonds, and which the Governing Body, in its discretion, may direct to be deposited into the Bond Fund, including the use taxes remitted from the State to the Municipality as a result of the Infrastructure Modernization Act.

(b) Payments by City Clerk. As long as any principal of and interest on the Bonds remains outstanding, the City Clerk is hereby irrevocably authorized and directed to withdraw from the Bond Fund sufficient moneys to make the payments herein provided for and to transfer same to the account of the Paying Agent in time to reach said Paying Agent prior to the date on which said interest or principal and interest shall become due, and in accordance with any statutory requirements.

(c) Bond Fund Options. Notwithstanding anything herein to the contrary, the Municipality at its option may maintain one "Bond Fund" for all general obligation bonds of the Municipality, or as many as it will deem to be appropriate.

SECTION 13. Improvement Fund. The principal proceeds, and premium, if any, received upon the sale of the Bonds will be deposited with a qualified depository of the Municipality in a special public improvement fund, the "Improvement Fund," hereby created, in the name of the Municipality. From the Improvement Fund there will be first paid the costs, fees, and expenses incurred by the Municipality in connection with the authorization, issuance, sale, validation, and delivery of the Bonds. The balance thereof will be held and disbursed for the Authorized Purposes, as authorized by the Act. Any proceeds of the Bonds remaining in the Improvement Fund after the completion of the projects to be financed within the Authorized Purposes shall be transferred to the Bond Fund.

SECTION 14. (a) Payments of Principal. Payment of principal on the Bonds will be made, without the necessity of presentation and surrender of the Bonds at the principal office of the Paying Agent, to the Record Date Registered Owner thereof whose name will appear in the registration records of the Municipality maintained by the Paying Agent as of the Record Date.

(b) Payments of Interest. Payment of each installment of interest on the Bonds will be made to the Record Date Registered Owner thereof. Interest will 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) Method of Payment; Change of Address. Principal of and interest on the Bonds will be paid by check or draft delivered directly to or mailed on the date on which interest or principal and interest will be due and payable, or such other method as may be mutually satisfactory to the Paying Agent and Bond Holders, to the 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 15th day of the calendar month preceding the applicable principal or interest payment date to be effective as of such date.

SECTION 15. Validation. 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.

SECTION 16. Validation of Certain Amendments, Revisions, or Supplements. 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 will 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 the on the next principal payment date following the issuance of the Bonds as provided by the subsequent resolution directing the offer for sale thereof, and continuing through the final payment. The interest payments may also be adjusted accordingly, with interest payments due semiannually, commencing on the next principal payment date or interest payment date (whichever occurs first) following the date of the Bonds. After the validation of the Bonds, no amendment, revision or supplement contemplated by this Section will 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 17. Events of Default; Remedies. An “Event of Default” as used in this 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 will 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 30 days after written notice specifying such failure will have been given to the Municipality by any Bondholder or (c)filing by the Municipality of a petition under federal bankruptcy laws or a petition seeking composition of indebtedness under any other applicable federal or state laws. Notwithstanding the foregoing, the Municipality's noncompliance with its obligations under Section 20 hereof and the Continuing Disclosure Agreement will not constitute an Event of Default within the meaning of this Section.

The Holders of not less than 25% of the aggregate principal amount of the outstanding Bonds may, upon an Event of Default, by suit, action, mandamus or other proceedings at law or in equity take action to enforce and compel performance by the appropriate official or officials of the Municipality of any or all of the acts or duties to be performed by the Municipality under the provisions of the Act and this Bond Resolution. The Holders of not less than 51% in aggregate principal amount of the Bonds then outstanding may appoint a trustee for the Holders of all outstanding Bonds issued under this Bond Resolution with authority to represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders under this Bond Resolution.

Nothing in this Bond Resolution will, however, affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Municipality to pay the principal of and interest on each of the Bonds issued hereunder to the respective Bondholders thereof at the time and place and in the manner in expressed in the Bonds.

SECTION 18. Preliminary Official Statement. 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 substantially in the form attached hereto as **Attachment C**.

SECTION 19. Official Statement.

(a) 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.

(b) 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.

SECTION 20. Continuing Disclosure Agreement. 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 21. (a) Offer for Sale as Provided in Notice. The Bonds will be offered for sale on sealed bids at a meeting of the Governing Body to be held at the place, on the date, and at the hour specified and upon the terms and conditions set out in the Notice in Section 22 hereof. On or before said date and hour, such sealed bids must be filed with the City Clerk at the place specified in the Notice. The Governing Body reserves the right to reject any and all bids submitted, and if all bids are rejected, to sell the Bonds at a private sale at any time within 60 days after the date advertised for the receipt of bids, at a price not less than the highest bid which will have been received at the advertised sale.

(b) Interest Rate Limit; Requirements of Act. In no event will the Bonds be issued at a rate of interest in excess of that allowed in the Notice, and the Bonds will in all other respects comply with the requirements of the Act.

SECTION 22. Notice of Bond Sale: Publication and Form. 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 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 10 days preceding the date fixed herein for the receipt of bids. The Notice will be in substantially the following form:

NOTICE OF BOND SALE

**$15,000,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 202
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 bids, which may be in electronic form, for the purchase in its entirety, at not less than par and accrued interest to the date of delivery thereof, of an issue of $15,000,000 General Obligation Public Improvement Bonds, Series 2026, of the Municipality (the "Bonds") on Tuesday, __________, 20__, until the hour of _____ [am/pm].

The City Clerk of the Municipality (the "City Clerk") will act on behalf of the Governing Body to receive bids at the aforesaid date, time, and place. Immediately following _____ [am/pm]., on Tuesday, __________, 20__, the bids will be publicly opened and read, for consideration by the Governing Body at their regular meeting at 5:30 p.m. on Tuesday, __________, 20__. All bids will remain firm for eight hours after the time specified for the opening of bids, and an award of the Bonds, or rejection of bids, will be made by the Governing Body within said period of time.

THE BONDS: The Bonds will be registered as to both principal and interest; will be dated and bear interest, calculated on the 30/360 basis, from __________, 20__; will be issued on __________, 20__; will be delivered in definitive form as registered bonds; will be issued in the denomination of $5,000 each, or integral multiples thereof up to the amount of a single maturity; will be numbered from 1 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, calculated on the 30/360 basis, from the date thereof, payable on __________, 20__, and semiannually thereafter on __________ 1 and __________ 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 (this "Notice").

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

YEAR	AMOUNT
2025	$__________
2026	$__________
2027	$__________
2028	$__________
2029	$__________
2030	$__________
2031	$__________
2032	$__________
2033	$__________
2034	$__________

REDEMPTION: Bonds maturing after __________, 20__, are subject to redemption prior to their respective maturities at the election of the Municipality on and after __________, 20__, either in whole or in part on any date, with the maturities and principal amounts thereof to be determined by the Municipality, at the principal amount thereof together with accrued interest to the date fixed for redemption. Notice of each such redemption shall be mailed, postage prepaid, not less than 30 days prior to the redemption date, to all Registered Owners of the Bonds to be redeemed at their addresses as they appear on the registration books of the Municipality kept by the Paying Agent (as defined herein).

REVISED MATURITY SCHEDULE AND/OR BID PARAMETERS: The aggregate principal amount of each series of the Bonds (the "Preliminary Aggregate Principal Amount") and the annual principal amounts of each series of the Bonds (the "Preliminary Annual Principal Amounts" and collectively, with reference to the Preliminary Aggregate Principal Amounts, the "Preliminary Amounts") set forth in this Notice may be revised before the viewing of bids for the purchase of the Bonds, as may the bid parameters set forth herein. Any such revisions (in case of revised principal amounts, the "Revised Aggregate Principal Amount", the "Revised Annual Principal Amounts" and the "Revised Amounts") WILL BE GIVEN BY NOTIFICATION PUBLISHED ON www.I-dealProspectus.com NOT LATER THAN 4:00 P.M., C.D.T. ON THE DAY PRECEDING THE RECEIPT OF BIDS. In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts and will remain as stated in this Notice, and the bid parameters shall remain as set for the herein. BIDDERS SHALL SUBMIT BIDS BASED ON THE REVISED AMOUNTS AND BID PARAMETERS, IF ANY. Prospective bidders may request notification of any revisions in the Preliminary Amounts and bid parameters by so advising and emailing Stephens Inc., Ridgeland, Mississippi, the Municipality's "independent registered municipal advisor" (the "Municipal Advisor"), at max.neely@stephens.com by 12:00 p.m., C.D.T., at least one day prior to the date for receipt of the bids.

CHANGES TO MATURITY SCHEDULE: The Municipality intends, but is not obligated, to adjust the Revised Aggregate Principal Amount of each series of Bonds and the Revised Annual Principal Amount of each series of Bonds in such manner as to produce approximately level debt service in years 20__ to 20__. The Municipality reserves the right to change the Revised Aggregate Principal Amount of each series of Bonds and the Revised Annual Principal Amounts of each series of Bonds after determination of the winning bidder(s), by increasing or decreasing such Revised Aggregate Principal Amounts and such Revised Annual Principal Amounts by up to 30%. The maximum amount of the Bonds will not exceed $15,000,000. No changes beyond those disclosed above will be made without the consent of the applicable Successful Bidder. Such changes, if any, will determine the final annual principal amount of each maturity of each series of Bonds (the "Final Annual Principal Amounts") and the final aggregate principal amount of each series of Bonds (the "Final Aggregate Principal Amount"). The dollar amount bid by the successful bidder for each series of Bonds will be adjusted to reflect any adjustments in the Final Aggregate Principal Amount of such series of Bonds. The interest rates specified by the successful bidder for the various maturities at the initial reoffering prices will not change. A SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BIDS OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE PRINCIPAL AMOUNTS WITHIN THESE LIMITS.

The Municipality anticipates that the Final Annual Principal Amounts of each series of Bonds and the Final Aggregate Principal Amount of each series of Bonds will be communicated to the successful bidder(s) prior to the award of such Bonds. THE DOLLAR AMOUNT BID BY EACH SUCCESSFUL BIDDER FOR THE PURCHASE OF THE BONDS WILL BE ADJUSTED TO REFLECT ANY CHANGE IN THE ANNUAL PRINCIPAL AMOUNTS BASED UPON THE ASSUMPTION THAT THE COUPON RATES, REOFFERING PRICES, AND THE UNDERWRITER'S DISCOUNT (EXCLUDING ORIGINAL ISSUE DISCOUNT/PREMIUM) STATED AS A PERCENTAGE OF THE AGGREGATE PRINCIPAL AMOUNT, AS SPECIFIED BY SUCH SUCCESSFUL BIDDER, WILL NOT CHANGE.

BASIS OF AWARD: If an award is made, the Bonds will be awarded to the bidder whose bid results in the lowest true interest cost to the Municipality for such Bonds as determined by reference to the Revised Aggregate Principal Amounts, prior to post-sale adjustments, as discussed in the paragraph above. The lowest true interest cost will be calculated as that rate which when used in computing the present worth of all payments of principal and interest on the Bonds (compounded semi-annually from the dated date of such Bonds) produces a value equal to the purchase price of such Bonds. Each bidder is required to specify its calculation of the true interest cost resulting from its bid, but such information shall not be treated as part of its proposal. In the event that two or more of the bidders offer to purchase the Bonds at the same lowest true interest cost, the Governing Body shall determine in their sole discretion (but in accordance with fact) which of the bidders shall be awarded such series of Bonds. The Governing Body reserves the right to waive any irregularity or informality in any bid, and to reject any or all bids, and notice of rejection of any bid will be made promptly. Unless all bids are rejected, award of the Bonds will be made by the Governing Body on the sale date.

AUTHORITY AND SECURITY: The Bonds will be issued pursuant to the provisions of Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended, and other applicable laws of the State of Mississippi (together, the "Act"), and the resolutions authorizing and directing the issuance of the Bonds adopted by the Governing Body on August 19, 2025, September 16, 2025, and December 2, 2025 (together, the "Bond Resolution"), and shall be general obligations of the Municipality payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to rate or amount upon all the taxable property within the geographical limits of the Municipality. To the extent other moneys are not available, the Municipality will levy annually a direct and continuing tax upon all taxable property within the geographical limits of the Municipality, which tax, together with any other moneys available for such purpose, will be adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same falls due; provided, however, that such tax levy for any year shall be abated *pro tanto* to the extent the Municipality on or prior to September 1 of that year has transferred money to the Bond Fund (as defined in the Bond Resolution), or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the Bonds due during the ensuing fiscal year of the Municipality, in accordance with the provisions of the Bond Resolution. Provided, however, any other funds available to the Municipality which may be lawfully used for payment of the principal of, premium, if any, and interest on the Bonds, and which the Governing Body, in its discretion, may direct to be deposited into the Bond Fund, including, but not limited to, use taxes remitted from the State of Mississippi to the Municipality as a result of the Infrastructure Modernization Act of 2018, House Bill 1, 2018 First Extraordinary Session, and any amendments thereto, codified as Sections 27-67-1 *et seq.*, Mississippi Code of 1972, as amended, adopted by the Legislature of the State of Mississippi. The Governing Body is authorized pursuant to the Infrastructure Modernization Act to utilize the use taxes for certain authorized purposes, including the payment of debt service on debt obligations issues for certain authorized purposes.

PURPOSE: The Bonds are being issued to provide funds for the purpose of constructing, improving, and paving streets, sidewalks, and parkways, and purchasing land therefor; constructing bridges and culverts; establishing, repairing, improving, and extending the sanitary, storm, drainage, and sewerage systems of the Municipality; protecting the Municipality, its streets, and sidewalks from overflow, caving banks, and other like dangers; purchasing machinery and heavy equipment which will have an expected useful life in excess of ten years, but specifically not including any motor vehicles weighing less than 12,000 pounds; purchasing fire-fighting equipment and apparatus, and providing housing for the same, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect, and guide the current thereof; purchasing land for parks and public playgrounds, and improving, equipping, and adorning the same, including other recreational facilities; purchasing or constructing, repairing, improving, and equipping building for public libraries, and for purchasing land, equipment, and books therefor; erecting and purchasing waterworks, gas, electric, and other public utility plants or distribution systems or franchises, and repairing, improving, and extending the same; and, erecting municipal buildings, armories, auditoriums, community centers, gymnasiums, and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning, and equipping the same, and for erecting, equipping, and furnishing of buildings to be used as a municipal or civic arts center (the "Authorized Purposes").

FORM OF BIDS: Bids should be addressed to the Governing Body and should be plainly marked "Bid for $15,000,000 General Obligation Public Improvement Bonds, Series 2026, of the City of Starkville, Mississippi." All bids should be submitted in substantially the form prepared by the Municipality as the Official Bid Form. A copy of the Official Bid Form may be obtained from the City Clerk at jmclaurin@cityofstarkville.org, from Stephens Inc., Ridgeland, Mississippi (the "Municipal Advisor"), at max.neely@stephens.com, or from Watkins & Eager PLLC, Jackson, Mississippi ("Bond Counsel") at bdavis@watkinseager.com. All bids submitted in electronic form should be delivered via email to the Municipal Advisor at max.neely@stephens.com.

Electronic bids for the Bonds must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. An electronic bid made through the facilities of BiDCOMP/PARITY® shall be deemed an offer to purchase in response to this Notice and shall be binding upon the bidder as if made by a signed sealed written bid made to the Municipality. To the extent any instructions or directions set forth in BiDCOMP/PARITY® conflict with the terms of this Notice, this Notice shall prevail. The Municipality shall not be responsible for any malfunction or mistake made by or as a result of the use of electronic bidding facilities. The use of such facilities is at the sole risk of the bidders. Subscription to I-Deal's BiDCOMP/PARITY® Competitive Bidding System by a bidder is required in order to submit an electronic bid. The Municipality will not confirm any subscription or be responsible for the failure of any prospective bidder to subscribe. Both written bids and electronic bids must be unconditional and received by the Municipality and/or BiDCOMP/PARITY®, respectively, on or before 11:00 a.m., C.D.T., on Tuesday, __________, 20__, as stated above. The Municipality is not liable for any costs incurred in the preparation, delivery, acceptance, or rejection of any bid.

All bids not in electronic form should be sealed and delivered to the City Clerk at her office in the City Hall located at 110 West Main Street in the Municipality.

INTEREST RATE AND BID RESTRICTIONS: The Bonds will not bear a greater overall maximum interest rate to maturity than 11% per annum, nor will the interest rate for any one maturity exceed 11% per annum. No Bond will bear more than 1 rate of interest; each Bond will bear interest, calculated on the 30/360 basis, from its date to its stated maturity date at the interest rate specified in the bid; all Bonds of the same maturity will bear the same rate of interest from date to maturity; and the lowest interest rate specified will not be less than 70% of the highest interest rate specified. Each interest rate specified in any bid must be a multiple of 1/8th of 1% or 1/10th of 1% and a 0% rate of interest cannot be named.

GOOD FAITH DEPOSIT: Each bid must be accompanied by a wire transfer, cashier's check, certified check, or exchange, issued or certified by a bank, payable to the "Mayor and Board of Aldermen of the City of Starkville, Mississippi," in the amount of $_________ as a guaranty that the bidder will carry out its contract and purchase the Bonds if its bid be accepted. All wire transfers, cashier's checks, certified checks, or exchanges of unsuccessful bidders will be returned immediately after 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 deposit will be retained by the Municipality as liquidated damages for such failure. No interest will be allowed on the amount of the good faith deposit.

DTC BOOK-ENTRY: Unless specifically declined by the purchaser, the Bonds are being initially offered as registered in the name of Cede & Co., as Registered Owner and nominee for The Depository Trust Company, New York, New York ("DTC") under DTC's Book-entry system of registration. Purchasers of interests in the Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Bonds will be evidenced by book-entry. As long as Cede & Co. is the Registered Owner of the Bonds as nominee of DTC, payments of principal and interest will be made directly to such Registered

Owner which will in turn remit such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

AWARD OF BONDS: If an award of the Bonds is made, the Bonds will be awarded to the bidder whose bid results in the lowest true interest cost to the Municipality. The lowest true interest cost of the Bonds will be calculated as that rate which when used in computing the present worth of all payments of principal and interest on the Bonds (compounded semi-annually from the dated date of the Bonds) produces a value equal to the purchase price of the Bonds. For the purpose of calculating the true interest cost, the principal amount of any term bonds scheduled for mandatory sinking fund redemption (if any) shall be treated as a serial maturity in each year. Each bidder is required to specify its calculation of the true interest cost resulting from its bid, but such information shall not be treated as part of its proposal. All bids will remain firm for eight hours after the time specified for the opening of bids, and an award of the Bonds, or rejection of bids, will be made by the Governing Body within said period of time, and the Governing Body will give a verbal notice to the winning bidder, if any, within approximately one hour of such decision..

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 will have the right, at its option, to cancel its agreement to purchase the Bonds if the Bonds are not tendered for delivery within 60 days from the date of sale thereof, and in such event the Governing Body will return to said bidder its good faith deposit. The Governing Body will have the right, at its option, to cancel its agreement to sell the Bonds if within 5 days after the tender of the Bonds for delivery the successful bidder will not have accepted delivery of and paid for the Bonds, and in such event the Governing Body will retain the successful bidder's good faith deposit as liquidated damages as hereinabove provided.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The initial payment agent for the Bonds will be __________, __________, __________ (the "Paying Agent"). The Governing Body'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 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.

DELIVERY: The successful bidder must designate within 30 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 will be made in immediately available funds.

CUSIP NUMBERS: Unless specifically declined by the purchaser, the Municipal Advisor will request that the CUSIP Service Bureau assign CUSIP identification numbers to the Bonds, which numbers will be printed on the Bonds. The successful bidder will be responsible for the costs of assigning CUSIP numbers to the Bonds. Neither the failure to print a CUSIP 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 this Notice.

LEGAL OPINION; CLOSING DOCUMENTS: The Bonds are offered subject to the unqualified approval of the legality thereof by Bond Counsel. In the opinion of Bond Counsel, interest on the Bonds is exempt from federal and Mississippi income taxes under existing laws, regulations, rulings, and judicial decisions with such exceptions as will 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 taxes to be levied 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 AS “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.

FURTHER INFORMATION: The Municipality has prepared a Preliminary Official Statement which it deems, for purposes of S.E.C. Rule 15(c)2-12, 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, and the identity of the underwriters, 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.

ISSUE PRICE: The successful bidder shall assist the Municipality in establishing the issue price of the Bonds and shall execute and deliver to the Municipality at the closing for the Bonds 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 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: (a) the Municipality shall disseminate this Notice to potential underwriters in a manner that is reasonably designed to reach potential underwriters; (b) all bidders shall have an equal opportunity to bid; (c) the Municipality may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and (d) 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. Any bid submitted pursuant to this Notice shall be considered a firm offer for the purchase of the

Bonds, as specified in the bid. In the event that the competitive sale requirements are not satisfied, the Municipality shall 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 on that maturity applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). 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 of the Bonds 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 underwriters, 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 underwriter, 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 underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter 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 underwriter 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 underwriter and as set forth in the related pricing wires. Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for the purposes of this Notice. Further, for purposes of this Notice: (a) "public" means any person other than an underwriter or a related party, (b) "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), (c) 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), 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 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 (d) "sale date" means the date that the Bonds are awarded by the Municipality to the winning bidder.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15(c)2-12(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 will relieve the successful bidder from its obligation to purchase the Bonds.

MUNICIPAL BOND INSURANCE: The Municipality has provided information to prospective bond insurance companies in order to qualify the Bonds under their respective optional bidding programs. If the successful bidder or bidders for the Bonds desires to purchase a municipal bond insurance policy insuring payment of all or a portion of the debt service payable on the Bonds, the successful bidder or bidders does so at its own risk and its own expense. The obligation of the successful bidder to pay for the Bonds shall not be conditioned on the issuance of a municipal bond insurance policy. The Municipality will cooperate with the successful bidder in obtaining such insurance, but the Municipality will not enter into any additional agreements with a bond insurer. Without limiting the generality of the foregoing, the successful bidder will be responsible for all costs, expenses, and charges associated with the issuance of such insurance, including but not limited to the premium for the bond insurance policy.

By order of the Mayor and Board of Aldermen of the City of Starkville, Mississippi, on December 2, 2025.

City of Starkville, Mississippi

***/s/ Joanna McLaurin*, City Clerk**

Publication Instructions:
Starkville Daily News
__________, 20__, and __________, 20__

[END OF FORM OF NOTICE]

SECTION 23. Proof of Publication. The City Clerk will obtain from the publisher of the aforesaid newspaper the customary publisher's affidavit proving publication of the Notice for the times and in the manner required by law, and such proof of publication will be filed in the City Clerk's office and exhibited before the Governing Body at the hour and date aforesaid.

SECTION 24. 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 will not be considered an Event of Default pursuant to Section 17 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 25. Book-Entry Only System. Notwithstanding anything herein to the contrary and unless specifically declined by the Purchaser, the Bonds will 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 will be registered in the Bond Register in the name of Cede & Co., as nominee of DTC, and except as provided in Section 26 hereof, all of the outstanding Bonds will 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 will 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 will 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 will 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, will 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 will 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, will 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 will refer to such new nominees of DTC.

SECTION 26. Successor Securities Depository; Transfers Outside Book-Entry Only 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 will (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 will 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 will designate, in accordance with the provisions of this Bond Resolution.

SECTION 27. Payments and Notices to Cede & Co. Notwithstanding any other provision of this Bond Resolution to the contrary, so long as any of the Bonds is 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 will be made and given, respectively, in the manner provided in the Representation Letter.

SECTION 28. Non-arbitrage Bond Covenants; Non-arbitrage and Federal Tax Certificate. (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) The Governing Body has made the findings indicating that no rebate relating to the Bonds will be required to be made under the Code. However, in the event it is subsequently determined for any reason that rebates should be made on the Bonds, then the Municipality will 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 will 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 will 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 will comply with

such instructions until the Municipality will 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 will thereafter comply with all such alternative instructions.

(c) The Municipality will 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 will 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 the City Clerk are hereby authorized to execute a "non-arbitrage 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 will 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 29. Private Activity Bond Covenants; Tax Covenants. (a)The Municipality will 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 10% of the Bond proceeds 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 10% of any property with respect to which all or any part of the Bond proceeds 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 Bond proceeds 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 Bond proceeds.

(e) The amount of Bond proceeds used with respect to any private business use which is related to a governmental use of such Bond proceeds will not exceed the amount of Bond proceeds 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 10% of the proceeds of the Bonds be (under the terms of the Bond 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 the 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 bond proceeds 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 Treasury of the United States of America; 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 30. When Computations, Deposits, or Rebate Payments Are Not Required. In the event it is determined 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 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 31. Covenant Regarding Hedge Bonds. The Municipality reasonably expects that not less than 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 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 years or more.

SECTION 32. 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 2/3^{rds} or more in principal amount of the Bonds then outstanding; provided, however, that no modification or amendment will 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 levy taxes in an amount sufficient to pay the interest and principal on the Bonds, as the same mature and become due, 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 will 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 will 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; or

(3) to subject to the pledge herein contained additional revenues or receipts.

(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.

SECTION 33. 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, will be in the city in which the principal office of the Paying Agent is located a day other than a Business Day, then payment of interest or principal, and premium, if any, or deposit into the funds pursuant hereto, need not be made on such date but will 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 will accrue for the period after such date.

SECTION 34. Severability; Ministerial Changes. (a)If any section, paragraph, clause, or provision of this Bond Resolution shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any other provision hereof.

(b) In the event the Bonds are delivered in a year other than is shown as the year identifying the series of the Bonds, then the year identifying the series of the Bonds shall be changed to the year of delivery thereof.

SECTION 35. Post Issuance Compliance Procedures. The Municipality hereby approves and adopts the Post Issuance Compliance Procedures, substantially in the form set out in **Attachment A** hereto.

SECTION 36. Bond Insurance. The Mayor is hereby authorized within his discretion to arrange for an "Insurance Policy Commitment" from a Bond Insurer for a Bond Insurance Policy. The fees and expenses of said Insurance Policy Commitment and Bond Insurance Policy may be paid for by the Municipality and may be paid for by prospective bidders for the Bonds and the Purchaser of the Bonds. The Mayor is further authorized to execute and deliver the Insurance Policy Commitment for the provision of the Bond Insurance Policy and any additional documents and certificates which are required by the Bond Insurer to provide credit enhancement in connection with the issuance of the Bonds. Any reasonable changes, insertions, and omissions, as may be required by the Bond Insurer as conditions to the issuance of its Bond Insurance Policy, to any documents are to be approved by the Mayor, such approval being hereby authorized and the execution of the Insurance Policy Commitment for said Bond Insurance Policy being conclusive evidence of such approval. In anticipation of the issuance of the Insurance Policy Commitment by the Bond Insurer for its Bond Insurance Policy, the Municipality hereby approves (1) the engagement of the Bond Insurer and (2) the references to said Bond Insurer, the Bond Insurance Policy, and the documents related to the issuance of the Bonds in all documents associated therewith and the deletion of said references if the Bond Insurer should not provide the Insurance Policy Commitment for its Bond Insurance Policy.

SECTION 37. Municipal Bond Rating. The Mayor is hereby authorized within his discretion to arrange for a municipal bond rating. The fees and expenses of said municipal bond rating shall be paid for by the Municipality. The Mayor is further authorized to execute and deliver any required documents for the provision of the municipal bond rating and any additional documents and certificates which are required by the municipal bond rating agency or agencies. Any reasonable changes, insertions, and omissions, as may be required by the municipal bond rating agency or agencies as conditions to the issuance of its municipal bond rating, to any documents are to be approved by the Mayor, such approval being hereby authorized and the execution of the documents related to such municipal bond rating being conclusive evidence of such approval. In anticipation of the municipal bond rating by the municipal bond rating agency or agencies, the Municipality hereby approves (1) the engagement of the municipal bond rating agency or agencies and (2) the references to said municipal bond rating agency or agencies and the documents related to the issuance of the Bonds in all documents associated therewith and the deletion of said references if the municipal bond rating agency or agencies should not provide the municipal bond rating.

SECTION 38. Repealer; Effective Date. All orders, resolutions, or proceedings of the Governing Body in conflict with any provision hereof will be, and the same are hereby repealed, rescinded, and set aside, but only to the extent of such conflict. For cause, this Bond Resolution will become effective upon the adoption hereof.

SECTION 39. ENGAGEMENT OF PROFESSIONALS. The Governing Body hereby affirms the engagement of the Municipal Advisor and authorizes and approves the engagement of Bond Counsel in connection with the issuance of the Bonds and authorizes the execution of the letters of engagement and disclosure attached hereto as **Attachment D**.

Following the reading of the foregoing resolution and discussion thereof, Alderman Moreland moved and Alderman Pochop seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

Alderman Mike Brooks	voted:	Yea
Alderwoman Kim Moreland	voted:	Yea
Alderman Roy A'. Perkins	voted:	Yea
Alderman William Pochop	voted:	Yea
Alderwoman Sandra C. Sistrunk	voted:	Yea
Alderman Kyle Skinner	voted:	Yea
Alderman Henry N. Vaughn, Sr.	voted:	Yea

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted this day, December 2, 2025.

City of Starkville, Mississippi

Mayor

ATTEST:

City Clerk

CITY OF STARKVILLE (seal) STATE OF MISSISSIPPI

Attachment A

Post Issuance Compliance Procedures

Attachment B

Proof of Publication of Resolution of Intent

Starkville Daily News

August 22, 2025; August 28, 2025; September 4, 2025; and September 11, 2025

Attachment C

Preliminary Official Statement

Attachment D

Letters of Engagement and Disclosure

AFFP
B001F Resolution of Intent

Affidavit of Publication

STATE OF MISSISSIPPI } SS
COUNTY OF OKTIBBEHA }

John W. Bane, Jr., being duly sworn, says:

That she is Classified Clerk of the Starkville Daily News, a daily newspaper of general circulation, printed and published in Starkville, Oktibbeha County, Mississippi; that the publication, a copy of which is attached hereto, was published in the said newspaper on the following dates:

August 22, 2025, August 28, 2025, September 04, 2025, September 11, 2025

That said newspaper was regularly issued and circulated on those dates.
SIGNED:

Classified Clerk

Subscribed to and sworn to me this 11th day of September 2025.

Ashley J. Doss, Notary Public, Oktibbeha County, Mississippi
My commission expires: October 21, 2028

00001631 00107762

Brandi D. Ford
Watkins & Eager, PLLC (SDN)
P.O. Box 650
Jackson, MS 39205

State of Mississippi
Ashley J. Doss, Notary Public
Clay County
My Commission Expires 10-21-2028
Commission Number 493429

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, DECLARING THE INTENTION TO ISSUE GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS OF THE MUNICIPALITY, TO ISSUE A GENERAL OBLIGATION PUBLIC IMPROVEMENT BOND OF THE MUNICIPALITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK, OR TO ENTER INTO A LOAN AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT BANK, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $15,000,000, IN ONE OR MORE FEDERALLY TAXABLE OR TAX-EXEMPT SERIES, TO PROVIDE FUNDS FOR THE AUTHORIZED PURPOSES DESCRIBED HEREIN; DIRECTING PUBLICATION OF NOTICE OF SUCH INTENTION; 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:

• It is necessary and in the public interest to issue debt obligations of the Municipality to provide funds for the purpose of (i) constructing, improving, and paving streets, sidewalks, and parkways, and purchasing land therefor; constructing bridges and culverts; establishing, repairing, improving, and extending the sanitary, storm, drainage, and sewerage systems of the Municipality; protecting the Municipality, its streets, and sidewalks from overflow, caving banks, and other like dangers; purchasing machinery and heavy equipment which will have an expected useful life in excess of ten years, but specifically not including any motor vehicles weighing less than 12,000 pounds; purchasing fire-fighting equipment and apparatus, and providing housing for the same, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect, and guide the current thereof; purchasing land for parks and public playgrounds, and improving, equipping, and adorning the same, including other recreational facilities; purchasing or constructing, repairing, improving, and equipping building for public libraries, and for purchasing land, equipment, and books therefor; erecting and purchasing waterworks, gas, electric, and other public utility plants or distribution systems or franchises, and repairing, improving, and extending the same; and, erecting municipal buildings, armories, auditoriums, community centers, gymnasiums, and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning, and equipping the same, and for erecting, equipping, and furnishing of buildings to be used as a municipal or civic arts center (together, the "Authorized Purposes"); (ii) funding a capitalized interest account, if necessary; and, (iii) paying the costs of the authorization, issuance, sale, validation, and delivery of the debt obligations (together, the "Project").

• The Municipality is authorized by Sections 2133301 et seq., Mississippi Code of 1972, as amended (the "Municipal Improvements Act"), to issue general obligation public improvement bonds of the Municipality for the Project in the maximum aggregate principal amount of $15,000,000, in one or more federally taxable or tax-exempt series (the "Bonds"), and for which purpose there are no other available funds on hand.

The assessed value of all taxable property within the Municipality, according to the last completed assessment for taxation, is $349,189,902. The Municipality has outstanding bonded indebtedness subject to the 15% debt limit prescribed by the Municipal Improvements Act, in the amount of $18,238,000, and outstanding bonded and floating indebtedness subject to the 20% debt limit prescribed by the Municipal Improvements Act (which amount includes the sum set forth above subject to the 15% debt limit), in the amount of $26,587,000. The issuance of the bonded indebtedness hereinafter proposed to be issued, when added to the outstanding bonded indebtedness of the Municipality, will not result in bonded indebtedness, exclusive of indebtedness not subject to the aforesaid 15% debt limit, of more than 15% of the assessed value of taxable property within the Municipality, and will not result in indebtedness, both bonded and floating, exclusive of indebtedness not subject to the aforesaid 20% debt limit, in excess of 20% of the assessed value of taxable property within the Municipality, and will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the Municipality.

Under the provisions of the Municipality Improvements Act, Sections 31-25-1 et seq., Mississippi Code of 1972, as amended (the "Bank Act"), and other applicable laws of the State of Mississippi (the "State"), the Municipality is authorized to undertake activities for the Project and to provide for the payment of the costs thereof, or any portion of such costs, by issuing a general obligation public improvement bond or general obligation public improvement bonds of the Municipality in the maximum aggregate principal amount of $15,000,000, in one or more federally taxable or tax-exempt series (the "Qualified Obligation"), for sale to the Mississippi Development Bank (the "Bank"), or entering into a loan agreement and obtaining a loan from the Bank evidenced by a promissory note of the Municipality in the maximum aggregate principal amount of $15,000,000, in one or more federally taxable or tax-exempt series (the "Note").

The Municipality reasonably expects that it will incur expenditures for the Project for which the Municipality will advance internal funds prior to the issuance of the Bonds, the Qualified Obligation, or the Note, and that it should declare its official intent to reimburse itself for all or a portion of such expenditures of the Project made in anticipation of the issuance of the Bonds, the Qualified Obligation, or the Note.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AS FOLLOWS:

This resolution is adopted pursuant to the Municipal Improvements Act, the Bank Act, and other applicable laws of the State (together, the "Act").

• The Governing Body, acting for and on behalf of the Municipality, does hereby declare its intention to issue and sell the Bonds, the Qualified Obligation, or the Note, pursuant to the Act.

SECTION 3. The Bonds or the Qualified Obligation, if issued, will be general obligations payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a tax to be levied annually, if necessary, upon all the taxable property within the geographical limits of the Municipality, which tax, together with any other moneys available for such purpose, shall be sufficient to provide for the payment of the principal of and the interest on the Bonds according to the terms thereof. The Note, if issued, will be payable from the legally available revenues of the Municipality. Other funds available to the Municipality which may be lawfully used for payment of the principal of and interest on the Bonds, Qualified Obligation, or the Note, if issued, include, but are not limited to, use taxes remitted from the State to the Municipality as a result of the Infrastructure Modernization Act of 2018, House Bill 1, 2018 First Extraordinary Session, and any amendments thereto, codified as Sections 27-67-1 et seq., Mississippi Code of 1972, as amended, but limited to those elements of the Authorized Purposes codified in Sections 27-67-1 et seq., Mississippi Code of 1972, as amended.

• Pursuant to Section 1.150-2 of the Treasury Regulations (the "Reimbursement Regulations"), the Governing Body hereby declares its official intent to reimburse expenditures made for the Project prior to the issuance of the Bonds, the Qualified Obligation, or the Note, with the proceeds of the Bonds, the Qualified Obligation, or the Note, to the extent permitted by the Reimbursement Regulations.

• The Governing Body proposes to direct the issuance of the Bonds, the Qualified Obligation, or the Note in the amount, for the purpose, and secured as aforesaid, at a meeting of the Governing Body to be held at its regular meeting place and time at City Hall located at 110 West Main Street in the Municipality on Tuesday, September 16, 2025, at 5:30 p.m., or at some meeting held subsequent thereto.

• Pursuant to the Act, if 20%, or 1,500, whichever is less, of the qualified electors of the Municipality shall file with the City Clerk of the Municipality a written protest against the issuance of the Bonds, the Qualified Obligation, or the Note on or before Tuesday, September 16, 2025, at 5:30 p.m., or at some meeting held subsequent thereto, then the Bonds, the Qualified Obligation, or the Note shall not be issued unless authorized at an election to be called and held as provided by law on the question of the issuance of the Bonds, the Qualified Obligation, or the Note. If no sufficient protest is filed, then the Bonds, the Qualified Obligation, or the Note may be issued without an election on the question of the issuance thereof at any time within a period of two years after the date specified above.

This resolution shall be published once a week for at least three consecutive weeks in the Starkville Daily News, a newspaper published in the Municipality and having a general circulation in the Municipality and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended. The first publication of this resolution shall be made not less than 21 days prior to the date fixed herein for the issuance of the Bonds, the Qualified Obligation, or the Note, and the last publication shall be made not more than seven days prior to such date.

The City Clerk shall be and is hereby directed to procure from the publisher of the aforesaid newspaper the customary proof of the publication of this resolution and have the same before the Governing Body on the date and hour specified in Section 5 hereof.

If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

Following the reading of the foregoing resolution and discussion thereof, Alderman Mike Brooks offered and Alderman William Pochop seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

Alderman Mike Brooks voted: Aye
Alderwoman Kim Moreland voted: Aye
Alderman Roy A'. Perkins voted: Aye
Alderman William Pochop voted: Aye
Alderwoman Sandra C. Sistrunk voted: Aye
Alderman Kyle Skinner 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, August 19, 2025.
City of Starkville, Mississippi
/s/ D. Lynn Spruill, Mayor

/s/s Lesa D. Hardin, City Clerk
Publication Instructions:
Starkville Daily News
August 22, 2025; August 28, 2025; September 4, 2025; and September 11, 2025

WATKINS & EAGER

Attorneys and Counselors at Law

est. 1895

Mailing Address:
P.O. Box 650
Jackson, Mississippi 39205
Telephone: (601) 965-1900
Facsimile: (601) 965-1901

Brad C. Davis
Direct dial: 601-965-1901
E-mail: bdavis@watkinseager.com

December 2, 2025

Berkley N. Huskison, Esq.
Mitchell McNutt & Sams, PA
215 North 5th Street
Columbus, Mississippi 39701

RE: $15,000,000 General Obligation Public Improvement Bonds, Series 2026
City of Starkville, Mississippi

Dear Berk:

This letter will confirm the selection by the City of Starkville, Mississippi (the "Municipality"), of Watkins & Eager PLLC to act as Bond Counsel with respect to the above-referenced bonds to be issued by the Municipality (the "Bonds"). This letter will also set forth the role and responsibilities we propose to undertake as Bond Counsel to the Municipality and the terms upon which we understand we will undertake those responsibilities as Bond Counsel to the Municipality and be compensated by you for performing in such role.

Proceeds of the Bonds are expected to be used to provide funds for the purpose of (i) constructing, improving, and paving streets, sidewalks, and parkways, and purchasing land therefor; constructing bridges and culverts; establishing, repairing, improving, and extending the sanitary, storm, drainage, and sewerage systems of the Municipality; protecting the Municipality, its streets, and sidewalks from overflow, caving banks, and other like dangers; purchasing machinery and heavy equipment which will have an expected useful life in excess of ten years, but specifically not including any motor vehicles weighing less than 12,000 pounds; purchasing fire-fighting equipment and apparatus, and providing housing for the same, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect, and guide the current thereof; purchasing land for parks and public playgrounds, and improving, equipping, and adorning the same, including other recreational facilities; purchasing or constructing, repairing, improving, and equipping building for public libraries, and for purchasing land, equipment, and books therefor; erecting and purchasing waterworks, gas, electric, and other public utility plants or distribution systems or franchises, and repairing, improving, and extending the same; and, erecting municipal buildings, armories, auditoriums, community centers, gymnasiums, and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning, and equipping the same, and for erecting, equipping, and furnishing of buildings to be used as a municipal or civic arts center (the "Authorized Purposes"); and, (ii) paying the costs of the authorization, issuance, sale, validation, and delivery of the debt obligations (together, the "Project").

Scope of Engagement and Duties to Be Performed

As Bond Counsel, our chief function is to render an objective legal opinion with respect to the authorization and issuance of the Bonds, the validity and binding effect of the Bonds, the source of payment and security for the Bonds, and the excludability of interest on the Bonds from gross income for federal and State of Mississippi income tax purposes. Assuming that no legal impediments to the issuance of the Bonds become apparent, we would contemplate furnishing to the Municipality and the financial institution purchasing the Bonds (the "Purchaser") our approving opinion as to the validity of the Bonds, which opinion will be executed and delivered by us in written form on the date the Bonds are exchanged for their purchase price (the "Closing"), and will be based on facts and law existing as of its date. Upon delivery of the opinion with respect to the original issuance of the Bonds, our responsibilities as Bond Counsel will be concluded with respect to this financing.

In addition to rendering our approving opinion upon authorizing issuance of the Bonds, we will draft or review the basic legal documents required for authorization, securing, issuing, and sale of the Bonds, including the Bond Resolution of the Municipality, the Notice of Bond Sale, and all related proceedings of the Municipality and resolutions which might be required. We will coordinate with the Municipality's counsel to undertake validation proceedings under the laws of the State of Mississippi. We will also prepare or furnish the incidental closing documents (excepting those customarily prepared or furnished by the Municipality or Purchaser or their respective counsel), including various certificates to be signed by the Municipality, and the form of opinion which will be required from the Municipality's counsel.

In addition, in connection with the delivery of our opinion, we may require that the proceedings for the issuance of such Bonds include other items, including the following:

(a) an opinion of the Municipality's counsel addressing the authorization of the issuance of the Bonds and the execution of the related documents, and other matters normally covered by an opinion of counsel to the Municipality in similar financings;

(b) certificates from the Municipality's officials dealing with financial condition, litigation, regulatory approval, due authorization, and various factual matters; and

(c) certificates from other parties to the transaction and/or opinions of counsel to such parties, as applicable.

Although we ordinarily draft suggested forms for these and other customary closing papers, we do not assume responsibility for verifying the truth of facts certified as true by others, nor, except as necessary to our opinion, do we assume responsibility for examining legal questions on which other participating lawyers are asked to opine.

We assume that we will have the full cooperation of the Municipality, the Purchaser, appropriate officials of the Municipality, and any others necessary to successfully complete this financing, including counsel to the parties. We cannot, of course, guarantee the timing or outcome of legislative or judicial processes or other actions necessary to complete the financing.

Compensation and Reimbursement

We propose that our fee be determined in consultation and negotiation with Municipality, to include the standard State Bond Attorney fee, with such fee to be based upon (i) the terms, structure, size, and schedule of the financing which may be represented by the Bonds, (ii) the duties we will undertake pursuant to this engagement letter, (iii) the time we devoted to the financing, and (iv) the responsibilities we will assume in connection therewith. If unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility, we will consult with you regarding further handling and any possible adjustment to any fee amount. In addition to our fees for services, our bills will include expenses and costs normally associated with representations of this kind.

You have the right to discharge us, and we have the right to withdraw, for any reason at any time upon reasonable notice. If we elect to withdraw, you will take all steps necessary to free us of any obligation to perform further, including the execution of any documents necessary to complete our withdrawal. In the event of our withdrawal or discharge, we will be entitled to retain any fees for services provided before the date of our withdrawal or discharge, as well as to compensation for the reasonable value of our services actually rendered. We also will be entitled to reimbursement of any costs and expenses paid or incurred on your behalf up to the effective date of withdrawal or discharge.

Documents and Files

Subsequent to the Closing, we will provide you with a copy of the Closing transcript relating to the issuance of the Bonds. In addition, any documents or related materials which you have provided to us in connection with our participation in the transaction will be returned to you at your request. All other documents, materials, and work product of any kind shall constitute our own files and property and will be retained or discarded at any time at our sole discretion.

Waiver of Conflict

From time to time this firm represents client, including in connection with a variety of unrelated matters in which the Municipality is involved. These matters may include, but are not limited to, proceedings before the various federal, state, and local governing bodies and boards, agencies, and commissions in which the interest of our client is adverse to the Municipality.

We have reviewed the relationship between our responsibilities as Bond Counsel (which will primarily consist of drafting documents, consulting as to debt options and responsibilities, and rendering on or more opinions with respect to the Bonds) and our representation of other clients, in unrelated matters as described above, and we have concluded that the performance of our responsibilities as Bond Counsel will not be affected by our representation of other clients.

It is our understanding that the Municipality consents to or waives any conflict of interest which may arise as a result of any current representations in unrelated matters and future representations similar to those described above. Your acceptance of this engagement letter will evidence that consent.

Miscellaneous

Once the Bonds are issued, our engagement as Bond Counsel will be completed. Except the completion and distribution of the transcripts, we will have no further obligations as Bond Counsel with regard to the Bonds.

Our willingness to undertake the functions described herein is based upon the facts available to us at this time. Nothing has come to our attention which would lead us to conclude that there are any legal obstacles to delivery of the Bonds. We will proceed with the understanding that should anything come to our attention prior to the issuance of the Bonds which would, in our opinion, cast doubt upon the legality of transaction, we will not be obligated to render our approving legal opinion.

If the foregoing terms are satisfactory to you, please indicate by returning the enclosed copy of this letter signed by an authorized person, retaining the original for your files.

Very truly yours,

Watkins & Eager PLLC

cc: **Mayor Lynn Spruill**
Board of Aldermen

Accepted and agreed to this day, ____________________, 20_____.

City of Starkville, Mississippi

By: ________________________________

Name: ________________________________

Title: ________________________________

PROCEDURES FOR POST-ISSUANCE COMPLIANCE
TAX-EXEMPT FINANCINGS

$__________ GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS,
SERIES 2026
CITY OF STARKVILLE, MISSISSIPPI

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 Issuer shall 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 Issuer 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 Issuer designates the City Clerk of the Municipality (the "City Clerk") and the Director of Finance of the Municipality (the "Director of Finance") as the primary persons responsible for compliance with this policy (together, the Responsible Parties"). The Responsible Parties will coordinate efforts with the Board and parties working with the Issuer 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 Issuer 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 Issuer or its tax-exempt financings

for, or in relation to conduit transactions with, the Issuer

With respect to each issue of tax-exempt bonds, the Issuer hereby requires, and each Issuer 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
- Municipality 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 Issuer 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 shall monitor compliance with rebate and yield restriction rules on an annual basis.

With respect to each issue of tax-exempt bonds, the Issuer 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 Issuer shall 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 Issuer is not in compliance with the arbitrage requirements imposed by the Code or the Issuer 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 Issuer determines or is advised that corrective action is necessary with respect to any issue of its tax-exempt obligations, the Issuer 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 Issuer are selected for examination by the IRS, the Issuer shall retain qualified and experienced counsel to represent the Issuer and shall work with such counsel to provide such documents and information requested by the IRS as are in the possession of the Issuer.

Policy Supplemental to all Existing Policies

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

Dated: __________, 20__

City of Starkville, Mississippi

____

City Clerk

____

Director of Finance

(seal)

PRELIMINARY OFFICIAL STATEMENT DATED ________, 20__

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.

NEW ISSUE-BOOK-ENTRY ONLY

UNDERLYING RATING: ____________________________
INSURED RATING: ___________________________
(See "BOND RATING" and "BOND INSURANCE" herein)

In the opinion of Bond Counsel, under existing laws, regulations, rulings, and judicial decisions, and assuming the accuracy of certain representations and continuous compliance with certain covenants described herein, interest on the Bonds (defined below) is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended. Bond Counsel is further 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. For a more complete description, see "TAX MATTERS" herein.

$15,000,000
GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026
CITY OF STARKVILLE, MISSISSIPPI

DATED: Date of Delivery. DUE: __________, as shown below

The City of Starkville, Mississippi (the "Municipality") is issuing its $15,000,000 General Obligation Public Improvement Bonds, Series 2026 (the "Bonds") (a) to provide funds for the Authorized Purposes (as defined herein), and (b) to pay the costs of authorization, issuance, sale, validation, and delivery of the Bonds. See "THE BONDS – "Purpose and Authorization" herein for more information regarding the purposes of the Bonds.

The Bonds are issuable as fully-registered bonds in the denomination of $5,000 or any integral multiple thereof in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds under a book-entry-only system maintained by DTC through brokers and dealers who are, or act through, DTC participants. Purchasers will not be entitled to receive physical delivery of the Bonds. The Bonds mature in each of the years and in the amounts, and bear interest at the rates as set forth on the inside cover page. Interest on the Bonds is payable semiannually each __________ 1 and __________ 1, commencing __________ 1, 20__. __________, __________, __________, will serve as the Registrar and Paying Agent for the Bonds.

The Bonds are being offered for sale in accordance with the official Notice of Bond Sale dated December 2, 2025 (the "Notice of Bond Sale").

Sealed or electronic bids for the Bonds will be received until the hour of __:00 _.m., on __________, __________, 20__, by the Municipality as described in the Notice of Bond Sale herein. The City Clerk will act on behalf of the Governing Body to receive sealed bids at the aforesaid date, time, and place.

The Bonds are <u>not</u> being offered as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986.

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

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors should read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered subject to the final approval of the legality thereof by Watkins & Eager PLLC, Jackson, Mississippi, as Bond Counsel, and Mitchell, McNutt & Sams, Columbus, Mississippi, as Counsel to the Municipality. Stephens Inc., Ridgeland, Mississippi, is serving as the Independent Registered Municipal Advisor to the Municipality in connection with the issuance of the Bonds. It is expected that the Bonds will be available for delivery in book type and entry-only form delivered to DTC, on or about __________, 20__.

Interest payable on __________ 1, 20__, and semiannually thereafter on __________ 1 and __________ 1 of each year. The Bonds, in registered form and in the denomination of $5,000 each, or integral multiples thereof up to the amount of a single maturity, will mature serially on __________ 1, without option of prior payment, in the years and principal amounts as follows:

Maturity Schedule

Year of Maturity	Principal Amount	Interest Rate	Yield	CUSIP*
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________

*These CUSIP numbers have been assigned by Standard & Poor's CUSIP Service Bureau, a Division of The McGraw-Hill Companies, Inc., and are included solely for the convenience of Bondholders. The Municipality is not responsible for the section or use of these CUSIP numbers, nor is any representation made as to their correctness on the Bonds or as indicated herein.

For purposes of compliance with Rule 15c2-12 ("Rule 15c2-12") of the U.S. Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the City of Starkville, Mississippi (the "Municipality"), from time to time (collectively, the "Official Statement"), may be treated as an "Official Statement" with respect to the Bonds described herein that is deemed final as of the date hereof (or as of the date of any such supplement or correction) by the Municipality. The Official Statement, when further supplemented by a Final Official Statement specifying the interest rates, principal amounts, in the aggregate and per maturity, and delivery dates of the Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the Municipality with respect to the Bonds, as that term is defined in Rule 15c2-12. Any addendum or amendment shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, broker, salesperson, or other person has been authorized by the Mayor and Board of Aldermen of the Municipality (the "Governing Body") to give any information or to make any representation, other than as contained in this Official Statement, in connection with the offering described herein, and if given or made, such other information or representation must not be relied upon as having been authorized by the Governing Body. This Official Statement is submitted in connection with the sale of the Bonds described herein, and may not be reproduced, used, or relied upon, in whole or in part, for any other purpose.

CERTAIN INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT MAY HAVE BEEN OBTAINED FROM SOURCES OTHER THAN RECORDS OF THE MUNICIPALITY AND, WHILE BELIEVED TO BE RELIABLE, IS NOT GUARANTEED AS TO COMPLETENESS OR ACCURACY. THE INFORMATION AND EXPRESSIONS OF OPINION IN THIS OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE MUNICIPALITY SINCE THE DATE HEREOF.

Reference herein to laws, rules, regulations, resolutions, agreements, reports, and other documents do not purport to be comprehensive or definitive. All references to laws, rules, regulations, agreements, reports, and other documents are qualified in their entirety by reference to the particular laws, rules, regulations, agreements, reports, and other documents, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to this Official Statement, they will be furnished on request.

The Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and the same will not be listed on any stock or other securities exchange. Neither the U.S. Securities and Exchange Commission nor any other federal, state, or other governmental entity or agency will have passed upon the accuracy or adequacy of this Official Statement or approved the Bonds for sale. Any representation to the contrary is a criminal offense.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE MUNICIPALITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

This Official Statement contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the use of the future tense or by terms such as "may," "intend," "will," "expect," "forecast," "project," "anticipate," "estimate," "plan," "budget," "believe," "should," "strategy," "position," or the negative of such terms or variations of such words or similar expressions. In particular, any statements, express or implied, concerning future operating results or the ability to generate funds to service indebtedness are forward-looking statements. Investors are cautioned that reliance on any of those forward-looking statements involves risks and uncertainties and that, although the Governing Body believes that the assumptions on which those forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate. Those forward-looking statements, including forecasts, projections, and estimates, are based on currently available information, expectations, estimates, assumptions, and projections, and the Governing Body's judgment about future expenses of operations and general economic conditions. The forward-looking statements are not guarantees of future performance. Actual results may vary materially and adversely from what is contained in a forward-looking statement. Factors which may cause results different from those expected or anticipated include, among others, increases in costs of operation, decreases in levels of State financial support, general economic and business conditions, and various other events, conditions, and circumstances, many of which are beyond the control of the Municipality. As a result, the forward-looking statements based on those assumptions also could be incorrect, and actual results may differ materially and adversely from any results indicated or suggested by those assumptions.

Although the Municipality believes in making any such forward-looking statement, and its expectations are based on assumptions considered reasonable by the Municipality, any such forward-looking statement involves uncertainties and is qualified in its entirety by reference to factors both identified within this Official Statement and from publicly available sources about trends in municipal government that could cause the actual financial operating results of the Municipality to differ materially and adversely from those contemplated in such forward-looking statements.

Any forward-looking statement speaks only as of the date such statement is made, and the Municipality undertakes no obligation to update any forward-looking statement in this Official Statement to reflect events or circumstances after the date of this Official Statement or to reflect the occurrence of unanticipated events. New factors arise or emerge from time to time, and it is not possible for the Municipality to predict all such factors, nor can it assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially and adversely from those contained in any forward-looking statement.

TABLE OF CONTENTS

CITY OF STARKVILLE, MISSISSIPPI

BOARD OF ALDERMEN
Mike Brooks
Kim Moreland
Roy A'. Perkins
William Pochop
Sandra C. Sistrunk
Kyle Skinner
Henry N. Vaughn, Sr.

MAYOR
Lynn Spruill

CITY CLERK
Joanna McLaurin

ATTORNEY FOR CITY OF STARKVILLE
Berkley N. Huskison, Esq.
Mitchell McNutt & Sams, P.A.
Columbus, Mississippi

WATKINS, WARD AND STAFFORD, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
Starkville, Mississippi

WATKINS & EAGER PLLC
Jackson, Mississippi
Bond Counsel

STEPHENS INC.
Ridgeland, Mississippi
Municipal Advisor

(THIS PAGE LEFT BLANK INTENTIONALLY)

OFFICIAL STATEMENT

$15,000,000
GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2026
CITY OF STARKVILLE, MISSISSIPPI

INTRODUCTION

The purpose of this Official Statement is to set forth certain information in connection with the sale of the General Obligation Public Improvement Bonds, Series 2026, dated and issued __________, 20__, in the principal amount of $15,000,000 (the "Bonds"), of the City of Starkville, Mississippi (the "Municipality").

Reference is made to the Act as hereinafter defined, the Bond Resolution as hereinafter defined, 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 tax revenues for the payment of the principal of and interest on the Bonds, the nature and extent of said pledge and the terms and conditions under which the Bonds are issued.

THE BONDS

Purpose and Authorization. The Bonds are being issued to provide funds for the purpose of constructing, improving, and paving streets, sidewalks, and parkways, and purchasing land therefor; constructing bridges and culverts; establishing, repairing, improving, and extending the sanitary, storm, drainage, and sewerage systems of the Municipality; protecting the Municipality, its streets, and sidewalks from overflow, caving banks, and other like dangers; purchasing machinery and heavy equipment which will have an expected useful life in excess of ten years, but specifically not including any motor vehicles weighing less than 12,000 pounds; purchasing fire-fighting equipment and apparatus, and providing housing for the same, and purchasing land therefor; altering or changing the channels of streams and water courses to control, deflect, and guide the current thereof; purchasing land for parks and public playgrounds, and improving, equipping, and adorning the same, including other recreational facilities; purchasing or constructing, repairing, improving, and equipping building for public libraries, and for purchasing land, equipment, and books therefor; erecting and purchasing waterworks, gas, electric, and other public utility plants or distribution systems or franchises, and repairing, improving, and extending the same; and, erecting municipal buildings, armories, auditoriums, community centers, gymnasiums, and athletic stadiums, preparing and equipping athletic fields, and purchasing buildings or land therefor, and for repairing, improving, adorning, and equipping the same, and for erecting, equipping, and furnishing of buildings to be used as a municipal or civic arts centerds (the "Authorized Purposes").

The Bonds will be issued pursuant to the provisions of Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended, and other applicable laws of the State (together, the "Act"), and resolutions adopted by the Mayor and Board of Aldermen (the "Governing Body") on August 19, 2025, September 16, 2025, and December 2, 2025, authorizing and directing the issuance of the Bonds (together, the "Bond Resolution").

In order to issue the Bonds, the Governing Body adopted a resolution declaring its intention to issue the Bonds and gave notice of such intention by publication of said resolution in a newspaper published and of general circulation in the Municipality. If 20%, or 1,500, whichever had been less, of the qualified electors of the Municipality had filed a written protest against the issuance of the Bonds on or before the date specified in said resolution, an election on the question of the issuance of the Bonds would have been held. September 16, 2025, was set by the Governing Body as the date on or before which written protest was required to have been filed. No written protest having been received on or before said date, the Governing Body is now authorized and empowered by the Act to issue the Bonds without the necessity of calling and holding an election on the question of the issuance thereof.

Security. The Bonds shall be general obligations of the Municipality payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to rate or amount upon all the taxable property within the geographical limits of the Municipality. To the extent other moneys are not available, the Municipality will levy annually a direct and continuing tax upon all taxable property within the geographical limits of the Municipality, which tax, together with any other moneys available for such purpose, will be adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same falls due; provided, however, that such tax levy for any year shall be abated *pro tanto* to the extent the Municipality on or prior to September 1 of that year has transferred money to the Bond Fund (as defined in the Bond Resolution), or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the Bonds due during the ensuing fiscal year of the Municipality, in accordance with the provisions of the Bond Resolution.

Provided, however, any other funds available to the Municipality which may be lawfully used for payment of the principal of, premium, if any, and interest on the Bonds, and which the Governing Body, in its discretion, may direct to be deposited into the Bond Fund, including, but not limited to, use taxes remitted from the State to the Municipality as a result of the Infrastructure Modernization Act of 2018, House Bill 1, 2018 First Extraordinary Session, and any amendments thereto, codified as Sections 27-67-1 *et seq.*, Mississippi Code of 1972, as amended (the "Infrastructure Modernization Act"). The Governing Body is authorized pursuant to the Infrastructure Modernization Act to utilize the use taxes for certain authorized purposes, including the payment of debt service on debt obligations issued for certain authorized purposes. Should there be a failure in any year to comply with the requirements of this Section, such failure will not impair the right of the Registered Owners of any of the Bonds in any subsequent year to have adequate taxes levied and collected to meet the obligations of the Bonds, both as to principal and interest.

Redemption. The Bonds are not subject to redemption prior to their respective maturities.

1995 Constitutional Amendment. The qualified electors of the State of Mississippi (the "State") voted in a general election held on November 7, 1995, to amend the Mississippi Constitution of 1890 to add the following new Section 172A (the "Amendment"):

> SECTION 172A. Neither the Supreme Court nor any inferior court of this state shall have the power to instruct or order the state or any political subdivision

thereof, or an official of the state or any political subdivision, to levy or increase taxes.

The Amendment does not affect the underlying obligation to pay the principal of and interest on the Bonds as they mature and become due nor does it affect the obligation to levy a tax sufficient to accomplish that purpose. However, even though it appears that the Amendment was not intended to affect bondholders' remedies in the event of a payment default, it potentially prevents bondholders from obtaining a writ of mandamus to compel the levying of taxes to pay the principal of and interest on the Bonds in a court of the State. It is not certain whether the Amendment would affect the right of a federal court to direct the levy of a tax to satisfy a contractual obligation. Other effective remedies are available to the bondholders in the event of a payment default with respect to the Bonds. For example, bondholders can seek a writ of mandamus to compel the Municipality to use any legally available moneys to pay the debt service on the Bonds, and if such writ of mandamus is issued and public officials fail to comply with such writ, then such public officials may be held in contempt of court. In addition, pursuant to the Mississippi Constitution §175, all public officers who are guilty of willful neglect of duty may be removed from office.

Book-Entry System. The Bonds will be available to purchasers under the Book-Entry System maintained by The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Purchasers will not be entitled to receive physical delivery of the Bonds. For so long as any purchaser is a beneficial owner of a Bond, such purchaser must maintain an account with a broker or dealer who is, or acts through, a DTC participant in order to receive payment of principal of and interest on such Bonds.

In the event the Bonds are no longer held under the Book-Entry System, bond certificates registered in the name of DTC or its nominee will be cancelled and the Municipality will execute and deliver Bonds to the Beneficial Owners as shown on the records of the DTC Participants. See **Appendix G** for a description of the payment, registration, transfer, and exchange provisions for the Bonds if the Book-Entry System is discontinued.

CONTINUING DISCLOSURE

The Municipality will enter into a Continuing Disclosure Agreement for the benefit of holders of the Bonds wherein the Municipality will agree to provide annually its audited financial statements and certain financial information and operating data relating to the Municipality (the "Annual Report"), 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 Report 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 Report or the notices of material events and the other provisions of the Continuing Disclosure Agreement are set forth in **Appendix E**. A failure by the Municipality to comply with the Continuing Disclosure Agreement must be reported in accordance with the 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 is responsible for making continuing disclosure filings, which include annual reports containing certain financial information and operating data relating to the Municipality and audited financial statements for each fiscal year. Pursuant to prior written disclosure undertakings, the Municipality is responsible for filing its annual reports and audited financial statements within 12 months of the end of its fiscal year of September 30. The Municipality has consistently timely filed its annual reports containing certain financial information and operating data relating to the Municipality. The Municipality has failed in recent fiscal years to timely file its audited financial statements for the fiscal years September 30, 2018, to September 30, 2024, and has filed notices of failure to timely file audited financial statements when applicable. The Municipality filed its audited financial statements for the fiscal year ended September 30, 2024, attached hereto as **Appendix C**, on EMMA on September 5, 2025.

The Municipality's intention is to file the information required under the continuing disclosure undertaking for the Bonds and its prior obligations in a complete and timely manner and has retained an independent agent to monitor compliance throughout the term of the Bonds.

[insert additional information here]

AUDITORS

The financial statements of the City as of September 30, 2024, have been audited by Watkins, Ward and Stafford, PLLC, Certified Public Accountants, Starkville, Mississippi, independent certified public accountants, as set forth in their report attached as **Appendix C**. Watkins, Ward and Stafford, PLLC, has not performed any procedures relating to this Official Statement.

MISCELLANEOUS AND LEGAL INFORMATION

No Default on Securities. No securities of the Municipality have been in default as to principal or interest payments or in any other material respect at any time in at least the last 25 years. No principal or interest on any obligation of the Municipality is past due.

No Bond Proceeds for Current Operating Expenses. No proceeds from the sale of securities (except tax anticipation notes issued against revenues of a current fiscal year) have been used for current operating expenses at any time in at least the last ten years.

Legal Proceedings. There are no pending legal proceedings which might be expected to affect the Municipality's ability to fulfil its obligations to the Registered Owners of the Bonds.

Bond Insurance. [information to be inserted]

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 $500,000 for claims arising on or after July 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.

Validation. 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.

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 Watkins & Eager PLLC, Jackson, Mississippi ("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 the Official Statement and Bond Counsel assumes no responsibility to the Registered Owners of the Bonds except for the matters set forth in such opinion.

TAX MATTERS

Tax Exemption.

State Tax Exemption. Bond Counsel is further of the opinion that under and pursuant to the Act, the Bonds and interest thereon are exempt from all income taxes imposed by the State and any county, municipality, and other political subdivision of the State.

Exclusion from Gross Income Pursuant to Section 103 of the Internal Revenue Code. The Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations promulgated thereunder (the "Regulations"), include requirements which the Municipality must continue to meet after the issuance of the Bonds in order that interest on the Bonds not be included in gross income for federal income tax purposes. The Municipality's failure to meet these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The Municipality has covenanted in the Bond Resolution to comply with the requirements of the Code in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

In the opinion of Bond Counsel, assuming compliance by the Municipality with the tax covenants referred to above, under existing statutes, regulations, rulings, and court decisions, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations.

The opinion of Bond Counsel described in the preceding paragraph is subject to the condition that the Municipality comply with all requirements of the Code and the Regulations, including, without limitation, certain limitations on the use, expenditure, and investment of the proceeds of the Bonds and the obligation to rebate certain earnings on investments of proceeds to the United States of America, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable 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 interest on the Bonds to be includable in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

Section 265(b)(1) of the Code provides that 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 Municipality has **not** designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B) of the Code.

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 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.

Original Issue Premium. Bonds purchased, whether at original issuance or otherwise, for an amount greater than their principal amount payable at maturity (or, in some cases, at their earlier call date) (the "Series 2026 Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Series 2026 Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a holder's basis in a Series 2026 Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such holder. Holders of Series 2026 Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Future Federal Legislation. The federal government is considering various legislative proposals for reducing the federal budget deficit and the federal debt and promoting economic growth, and some of these proposals, if enacted, could affect the tax-exempt status and/or market price or marketability of state and local bonds, such as the Bonds. In addition, future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly and retroactively, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent holders from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such future legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

In addition, prospective purchasers of the Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of the federal alternative minimum tax, the environmental tax, the branch profits tax and the tax on passive investment income of corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

United States Bankruptcy Code. The undertakings of the Municipality should be considered with reference to Chapter 9 of the Bankruptcy Code, 11 U.S.C. §§ 901, *et. seq.*, as amended, and other laws affecting creditors' rights and certain public bodies generally. Chapter 9 permits a municipality, political subdivision, public agency, or other instrumentality of a State that is insolvent or unable to meet its debts as such debts mature to file a petition in the United States Bankruptcy Court for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a list of its creditors; provides that the filing of the petition under that Chapter operates as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; directs a petitioner to file a plan for the adjustment of its debts; permits the petitioner in its plan to modify the rights to payment of its creditors; and provides that the plan must be accepted in writing by or on behalf of creditors of each impaired class of claims holding at least two-thirds in amount and more than one-half in number of the creditors which have accepted or rejected the plan. The plan may be confirmed notwithstanding the negative vote of one or more classes of claims if the court finds that the plan is in the best interest of creditors, is feasible, and is fair and equitable with respect to the dissenting classes of creditors. A petitioner has the right to reinstate indebtedness under its plan according to the original maturity schedule of such indebtedness notwithstanding any provision in the documents under which the indebtedness arose relating to the insolvency or financial condition of the debtor before the confirmation of the plan, the commencement of a case under the Bankruptcy Code, or the appointment of or taking possession by a trustee in a case under the Bankruptcy Code or by a receiver or other custodian prior to the commencement of a case under the Bankruptcy Code.

Cyber Security Management. The Municipality, like many other public and private entities, relies on a large and complex technology environment to conduct its operations and faces multiple cyber security threats including, but not limited to, hacking, phishing, viruses, malware, and other attacks on its computing and other digital networks and systems (collectively, "Systems Technology"). As a recipient and provider of sensitive information, the Municipality may be the target of cyber security incidents that could result in adverse consequences to the Municipality and its Systems Technology, requiring a response action to mitigate the consequences. The Municipality has in place daily backup processes to help mitigate the eventuality of these risks. The Municipality has structured its "technology" environment based upon best practice Zero Trust standards to mitigate these risks. Cyber security incidents could result from unintentional events or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Municipality's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. The Municipality has implemented certain controls, including data and network security measures, malware protection, security configuration, website filtering and protection, and user training, to mitigate the risk of cyber security breaches from internal sources or activities. The Municipality has personnel policies in place for the Municipality's computer systems and networks detailing the security of the systems by only designated personnel and password securities in place by user. The Municipality carries a cybersecurity insurance policy in the amount of $1,000,000. Despite the Municipality's measures to safeguard its network infrastructure, there are no guarantees that such measures will be successful.

Independent Registered Municipal Advisor. Stephens Inc., Ridgeland, Mississippi is serving as the Independent Registered Municipal Advisor (the "IRMA") to the Municipality in connection with the issuance of the Bonds. Stephens, Inc., in its capacity as the IRMA, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants, and representations contained in any of the legal documents with respect to the federal or state income tax status of the Bonds or the possible impact of any present, pending, or future actions taken by any legislative or judicial bodies. The information set forth herein has been obtained from the Municipality and other sources believed to be reliable but has not been independently verified by the IRMA.

The IRMA has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Municipality and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the IRMA does not guarantee the accuracy or completeness of such information.

Underwriting. The Bonds have been purchased by __________, __________, __________ (the "Underwriter"), at competitive sale from the Municipality for resale. The Underwriter has agreed to purchase the Bonds at the purchase price of $__________, calculated at par of $15,000,000.00, plus a premium of $__________, less Underwriter's discount of $__________, and less premium for Municipal Bond Insurance Policy of $__________. The initial public offering yields of the Bonds are set forth on the inside front cover of this Official Statement and may be changed from time to time by the Underwriter. The Underwriter may also allow a concession from the public offering prices to certain dealers. The Underwriter has received no fee from the Municipality for underwriting the Bonds. If the Bonds are sold at the public offering yields as set forth on the inside front cover of this Official Statement, the Underwriter anticipates total selling compensation of $__________ for the Bonds.

Registrar and Paying Agent. __________, __________, __________, is acting as Registrar and Paying Agent for the Bonds (the "Paying Agent"). The Paying Agent has not provided, or undertaken to determine, the accuracy of, any of the information contained in this Official Statement and makes no representation or warranty, express or implied, as to (i) the accuracy or completeness of such information; (ii) the validity of the Bonds; or (iii) the tax exempt status of the interest on the Bonds

Bond Rating. [Information to be inserted]

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 the Rule, to be final and complete 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 underwriters, 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. If requested, the Municipality will furnish a reasonable number of copies of the Official Statement to the successful bidder of the Bonds without charge within seven business days after the sale and 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 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:

Joanna McLaurin		**Brad C. Davis, Esq.**
City Clerk	**or**	**Bond Counsel**
City of Starkville, Mississippi		**Watkins & Eager PLLC**
jmclaurin@cityofstarkville.org		**bdavis@watkinseager.com**
(662) 323-2525		**(601) 965-1988**

City of Starkville, Mississippi

/s/ *Lynn Spruill*
Mayor

/s/ Joanna McLaurin
City Clerk

(THIS PAGE LEFT BLANK INTENTIONALLY)

Appendix A

Economic and Demographic Information of the Municipality

Appendix B

Combined Budgets for Publication
for the Fiscal Year Ended September 30, 2025,
and for the Fiscal Year Ending September 30, 2026

<u>Appendix C</u>

Audited Financial Statements for the Fiscal Year Ended September 30, 2024

<u>Appendix D</u>

Form of Bond Counsel Opinion

_____________, 2026

To Whom It May Concern:

We have acted as bond counsel in connection with the issuance by City of Starkville, Mississippi (the "Municipality"), of its $15,000,000 General Obligation Public Improvement Bonds, Series 2026, dated and issued ________________, 2026 (the "Bonds"). We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion, including Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended (the , the Infrastructure Modernization Act of 2018, House Bill 1, 2018 First Extraordinary Session, and any amendments thereto, codified as Sections 27-67-1 *et seq*, Mississippi Code of 1972, as amended, and other applicable laws of the State (together, the "Act"), and resolutions adopted by the Mayor and Board of Aldermen of the Municipality (the "Governing Body") on August 19, 2025, September 16, 2025, and December 2, 2025, authorizing and directing the issuance of the Bonds (together, the "Bond Resolution").

As to questions of fact material to our opinion we have relied upon 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 the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds shall be general obligations of the Municipality payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to rate or amount upon all the taxable property within the geographical limits of the Municipality. To the extent other moneys are not available, the Municipality will levy annually a direct and continuing tax upon all taxable property within the geographical limits of the Municipality, which tax, together with any other moneys available for such purpose, will be adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same falls due; provided, however, that such tax levy for any year shall be abated *pro tanto* to the extent the Municipality on or prior to September 1 of that year has transferred money to the Bond Fund (as defined in the Bond Resolution), or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the Bonds due during the ensuing fiscal year of the Municipality, in accordance with the provisions of the Bond Resolution. Provided, however, any other funds available to the Municipality which may be lawfully used for payment of the principal of, premium, if any, and interest on the Bonds, and which the Governing Body, in its discretion, may direct to be deposited into the Bond Fund, including, but not limited to, use taxes remitted from the State to the Municipality as a result of the Infrastructure Modernization Act. The Governing Body is authorized pursuant to the Infrastructure Modernization Act to utilize the use taxes for certain authorized purposes, including the payment of debt service on debt obligations issued for certain

authorized purposes. Should there be a failure in any year to comply with the requirements of Section 8 of the Bond Resolution, such failure will not impair the right of the Registered Owners of any of the Bonds in any subsequent year to have adequate taxes levied and collected to meet the obligations of the Bonds, both as to principal and interest.

2. Under existing law, regulations and court decisions, as presently interpreted and construed, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the Bonds is not treated as a specific item of tax preference under Section 57 of the Code in calculating the alternative minimum tax imposed by Section 55 of the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations.

3. The Governing Body has covenanted in the Bond Resolution and in the Municipality's federal tax certificate of even date herewith that the Municipality will not make any use of the gross proceeds of the Bonds or amount that may be treated as proceeds of the Bonds or do or take or omit to take any other action that would cause: (i) the Bonds to be "arbitrage bonds" as such term is defined in Section 148(a) of the Code and the regulations promulgated thereunder; (ii) the interest on the Bonds to be includable in the gross income of the Registered Owners for federal income taxation purposes; or (iii) the interest on the Bonds to be treated as an item of tax preference under Section 57(a)(5) of the Code. Failure of the Municipality to comply with such covenants could result in the interest on the Bonds being subject to federal income tax from the date of issue.

4. In rendering the foregoing opinion, Bond Counsel has assumed the continuing compliance by the Municipality with the tax covenants and representations in the Bond Resolution and the representations in the Municipality's federal tax certificate. These requirements relate to, *inter alia,* the use and investment of the gross proceeds of the Bonds, the use of any facility, equipment, or improvement financed or refinanced directly or indirectly with the proceeds of the Bonds, and rebate to the United States Treasury of specified arbitrage earnings, if any. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds have resulted in a failure of the Municipality to comply with its covenants. Failure of the Municipality to comply with such covenants could result in the interest on the Bonds becoming subject to federal income tax from the date of issue. Owners of the Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes and the effect of any other collateral federal income tax consequences.

5. The Bonds are **not** "qualified tax-exempt obligations" as such term is used in Section 265(b)(3) of the Code.

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

7. 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.

8. It is understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar law affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and that the enforcement thereof may be subject to the exercise of judicial discretion in appropriate cases.

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

10. In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certificates, resolutions, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We also have assumed the genuineness of the signatures appearing upon such public records, certifications, resolutions, documents and proceedings. This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

WATKINS & EAGER PLLC

Appendix E

Form of Continuing Disclosure Agreement

CONTINUING DISCLOSURE AGREEMENT OF THE CITY OF STARKVILLE, MISSISSIPPI

This Continuing Disclosure Agreement (the "Disclosure Certificate") is executed and delivered by the City of Starkville, Mississippi (the "Municipality"), in connection with the issuance of its $15,000,000 General Obligation Public Improvement Bonds, Series 2026, dated and issued __________, 20__ (the "Bonds"). The Bonds are being issued pursuant to Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended, and other applicable laws of the State (together, the "Act"), and resolutions adopted by the Mayor and Board of Aldermen (the "Governing Body") on August 19, 2025, September 16, 2025, and December 2, 2025 (together, the "Bond Resolution").

The Municipality covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Agreement is being executed and delivered by the Municipality 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) (as further defined herein).

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

"Annual Report" means any Annual Report provided by the Municipality 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 Municipality as the Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Municipality and which has provided the Municipality a written acceptance of such designation.

"EMMA" means MSRB's Electronic Municipal Market Access system on the MSRB Website.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Event" means any of the events listed in Section 5 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.

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

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

"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 12 months after the end of the Municipality's fiscal year (presently September 30), commencing with the report for the 2025 fiscal year.

SECTION 3. Provision of Annual Reports.

(a) The Municipality 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 Municipality 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 Municipality's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) Not later than 15 Business Days prior to the Submission Date, the Municipality shall provide the Annual Report to the Dissemination Agent (if other than the Municipality). If the Municipality is unable to provide to the Repositories an Annual Report by the Submission Date, the Municipality 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 Municipality, file a report with the Municipality 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 Municipality's Annual Report shall contain or include by reference (a) financial information of the type included in the subsections of the Official Statement entitled "Assessed Valuation," "Tax Levy Per $1,000 Valuation," "Ad Valorem Tax Collections," and "Diversions from the State to the Municipality regarding Use Tax Collections," and (b) the audited financial statements of the Municipality 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 Municipality'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. 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 Municipality 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 Municipality 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 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 herein and 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 Municipality's obligations under this Disclosure Agreement 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 Municipality shall give notice of such termination in the manner as for a Listed Event under Section 5.

SECTION 7. Dissemination Agent. The Municipality 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 Municipality pursuant to this Disclosure Certificate. From the date hereof until such time (if any) that the Municipality appoints a Dissemination Agent, or if a Dissemination Agent appointed by the Municipality resigns or is discharged and the Municipality does not appoint a successor Dissemination Agent, the Municipality, acting through the City Clerk of the Municipality, 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 Municipality may amend this Disclosure Agreement and any provision of this Disclosure Agreement may waived, only if (1) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature, or status of the Municipality, (2) the agreement, as amended, would have complied with the Rule at the date of sale of the Bonds, taking into account any amendments or interpretations of the Rule as well as any change in circumstance, and (3) the Municipality receives an opinion of nationally recognized bond counsel to the effect that the amendment or waiver does not materially impair the interests of the holders and beneficial owners of the Bonds. A copy of any amendment will be filed in a timely manner with each Repository.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Municipality from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement 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 Municipality 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 Municipality shall have no obligation under this Disclosure Agreement 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 Municipality 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 Municipality to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Bond Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the Municipality to comply with this Disclosure Agreement 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 Municipality 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 Municipality under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Municipality, 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: ________, 2026

City of Starkville, Mississippi

(seal)

____

City Clerk

EXHIBIT A

**NOTICE TO REPOSITORIES OF
FAILURE TO FILE ANNUAL REPORT**

Name of Municipality:	City of Starkville, Mississippi
Name of Issue:	$15,000,000 General Obligation Public Improvement Bonds, Series 2026
Date of Issuance:	_________, 20__

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

Date: __________, 20__

Appendix F

Notice of Bond Sale

Appendix G

Bond Resolution

Appendix H

Specimen Municipal Bond Insurance Policy

Agreement – Starkville Complete Streets Implementation Program

November 18, 2025

Tunnell, Spangler & Associates, Inc. d/b/a TSW (the Consultant) agrees to provide the City of Starkville, MS (the Client) the following professional on-call services associated with Complete Streets Implementation Program in Starkville, MS (the Project), and the Client contracts for such services and agrees to pay for them according to the fees, terms, and conditions set forth herein (the Agreement).

The Client and Tunnell, Spangler & Associates, Inc. d/b/a TSW are independent parties and nothing in this Agreement constitutes either party as the employer, principal, or partner of or joint venture with the other party. Neither the Client nor the Consultant has any authority to assume or create any obligation or liability, either express or implied, on behalf of the other.

1. SERVICES

   The Consultant will provide the following services (the Services):

   On-call services for complete streets program work include, but are not limited to the following transportation planning and design items:

   - Policy, standards and programs review and development
   - Transportation plan or design review
   - Transportation network mapping

2. EXCLUSIONS

   The Consultant will not be responsible for the following services:

   n/a

3. SERVICE ADJUSTMENTS

   Both the Consultant and the Client hereby acknowledge that the Services specified in Section 1 above are subject to refinement. The Consultant and the Client may, at any time during the Agreement period (see Section 4 Schedule below), make changes to the Services and their technical provisions, as mutually agreed upon in writing. Client shall give Consultant email notification to proceed with work on specific tasks listed within the scope before Consultant proceeds with such work.

4. SCHEDULE

A. The full length of this Agreement (the Schedule) is as follows:

From the contract start date to the end of the City FY2026

5. FEES

The Consultant agrees to provide services included in this Agreement on an on-call hourly basis at the rates listed below with a not-to exceed limit of $25,000. Time spent on design work, meetings, field visits, and any other tasks related to the project will be logged and billed at the agreed hourly rates.

Billing Rates	
Team Member	**Hourly Rate**
Adam Williamson, AICP, PLA, LEED AP *Principal-in-Charge*	$230
Bert Kuyrkendall, PE, AICP *Project Manager*	$185
Brandon Sutton, PLA *Transportation Designer*	$135
Safae Hammer *Transportation Planner*	$120
Beverly Bell, PLA *Planner*	$120
Roxanne Raven, AICP *Planner*	$105

6. RESERVATION OF RIGHTS

All rights not expressly granted hereunder are reserved by the Consultant, including but not limited to all rights to sketches, comps, or other preliminary materials. See Section 7 Copyrights below.

7. COPYRIGHTS

Both the Client and the Consultant will hold joint copyright ownership of all work products, including but not limited to designs, reports, data, and other deliverables created during the course of this project. This shared ownership applies during and after the production process.

8. PERMISSIONS AND RELEASES

The Client agrees to indemnify and hold harmless Consultant against any and all claims, costs, and expenses, including attorney's fees, due to materials included in the Services at the request of the Client for which no copyright permission or previous release was requested or uses which exceed the uses allowed pursuant to a permission or release.

9. BILLING AND PAYMENT POLICIES

A. In contracting with the Consultant, the Client warrants that sufficient funds are available to compensate the Consultant for work performed during the next billing cycle based on the agreed hourly rate. These funds are neither encumbered nor contingent upon subsequent approvals, permits, or financing commitments.

B. The Consultant will submit monthly invoices to the Client. Invoices are due and payable upon receipt and become delinquent if not paid in full 30 calendar days after their invoice date. The Client must notify the Consultant of any dispute regarding invoices received within seven calendar days of receipt of invoice. Only the disputed portion of the payment may be withheld. Interest charges will be applied at rate of 1.5% to delinquent accounts.

C. Account delinquency longer than 60 calendar days will result in the stoppage of work by the Consultant and any subconsultants. Seven calendar days' notice must be given prior to stoppage of work to enable accounts to be brought current. Work will recommence upon payment of all fees and service charges due. In some cases, additional fees may be required to stop and start work because of account delinquency.

10. TERMINATION

This Agreement may be terminated for cause upon seven calendar days' written notice, as follows:

A. The Client may terminate for their sole convenience.

B. The Client may terminate in the event of the cancellation of funds, a change of priorities, or cancellation of a program with no right of appeal available to the Consultant.

C. The Client or Consultant may terminate for failure of the other party to perform substantially in accordance with the terms and conditions of this Agreement.

D. The Consultant may terminate if the project is suspended for more than 90 calendar days.

E. When this Agreement is terminated, the Client shall reimburse the Consultant for work actually and properly performed by the Consultant up to the date of termination.

F. The Client has the right to monitor performance, certification, and any subsequent recourse available in the event of default or non-performance by the Consultant.

11. DISPUTE RESOLUTION

A. Mediation

1. If a dispute arises between the parties to this Agreement, the Client and the Consultant agree that the dispute will be subject to mediation as a condition precedent to binding dispute resolution. If such matter relates to or is the subject of a lien arising out of the Consultant's services, the Consultant may proceed in accordance with applicable law to comply with the lien notice or filing deadlines before resolution of the matter by mediation or by binding dispute resolution.

2. The Client and the Consultant will endeavor to resolve claims, disputes, and other matters in question between them by mediation, which, unless the parties mutually agree otherwise, will be in accordance with the United States Arbitration & Mediation Rules of Arbitration. A request for mediation must be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the mediation. The request may be made concurrent with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation will proceed in advance of binding dispute resolution proceedings, which will be stayed pending mediation for a period of 60 calendar days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this Section 13.A, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

3. The parties will share the mediator's fee and any filing fees equally. The mediation must be held in the place where the Project is located unless another location is mutually agreed upon. Agreements reached in

mediation will be enforceable as settlement agreements in any court having jurisdiction.

4. If the parties do not resolve a dispute through mediation, the method of binding dispute resolution will be Arbitration as specified in Section 13.B below.

B. Arbitration

1. If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute, or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation will be subject to arbitration, which, unless the parties mutually agree otherwise, will be in accordance with the United States Arbitration & Mediation Rules of Arbitration. A demand for arbitration must be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.
2. A demand for arbitration may not be made earlier than concurrently with the filing of a request for mediation, but in no event may it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration will constitute the institution of legal or equitable proceedings based on the claim, dispute, or other matter in question.
3. The foregoing agreement to arbitrate, and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement, shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.
4. The award rendered by the arbitrator(s) will be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction.

C. Consolidation or Joinder

1. Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially

involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

2. Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity will not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.
3. The Consultant and Client grant to any person or entity made a party to an arbitration conducted under this Section 13 Dispute Resolution, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Architect under this Agreement.
4. The provisions of this Section 13 Dispute Resolution will survive the termination of this Agreement.

12. MISCELLANEOUS

This Agreement is governed by the law of the place where the Project is located.

The undersigned agrees to the terms of this Agreement on behalf of their organization or business.

______________________________	______________________________
Tunnell, Spangler & Associates, Inc. d/b/a TSW by Bert Kuyrkendall	City of Starkville, MS
____________________	______________________________
Date	Date

7. CONSIDERATION OF APPROVING STARKVILLE MAIN STREET ASSOCIATION'S INVOICE FOR MAIN STREET IMPROVEMENTS LIGHTS OVERAGE FOR A TOTAL AMOUNT OF $17,950.00.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of Starkville Main Street Association's invoice for Main Street Improvements lights overage for a total amount of $17,950.00" is enumerated, this consent item is thereby approved.

8. CONSIDERATION OF APPROVING THE LOW QUOTE FROM HANNON, LLC FOR THE 601 S JACKSON ST ADA IMPROVEMENTS PROJECT IN THE AMOUNT OF $14,550.00.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the low quote from Hannon, LLC for the 601 S Jackson St ADA Improvements Project in the amount of $14,550.00" is enumerated, this consent item is thereby approved.

9. CONSIDERATION OF APPROVAL FOR A CHANGE ORDER IN PRICE IN THE AMOUNT OF $1,041.25 TO REPAIR BROKEN CONCRETE IN FRONT OF FIRE STATION 1. THE PRICE DIFFERENCE IS DUE TO 49 MORE SQUARE FEET OF CONCRETE POURED TO COMPLETE THE JOB.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of for a change order in price in the amount of $1,041.25 to repair broken concrete in front of Fire Station 1. The price difference is due to 49 more square feet of concrete poured to complete the job" is enumerated, this consent item is thereby approved.

10. CONSIDERATION OF APPROVAL OF THE LOW QUOTE FROM COMSOUTH IN THE AMOUNT OF $39,083.10 FOR KENWOOD RADIOS AND ACCESSORIES WITH THE HOMELAND SECURITY GRANT PROGRAM (HSGP) OF WHICH $37,500 WILL BE REIMBURSED FROM THE GRANT AND $1,583.10 FROM CITY FUNDING.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of the low quote from Comsouth in the amount of $39,083.10 for Kenwood radios and accessories with the homeland security grant program (HSGP) of which $37,500 will be reimbursed from the grant and $1,583.10 from city funding" is enumerated, this consent item is thereby approved.

11. CONSIDERATION OF AUTHORIZATION TO HIRE JAMAAL JONES AND JAVIAN MOBLEY AS STREET MAINTENANCE WORKERS IN THE STREET DEPARTMENT.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of authorization to hire Jamaal Jones and Javian Mobley as street maintenance workers in the Street Department" is enumerated, this consent item is thereby approved.

12. CONSIDERATION OF AUTHORIZATION TO HIRE JOHN DERIVAUX AS A NON-CERTIFIED POLICE OFFICER IN THE STARKVILLE POLICE DEPARTMENT.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of authorization to hire John Derivaux as a non-certified police officer in the Starkville Police Department" is enumerated, this consent item is thereby approved.

13. CONSIDERATION OF APPROVAL TO PURCHASE FROM AXON ENTERPRISES, INC A 180 CAMERA, FUSUS CORE ELITE AI 2.0 WITH 44 TB HDD STORAGE AND ONBOARD AI AT A COST OF $5,000.00, PER THE ATTACHED QUOTE. THIS CORE IS A SOLE SOURCE VENDOR AND COMPATIBLE WITH THE EXISTING FUSUS SYSTEM.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval to purchase from Axon Enterprises, Inc. a 180 camera, Fusus Core Elite AI 2.0 with 44 tb HDD storage and onboard AI at a cost of $5,000.00, per the attached quote. this core is a sole source vendor and compatible with the existing Fusus System" is enumerated, this consent item is thereby approved.

14. CONSIDERATION OF AUTHORIZATION TO APPROVE EMERGENCY PURCHASE QUOTE FROM PARKS AND PARKS AT CURRY STREET PLANT FOR CURRY WELL INSPECTION IN THE AMOUNT OF $23,600.00.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of THE emergency purchase quote from Parks and Parks at Curry Street Plant for Curry Well inspection in the amount of $23,600.00" is enumerated, this consent item is thereby approved.

Axon Enterprise, Inc.
17800 N 85th St
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic:(800) 978-2737
International: +1.800.978.2737

Q-759081-45932TR

Issued: 10/02/2025

Quote Expiration: 12/31/2025

Estimated Contract Start Date: 10/15/2025

Account Number: 131001

Payment Terms: N30

Mode of Delivery: UPS-GND

Credit/Debit Amount: $0.00

SHIP TO	BILL TO	SALES REPRESENTATIVE	PRIMARY CONTACT
Starkville Police Dept. - MS 101 E Lampkin St Starkville, MS 39759-2944 USA	Starkville Police Dept. - MS 101 E Lampkin St Starkville MS 39759-2944 USA Email:	Thomas Radoslovich Phone: Email: tradoslovich@axon.com Fax:	Lee Upchurch Phone: 662-323-4131 Email: l upchurch@cityofstarkville.org Fax: (662) 324-4016

Quote Summary

Program Length	60 Months
TOTAL COST	$5,000.00
ESTIMATED TOTAL W/ TAX	$5,000.00

Discount Summary

Average Savings Per Year	$0.00
TOTAL SAVINGS	$0.00

Payment Summary

Date	Subtotal	Tax	Total
Sep 2025	$5,000.00	$0.00	$5,000.00
Total	$5,000.00	$0.00	$5,000.00

Quote Unbundled Price:	**$5,000.00**
Quote List Price:	**$5,000.00**
Quote Subtotal:	**$5,000.00**

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
A la Carte Hardware									
101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1			$5,000.00	$5,000.00	$5,000.00	$0.00	$5,000.00
A la Carte Warranties									
101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	49		$0.00	$0.00	$0.00	$0.00	$0.00
Total							$5,000.00	$0.00	$5,000.00

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Shipping Location	Estimated Delivery Date
A la Carte	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	1	09/15/2025

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
A la Carte	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	09/15/2028	10/14/2030

Shipping Locations

Location Number	Street	City	State	Zip	Country
1	101 E Lampkin St	Starkville	MS	39759-2944	USA

Payment Details

Sep 2025						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
aDXRI000000mZmf	101391	AXON FUSUS - CORE - ELITE AI 2.0 44TB HDD	1	$5,000.00	$0.00	$5,000.00
aDXRI000000mZmf	101424	AXON FUSUS - CORE - EXTENDED WARRANTY	1	$0.00	$0.00	$0.00
Total				$5,000.00	$0.00	$5,000.00

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at https://www.axon.com/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

December 2, 2025

Signature

Date Signed

10/2/2025

15. CONSIDERATION OF APPROVAL OF TASK ORDER #6 FOR PLANNING, DESIGN, AND CONSTRUCTION ENGINEERING AND INSPECTION FOR THE NEW PRODUCTION WELL AND WATER TREATMENT PLANT FROM NEEL-SCHAFFER.

Upon the motion of Alderman Moreland, duly seconded by Alderman Pochop, and adopted by the Board to approve the December 2, 2025 Official Agenda, and to accept items for consent, whereby the "approval of task order #6 for planning, design, and construction engineering and inspection for the new production Well and Water Treatment Plant from Neel-Schaffer" is enumerated, this consent item is thereby approved.

ANNOUNCEMENTS AND COMMENTS:

MAYOR'S COMMENTS: Mayor Spruill noted that Starkville Utilities is spreading holiday cheer with its Merry and Bright initiative, offering free LED light bulbs to customers who use or enroll in SmartHub in December. It's a simple way to save on energy costs, especially since LED bulbs use up to 90% less energy and last far longer than traditional lights. And by encouraging SmartHub enrollment, we're giving residents more tools to manage their utility budgets and stay informed all year long. Stop by the Starkville Utilities office during normal business hours to pick up your free light bulbs and learn how to use SmartHub. She also noted the Sanitation Department Christmas holiday schedule.

BOARD OF ALDERMEN COMMENTS: None

CITIZEN COMMENTS:
Alvin Turner, Ward 7, noted that he recently had a birthday and turned 66 years old and that he has two older sisters, Elsie and Linda, who are very protective of him and wants him to stay safe in the community.

PUBLIC APPEARANCE: None

PUBLIC HEARINGS:

SECOND PUBLIC HEARING AND CONSIDERATION OF REVISING THE AGGRESSIVE PANHANDLING ORDINANCE 12.3.09-10 TO PROHIBIT SOLICITING DURING HOURS FROM SUNSET TO SUNRISE.

Mayor Spruill opened the Public Hearing to the public.

Speaking in favor:
Alvin Turner, Ward 7, he stated that there are people who use panhandling as a way to hustle and get over on people and it can be very scary. He would like for people to be good Samaritans. He would like the citizens to be careful because there are people who will try to get over on you just because they can.

There being no additional comments, the Mayor closed the public hearing.

Upon the motion of Alderman Moreland, duly seconded by Alderman Skinner, and adopted by the Board to approve revising the aggressive panhandling ordinance 12.3.09-10 to prohibit soliciting during hours from sunset to sunrise. The Board voted as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Yea
Alderman Mike Brooks	Voted: Yea
Alderman William Pochop	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.

NEEL-SCHAFFER

November 21, 2025

City of Starkville
ATTN: Mayor Lynn Spruill
110 West Main Street
Starkville, MS 39759

**RE: STARKVILLE UTILITIES MASTER SERVICES AGREEMENT – TASK ORDER #6
NEW WATER SUPPLY WELL AND WATER TREATMENT PLANT**

Dear Mayor Spruill:

Neel-Schaffer, Inc. (NSI) is pleased to offer professional services as defined in Exhibit A, Scope of Services, for the above-referenced project. NSI proposes to perform these services for the following hourly, not-to-exceed fees:

Planning and Design Engineering: $247,000
Construction Engineering and Inspection: $152,000

All services proposed herein will be performed in accordance with the Master Services Agreement for Engineering and Professional Services dated September 17, 2024, between the City of Starkville and Neel-Schaffer, Inc. A copy of the executed agreement is attached for reference.

NSI will bill you monthly based on the amount of work completed, and upon receipt of your acceptance, we will proceed with the services. This Task Order and the exhibits may only be modified or amended by a duly executed written document.

If the terms of this Agreement are acceptable, please execute the original and return a copy to us. We appreciate the opportunity to provide services to you and look forward to working with you.

Sincerely,

NEEL-SCHAFFER, INC.

William Sanford, P.E.
Engineer Manager

ACCEPTED: CITY OF STARKVILLE

BY: ______________________ **DATE:** 12/2/25

engineers | planners | surveyors | environmental scientists | landscape architects

P: 662.268.7966 | F: 662.268.7961
101 West Lampkin Street
Starkville, MS 39759
www.neel-schaffer.com

EXHIBIT A

SCOPE OF SERVICES

Engineering Services for New Water Supply Well and Water Treatment Plant Project
Estimated Construction Costs from Capital Improvements Plan = $3,800,000
Planning and Design Engineering Fee = $247,000 (6.5%)
Construction Engineering and Inspection Fee = $152,000 (4.0%)

Planning and Design Engineering
Services shall include the following work:

- Provide limited topographic and boundary survey data for the proposed site as necessary for the design of the project.
- Update the water system hydraulic model to meet the requirements of the MS Dept. of Health Design Criteria using the data provided by SU from its meter accounts or other agreed information for updates.
- Prepare preliminary Construction Documents in accordance with minimum requirements of the MS State Dept. of Health (MSDH) design criteria. Construction Documents shall include use of standard front-end documents provided to the ENGINEER by the OWNER.
- Submit preliminary Construction Documents to the OWNER for review and approval.
- Modify Construction Documents as necessary to reflect any comments by the OWNER.
- Prepare final Construction Documents for procurement of bids by OWNER.
- Submit final Construction Documents to MSDH for approval for construction.
- Design Engineering services will be considered complete upon approval of final Construction Documents by OWNER for public advertisement to secure bids for the PROJECT.
- Assist the OWNER in advertising for and obtaining bids for the Project.
- Prepare and issue final Construction Documents to OWNER for issuance to prospective bidders by way of the plan room used by the OWNER.
- Prepare and issue Addenda to plan room as appropriate to interpret, clarify, correct or expand Construction Documents to each known plan holder.
- Conduct a pre-bid conference if requested by the OWNER.
- Assist with the bid opening if needed, prepare bid tabulation and assist OWNER in evaluating bids.
- Assist the OWNER in the preparation of the documents necessary to complete the award.
- Bidding and Contract Services will be considered complete upon commencement of Construction Engineering services or upon cessation of negotiations with prospective contractors.

Construction Engineering and Inspection
Services shall include the following work:

- Conduct a preconstruction conference for issuance of the Notice to Proceed by the CONTRACTOR.
- General Administration of Construction Contract between OWNER and CONTRACTOR awarded the work.
- The ENGINEER shall consult with and advise OWNER and act as OWNER'S representative; shall issue all instructions of OWNER to CONTRACTOR; and shall act as initial interpreter of the Contract Documents and judge of the acceptability of the work thereunder.
- Visits to Site and Observation of Construction. The ENGINEER shall furnish a Resident Project Representative (RPR) to assist the ENGINEER with periodic observations of progress and quality of the work of the CONTRACTOR at critical stages. RPR services shall be considered part-time, on

an as needed basis, during construction to determine work is proceeding in general conformity with the Contract Documents.

- The ENGINEER shall make periodic site visits only at critical stages of construction to observe as an experienced and qualified design engineer the progress and quality of the various aspects of CONTRACTOR'S work. These services shall be considered part-time, on an as needed basis, during construction. Based on information obtained during such visits and on such observations, the ENGINEER shall endeavor to determine in general if such work is proceeding in accordance with the Contract Documents and shall keep OWNER informed of the progress of the work. The purpose of the ENGINEER'S visits to the site will be to enable him to carry out the duties and responsibilities assigned to and undertaken by him during the Construction Phase, and, in addition, through his experience as a qualified design engineer, to provide for OWNER a greater degree of confidence that the completed work of CONTRACTOR will conform generally to the Contract Documents and that the integrity of the design concept of the completed PROJECT as a functioning whole as indicated in the Contract Documents has been implemented and preserved by CONTRACTOR. On the other hand, the ENGINEER shall not, during such visits or as a result of such observations of CONTRACTOR'S work in progress, supervise, direct or have control over CONTRACTOR'S work; nor shall the ENGINEER have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by Contractor, for safety precautions and programs incident to the work of CONTRACTOR or for any failure of CONTRACTOR to comply with laws, rules, regulations, ordinances, codes or orders applicable to CONTRACTOR'S furnishing and performing the work. Accordingly, the ENGINEER can neither guarantee the performance of the construction contract by CONTRACTOR nor assume responsibility for CONTRACTOR'S failure to furnish and perform his work in accordance with the Contract Documents.
- Defective Work. During such site visits and on the basis of such observations, the ENGINEER may recommend to the OWNER disapproval or rejection of CONTRACTOR'S work if the ENGINEER believes that such work will not produce a completed PROJECT which conforms generally with the Contract Documents or that it will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents.
- Clarifications and Interpretations; Change Orders. The ENGINEER shall issue necessary clarifications and interpretations of the Contract Documents as appropriate to the orderly completion of the work. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the Contract Documents. In connection therewith, if appropriate, the ENGINEER shall recommend Change Orders to OWNER and shall prepare Change Orders as required.
- Shop Drawings. The ENGINEER shall review and approve (or take other appropriate action in respect of) Shop Drawings, samples and other data which CONTRACTOR is required to submit, but only for conformance with the design concept of the completed Project as a functioning whole as indicated in the Contract Documents and compliance with the information given in the Contract Documents. Such reviews and approvals or other action shall not extend to means, methods, techniques, sequences or procedures of construction or to safety precautions and programs incident thereto.
- Substitutes. The ENGINEER shall evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by CONTRACTOR.
- Inspections and Tests. The ENGINEER shall have authority, as OWNER'S representative, to require special inspection or testing of the work, and shall receive and review all certificates of inspections, testing and approvals required by laws, rules, regulations, ordinances, codes, orders or the Contract Documents (but only to determine generally that their content complies with the

requirements of, and the results certified indicate compliance with, the Contract Documents).

- Applications for Payment. Based on the ENGINEER'S on-site observations as an experienced and qualified design engineer and on review of applications for payment and the accompanying data and schedules:
- The ENGINEER shall determine the amounts owed to CONTRACTOR and recommend in writing payments to CONTRACTOR in such amounts. Such recommendations of payment will constitute a representation to OWNER, based on such observations and review, that the work has progressed to the point indicated, and that, to the best of the ENGINEER'S knowledge, information and belief, the quality of such work is generally in accordance with the Contract Documents. In the case of unit price work, the ENGINEER's recommendations of payment will include final determinations of quantities and classification of such work (subject to any subsequent adjustments allowed by the Contract Documents).
- By recommending any payment, the ENGINEER shall not thereby be deemed to have represented that on-site observations made by the ENGINEER to check the quality or quantity of CONTRACTOR'S work as it is performed and furnished have been exhaustive, extended to every aspect of the work in progress, or involved detailed inspections of the work beyond the responsibilities specifically assigned to the ENGINEER in this Agreement and the Contract Documents. The ENGINEER'S review of Contractor's work for the purposes of recommending payments will not impose on the ENGINEER responsibility to supervise, direct or control such work or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto or Contractor's compliance with laws, rules, regulations, ordinances, codes or orders applicable to their furnishing and performing the work. It will also not impose responsibility on the ENGINEER to make any examination to ascertain how or for what purposes any Contractor has used the monies paid on account of the contract price, or to determine that title to any of the work, materials or equipment has passed to OWNER free and clear of any lien, claims, security interests or encumbrances, or that there may not be other matters at issue between OWNER and CONTRACTOR that might affect the amount that should be paid.
- CONTRACTOR'S Completion Documents. The ENGINEER shall receive, review and transmit to OWNER with written comments maintenance and operating instructions, schedules, guarantees, bonds and certificates of inspection, tests and approvals which are to be assembled by CONTRACTOR in accordance with the Contract Documents (but such review will only be to determine that their content complies with the requirements of the Contract Documents); and shall transmit them to OWNER with written comments.
- Substantial Completion. Following notice from CONTRACTOR that CONTRACTOR considers the entire work ready for its intended use, the ENGINEER and OWNER, accompanied by CONTRACTOR, shall conduct an inspection to determine if the work is substantially complete. If, after considering any objections of OWNER, the ENGINEER considers the work substantially complete, the ENGINEER shall deliver a certificate of substantial completion to OWNER and CONTRACTOR.
- Final Notice of Acceptability of the Work. The ENGINEER shall conduct a final inspection to determine if the completed work of CONTRACTOR is acceptable so that the ENGINEER may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, the ENGINEER shall also provide a notice that the work is acceptable to the best of the ENGINEER's knowledge, information and belief and based on the extent of the services performed and furnished by the ENGINEER under this Agreement.
- Record Documents. Upon completion of the work, the ENGINEER shall compile for and deliver to the OWNER a complete set of record documents conforming to information furnished to the

ENGINEER by the CONTRACTOR where applicable. This set of documents shall consist of record specifications and reproducible record drawings showing the reported location of the work. In that record documents are based on information provided by others, the ENGINEER cannot and does not warrant their accuracy.

- Limitation of Responsibilities. The ENGINEER shall not be responsible for the acts or omissions of any CONTRACTOR, or of any subcontractor, any supplier, or of any other person or organization at the site or otherwise furnishing or performing any of the work. The ENGINEER shall not be responsible for CONTRACTOR'S failure to perform or furnish the work in accordance with the Contract Documents.
- Progress Meetings and Reports. During construction, the ENGINEER will schedule and conduct monthly progress meetings as needed with the OWNER, CONTRACTOR and appropriate subcontractors, if any, to discuss progress, scheduling problems, conflicts and observations of all parties involved. The ENGINEER shall also prepare minutes of the meeting.
- Submit final certification to MSDH that the project was completed in general compliance with plans and specifications approved by MSDH for construction.
- Duration of Construction Engineering services. The services for Construction Engineering will commence with the execution of the construction contract for the PROJECT or any part thereof and will terminate upon written recommendation by the ENGINEER of final payment and submission of record documents to OWNER and submittal of final certification to MSDH.

EXCLUDED SERVICES

This scope of work does not anticipate needing and/or does not include:

1. Geotechnical Investigation
2. Utility Location Services
3. Property Acquisition or Easement Services
4. Wetlands or Stream Delineation / Mitigation / Permitting
5. Environmental Site Assessments
6. Re-Bidding of Project
7. Full-Time Inspection During Construction

If additional scope becomes necessary, ENGINEER shall present additional scope and fees to be performed, and we shall proceed with these additional services upon approval.

AGREEMENT FOR ENGINEERING AND PROFESSIONAL SERVICES
BY AND BETWEEN
CITY OF STARKVILLE
AND
NEEL-SCHAFFER, INC.

This **AGREEMENT** made this 17 day of September, 2024, by and between **CITY OF STARKVILLE,** after this called "**OWNER**", and **NEEL-SCHAFFER, INC.**, having its principal place of business at 1115 Stark Road, Starkville, Mississippi 39760, after this called the "**ENGINEER**".

I. DESCRIPTION OF SERVICES

OWNER intends to engage the **ENGINEER** to provide engineering and professional services. It is anticipated that the engineering and professional services will be performed by individual task orders and will consist of the following three general types of work:

Type 1: **Hourly rate services as directed by OWNER, no fee limitations:** Engineering and professional services may be provided in conjunction with, but not limited to, project planning, engineering analysis and evaluations, reports of findings and presentations, grant application planning and submittals, surveys and project layouts, design engineering, construction engineering, cost estimates, mapping, master plan studies and preparation, interaction with regulatory agencies, general consulting services and any other professional services deemed appropriate by the **OWNER**. These tasks will be undertaken with direction by the **OWNER's** representatives. The **ENGINEER** will document the type 1 tasks in the monthly invoice. The **OWNER** can engage the **ENGINEER** for Type 1 services in any verbal or written communication.

Type 2: Such services shall typically consist of the same services described under Type 1 services. The **ENGINEER** will document Type 2 service requests with a written scope of services and estimated man-hours. E-mail can be used for written documentation and approval. Type 2 services can be engaged by the **OWNER's** Representatives

Type 3: Such services shall typically consist of the same services described under Type 1 services. The **ENGINEER** will prepare a task order with a defined scope of work, schedule, hourly rate not-to-exceed or lump sum fee, and is to be approved by the **OWNER** before work begins.

II. ADDITIONAL SERVICES

ENGINEER will provide services in accordance with the Exhibit A, "General Terms and Conditions" attached to and made a part of this **AGREEMENT**. The **OWNER** will pay **ENGINEER** for additional services not specified as Types 1, 2, or 3 on the same basis as for Types 1, 2, or 3 services. For services of independent professional associates and consultants employed by **ENGINEER**, **OWNER** will pay **ENGINEER** the amount billed to **ENGINEER** times a factor of 1.0. Performance of Additional Services and employment of independent professional associates and consultants by **ENGINEER** will require prior written authorization from **OWNER**. **ENGINEER** will submit monthly statements for services rendered.

III. PAYMENT FOR SERVICES

OWNER will pay **ENGINEER** for Type 1, 2, and 3 services on the actual labor rate for the individuals involved times a labor mark-up (LMU) of 2.9. Reimbursable expenses will be billed in addition to the labor costs. Subconsultant expenses and independent professional associate expenses will be billed to **OWNER** at their actual cost to **ENGINEER** times a factor of 1.0. Other reimbursable expenses will be billed to **OWNER** at the **ENGINEER**'s actual cost. Type 3 services may also be negotiated and paid for on a lump sum basis.

Direct Labor Costs used as basis of payment shall mean salaries and wages (basic and incentive) paid to all **ENGINEER**'s personnel engaged directly on the Project including, but not limited to, engineers, surveyors, designers, technicians, inspectors, secretaries, and all other professional, technical and administrative classified personnel; but does not include indirect payroll related costs or fringe benefits.

Both **OWNER** and **ENGINEER** recognize that certain occasions may arise for which the methods of payment to **ENGINEER** set forth in this **AGREEMENT** may not be appropriate or fair to either or both parties. On these occasions, the methods of payment will be negotiated separately, and terms agreed to will be stated on the individual task orders which will supersede the methods of payment specified in the **AGREEMENT**.

IV. TIME SCHEDULE

This **AGREEMENT** shall remain in effect for one year from the date of the contract being executed by both parties and will be automatically renewed annually or will terminate when a new contract is executed.

V. CHANGES TO AGREEMENT

This **AGREEMENT**, along with Exhibit A, "General Terms and Conditions", consisting of five pages represent the complete **AGREEMENT** between **OWNER** and **ENGINEER** and may only be amended, supplemented, modified or canceled by a duly executed written instrument.

VI. ACCEPTANCE

IN WITNESS WHEREOF, the parties hereto have made and executed this **AGREEMENT** as of the day and year first above written.

CITY OF STARKVILLE	**NEEL-SCHAFFER, INC.**
D. Lynn Spruill **Mayor**	**John Cunningham, P.E.** **Vice President**

EXHIBIT A
GENERAL TERMS AND CONDITIONS
PROFESSIONAL SERVICES

1. **Relationship between Consultant and Client**. Neel-Schaffer, Inc. ("Consultant") shall serve as the Client's professional consultant in those phases of the Project to which this Agreement applies. The relationship is that of a buyer and seller of professional services and it is understood that the parties have not entered into any joint venture or partnership with the other. Consultant shall not be considered to be the agent or fiduciary of the Client.

2. **Responsibility of Consultant**. Consultant will perform services under this Agreement in a manner consistent with that standard of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions (the "Standard of Care"). No other representation, warranty or guarantee, express or implied, is included or intended in this Agreement or in any report, opinion, document, or otherwise.

3. **Responsibility of the Client**. Client shall provide all information and criteria as to its requirements for the Project, including budgetary limitations. Client shall arrange for Consultant to enter upon public and private property and obtain all necessary approvals required from all governmental authorities having jurisdiction over the Project. Client shall give prompt written notice to Consultant whenever Client observes or otherwise becomes aware of any development that affects the scope or timing of Consultant's services.

   The Client shall promptly report to the Consultant any defects or suspected defects in the Consultant's services of which the Client becomes aware, so that Consultant may take measures to minimize the consequences of such a defect. Should legal liability for the defects exist, failure by the Client to notify the Consultant shall relieve the Consultant of any liability for costs of remedying the defects above the sum such remedy would have cost had prompt notification been given when such defects were first discovered.

4. **Construction Phase Services**. If Consultant's scope of services includes the observation and monitoring of work performed by Client's separate contractors, Consultant shall provide personnel to observe and monitor the work in accordance with the Standard of Care in order to ascertain that it is being performed, in general, in accordance with the plans and specifications. Consultant shall not supervise, direct, or have control over the contractor's work. Consultant shall not have authority over or responsibility for construction means, methods, techniques, sequences or procedures or for safety precautions and programs in connection with the work of the contractor. Consultant does not guarantee the performance of the construction contract by the contractor and does not assume responsibility for the contractor's failure to furnish and perform its work in accordance with the plans and specifications.

   In the event Consultant's scope of services does not include the observation and monitoring of work performed by Client's separate contractors, the Client assumes all responsibility for construction observation, and Client waives any claims against Consultant arising therefrom.

5. **Designation of Authorized Representatives**. Each party shall designate one or more persons to act with authority on its behalf with respect to appropriate aspects of the Project. The persons designated shall review and respond promptly to all communications received from the party.

6. **Ownership of Documents**. All reports, notes, drawings, specifications, data, calculations, and other documents, including those in electronic form prepared by Consultant are instruments of Consultant's service that shall remain Consultant's property. The Client agrees not to use Consultant generated documents for projects other than the project for which the documents were prepared by Consultant, or for future modifications to the Project, without Consultant's express written permission. Any reuse or distribution to third parties without such express written permission or project-specific adaptation by Consultant will be at the Client's sole risk and without liability to Consultant or its employees, subsidiaries, and subconsultants.

7. **Opinion of Costs**. When required as a part of its scope of services, Consultant will furnish opinions or estimates of construction cost on the basis of Consultant's experience and qualifications, but Consultant does not guarantee the accuracy of such estimates. The parties recognize that Consultant has no control over the cost of labor, material, equipment, or services furnished by others or over market conditions or contractors' methods of determining prices.

8. **Changes or Delays**. In the event new developments or circumstances beyond the control of Consultant require a change in the scope of services or schedule, Consultant shall be entitled to an equitable adjustment to the fee and/or schedule. Such events include, but are not limited to, unreasonable delays caused by Client's failure to provide specified direction or information, delays caused by Client's other contractors or consultants, or if Consultant's failure to perform is due to any act of God, labor shortage, fire, inclement weather, act of governmental authority, failure of transportation, accident, power failure, or interruption or any other cause beyond the reasonable control of Consultant.

9. **Suspension of Services**. Client may, at any time, by written notice, suspend further services by Consultant. Upon receipt of such notice, Consultant shall take all reasonable steps to mitigate costs allocable to the suspended services. Client, however, shall pay all reasonable and necessary costs associated with such suspension including the cost of assembling documents, personnel and equipment, rescheduling or reassignment costs necessary to maintain continuity and the staff required to resume the services upon expiration of the suspension. Consultant will not be obligated to provide the same personnel in the event the period of any suspension exceeds 30 days.

10. **Termination**. This Agreement may be terminated by either party upon 30 days' written to the other party. Upon such termination, Client shall pay Consultant for all services performed up to the date of termination. If Client is the terminating party, Client shall pay Consultant all reasonable cost and expenses incurred by Consultant in effecting the termination, including but not limited to non-cancellable commitments and demobilization costs, if any.

11. **Indemnification.** Consultant shall indemnify and hold harmless Client from and against those damages and costs (including reasonable attorneys' fees) that Client incurs as a result of third party claims for personal injury or property damage to the extent caused by the negligent acts, errors or omissions of Consultant.

12. **Legal Proceedings**. In the event Consultant or its employees are required by Client to provide testimony, answer interrogatories, produce documents or otherwise provide information in relation to any litigation, arbitration, proceeding or other inquiry arising out of Consultant's services, where Consultant is not a party to such proceeding, Client will compensate Consultant for its services and reimburse Consultant for all related direct costs incurred in connection with providing such testimony or information. This provision shall not apply in the event Client engages Consultant to provide expert testimony or litigation support, which services shall be the subject of a separate agreement or an amendment to this Agreement.

13. **Successors and Assigns**. The terms of this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns;

    provided however, that neither party shall assign this Agreement in whole or in part without the prior written consent of the other party.

14. **Insurance**. Consultant agrees to maintain the following insurance coverage with the following limits of insurance during the performance of Consultant's work hereunder:

    (a) Commercial General Liability insurance with standard ISO coverage and available limits of $1,000,000 per occurrence and $2,000,000 general aggregate;
    (b) Automobile Liability insurance with standard ISO coverage and available combined single limits of
    $1,000,000 per accident;
    (c) Worker's Compensation insurance with limits as required by statute and Employer's Liability insurance with limits of $1,000,000 per employee for bodily injury by accident/$1,000,000 per employee for bodily injury by disease/$1,000,000 policy limit for disease; and
    (d) Professional Liability insurance covering Consultant's negligent acts, errors, or omissions in the performance of professional services with available limits of $1,000,000 per claim and annual aggregate.

    Consultant shall provide evidence of procuring the above insurance coverages by delivering a certificate of insurance to Client prior to the start of Consultant's work and annually upon renewal of coverage. Consultant shall cause Client to be named as an additional insured on Consultant's commercial general liability policy, which shall be primary and noncontributory.

15. **Information Provided by the Client.** Consultant shall be entitled to rely upon, without liability, the accuracy and completeness of any and all information provided by Client, without the obligation of independent verification.

16. **Omitted**.

17. **Payment.** Unless agreed to otherwise, Consultant shall submit monthly invoices to the Client. Payment in full shall be due upon receipt of the invoice. Payment of any invoices by the Client shall be taken to mean that the Client is satisfied with the Consultant's services to the date of the payment and is not aware of any deficiencies in those services. If payments are delinquent after 45 days from invoice date, the Client agrees to pay interest on the unpaid balance at the rate of one percent (1%) per month. If the Client fails to make payments; then Consultant, after giving seven (7) days written notice to the Client, may suspend services until the Client has paid in full all amounts due for services, expenses, and other related charges without recourse to the Client for loss or damage caused by such suspension. The Client waives any and all claims against the Consultant for any such suspension. Payment for Consultant's services is not contingent on any factor, except the Consultant's ability to provide services in a manner consistent with

that Standard of Care. Payment of invoices shall not be subject to any discounts, set-offs or back-charges unless agreed to in writing by both parties. If the Client contests an invoice, the Client may withhold only that portion so contested and shall pay the undisputed portion, after the Client has notified Consultant in writing within 30 days of receiving the invoice and shall identify the specific cause of the disagreement and the amount in dispute.

18. **Force Majeure**. Neither Client nor Consultant shall be liable for any fault or delay caused by any contingency beyond their control, including but not limited to, acts of God, wars, strikes, walkouts, fires, natural calamities, or demands or requirements of governmental agencies.

19. **Compliance with Laws**. To the extent they apply to its employees or its services, Consultant shall exercise due professional care to comply with all applicable laws, including ordinances of any political subdivisions or governing agencies.

20. **Invalid Terms**. If any provisions of this Agreement are held to be invalid or unenforceable, the remaining provisions shall be valid and binding as if the unenforceable provisions were never included in the Agreement.

21. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the state where the services are performed.

22. **Dispute Resolution.** All disputes, controversies or claims, of whatever kind or character, between the Parties, their agents and/or principals, arising out of or in connection with the subject matter of this Agreement shall be litigated in a court of competent jurisdiction.

23. **Additional Services.** Consultant shall be entitled to an equitable adjustment of its fee for services resulting from significant changes in the general scope, extent or character of the Project or its design including, but not limited to, changes in size, complexity, Client's schedule, construction schedule, character of construction or method of financing; and revising previously accepted studies, reports, design documents or other documents when such revisions are required by changes in laws, rules, regulations, ordinances, codes or orders enacted subsequent to the preparation of such studies, reports or documents, or are due to any other causes beyond Consultant's control.

24. **Amendment**. This Agreement may only be amended in writing and where such amendment is executed by a duly authorized representatives of each party.

25. **Entire Understanding of Agreement**. This Agreement represents and incorporates the entire understanding of the parties hereto, and each party acknowledges that there are no warranties, representations, covenants or understandings of any kind, matter or description whatsoever, made by either party to the other except as expressly set forth herein. Client and Consultant hereby agree that any purchase orders, invoices, confirmations, acknowledgments or other similar documents executed or delivered with respect to the subject matter hereof that conflict with the terms of this Agreement shall be null, void and without effect to the extent they conflict with the terms of this Agreement.

26. **Survival of Provisions.** The provisions of this Agreement shall continue to be binding upon the parties hereto notwithstanding termination of this Agreement for any reason.

27. **Nonwaiver**. No waiver by a party of any provision of this Agreement shall be deemed to have been made unless in writing and signed by such party.

28. **Identity of Project Owner**. Within ten (10) days of the entry of this Agreement, Client, if Client is not the Project Owner, shall provide to Consultant the Project Owner's full legal name; Project Owner's physical address; Project Owner's mailing address; and the name, physical address and mailing address of the Client's point of contact with the Owner for the Project.

29. **Conflicting Terms**. In the event that there are multiple agreements with varying or conflicting terms and conditions between Client and Consultant, the terms and conditions contained in this Agreement shall supersede and have precedence over any other conflicting terms and conditions contained in any other written or oral agreement.

30. **Course of Dealing**. Client and Consultant agree that these General Terms and Conditions establish a course of dealing between them and shall apply to this and all other services, projects, agreements or dealings between the them, unless Client or Consultant gives the other written notice of objection to any term or condition before commencement of performance in connection with any other provision of services or projects involving the two of them.

31. **Omitted.**

PUBLIC HEARINGS:

SECOND PUBLIC HEARING AND CONSIDERATION OF REVISING THE AGGRESSIVE PANHANDLING ORDINANCE 12.3.09-10 TO PROHIBIT SOLICITING DURING HOURS FROM SUNSET TO SUNRISE.

Mayor Spruill opened the Public Hearing to the public.

Speaking in favor:
Alvin Turner, Ward 7, he stated that there are people who use panhandling as a way to hustle and get over on people and it can be very scary. He would like for people to be good Samaritans. He would like the citizens to be careful because there are people who will try to get over on you just because they can.

There being no additional comments, the Mayor closed the public hearing.

Upon the motion of Alderman Moreland, duly seconded by Alderman Skinner, and adopted by the Board to approve revising the aggressive panhandling ordinance 12.3.09-10 to prohibit soliciting during hours from sunset to sunrise. The Board voted as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Yea
Alderman Mike Brooks	Voted: Yea
Alderman William Pochop	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.

ORDINANCE 2025-05

AN ORDINANCE ENACTING SECTIONS 12.3.09-10 OF THE CITY OF STARKVILLE CODE OF ORDINANCES PRESCRIBING THE PROHIBITIONS OF CRIMINAL LOITERING AND AGGRESSIVE SOLICITATION AND ASSESSING THE PENALITIES FOR VIOLATION OF EACH

WHEREAS, pursuant to Miss. Code Ann. § 21-19-15 (1972, as amended), the governing authorities of municipalities shall have power to make all needful police regulations necessary for the preservation of good order and peace of the municipality and to prevent injury to, destruction of, or interference with public or private property; and

WHEREAS, pursuant to Miss. Code Ann. § 21-37-3 (1972, as amended), the governing authorities of municipalities shall have the power to exercise full jurisdiction in the matter of streets, sidewalks, public infrastructure, and parks; and

WHEREAS, the City of Starkville Code of Ordinances contains provisions concerning the prohibition of certain conduct in public or private spaces that are deemed to pose a danger to the general public, health, safety and welfare, including the prohibitions on the discharge of weapons, large assemblies that interfere with public travel and the riding of scooters on public sidewalks; and

WHEREAS, the City of Starkville does not currently have an ordinance, nor is there any Mississippi Law that generally prohibits the standing, lurking, loitering of positioning of oneself in certain designated places in any manner restricting the free flow of pedestrian and vehicular traffic, endangering themselves, the public or any public safety personnel, or creating reasonable fear of danger to the personal safety and welfare of the immediate community; and

WHEREAS, there is additionally no ordinance nor state law that generally prohibits the acts associated with aggressive solicitation that are detrimental to the public health, safety and welfare such as using intimidating or coercive conduct, soliciting from individuals under the age of 18, soliciting from individuals while those individuals are especially vulnerable, or where solicitation may interfere with the flow of pedestrian or vehicular traffic; and

WHEREAS, the City of Starkville has seen an increase in its homeless population and the number of homeless related contacts by the Starkville Police Department and this increase in the local homeless population directly correlates with an increase in cases of loitering and aggressive solicitation activity at or near heavily traveled public streets, entryways to public establishments, and on private properties, and such conduct poses a significant threat to the public health, safety and welfare; and

WHEREAS, the City of Starkville has a necessary interest in protecting the health and safety of the public, public safety personnel, and individuals that lawfully assemble in public and private places by negating the risks posed by loitering and aggressive solicitation upon vehicular and pedestrian traffic, waterways, private establishments, railroads, and other public and private spaces; and

WHEREAS, the provisions adopted hereby are narrowly tailored to achieve the necessary interests stated above.

NOW, THEREFORE BE IT ORDAINED by the governing authorities of the City of Starkville, Mississippi, the following, to-wit:

I. The prefatory findings of this Ordinance are hereby accepted, incorporated herein and found to be a proper exercise of the policing power of the City of Starkville, Mississippi.

II. Section 12.3.09 of the City of Starkville Code of Ordinance shall be created and shall state the following:

Section 12.3.09: Criminal Loitering

(a) A person commits the offense of criminal loitering if the person:

a. Stands, lurks, loiters, or positions themself, or causes a minor under their supervision to stand, lurk, loiter or position themself within or upon the following places in any manner restricting the free flow of pedestrian and vehicular traffic, endangering themselves, the public or any public safety personnel, or creating reasonable fear of danger to the personal safety and welfare of the immediate community:

i. In front of any private driveway, or any portion thereof in any manner that may obstruct the ingress and egress to and from such private driveway;

ii. On any private property, unless such person has actual permission from the property owner, or their duly authorized agent, to be present on the property;

iii. Upon any sidewalk, alley or public space as to cause an interference with the normal operations of any business or office;

iv. Within or about the driving lane of any public road, street, or highway including any crosswalk or bicycle lane;

v. Along any creek, ditch, or waterway;

vi. Within fifty (50) feet of the intersection of two or more streets, including on-ramps and off-ramps, when any street thereof has an Average Daily Traffic Count exceeding two thousand (2,000) vehicles;

vii. Within twenty-five (25) feet of any street right of way, including the on-ramps and off-ramps thereof, when such street has an Average Daily Traffic Count exceeding two thousand (2,000) vehicles;

viii. Within twenty-five (25) feet of any street right of way, including the on-ramps and off-ramps thereof, when such street has a designated speed limit in excess of 35 miles per hour.

ix. Within thirty (30) feet upon the approach to any flashing beacon, stop sign, or other traffic-control signal located at the side of a roadway;

x. Within twenty-five (25) feet of the centerline of any railroad;

xi. Alongside or opposite any street or right-of-way construction zone or other roadway obstruction;

xii. Upon any bridge, or other elevated structure upon a street, or within a street tunnel;

xiii. At any place where official signs prohibit such activity;

xiv. Within or about any government building when not otherwise engaged in any lawful conduct; or

xv. At any other place where doing so may obstruct the free flow of traffic and pedestrians, endanger the public safety and welfare, or create reasonable fear of danger to the personal safety and welfare of the immediate community.

b. For this section, Average Daily Traffic Count shall be defined as the quotient of the total traffic volume recorded during any given period and divided by the total number of days in that period. The period for recording such a traffic count shall never be less than 48 consecutive hours.

(b) Any person committing the offense of criminal loitering as defined by this chapter shall be guilty of a misdemeanor, and upon conviction thereof for a first offense, shall receive a fine not to exceed $250, or imprisoned for a period not to exceed 1-month, or both, For each subsequent conviction, the offender shall receive a fine not to exceed $500, or imprisoned for a period of up to 90-days, or both.

III. Section 12.3.10 of the City of Starkville Code of Ordinances shall be created and shall state the following:

Section 12.3.10: Aggressive Panhandling

(a) Definitions. In this section, the following definitions apply:

Aggressive Manner, Aggressive Behavior or ***Aggressively*** means:

a. Using violent or threatening gestures toward a person;

b. Continuing to solicit from a person after the person has given a negative response to such soliciting;

c. Intentionally touching or causing physical contact with another person without that person's consent while soliciting;

d. Intentionally blocking or interfering with the safe or free passage of a pedestrian or vehicle by any means, including causing a pedestrian or vehicle operator to take evasive action to avoid physical contact;

e. Soliciting money from anyone who is waiting in line for tickets, for entry to a building or for any other purpose;

f. Approaching or following a person for solicitation individually or as part of a group of two or more persons, in a manner and with conduct, words, or gestures intended or likely to cause a reasonable person to fear imminent bodily harm or damage to or loss of property or otherwise to be harassed or intimidated into giving money or other thing of value;

g. Soliciting, begging or panhandling of minors less than 18 years of age; or

h. While also being in violation of the provisions of Section 19-6 of this Code.

Automated Teller Machine. A device, linked to a bank or financial institution's account records, which can carry out transactions, including, but not limited to account transfers, deposits, cash withdrawals, balance inquiries, and mortgage and loan payments which are made available to banking customers.

Bank. A bank, savings bank, savings and loan association, credit union, trust company, or similar financial institution.

Check Cashing Business. An entity in the business of cashing checks, drafts, or money orders for consideration.

Parking Meter or ***Parking Pay Station.*** A location on a street, parking lot or parking garage where people pay, for parking by either cash or credit, to a person or at a machine or other device designed to accept payment for parking.

Private Building. Shall be deemed to include, but is not limited to, retail or service establishments, such as restaurants, convenience food stores, laundromats, service stations, hotels, offices, and similar privately owned establishments open to the public. This term does not include any building owned, leased or operated by the federal or state government, political subdivisions thereof, municipalities, special districts, any public administration board or authority of the state.

Public Area. An area to which the public has access and includes, but is not limited to, the common area of a hospital, apartment house, office building, transport facility, shop, basement, building entrance or doorway, lobby, hallway, stairway, mezzanine, elevator, foyer, public restroom or sitting room or any other place used in common by the public, tenants, occupants or guests situated in any private building.

Public Place. A place to which a governmental entity has title to which the public has access, including, but not limited to any street, highway, sidewalk, walkway, parking lot, plaza, transportation facility, school, place of amusement, park, or playground.

Solicit, Ask, Beg or ***Panhandle.*** To request, by the spoken, written, or printed word, or by other means of communication an immediate donation or transfer of money or another thing of value from another person, regardless of the solicitor's purpose or intended use of the money or other thing of value, and regardless of whether consideration is offered, or to advertise or market anything of value in an Aggressive Manner as to coerce potential customers to take action.

(b) A person commits the offense of aggressive panhandling if the person solicits or markets:

a. In an Aggressive Manner in any place; or

b. Within 20 feet of the following areas where the public is considered vulnerable or where solicitation would interfere with the flow of pedestrian or motor vehicle traffic:

    i. An automated teller machine;
    ii. The entrance or exit of a bank;
    iii. The entrance or exit of a check cashing business;
    iv. An authorized charitable contribution activity;
    v. A parking meter or parking pay station on a street;
    vi. A public parking garage or parking lot pay station;
    vii. The entrance, exit or outdoor seating area of a restaurant, or the service area of an outdoor eating establishment;
    viii. In a bus, at a bus station or stop, or at a facility operated by a transportation authority for passengers including but not limited to any school bus stop;
    ix. An entrance of a commercial building;
    x. Within fifty (50) feet from any land owned by a public or private school and used in whole or in part for providing education services to any children 18 years of age and younger;
    xi. Within ten (10) feet of a gas station, liquor store, or convenience store property;
    xii. In a public restroom; or
    xiii. At a public event that is operating by permit issued by the city at or on any city property as defined in the city code.

c. The solicitation of contributions while standing on a traffic median, shoulder, improved shoulder, sidewalk, or the improved portion of the roadway from occupants of any vehicle on a roadway, street or thoroughfare shall only be permitted in compliance with applicable terms and conditions set out in this Code, including, but not limited to, Section 19-6, provided that such solicitations are not in an aggressive manner as defined in this section.

d. Solicits during the hours from sunset to sunrise.

(c) *Private property.*

a. No person may solicit, ask, beg or panhandle on private property or residential property without permission from the owner or occupant.

b. It shall be unlawful for any person to:

    i. Solicit, ask, beg or panhandle, as those terms are defined in this section, in any public room in any private building, without the written permission or consent of the building's owner or managing and authorizing agent. For enforcement of this subsection, it is presumed that if the owner, lessee, managing agent or other person in charge of a building prominently displays a sign as provided in subsection (iii), then the activities declared unlawful in this section are deemed to be without the permission or consent of the building's owner, lessee, managing agent or other person.

ii. Solicit, ask, beg or panhandle, as those terms are defined in this chapter, on any private property where the owner, lessee, managing agent or other person in charge of such property displays a sign as provided in subsection (iii).

iii. *Conspicuous notice.* To invoke the protections afforded under this section, each owner, lessee, managing agent or person in charge of the operation of a private building or private property shall prominently display a sign on the premises, such as the lobby or entrance of the private building or private property, where it may be read by any person going in or out of the building or private developed property stating generally: "NO PANHANDLING PERMITTED SEC. 12.3.09 CITY OF STARKVILLE CODE OF ORDINANCES" "NO SOLICITORS" or "NO SOLICITATION."

(d) Any person who engages in any activity specified in subsection (b) or (c) shall be guilty of a misdemeanor punishable by a fine not exceeding $1,000, or imprisonment for a period not to exceed 90-days, or both.

IV. This ordinance shall go into effect thirty (30) days after passage. The City Clerk shall cause this ordinance to be published at least one (1) time in the Starkville Daily News and to post a copy at three locations within the municipality in accordance with Miss. Code Ann. § 21-17-9.

After a full discussion of this matter, this Ordinance was reduced to writing, and with no request having been made for the same to be read aloud, Alderman Moreland moved that that foregoing Ordinance be adopted and said motion was seconded by Alderman Skinner, and upon the matter being put to vote, the results were as follows:

ALDERMAN KIM MORELAND	voted Yea
ALDERMAN SANDRA SISTRUNK	voted Yea
ALDERMAN KYLE SKINNER	voted Yea
ALDERMAN MIKE BROOKS	voted Yea
ALDERMAN WILLIAM POCHOP	voted Yea
VICE MAYOR ROY A'. PERKINS	voted Yea
ALDERMAN HENRY VAUGHN	voted Yea

WHEREUPON the foregoing Ordinance was declared, passed and adopted at a regular meeting of the Board of Aldermen on this the 2nd day of December, 2025

[SIGNATURES ON FOLLOWING PAGE]

CITY OF STARKVILLE, MISSISSIPPI

ATTEST:

Joanna McL

JOANNA MCLAURIN, City Clerk

APPROVED:

D. Spruill

D. LYNN SPRUILL, Mayor

12/2/25

DATE

16. CONSIDERATION AND APPROVAL OF THE RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AUTHORIZING AND DIRECTING THE ISSUANCE OF COMBINED WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2026, OF THE CITY OF STARKVILLE, MISSISSIPPI, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $10,000,000, TO PROVIDE FUNDS FOR IMPROVING, REPAIRING, AND EXTENDING THE COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; PRESCRIBING THE FORM AND INCIDENTS OF THE SERIES 2026 BONDS; PROVIDING FOR THE COLLECTION, SEGREGATION, AND DISTRIBUTION OF THE REVENUES TO BE DERIVED FROM THE OPERATION OF THE SYSTEM IN AMOUNTS SUFFICIENT TO PAY THE COST OF THE OPERATION AND MAINTENANCE THEREOF AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE SERIES 2026 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 SERIES 2026 BONDS; AUTHORIZING BOND INSURANCE; AUTHORIZING A BOND RATING; OFFERING THE SERIES 2026 BONDS FOR SALE; APPROVING AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE SERIES 2026 BONDS; AUTHORIZING THE EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE SERIES 2026 BONDS; ACKNOWLEDGING AND AUTHORIZING THE EXECUTION OF POST ISSUANCE COMPLIANCE PROCEDURES; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT PERTAINING TO THE SERIES 2026 BONDS; AND FOR RELATED PURPOSES.

Alderman Vaughn stated that he supported economic development and growth in the City. He expressed his continued concern with bond issuance on water and sewer infrastructure in the City, while residents on Henderson Road/Sandhill have been without City sewer services since that area was annexed roughly 27 years ago. He requested that the City prioritize this area with any dollars that were available for sewer services.

Mayor Spruill spoke about the status of the CDBG grant that should help with Henderson Road/Sandhill. She agreed that this area should be considered when dollars were available.

Vice-Mayor Perkins spoke about his support for issues raised by Alderman Vaughn. He also noted similar issues at Babylon, Barbeque Road and Deerfield. He suggested that the Board get a status update from Phylis Benson on the CDBG grant.

Alderman Moreland said that she has spoken with Ms. Benson and understands that she will know more about the CDBG grant in January 2026.

Alderman Sistrunk stated that she understands the concerns of Alderman Vaughn and that the City should consider allowable usages of bond funds when the money is available.

Upon the motion of Alderman Sistrunk, duly seconded by Alderman Moreland, and adopted by the Board to approve the resolution of the Mayor and Board of Aldermen of the City of Starkville, Mississippi, authorizing and directing the issuance of combined Water and Sewer System Revenue Bonds, series 2026, of the City of Starkville, Mississippi, in the maximum aggregate principal amount of $10,000,000, to provide funds for improving, repairing, and extending the combined water and sewer system of the municipality; prescribing the form and incidents of the series 2026 bonds; providing for the collection, segregation, and distribution of the revenues to be derived from the operation of the system in amounts sufficient to pay the cost of the operation and maintenance thereof and to pay the principal of and interest on the series 2026 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 series 2026 bonds; authorizing bond insurance; authorizing a bond rating; offering the series 2026 bonds for sale; approving and authorizing the distribution of a preliminary official statement pertaining to the sale of the series 2026 bonds; authorizing the execution and distribution of an official statement pertaining to the sale of the series 2026 bonds; acknowledging and authorizing the execution of post issuance compliance procedures; authorizing the execution of a continuing disclosure agreement pertaining to the series 2026 bonds; and for related purposes. The Board voted as follows:

Alderman Kim Moreland	Voted: Yea
Alderman Sandra Sistrunk	Voted: Yea
Alderman Kyle Skinner	Voted: Yea
Alderman Mike Brooks	Voted: Yea
Alderman William Pochop	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.

AGENDA ITEM DEPT.: Board Business

CITY OF STARKVILLE COVERSHEET **AGENDA DATE: December 2, 2025**

RECOMMENDATION FOR BOARD ACTION **PAGE:** Page 1

SUBJECT: Consideration and Approval of the Resolution of the Mayor and Board of Aldermen of the City of Starkville, Mississippi, authorizing and directing the issuance of combined water and sewer system revenue bonds, series 2026, of the city of Starkville, Mississippi, in the maximum aggregate principal amount of $10,000,000, to provide funds for improving, repairing, and extending the combined water and sewer system of the municipality; prescribing the form and incidents of the series 2026 bonds; providing for the collection, segregation, and distribution of the revenues to be derived from the operation of the system in amounts sufficient to pay the cost of the operation and maintenance thereof and to pay the principal of and interest on the series 2026 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 series 2026 bonds; authorizing bond insurance; authorizing a bond rating; offering the series 2026 bonds for sale; approving and authorizing the distribution of a preliminary official statement pertaining to the sale of the series 2026 bonds; authorizing the execution and distribution of an official statement pertaining to the sale of the series 2026 bonds; acknowledging and authorizing the execution of post issuance compliance procedures; authorizing the execution of a continuing disclosure agreement pertaining to the series 2026 bonds; and for related purposes.

REQUESTING DEPARTMENT: Board Business

SUGGESTED MOTION: Move approval of the Resolution of the Mayor and Board of Aldermen of the City of Starkville, Mississippi, authorizing and directing the issuance of combined water and sewer system revenue bonds, series 2026, of the city of Starkville, Mississippi, in the maximum aggregate principal amount of $10,000,000, to provide funds for improving, repairing, and extending the combined water and sewer system of the municipality; prescribing the form and incidents of the series 2026 bonds; providing for the collection, segregation, and distribution of the revenues to be derived from the operation of the system in amounts sufficient to pay the cost of the operation and maintenance thereof and to pay the principal of and interest on the series 2026 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 series 2026 bonds; authorizing bond insurance; authorizing a bond rating; offering the series 2026 bonds for sale; approving and authorizing the distribution of a preliminary official statement pertaining to the sale of the series 2026 bonds; authorizing the execution and distribution of an official statement pertaining to the sale of the series 2026 bonds; acknowledging and authorizing the execution of post issuance compliance procedures; authorizing the execution of a continuing disclosure agreement pertaining to the series 2026 bonds; and for related purposes.

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AUTHORIZING AND DIRECTING THE ISSUANCE OF COMBINED WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2026, OF THE CITY OF STARKVILLE, MISSISSIPPI, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $10,000,000, TO PROVIDE FUNDS FOR IMPROVING, REPAIRING, AND EXTENDING THE COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; PRESCRIBING THE FORM AND INCIDENTS OF THE SERIES 2026 BONDS; PROVIDING FOR THE COLLECTION, SEGREGATION, AND DISTRIBUTION OF THE REVENUES TO BE DERIVED FROM THE OPERATION OF THE SYSTEM IN AMOUNTS SUFFICIENT TO PAY THE COST OF THE OPERATION AND MAINTENANCE THEREOF AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE SERIES 2026 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 SERIES 2026 BONDS; AUTHORIZING BOND INSURANCE; AUTHORIZING A BOND RATING; OFFERING THE SERIES 2026 BONDS FOR SALE; APPROVING AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE SERIES 2026 BONDS; AUTHORIZING THE EXECUTION AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING TO THE SALE OF THE SERIES 2026 BONDS; ACKNOWLEDGING AND AUTHORIZING THE EXECUTION OF POST ISSUANCE COMPLIANCE PROCEDURES; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT PERTAINING TO THE SERIES 2026 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 Series 2026 Bonds pursuant to the requirements of this Bond Resolution, the Series 2019 Bonds, the Series 2025A Bonds, the Series 2025B Bonds, and the Loans.

"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 undertaking activities for the purpose of studying the System and determining the nature and extent of the necessary improvements, repairs, and extensions to the System.

"Bonds" or "Bond" shall mean the Series 2026 Bonds 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 Watkins & Eager PLLC, 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 Series 2026 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 adopted Tuesday, December 2, 2025, by the Governing Body, authorizing and directing the issuance of the Series 2026 Bonds.

"Bond Year" shall mean the period beginning on the Closing Date and ending on the last day of September next occurring and each one-year period thereafter during which any Series 2026 Bonds remain Outstanding; provided, however, that the final Bond Year shall end on the date the Series 2026 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 Series 2026 Bonds shall mean the date of issuance and delivery of the Series 2026 Bonds to the Purchaser, and with respect to any Additional Bonds, shall mean the date of issuance and delivery of such Additional Bonds.

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

“Consulting Engineer” shall mean such competent engineers or engineering firm(s) as are employed by the Municipality or 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.

“Contingent Fund” shall mean the Combined Water and Sewer 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 Combined Water and Sewer 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.

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

"Loans" shall mean any loans for the System existing on the date of issuance of the Series 2026 Bonds resulting from any loan agreements entered into by the Municipality under any loan programs of the State.

"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.

"Municipal Advisor" shall mean Stephens Inc., Ridgeland, 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 of the System remaining after payment of Current Expenses.

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

"Operation and Maintenance Fund" shall mean the Combined Water and Sewer 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 this 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 Series 2026 Bonds, and to serve as registrar and transfer agent for the registration of Registered Owners of the Series 2026 Bonds, and for the performance of other duties as may be herein or hereafter specified by the Governing Body.

"Payment Date" shall mean such dates as are detailed in the Notice and continuing until the last such date on which any of the Series 2026 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 Loans, 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 providing funds for (i) the Authorized Purpose, to be made in substantial accordance with the plans and specifications, as they may be amended and supplemented, prepared by the Consulting Engineer, (ii) funding a capitalized interest account, if necessary, and a debt service reserve account, if necessary, and (iii) the payment of the costs to authorize, issue, sell, validate, and deliver the Series 2026 Bonds.

"Purchaser" shall mean the successful bidder for the Series 2026 Bonds, to be hereafter designated by resolution of the Governing Body.

"Record Date" shall mean, as to interest payments, the 15th day of the month preceding the dates set for payment of interest on the Series 2026 Bonds and, as to payments of principal, the 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 2026 Bond, the principal amount of such Series 2026 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) 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) 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) 10% of the aggregate Outstanding principal of the Refunded Issue plus 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) 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.

"Revenue Fund" shall mean the Combined Water and Sewer 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.

"Series 2019 Bonds" shall mean the $10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2019, dated and issued May 1, 2019, and maturing May 1, 2039.

"Series 2025A Bonds" shall mean the $7,000,000 Combined Water and Sewer System Revenue Bonds, Series 2025A, of the Municipality, dated and issued May 21, 2025, and maturing on February 1, 2045.

"Series 2025B Bonds" shall mean the $8,000,000 Combined Water and Sewer System Revenue Bonds, Series 2025B, of the Municipality, authorized by the Governing Body pursuant to that certain bond resolution, adopted on November 5, 2024, but not yet issued as of the date of this Bond Resolution.

"Series 2026 Bonds" shall mean the Combined Water and Sewer System Revenue Bonds, Series 2026, of the Municipality, in the maximum aggregate principal amount of $10,000,000, authorized and directed to be issued in this Bond Resolution.

"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.

"State" shall mean the State of Mississippi.

"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 combined waterworks, water supply, sewage, and sewage disposal 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 Tuesday, July 15, 2025, the Governing Body adopted a resolution entitled, **"RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, DECLARING THE INTENTION TO ISSUE COMBINED WATER AND SEWER SYSTEM REVENUE BONDS OF THE MUNICIPALITY, IN THE MAXIMUM PRINCIPAL AMOUNT OF $10,000,000, IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE EXISTING COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; DIRECTING PUBLICATION OF NOTICE OF SUCH INTENTION; AND FOR RELATED PURPOSES"** (the "Resolution of Intent"), wherein the Governing Body found, determined, and adjudicated that it is necessary that the Series 2026 Bonds be issued in the amount, for the purpose, and secured as aforesaid, declared its intention to issue the Series 2026 Bonds, and fixed Tuesday, August 19, 2025, at 5:30 p.m., as the

date and hour on which it proposed to authorize the issuance of the Series 2026 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 Resolution of Intent, the Resolution of Intent was published once a week for at least three 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, the Resolution of Intent having been published in *The Starkville Daily News* on July 22, 2025, July 29, 2025, and August 5, 2025, the third such publication being more than 10 days prior to August 19, 2025, the date set for the filing of protests on the matter of authorizing the issuance of the Series 2026 Bonds, as evidenced by the publisher's affidavit, attached hereto as **Attachment D**.

4. On Tuesday, August 19, 2025, at 5:30 p.m., the date and hour on which it was proposed to authorize the issuance of the Series 2026 Bonds, no written protest or other objection of any kind or character against the issuance of the bonds described in the Resolution of Intent was filed or presented by qualified electors of the Municipality.

5. Therefore, on Tuesday, September 2, 2025, the Governing Body adopted a resolution entitled "**RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN AUTHORIZING THE ISSUANCE BY THE CITY OF STARKVILLE, MISSISSIPPI, OF COMBINED WATER AND SEWER SYSTEM REVENUE BONDS OF THE MUNICIPALITY OR A COMBINED WATER AND SEWER SYSTEM REVENUE BOND OF THE MUNICIPALITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK, OR AUTHORIZING ENTERING INTO A LOAN AGREEMENT WITH THE MISSISSIPPI DEVELOPMENT BANK, ALL IN THE MAXIMUM PRINCIPAL AMOUNT OF $10,000,000, IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE EXISTING COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; AND FOR RELATED PURPOSES**" (the "Resolution Authorizing Issuance"), wherein the Governing Body found, determined, and adjudicated that it was authorized to issue and sell the Series 2026 Bonds for 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 Series 2026 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 Series 2026 Bonds. The Governing Body should authorize the 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 the City Clerk.

7. It is advisable and in the public interest to authorize the Mayor to arrange for a bond rating for the Series 2026 Bonds in the event that the Mayor determines obtaining any bond rating or bond ratings is in the best interests of the Municipality or that the Municipality may realize savings in connection with the issuance of the Series 2026 Bonds. The Governing Body should authorize the obtaining of the bond 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 bond rating.

8. It is advisable and in the public interest to authorize the Mayor to arrange for a Reserve Fund Surety Bond for the Series 2026 Bonds in the event that the Mayor determines obtaining any Reserve Fund Surety Bond is in the best interests of the Municipality or that the Municipality may realize savings in connection with the issuance of the Series 2026 Bonds. The Governing Body should authorize the obtaining of Reserve Fund Surety Bond, the execution of any documents necessary or appropriate for such purpose, and other usual costs pertaining to the Reserve Fund Surety Bond.

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 Project. It is advisable that the costs of the Project should be met through the issuance of the Series 2026 Bonds, issued and secured in the manner hereinafter provided in this Bond Resolution.

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 Series 2026 Bonds in the maximum principal amount of $10,000,000, out of the authorized maximum principal amount of $10,000,000.

11. The estimated cost of the Project caused to be made by the Governing Body is $10,000,000, and the estimated life thereof is at least 30 years.

12. The Governing Body heretofore has found and determined that it is advisable that the cost of the Project should be met through the issuance of the Series 2026 Bonds, payable solely from the Revenues to be derived from the ownership and operation of the System.

13. The Municipality is authorized under the provisions of the Act to issue its Series 2026 Bonds to provide funds for the Project, the Series 2026 Bonds to be payable solely from Net Revenues and certain funds provided for herein.

14. The amount of the Series 2026 Bonds, when added to the outstanding indebtedness of the Municipality, will not exceed any constitutional, statutory, or charter limitation of indebtedness.

15. The Municipality is authorized under the provisions of the Act to issue the Series 2026 Bonds to provide funds for the Project.

16. 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 Series 2026 Bonds.

17. 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 Series 2026 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 Series 2026 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.

18. The Municipality reasonably expects that not less than 85% of the spendable proceeds of the Series 2026 Bonds will be used to carry out the governmental purposes of the Series 2026 Bonds within a three-year period beginning on the date of issuance of the Series 2026 Bonds.

19. The Series 2026 Bonds are not "private activity bonds" as such term is defined in Section 141 of the Code.

20. The Preliminary Official Statement pertaining to the sale of the Series 2026 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 Series 2026 Bonds.

21. The Official Statement pertaining to the sale of the Series 2026 Bonds should be approved by the Governing Body, and it is necessary and appropriate for the Governing Body to authorize the execution thereof.

22. 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.

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

24. It has now become necessary to make provision for the preparation, execution, issuance, sale, and delivery of the Series 2026 Bonds

25. The Governing Body intends to, but is not required to, combine the issuance of the Series 2025B Bonds and the Series 2026 Bonds described herein into one issuance of bonds of the Municipality to be entitled the Series 2026 Bonds.

26. The Governing Body desires to go forward with preparation for the issuance of the Series 2026 Bonds for the Project, and desires to affirm or approve the engagement of certain professionals to assist with the issuance of the Series 2026 Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, 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 waterworks, water supply, sewage, and sewage disposal system of the Municipality, together with all extensions thereof, shall be operated as a combined water and sewer system, referred to herein as the System.

ARTICLE II
APPLICATION OF SERIES 2026 BOND PROCEEDS

SECTION 2.01. APPLICATION OF SERIES 2026 BOND PROCEEDS. All funds received from the sale of the Series 2026 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 Series 2026 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 Series 2026 Bonds shall be deposited into the Improvement Fund.

ARTICLE III
AUTHORIZATION, TERMS, AND EXECUTION OF THE SERIES 2026 BONDS

SECTION 3.01. AUTHORIZATION AND TERMS OF THE SERIES 2026 BONDS. (a) The Series 2026 Bonds are hereby authorized and directed to be issued for the Project. The Series 2026 Bonds will be registered as to both principal and interest; will be dated the date of delivery thereof; will be issued in the denomination of $5,000 each, or integral multiples thereof up to the amount of a single maturity; will be numbered from 1 upward in the order of issuance; will 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 such date as detailed in the Notice, and semiannually thereafter on such dates as detailed in the Notice; for a term not to exceed 30 years; and will mature and become due and payable, with option of prior payment, in the years and in the principal amounts as detailed in the Notice.

(b) The Series 2026 Bonds shall be subject to redemption prior to their respective maturities at the election of the Municipality as detailed in the Notice, either in whole or in part on any date, with the maturities and principal amounts thereof to be determined by the Municipality, at the principal amount thereof together with accrued interest to the date fixed for redemption, as follows:

(1) Interest shall cease to accrue on any of the Series 2026 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 30 days before the redemption date of any Series 2026 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 Series 2026 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 Series 2026 Bonds of any one maturity shall be called for redemption, the distinctive numbers and letters, if any, of such Series 2026 Bonds to be redeemed.

(3) Prior to the date fixed for redemption, funds shall be placed with the Paying Agent to pay the Series 2026 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 Series 2026 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 without the necessity of presentation and surrender of the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds shall be paid and, without the necessity of presentation and surrender of the Series 2026 Bonds as set forth in Section 3.02(a) hereof, principal and premium, if any, of the Series 2026 Bonds shall be paid by wire or 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 Series 2026 Bond shall cease to be payable to the relevant Record Date Registered Owner of such Series 2026 Bond and, except as hereinafter provided, shall be payable to the Person in whose name such Series 2026 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 Series

2026 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 15 days nor less than 10 days prior to the date of the proposed payment and not less than 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 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 Series 2026 Bonds with respect to which such Defaulted Interest is payable, said payment to be made by wire or 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 Series 2026 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 Series 2026 Bond shall cease to be payable to the relevant Record Date Registered Owner of such Series 2026 Bond and, except as hereinafter provided, shall be payable to the Person in whose name such Series 2026 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 Series 2026 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 15 days nor less than 10 days prior to the date of the proposed payment and not less than 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 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 without the necessity of presentation and surrender of the applicable Series 2026 Bonds at the principal office of the Paying Agent to the Registered Owners as of the Special Record Date of the Series 2026 Bonds with respect to which such Defaulted Principal is payable, said payment to be made by wire or 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 Series 2026 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 SERIES 2026 BONDS; CONDITIONS TO DELIVERY OF THE SERIES 2026 BONDS. (a) The Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds; and

(2) an authorization to the Paying Agent, signed by the Mayor and/or the City Clerk, to authenticate and deliver the Series 2026 Bonds to the Purchaser.

(d) The Paying Agent shall authenticate the Series 2026 Bonds and deliver them to the Purchaser upon payment of the purchase price of the Series 2026 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 Series 2026 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 Series 2026 Bonds.

(f) The Series 2026 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 Series 2026 Bonds.

(g) When the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds shall remain Outstanding, the Municipality shall maintain with the Paying Agent records for the registration and transfer of the Series 2026 Bonds. The Paying Agent is hereby appointed registrar for the Series 2026 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 Series 2026 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 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 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 $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 Series 2026 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 SERIES 2026 BONDS. The Series 2026 Bonds, upon surrender thereof at the office of the Paying Agent, together with an assignment duly executed on the Series 2026 Bond by the Registered Owner or his attorney or legal representative, may be exchanged for an equal aggregate principal amount of Series 2026 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 Series 2026 Bonds within 30 days of the date of sale, or at such other later date as may be designated by the Municipality, one Series 2026 Bond registered in the name of the Purchaser may be issued in the full amount for each maturity. Ownership of the Series 2026 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 Series 2026 Bonds, the Paying Agent shall re-register any such Series 2026 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 Series 2026 Bonds remain Outstanding, the Municipality shall maintain at the office of the Paying Agent books for the registration and transfer of Series 2026 Bonds. The Paying Agent is hereby appointed Bond Registrar for the Municipality for the purpose of registration and transfer of the Series 2026 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 Series 2026 Bond entitled to registration or transfer.

SECTION 3.07. TRANSFER OF SERIES 2026 BONDS. (a) Each Series 2026 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 Series 2026 Bond, the Municipality shall issue in the name of the transferee a new Series 2026 Bond or Series 2026 Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Series 2026 Bond.

(b) The Municipality and the Paying Agent may deem and treat the Person in whose name any Series 2026 Bond shall be registered upon the books of the Municipality as the absolute owner thereof, whether such Series 2026 Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Series 2026 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 Series 2026 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 Series 2026 Bonds is exercised, the Paying Agent shall authenticate and deliver Series 2026 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 Series 2026 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 Series 2026 Bonds in accordance with provisions of this Bond Resolution without expense to the Holders of the Series 2026 Bond.

(b) Neither the Municipality nor the Paying Agent shall be obligated to exchange or transfer any Series 2026 Bond during the 15 days next preceding (i) a Payment Date or (ii) in the case of any proposed redemption of Series 2026 Bonds, the date of the mailing of notice of such redemption.

SECTION 3.09. SERIES 2026 BONDS MUTILATED, DESTROYED, STOLEN, OR LOST. In case any Series 2026 Bond shall become mutilated or be destroyed, stolen, or lost, the Municipality may cause to be authenticated and delivered a new Series 2026 Bond in exchange and substitution for such mutilated Series 2026 Bond, upon surrender and cancellation of such mutilated Series 2026 Bond, or in lieu of and substitution for the Series 2026 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 and such other reasonable regulations and conditions as the Municipality or the Paying Agent may require. All Series 2026 Bonds so surrendered shall be canceled and held for the account of the Municipality. If any such Series 2026 Bond shall have matured or be about to mature, instead of issuing a substituted Series 2026 Bond, the Municipality may pay or cause to be paid the same upon being indemnified as aforesaid, and if such Series 2026 Bond is lost, stolen or destroyed, without surrender thereof. Any such duplicate Series 2026 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 Series 2026 Bonds be at any time found by anyone, and such duplicate Series 2026 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 Series 2026 Bonds issued hereunder.

SECTION 3.10. FORM OF THE SERIES 2026 BONDS. The Series 2026 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 the City Clerk, delivery or execution thereof to be conclusive evidence of such approval:

UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
CITY OF STARKVILLE, MISSISSIPPI
COMBINED WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2026

NO. __________ **$__________**

Rate of Interest	**Maturity Date**	**Dated Date**	**CUSIP**
_____%	**_______________, 20__**	**__________, 20__**	**__________**

Registered Owner: Cede & Co.

Principal Amount: __________ Dollars

The City of Starkville, Mississippi (the "Municipality"), located in the State of Mississippi (the "State"), a body politic existing under the Constitution and laws of the State, 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, without the necessity of presentation and surrender of this Series 2026 Bond, at the principal office of __________, __________, __________, Mississippi, or its successor, as paying agent (the "Paying Agent") for the Municipality's Combined Water and Sewer System Revenue Bonds, Series 2026, in the aggregate principal amount of $10,000,000 (the "Series 2026 Bonds"), on the maturity date identified above, the principal amount 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 Series 2026 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 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 Series 2026 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 Series 2026 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 15th day of the calendar month preceding the applicable interest payment date.

This Series 2026 Bond is issued under the authority of the Constitution and statutes of the State, 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 Series 2026 Bonds, adopted by the Governing Body on December 2, 2025 (the "Bond Resolution").

Capitalized terms used herein and not otherwise defined shall have the definitions given in the Bond Resolution.

Interest on this Series 2026 Bond shall be paid and, without the necessity of presentation and surrender of this Series 2026 Bond as set forth above, principal of this bond shall be paid by wire or 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 15th day of the calendar month preceding the applicable payment date to be effective as of such date.

This Series 2026 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 $10,000,000, out of an authorized amount of $10,000,000, to provide funds for improvements, repairs, and extensions to the combined waterworks, water supply, sewage, and sewage disposal system of the Municipality (the "System").

The Series 2026 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, either 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 Series 2026 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 30 days before the redemption date of any Series 2026 Bonds, the City Clerk shall cause a notice of any such redemption, either in whole or in part, signed by the City Clerk, (a) to be filed with the Paying Agent and (b) to be mailed, postage prepaid, to all Record Date Registered Owners at their addresses as they appear on the registration books herein provided for, 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 Series 2026 Bonds of any one maturity shall be called for redemption, the distinctive numbers and letters, if any, of such Series 2026 Bonds to be redeemed. If less than all of the outstanding Series 2026 Bonds of a maturity are to be redeemed, the particular Series 2026 Bonds to be redeemed shall be selected by the Paying Agent by lot or random selection in such manner as the Paying Agent shall deem fair and appropriate. The Municipality may provide for the selection of portions of the principal of Series 2026 Bonds (in integral multiples of $5,000), and for all purposes of this Series 2026 Bond, all provisions relating to the redemption of Series 2026 Bonds shall relate, in the case of any Series 2026 Bond redeemed or to be redeemed only in part, to the portion of the principal of such Series 2026 Bond which has been or is to be redeemed.

(c) On the date so designated for redemption, the Series 2026 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2026 Bonds on such date, and, if funds for payment of the redemption price and the accrued interest are held by the Paying Agent in trust for the Record Date Registered Owners of the Series 2026 Bonds to be redeemed, as provided in the Bond Resolution, the interest on any Series 2026 Bonds so called for redemption payable subsequent to the redemption date shall cease to accrue, such Series 2026 Bonds shall cease to be entitled to any benefit or security under the Bond Resolution, and the Record Date Registered Owners of such Series 2026 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and the accrued interest thereon to the redemption date.

The Series 2026 Bonds are registered as to both principal and interest and are to be issued or reissued in the denomination of $5,000 each, or integral multiples thereof up to the amount of a single maturity.

This Series 2026 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 Series 2026 Bond. Upon such transfer or exchange, a new Series 2026 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 Series 2026 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 expense of operating and maintaining the System, the payment of the $10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2019, dated and issued May 1, 2019, and maturing May 1, 2039 (the "Series 2019 Bonds"), the payment of the $7,000,000 Combined Water and Sewer System Revenue Bonds, Series 2025A, dated and issued May 21, 2025, and maturing February 1, 2045 (the "Series 2025A Bonds"), the payment of the $8,000,000 Combined Water and Sewer System Revenue Bonds, Series 2025B, authorized by the Governing Body pursuant to that certain bond resolution, adopted on November 5, 2024, but not yet issued as of the date hereof (the "Series 2025B Bonds"), and the payment of any loans from the State as of the date of issuance of the Series 2026 Bonds (the "Loans"), 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 the Series 2019 Bonds, the Series 2025A Bonds, the Series 2025B Bonds, the Loans, and any Additional Bonds issued in accordance with the provisions of the Bond Resolution. Additional Bonds on a parity of lien with the Series 2026 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 expense of operating and maintaining the System and the payment of any loans from the State as of the date of issuance of the Series 2026 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 the Bond Resolution as the same become due and payable, and (ii) the Current Debt Service Account and the Debt Service Reserve Account. The Series 2026 Bonds are secured on a parity of lien with the Series 2019 Bonds, the Series 2025A Bonds, the Series 2025B Bonds, the Loans, and any Additional Bonds issued pursuant to the Bond Resolution. The Bonds shall be secured equally and ratably by such pledge.

The Series 2026 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 Series 2026 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 Series 2026 Bond to the purposes above set forth; that, as long as this Series 2026 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 Series 2026 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 and payment of any loans from the State as of the date of issuance of the Series 2026 Bonds and as will maintain the Bond and Interest Fund for this Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 this day, __________, 20__.

City of Starkville, Mississippi

____

Mayor

COUNTERSIGNED:

____

City Clerk **(seal)**

<u>CERTIFICATE OF REGISTRATION AND AUTHENTICATION</u>

This Series 2026 Bond is one of the Series 2026 Bonds described in the within mentioned Bond Resolution and is one of the Combined Water and Sewer System Revenue Bonds, Series 2026, 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 Series 2026 Bond has been duly registered by me as an obligation of said 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 this day, __________, 20__.

____
City Clerk

(seal)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto __________
____
(Name and Address of Assignee)
____
the within Series 2026 Bond and does hereby irrevocably constitute and appoint ____ as Paying Agent to transfer the said Series 2026 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 Series 2026 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. SERIES 2026 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 Series 2026 Bonds are secured on a parity of lien with the Series 2019 Bonds, the Series 2025A Bonds, the Series 2025B Bonds, the Loans, and any Additional Bonds issued pursuant to this Bond Resolution. The Bonds shall be secured equally and ratably by such pledge.

SECTION 4.02. SERIES 2026 BONDS ARE LIMITED OBLIGATIONS. The Series 2026 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 Series 2026 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 at least 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. COMBINED WATER AND SEWER 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 Business Day of each month, commencing in the first calendar month following the Closing Date, into the Revenue Fund authorized, established, designated, and provided for in this Section. 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 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 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 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 Series 2026 Bonds deposit an amount from the proceeds of the sale of the Series 2026 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 Series 2026 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 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 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 $5,000; provided, however, that deposits may be made on or before the first Business Day of each month, beginning with the first calendar month after the Closing Date, until the amount on deposit in the Depreciation Fund is equal to $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 $5,000; provided, however, that deposits may be made on or before the first Business Day of each month, beginning with the first calendar month after the Closing Date, until the amount on deposit in the Contingent Fund is equal to $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 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. 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 from any investments in the Improvement Fund shall be credited to such fund until the Project is complete.

ARTICLE VI
IMPROVEMENT FUND

SECTION 6.01. COMBINED WATER AND SEWER IMPROVEMENT FUND. Pursuant to Section 2.01 hereof, the proceeds of the Series 2026 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 Series 2026 Bonds and Bond Insurance Policy premiums, if any, for the Series 2026 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 Series 2026 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 Series 2026 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.

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 the Consulting Engineer.

SECTION 7.11. COVENANTS REGARDING TAX EXEMPTION OF SERIES 2026 BONDS.

(a) The Municipality covenants and certifies to and for the benefit of the Registered Owners of the Series 2026 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 Series 2026 Bonds, including amounts treated as proceeds, if any, which will cause the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds in a manner or for a price which would cause any of the Series 2026 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 the City Clerk are hereby authorized to execute a "nonarbitrage and federal tax certificate" in connection with the sale and delivery of the Series 2026 Bonds, setting forth the reasonable expectations of the Municipality with respect to the investment and use of proceeds of the Series 2026 Bonds and also setting forth certain covenants, stipulations, and certifications with respect to the investment and expenditures of the proceeds of the Series 2026 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 Series 2026 Bonds are not "private activity bonds" within the meaning of Section 141 of the Code.

(b) No more than 10% of the proceeds of the Series 2026 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 10% of any property with respect to which all or any part of the proceeds of the Series 2026 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 Series 2026 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 Series 2026 Bonds used with respect to any private business use which is related to a governmental use of such proceeds of the Series 2026 Bonds will not exceed the amount of proceeds of the Series 2026 Bonds which are used for the governmental use to which such private business use relates.

(f) None of the proceeds of the Series 2026 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 10% of the proceeds of the Series 2026 Bonds be (under the terms of the Series 2026 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 Series 2026 Bonds, (2) were or are to be sold pursuant to the same plan of financing as the financing plan for the Series 2026 Bonds, and (3) are payable directly or indirectly by the Municipality or from substantially the same source from which the Series 2026 Bonds are payable. The Municipality covenants and certifies that there are no additional facts or circumstances which may further evidence that the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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, 7.12, and 7.14 are not required to be made in order to maintain the tax-exempt status of interest on the Series 2026 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 85% of the spendable proceeds of the Series 2026 Bonds will be used to carry out the governmental purposes of the Series 2026 Bonds within a three-year period beginning on the date of issuance of the Series 2026 Bonds. No more than 50% of the proceeds of the Series 2026 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 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 and unless specifically declined by the Purchaser, the Series 2026 Bonds shall be initially issued in the form of a separate, single, and fully registered Series 2026 Bond for each of the maturities thereof. In such case, upon initial issuance, the ownership of each Series 2026 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 Series 2026 Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

With respect to Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bond is registered in the Bond Register as the absolute owner of such Series 2026 Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Series 2026 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2026 Bond, for the purpose of registering transfers with respect to such Series 2026 Bond, and for all other purposes whatsoever. The Paying Agent, shall pay all principal of, premium, if any, and interest on the Series 2026 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 Series 2026 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 Series 2026 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 Registered Owners of the Series 2026 Bonds that they be able to obtain certificated Series 2026 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 Series 2026 Bond certificates to such successor securities depository or (b) notify DTC and DTC participants of the availability through DTC of Series 2026 Bond certificates and transfer one or more separate Series 2026 Bond certificates to DTC participants having Bonds credited to their DTC accounts. In such event, the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bond and all notices with respect to such Series 2026 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 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 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 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 Series 2026 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 12 consecutive months of the 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 at least 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 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 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 12-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 12-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 12-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 pursuant to Sections 31-27-1 *et seq.*, Mississippi Code of 1972, as amended, the issuance of such Additional Bonds shall either result in a net present value debt service savings of not less than 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 SERIES 2026 BONDS. If the Municipality shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Series 2026 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 Series 2026 Bonds and notice to the Holders of such Series 2026 Bonds has been given that the deposit required by (b) above has been made with the Paying Agent and that said Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds shall not constitute the payment of the Series 2026 Bonds pursuant to this Section, and the Series 2026 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 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

10 days preceding the date fixed herein for the receipt of bids. The Notice shall be in substantially the following form, with such omissions, insertions, and variations as may be approved by the Mayor and/or the City Clerk, delivery or execution thereof to be conclusive evidence of such approval:

NOTICE OF BOND SALE

$10,000,000
COMBINED WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2026
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 bids, which may be in electronic form, for the purchase in its entirety, at not less than par and accrued interest to the date of delivery thereof, of an issue of $10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2026, of the Municipality (the "Series 2026 Bonds), on __________, __________, 20__, until the hour of __________ C.D.T.

The City Clerk of the Municipality (the "City Clerk") will act on behalf of the Governing Body to receive bids at the aforesaid date, time, and place. Immediately following __________ on __________, __________, 20__, the bids will be publicly opened and read, for consideration by the Governing Body at their regular meeting at 5:30 p.m. C.D.T. on __________, __________, 20__. All bids will remain firm for eight hours after the time specified for the opening of bids, and an award of the Series 2026 Bonds, or rejection of bids, will be made by the Governing Body within said period of time.

THE BONDS: The Series 2026 Bonds will be dated and bear interest from __________ 1, 20__; will be delivered in definitive form as registered bonds; will be in the denomination of $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 __________ 1, 20__, and semiannually thereafter on __________ 1 and __________ 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 (this "Notice").

MATURITIES: The Series 2026 Bonds will mature serially, with option of prior payment, on __________ 1 in each of the years and amounts as follows:

YEAR	AMOUNT

REDEMPTION: The Series 2026 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, either in whole or in part on any date, in inverse order of maturity. Interest shall cease to accrue on any of the Series

2026 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 30 days before the redemption date of any Series 2026 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 Series 2026 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 Series 2026 Bonds of any one maturity shall be called for redemption, the distinctive numbers and letters, if any, of such Series 2026 Bonds to be redeemed.

REVISED MATURITY SCHEDULE AND/OR BID PARAMETERS: The aggregate principal amount of each series of the Series 2026 Bonds (the "Preliminary Aggregate Principal Amount") and the annual principal amounts of each series of the Series 2026 Bonds (the "Preliminary Annual Principal Amounts" and collectively, with reference to the Preliminary Aggregate Principal Amounts, the "Preliminary Amounts") set forth in this Notice may be revised before the viewing of bids for the purchase of the Series 2026 Bonds, as may the bid parameters set forth herein. Any such revisions (in case of revised principal amounts, the "Revised Aggregate Principal Amount", the "Revised Annual Principal Amounts" and the "Revised Amounts") WILL BE GIVEN BY NOTIFICATION PUBLISHED ON www.I-dealProspectus.com NOT LATER THAN 4:00 P.M., C.D.T. ON THE DAY PRECEDING THE RECEIPT OF BIDS. In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts and will remain as stated in this Notice, and the bid parameters shall remain as set for the herein. BIDDERS SHALL SUBMIT BIDS BASED ON THE REVISED AMOUNTS AND BID PARAMETERS, IF ANY. Prospective bidders may request notification of any revisions in the Preliminary Amounts and bid parameters by so advising and emailing __________, __________, __________, the Municipality's "independent registered municipal advisor" (the "Municipal Advisor"), at __________ by 12:00 p.m., C.D.T., at least one day prior to the date for receipt of the bids.

CHANGES TO MATURITY SCHEDULE: The Municipality intends, but is not obligated, to adjust the Revised Aggregate Principal Amount of each series of the Series 2026 Bonds and the Revised Annual Principal Amount of each series of the Series 2026 Bonds in such manner as to produce approximately level debt service in years 20__ to 20__. The Municipality reserves the right to change the Revised Aggregate Principal Amount of each series of the Series 2026 Bonds and the Revised Annual Principal Amounts of each series of the Series 2026 Bonds after determination of the winning bidder(s), by increasing or decreasing such Revised Aggregate Principal Amounts and such Revised Annual Principal Amounts by up to 30%. The maximum amount of the Series 2026 Bonds will not exceed $10,000,000. No changes beyond those disclosed above will be made without the consent of the applicable Successful Bidder. Such changes, if any, will determine the final annual principal amount of each maturity of each series of the Series 2026 Bonds (the "Final Annual Principal Amounts") and the final aggregate principal amount of each series of the Series 2026 Bonds (the "Final Aggregate Principal Amount"). The dollar amount bid by the successful bidder for each series of the Series 2026 Bonds will be adjusted to reflect any adjustments in the Final Aggregate Principal Amount of such series of the Series 2026 Bonds. The interest rates specified by the successful bidder for the various maturities at the initial reoffering prices will not change. A SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BIDS OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE PRINCIPAL AMOUNTS WITHIN THESE LIMITS.

The Municipality anticipates that the Final Annual Principal Amounts of each series of the Series 2026 Bonds and the Final Aggregate Principal Amount of each series of the Series 2026 Bonds will be communicated to the successful bidder(s) prior to the award of such Bonds. THE DOLLAR AMOUNT BID BY EACH SUCCESSFUL BIDDER FOR THE PURCHASE OF THE SERIES 2026 BONDS WILL BE ADJUSTED TO REFLECT ANY CHANGE IN THE ANNUAL PRINCIPAL AMOUNTS BASED UPON THE ASSUMPTION THAT THE COUPON RATES, REOFFERING PRICES, AND THE UNDERWRITER'S DISCOUNT (EXCLUDING ORIGINAL ISSUE DISCOUNT/PREMIUM) STATED AS A PERCENTAGE OF THE AGGREGATE PRINCIPAL AMOUNT, AS SPECIFIED BY SUCH SUCCESSFUL BIDDER, WILL NOT CHANGE.

BASIS OF AWARD: If an award is made, the Series 2026 Bonds will be awarded to the bidder whose bid results in the lowest true interest cost to the Municipality for such Bonds as determined by reference to the Revised Aggregate Principal Amounts, prior to post-sale adjustments, as discussed in the paragraph above. The lowest true interest cost will be calculated as that rate which when used in computing the present worth of all payments of principal and interest on the Series 2026 Bonds (compounded semi-annually from the dated date of such Bonds) produces a value equal to the purchase price of such Bonds. Each bidder is required to specify its calculation of the true interest cost resulting from its bid, but such information shall not be treated as part of its proposal. In the event that two or more of the bidders offer to purchase the Series 2026 Bonds at the same lowest true interest cost, the Governing Body shall determine in their sole discretion (but in accordance with fact) which of the bidders shall be awarded such series of the Series 2026 Bonds. The Governing Body reserves the right to waive any irregularity or informality in any bid, and to reject any or all bids, and notice of rejection of any bid will be made promptly. Unless all bids are rejected, award of the Series 2026 Bonds will be made by the Governing Body on the sale date.

AUTHORITY AND SECURITY: The Series 2026 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 December 2, 2025, authorizing and directing the issuance of the Series 2026 Bonds (the "Bond Resolution"). The principal of, premium, if any, and interest on the Series 2026 Bonds will be payable solely from (i) a sufficiency of the revenues derived from the operation of the System (as defined herein) of the Municipality, subject to the prior payment of the reasonable and necessary expenses of operating and maintaining the System, the payment of the $10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2019, dated and issued May 1, 2019, and maturing May 1, 2039 (the "Series 2019 Bonds"), the payment of the $7,000,000 Combined Water and Sewer System Revenue Bonds, Series 2025A, dated and issued May 21, 2025, and maturing February 1, 2045 (the "Series 2025A Bonds"), the payment of the $8,000,000 Combined Water and Sewer System Revenue Bonds, Series 2025B, authorized by the Governing Body pursuant to that certain bond resolution, adopted on November 5, 2024, but not yet issued as of the date hereof (the "Series 2025B Bonds"), and the payment of any loans from the State of Mississippi (the "State") as of the date of issuance of the Series 2026 Bonds (the "Loans"), and (ii) the Current Debt Service Account and the Debt Service Reserve Account provided for in the Bond Resolution, both of which sources have been pledged on a parity of lien with the Series 2019 Bonds, the Series 2025A Bonds, the Series 2025B Bonds, the Loans, and any Additional Bonds issued in the future as authorized in the Bond Resolution.

PURPOSE: The Series 2026 Bonds are being issued to provide funds for improvements, repairs, and extensions to the combined waterworks, water supply, sewage, and sewage disposal system of the Municipality (the "System").

FORM OF BIDS: Bids should be addressed to the Governing Body and should be plainly marked "Bid for $10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2026, of the City of Starkville, Mississippi." All bids should be submitted in substantially the form prepared by the Municipality as the Official Bid Form. A copy of the Official Bid Form may be obtained from the City Clerk at __________, from __________, __________, __________ (the "Municipal Advisor"), at __________, or from Watkins & Eager PLLC, Jackson, Mississippi ("Bond Counsel") at bdavis@watkinseager.com.

Electronic bids for the Series 2026 Bonds must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. An electronic bid made through the facilities of BiDCOMP/PARITY® shall be deemed an offer to purchase in response to this Notice and shall be binding upon the bidder as if made by a signed sealed written bid made to the Municipality. To the extent any instructions or directions set forth in BiDCOMP/PARITY® conflict with the terms of this Notice, this Notice shall prevail. The Municipality shall not be responsible for any malfunction or mistake made by or as a result of the use of electronic bidding facilities. The use of such facilities is at the sole risk of the bidders. Subscription to I-Deal's BiDCOMP/PARITY® Competitive Bidding System by a bidder is required in order to submit an electronic bid. The Municipality will not confirm any subscription or be responsible for the failure of any prospective bidder to subscribe. Both written bids and electronic bids must be unconditional and received by the Municipality and/or BiDCOMP/PARITY®, respectively, on or before __________, on __________, __________, 20__, as stated above. The Municipality is not liable for any costs incurred in the preparation, delivery, acceptance, or rejection of any bid.

All bids not in electronic form should be sealed and delivered to the City Clerk at her office in the City Hall located at 110 West Main Street in the Municipality.

INTEREST RATE AND BID RESTRICTIONS: The Series 2026 Bonds shall not bear a greater overall maximum interest rate to maturity than 13% per annum, nor shall the interest rate for any one maturity exceed 13% per annum. No Series 2026 Bond shall bear more than one rate of interest; each Series 2026 Bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bid; all Series 2026 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 70% of the highest interest rate specified. Each interest rate specified in any bid must be a multiple of one-eighth of one percent (1/8th of 1%) or one-tenth of one percent (1/10th of 1%), and a zero rate of interest cannot be named.

GOOD FAITH DEPOSIT: Each bid must be accompanied by a wire transfer, cashier's check, certified check, or exchange, issued or certified by a bank, payable to the Mayor and Board of Aldermen of the City of Starkville, Mississippi, in the amount of $200,000, as a guaranty that the bidder will carry out its contract and purchase the Series 2026 Bonds if its bid be accepted. All wire transfers, cashier's checks, certified checks, or exchanges of unsuccessful bidders will be returned immediately after award of the Series 2026 Bonds. If the successful bidder fails to purchase the Series 2026 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.

DTC BOOK-ENTRY: Unless specifically declined by the purchaser, the Series 2026 Bonds are being initially offered as registered in the name of Cede & Co., as Registered Owner and nominee for The Depository Trust Company, New York, New York ("DTC") under DTC's Book-entry system of registration. Purchasers of interests in the Series 2026 Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates and ownership by the Beneficial Owners of the Series 2026 Bonds will be evidenced by book-entry. As long as Cede & Co. is the Registered Owner of the Series 2026 Bonds as nominee of DTC, payments of principal and interest will be made directly to such Registered Owner which will in turn remit such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

AWARD OF BONDS: If an award of the Series 2026 Bonds is made, the Series 2026 Bonds will be awarded to the bidder whose bid results in the lowest true interest cost to the Municipality. The lowest true interest cost of the Series 2026 Bonds will be calculated as that rate which when used in computing the present worth of all payments of principal and interest on the Series 2026 Bonds (compounded semi-annually from the dated date of the Series 2026 Bonds) produces a value equal to the purchase price of the Series 2026 Bonds. For the purpose of calculating the true interest cost, the principal amount of any term bonds scheduled for mandatory sinking fund redemption (if any) shall be treated as a serial maturity in each year. Each bidder is required to specify its calculation of the true interest cost resulting from its bid, but such information shall not be treated as part of its proposal. All bids will remain firm for eight hours after the time specified for the opening of bids, and an award of the Series 2026 Bonds, or rejection of bids, will be made by the Governing Body within said period of time, and the Governing Body will give a verbal notice to the winning bidder, if any, within approximately one hour of such decision.

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 will have the right, at its option, to cancel its agreement to purchase the Series 2026 Bonds if the Series 2026 Bonds are not tendered for delivery within 60 days from the date of sale thereof, and in such event the Governing Body will return to said bidder its good faith deposit. The Governing Body will have the right, at its option, to cancel its agreement to sell the Series 2026 Bonds if within 5 days after the tender of the Series 2026 Bonds for delivery the successful bidder will not have accepted delivery of and paid for the Series 2026 Bonds, and in such event the Governing Body will retain the successful bidder's good faith deposit as liquidated damages as hereinabove provided.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The initial payment agent for the Series 2026 Bonds will be __________, __________, __________ (the "Paying Agent"). The Governing Body'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 Series 2026 Bonds are issued. Both principal of and interest on the Series 2026 Bonds will be payable by check or draft mailed to Registered Owners of the Series 2026 Bonds as of the fifteenth 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 Series 2026 Bonds will be transferable only upon the books of the Paying Agent.

DELIVERY: The successful bidder must designate within 30 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 Series 2026 Bonds and the denominations in which the Series 2026 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 Series 2026 Bonds will be delivered at a place to be designated by the purchaser and without cost to the purchaser, and payment therefor will be made in immediately available funds.

CUSIP NUMBERS: Unless specifically declined by the purchaser, the Municipal Advisor will request that the CUSIP Service Bureau assign CUSIP identification numbers to the Series 2026 Bonds, which numbers will be printed on the Series 2026 Bonds. The successful bidder will be responsible for the costs of assigning CUSIP numbers to the Series 2026 Bonds. Neither the failure to print a CUSIP 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 Series 2026 Bonds in accordance with this Notice.

LEGAL OPINION; CLOSING DOCUMENTS: The Series 2026 Bonds are offered subject to the unqualified approval of the legality thereof by Bond Counsel. In the opinion of Bond Counsel, interest on the Series 2026 Bonds is exempt from federal and Mississippi income taxes under existing laws, regulations, rulings, and judicial decisions with such exceptions as will be described in the Official Statement for the Series 2026 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 Series 2026 Bonds, evidencing that no litigation is pending in any way affecting the legality of the Series 2026 Bonds or the taxes to be levied for the payment of the principal thereof and interest thereon, and a transcript of the proceedings relating to the Series 2026 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 Series 2026 Bonds.

BONDS NOT "QUALIFIED TAX-EXEMPT OBLIGATIONS": The Municipality has **not** designated the Series 2026 Bonds as "qualified tax-exempt obligations" within the meaning and for purposes of Section 265(b)(3) of the Code.

FURTHER INFORMATION: The Municipality has prepared a Preliminary Official Statement which it deems, for purposes of S.E.C. Rule 15(c)2-12, 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 Series 2026 Bonds depending on such matters, and the identity of the underwriters, 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 Series 2026 Bonds, the Municipality will publish an Official Statement substantially in the same form as the Preliminary Official Statement, subject to minor additions, deletions, and revisions as required to complete the Preliminary Official Statement.

ISSUE PRICE: The successful bidder shall assist the Municipality in establishing the issue price of the Series 2026 Bonds and shall execute and deliver to the Municipality at the closing for the Series 2026 Bonds 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 Series 2026 Bonds, together with the supporting pricing wires or equivalent communications, in a form reasonably required by the Municipality 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 Series 2026 Bonds) will apply to the initial sale of the Series 2026 Bonds (the "competitive sale requirements") because: (a) the Municipality shall disseminate this Notice to potential underwriters in a manner that is reasonably designed to reach potential underwriters; (b) all bidders shall have an equal opportunity to bid; (c) the Municipality may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and (d) the Municipality anticipates awarding the sale of the Series 2026 Bonds to the bidder who submits a firm offer to purchase the Series 2026 Bonds at the highest price (or lowest interest cost), as set forth in this Notice. Any bid submitted pursuant to this Notice shall be considered a firm offer for the purchase of the Series 2026 Bonds, as specified in the bid. In the event that the competitive sale requirements are not satisfied, the Municipality shall advise the winning bidder. The Municipality shall treat the first price at which 10% of a maturity of the Series 2026 Bonds (the "10% test") is sold to the public as the issue price on that maturity applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Municipality if any maturity of the Series 2026 Bonds satisfies the 10% test as of the date and time of the award of the Series 2026 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 Series 2026 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 Series 2026 Bonds will be subject to the 10% test in order to establish the issue price of the Series 2026 Bonds. If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Series 2026 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 of the Series 2026 Bonds has occurred, until the 10% test has been satisfied as to the Series 2026 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 underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2026 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, 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 Series 2026 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 underwriters relating to the initial sale of the Series 2026 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Series 2026 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 underwriter that either the 10% test has been satisfied as to the Series 2026 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 underwriter and as set forth in the related pricing wires. Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for the purposes of this Notice. Further, for purposes of this Notice: (a) "public" means any person other than an underwriter or a related party, (b) "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 Series 2026 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 Series 2026 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 Series 2026 Bonds to the public), (c) a purchaser of any of the Series 2026 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), 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 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 (d) "sale date" means the date that the Series 2026 Bonds are awarded by the Municipality to the winning bidder.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15(c)2-12(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 Series 2026 Bonds will relieve the successful bidder from its obligation to purchase the Series 2026 Bonds.

MUNICIPAL BOND INSURANCE: The Municipality has provided information to prospective bond insurance companies in order to qualify the Series 2026 Bonds under their respective optional bidding programs. If the successful bidder or bidders for the Series 2026 Bonds desires to purchase a municipal bond insurance policy insuring payment of all or a portion of the debt service payable on the Series 2026 Bonds, the successful bidder or bidders does so at its own risk and its own expense. The obligation of the successful bidder to pay for the Series 2026 Bonds shall not be conditioned on the issuance of a municipal bond insurance policy. The Municipality will cooperate with the successful bidder in obtaining such insurance, but the Municipality will not enter into any additional agreements with a bond insurer. Without limiting the generality of the foregoing, the successful bidder will be responsible for all costs, expenses, and charges associated with the issuance of such insurance, including but not limited to the premium for the bond insurance policy.

By order of the Mayor and Board of Aldermen of the City of Starkville, Mississippi, on __________, 20__.

____
Joanna McLaurin, City Clerk

Publication Information:
The Starkville Daily News
__________, 20__, and __________, 20__

ARTICLE XI
BOND INSURANCE; BOND RATING; AMENDMENTS; MISCELLANEOUS

SECTION 11.01. RESOLUTION CONSTITUTES CONTRACT. In consideration of the acceptance of the Series 2026 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 Series 2026 Bonds, all of which shall be of equal rank and without preference, priority, or distinction of any of the Series 2026 Bonds over any other thereof except as expressly provided therein and herein.

SECTION 11.02. BOND INSURANCE AND RATING 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 the Bond Insurance Policy for the Bonds if the Mayor determines that obtaining the 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 Series 2026 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 Mayor is hereby authorized to obtain a bond rating with regard to the sale of the Series 2026 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 the bond 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 Series 2026 Bonds.

(d) The Mayor is hereby authorized to obtain a Reserve Fund Surety Bond for the Series 2026 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 the Reserve Fund Surety Bond is in the best interests of the Municipality or that the Municipality may realize a savings in connection with the issuance of the Series 2026 Bonds.

(e) The Series 2026 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, and the Reserve Fund Surety Bond, if any, for the Series 2026 Bonds.

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 Series 2026 Bonds then Outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of the Series 2026 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 Series 2026 Bonds, as the same mature and become due, from the Net Revenues of the System, or reduce such percentage of Holders of the Series 2026 Bonds required above for such modification or amendment without the consent of the Holders of all of the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds or the date fixed for redemption of any Series 2026 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 SERIES 2026 BONDS. It is specifically provided, notwithstanding the dates set out in this Bond Resolution for the date of the Series 2026 Bonds and the Payment Dates for principal and interest, that in the event the delivery of the Series 2026 Bonds is delayed by a contest of the validation of the Series 2026 Bonds or otherwise, and the initial Purchaser shall decline to take delivery of the Series 2026 Bonds, then the Series 2026

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 that is more than six months from the actual date of the Series 2026 Bonds as provided by the subsequent resolution directing the sale thereof, and continuing through the final maturity dates of the Series 2026 Bonds. The interest payments may also be adjusted accordingly, with interest payments due semiannually, commencing on the next following such actual date of the Series 2026 Bonds. After the validation of the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds.

SECTION 11.01. POST ISSUANCE COMPLIANCE PROCEDURES. The Municipality hereby approves and adopts the Procedures 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 Series 2026 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.

SECTION 12.03. ENGAGEMENT OF PROFESSIONALS. The Governing Body hereby affirms the engagement of the Municipal Advisor and authorizes and approves the engagement of Bond Counsel in connection with the issuance of the Series 2026 Bonds and authorizes the execution of the letters of engagement and disclosure attached hereto as **Attachment C**.

Following the reading of the foregoing resolution and discussion thereof, Alderman Sistrunk **offered and Alderman** Moreland **seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:**

Alderman Mike Brooks	**voted:** Yea
Alderwoman Kim Moreland	**voted:** Yea
Alderman Roy A'. Perkins	**voted:** Yea
Alderman William Pochop	**voted:** Yea
Alderwoman Sandra C. Sistrunk	**voted:** Yea
Alderman Kyle Skinner	**voted:** Yea
Alderman Henry N. Vaughn, Sr.	**voted:** Yea

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, December 2, 2025.

City of Starkville, Mississippi

D. Lynn Spruill, Mayor

ATTEST:

Joanna McLaurin, City Clerk

(Seal)

CITY OF STARKVILLE STATE OF MISSISSIPPI

Attachment A

Preliminary Official Statement

Attachment B

Post Issuance Compliance Procedures

Attachment C

Letters of Engagement and Disclosure

Attachment D

Proof of Publication of Resolution of Intent

Starkville Daily News

July 22, 2025, July 29, 2025, and August 5, 2025

AFFP
ROI - B001F Water-Sewer Bonds

Affidavit of Publication

STATE OF MISSISSIPPI } SS
COUNTY OF OKTIBBEHA }

John W. Bane, Jr., being duly sworn, says:

That she is Classified Clerk of the Starkville Daily News, a daily newspaper of general circulation, printed and published in Starkville, Oktibbeha County, Mississippi; that the publication, a copy of which is attached hereto, was published in the said newspaper on the following dates:

July 22, 2025, July 29, 2025, August 05, 2025

That said newspaper was regularly issued and circulated on those dates.
SIGNED:

John Bane Jr.

Classified Clerk

Subscribed to and sworn to me this 5th day of August 2025.

Ashley J. Doss

Ashley J. Doss, Notary Public, Oktibbeha County, Mississippi
My commission expires: October 21, 2028

00001631 00107517

Brandi D. Ford
Watkins & Eager, PLLC (SDN)
P.O. Box 650
Jackson, MS 39205

State of Mississippi
Ashley J. Doss, Notary Public
Clay County
My Commission Expires 10-21-2028
Commission Number 493429

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, DECLARING THE INTENTION TO ISSUE COMBINED WATER AND SEWER SYSTEM REVENUE BONDS OF THE MUNICIPALITY, IN THE MAXIMUM PRINCIPAL AMOUNT OF $10,000,000, IN ONE OR MORE SERIES, TO PROVIDE FUNDS FOR THE PURPOSE OF IMPROVING, REPAIRING, AND EXTENDING THE EXISTING COMBINED WATER AND SEWER SYSTEM OF THE MUNICIPALITY; DIRECTING PUBLICATION OF NOTICE OF SUCH INTENTION; 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:

The Municipality has existing water and sewer facilities and systems which are operated and accounted for as a separate enterprise of the Municipality known as the combined water and sewer facilities and systems of the Municipality (the "System").

The Governing Body has engaged the services of competent engineers or engineering firm(s) as are employed by the Municipality or engaged by the Municipality (the "Consulting Engineer"), to study the System, to determine the nature and extent of the necessary improvements, repairs, and extensions to the System (the "Authorized Purpose"), to make recommendations regarding the Project (as defined herein), and to make an estimate of the costs of the Project.

The Governing Body desires to provide funds for (i) the Authorized Purposes, to be made in substantial accordance with the plans and specifications, as they may be amended and supplemented, prepared by the Consulting Engineer, (ii) funding a capitalized interest account, if necessary, and a debt service reserve account, if necessary, and, (iii) the costs of the authorization, issuance, sale, validation, and delivery of the Bonds (together, the "Project").

The estimated cost of the Project is the aggregate amount of $10,000,000.

The Project is economically feasible, would be in the public interest and of benefit to the Municipality, and the findings and recommendations of the Consulting Engineer are hereby adopted, including the estimate of the costs of the Project.

It is necessary, advisable, and in the best interest of the Municipality and its citizens to finance the costs of the Project, for which purpose there are no other available funds on hand.

Pursuant to the provisions of Sections 21-27-11 et seq., Mississippi Code of 1972, as amended (the "Municipal Utilities Act"), the Municipality is authorized to undertake activities for the Project, and to provide for the payment of the costs of the Project, or any portion of such costs of the Project, by and through the issuance of combined water and sewer system revenue bonds, in one or more series, in the maximum principal amount of $10,000,000 (the "Bonds").

Pursuant to Sections 31-25-1 et seq. Mississippi Code of 1972, as amended (the "Bank Act") and the Municipal Utilities Act (together, the "Act"), the Bonds may be issued and sold to the Mississippi Development Bank to provide funds for the Project.

Pursuant to the Municipal Utilities Act, the principal of and interest on the Bonds are payable from the revenues of the System. Pursuant to the Bank Act, the principal of and interest on the Bonds are payable from the revenues of the System or from the lawfully available revenues of the Municipality.

The Municipality reasonably expects that it will incur expenditures for the Project for which the Municipality may advance internal funds prior to the issuance of the Bonds, and finds that it should declare its official intent to reimburse itself for all or a portion of such expenditures of the Project made in anticipation of the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF STARKVILLE, MISSISSIPPI, AS FOLLOWS:

• This resolution is adopted pursuant to the Act and other applicable laws of the State of Mississippi (the "State").

• The Governing Body, acting for and on behalf of the Municipality, does hereby declare its intention to issue and sell the Bonds for the Project pursuant to the Act.

• Pursuant to the Act, the Bonds shall be payable from the revenues of the System or from the lawfully available revenues of the Municipality. Other funds available to the Municipality which may be lawfully used for payment of the principal of and interest on the Bonds, include, but are not limited to, use taxes remitted from the

State to the Municipality as a result of the Infrastructure Modernization Act of 2018, House Bill 1, 2018 First Extraordinary Session, and any amendments thereto, codified as Sections 27-67-1 et seq., Mississippi Code of 1972, as amended, but limited to those elements of the Authorized Purposes codified in Sections 27-67-1 et seq., Mississippi Code of 1972, as amended.

• Pursuant to Section 1.150-2 of the Treasury Regulations (the "Reimbursement Regulations"), the Governing Body hereby declares its official intent to reimburse expenditures made for the Project prior to the issuance of the Bonds, with the proceeds of the Bonds, to the extent permitted by the Reimbursement Regulations.

• The Bonds, in the amount, for the purpose, and secured as aforesaid, will be authorized to be issued at a meeting of the Governing Body to be held at City Hall located at 110 West Main Street in the Municipality on Tuesday, August 19, 2025, at 5:30 p.m., or at some meeting held subsequent thereto, which date so fixed will be more than ten days after the third date of publication of this resolution, as directed by Section 7 hereof.

• Pursuant to the Municipal Utilities Act, if a petition signed by not less than 20% of the qualified electors of the Municipality is filed objecting to and protesting the issuance of the Bonds, on or before Tuesday, August 19, 2025, at 5:30 p.m., or at some meeting held subsequent thereto, then an election on the question of the issuance of the Bonds may be called and held as provided by law. If no such protest is filed, then the Bonds may be issued without an election on the question of the issuance thereof, and may be issued and sold under the regular procedure for issuing and selling the Bonds.

This resolution shall be published once a week for at least three consecutive weeks in the Starkville Daily News, a newspaper published in and having a general circulation in the Municipality, and being a qualified newspaper under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended. The third such publication shall be more than ten days prior to the date specified in Section 5 hereof.

The City Clerk of the Municipality shall be and is hereby directed to procure the customary proof of publication of this resolution from the publisher of the Starkville Daily News and to have the same before the Governing Body on or before Tuesday, August 19, 2025, at 5:30 p.m.

If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

Following the reading of the foregoing resolution and discussion thereof, Alderwoman Sandra Sistrunk offered and Alderwoman Kim Moreland seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

Alderwoman Kim Moreland voted: Yea
Alderwoman Sandra C. Sistrunk voted: Yea
Alderman Kyle Skinner voted: Yea
Alderman Mike Brooks voted: Yea
Alderman William Pochop voted: Yea
Alderman Roy A'. Perkins voted: Yea
Alderman Henry N. Vaughn, Sr. voted: Yea

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, July 15, 2025.

City of Starkville, Mississippi
/s/ D. Lynn Spruill, Mayor
/s/ Lesa D. Hardin, City Clerk

Publication Instructions:
Starkville Daily News
July 22, 2025; July 29, 2025; and August 5, 2025

WATKINS & EAGER
Attorneys and Counselors at Law
est. 1895

Mailing Address:
P.O. Box 650
Jackson, Mississippi 39205
Telephone: (601) 965-1900
Facsimile: (601) 965-1901

Brad C. Davis
Direct dial: 601-965-1901
E-mail: bdavis@watkinseager.com

December 2, 2025

Berkley N. Huskison, Esq.
Mitchell McNutt & Sams, PA
215 North 5th Street
Columbus, Mississippi 39701

RE: $10,000,000 Combined Water and Sewer System Revenue Bonds (the "Bonds")
City of Starkville, Mississippi

Dear Berk:

This letter will confirm the selection by the City of Starkville, Mississippi (the "Municipality"), of Watkins & Eager PLLC to act as Bond Counsel with respect to the above-referenced bonds to be issued by the Municipality (the "Bonds"). This letter will also set forth the role and responsibilities we propose to undertake as Bond Counsel to the Municipality and the terms upon which we understand we will undertake those responsibilities as Bond Counsel to the Municipality and be compensated by you for performing in such role.

Proceeds of the Bonds are expected to be used to provide funds for the purpose of (i) improving, repairing, and extending the combined water and sewer system (the "System") of the Municipality (the "Authorized Purpose"); and (ii) paying the costs of the authorization, issuance, sale, validation, and delivery of the Bonds (together, the "Project").

Scope of Engagement and Duties to Be Performed

As Bond Counsel, our chief function is to render an objective legal opinion with respect to the authorization and issuance of the Bonds, the validity and binding effect of the Bonds, the source of payment and security for the Bonds, and the excludability of interest on the Bonds from gross income for federal and State of Mississippi income tax purposes. Assuming that no legal impediments to the issuance of the Bonds become apparent, we would contemplate furnishing to the Municipality and the financial institution purchasing the Bonds (the "Purchaser") our approving opinion as to the validity of the Bonds, which opinion will be executed and delivered by us in written form on the date the Bonds are exchanged for their purchase price (the "Closing"), and will be based on facts and law existing as of its date. Upon delivery of the opinion with respect to the original issuance of the Bonds, our responsibilities as Bond Counsel will be concluded with respect to this financing.

In addition to rendering our approving opinion upon authorizing issuance of the Bonds, we will draft or review the basic legal documents required for authorization, securing, issuing, and sale of the Bonds, including the Bond Resolution of the Municipality, the Notice of Bond Sale, and all related proceedings of the Municipality and resolutions which might be required. We will undertake validation proceedings under the laws of the State of Mississippi. We will also prepare or furnish the incidental closing documents (excepting those customarily prepared or furnished by the Municipality or Purchaser or their respective counsel), including various certificates to be signed by the Municipality, and the form of opinion which will be required from the Municipality's counsel.

In addition, in connection with the delivery of our opinion, we may require that the proceedings for the issuance of such Bonds include other items, including the following:

(a) an opinion of the Municipality's counsel addressing the authorization of the issuance of the Bonds and the execution of the related documents, and other matters normally covered by an opinion of counsel to the Municipality in similar financings;

(b) certificates from the Municipality's officials dealing with financial condition, litigation, regulatory approval, due authorization, and various factual matters; and

(c) certificates from other parties to the transaction and/or opinions of counsel to such parties, as applicable.

Although we ordinarily draft suggested forms for these and other customary closing papers, we do not assume responsibility for verifying the truth of facts certified as true by others, nor, except as necessary to our opinion, do we assume responsibility for examining legal questions on which other participating lawyers are asked to opine.

We assume that we will have the full cooperation of the Municipality, the Purchaser, appropriate officials of the Municipality, and any others necessary to successfully complete this financing, including counsel to the parties. We cannot, of course, guarantee the timing or outcome of legislative or judicial processes or other actions necessary to complete the financing.

Compensation and Reimbursement

We propose that our fee be determined in consultation and negotiation with Municipality, to include the standard State Bond Attorney fee, with such fee to be based upon (i) the terms, structure, size, and schedule of the financing which may be represented by the Bonds, (ii) the duties we will undertake pursuant to this engagement letter, (iii) the time we devoted to the financing, and (iv) the responsibilities we will assume in connection therewith. If unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility, we will consult with you regarding further handling and any possible adjustment to any fee amount. In addition to our fees for services, our bills will include expenses and costs normally associated with representations of this kind.

You have the right to discharge us, and we have the right to withdraw, for any reason at any time upon reasonable notice. If we elect to withdraw, you will take all steps necessary to free us of any obligation to perform further, including the execution of any documents necessary to complete our withdrawal. In the event of our withdrawal or discharge, we will be entitled to retain any fees for services provided before the date of our withdrawal or discharge, as well as to compensation for the reasonable value of our services actually rendered. We also will be entitled to reimbursement of any costs and expenses paid or incurred on your behalf up to the effective date of withdrawal or discharge.

Documents and Files

Subsequent to the Closing, we will provide you with a copy of the Closing transcript relating to the issuance of the Bonds. In addition, any documents or related materials which you have provided to us in connection with our participation in the transaction will be returned to you at your request. All other documents, materials, and work product of any kind shall constitute our own files and property and will be retained or discarded at any time at our sole discretion.

Waiver of Conflict

From time to time this firm represents client, including in connection with a variety of unrelated matters in which the Municipality is involved. These matters may include, but are not limited to, proceedings before the various federal, state, and local governing bodies and boards, agencies, and commissions in which the interest of our client is adverse to the Municipality.

We have reviewed the relationship between our responsibilities as Bond Counsel (which will primarily consist of drafting documents, consulting as to debt options and responsibilities, and rendering on or more opinions with respect to the Bonds) and our representation of other clients, in unrelated matters as described above, and we have concluded that the performance of our responsibilities as Bond Counsel will not be affected by our representation of other clients.

It is our understanding that the Municipality consents to or waives any conflict of interest which may arise as a result of any current representations in unrelated matters and future representations similar to those described above. Your acceptance of this engagement letter will evidence that consent.

Miscellaneous

Once the Bonds are issued, our engagement as Bond Counsel will be completed. Except the completion and distribution of the transcripts, we will have no further obligations as Bond Counsel with regard to the Bonds.

Our willingness to undertake the functions described herein is based upon the facts available to us at this time. Nothing has come to our attention which would lead us to conclude that there are any legal obstacles to delivery of the Bonds. We will proceed with the understanding that should anything come to our attention prior to the issuance of the Bonds which would, in our opinion, cast doubt upon the legality of transaction, we will not be obligated to render our approving legal opinion.

If the foregoing terms are satisfactory to you, please indicate by returning the enclosed copy of this letter signed by an authorized person, retaining the original for your files.

Very truly yours,

Watkins & Eager PLLC

cc: **Mayor Lynn Spruill**
Board of Aldermen

Accepted and agreed to this day, ____________________, 20_____.

City of Starkville, Mississippi

By: ____

Name: ____

Title: ____

PRELIMINARY OFFICIAL STATEMENT DATED __________, 20__

NEW ISSUE-BOOK-ENTRY ONLY

Underlying Rating ____________________________
Insured Ratings: ____________________________
(See RATINGS" and "BOND INSURANCE" 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 Series 2026 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 Series 2026 Bonds earned by the respective owners thereof is exempt from income taxes of the State of Mississippi.

$10,000,000
COMBINED WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2026
CITY OF STARKVILLE, MISSISSIPPI

DATED: __________, 20___ **DUE: __________ 1, as shown below**

Interest on the Series 2026 Bonds is payable on __________ 1, 20__, and semiannually thereafter on __________ 1 and __________ 1 of each year. Payments of interest on the Series 2026 Bonds will be made to the Record Date Registered Owner, and payments of principal and premium, if any, will be made without the necessity of presentation and surrender of the Series 2026 Bonds at the principal office of the Paying Agent to the Record Date Registered Owner. The Series 2026 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 Series 2026 Bonds will be subject to redemption as set forth herein.

The Series 2026 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 Governing Body of the Municipality. The principal of, premium, if any, and interest on the Series 2026 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 Series 2026 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
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%
20__	$_________	_____%	_____%	20__	$_________	_____%	_____%

The Series 2026 Bonds are being offered for sale in accordance with the official Notice of Bond Sale. Sealed or electronic bids for the Series 2026 Bonds will be received until __:00 __.m. on __________, 20__, by the City Clerk of the Municipality.

The Series 2026 Bonds are <u>not</u> 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 Series 2026 Bonds when due will be guaranteed under the Municipal Bond Insurance Policy to be issued concurrently with the delivery of the Series 2026 Bonds by __________.

The Series 2026 Bonds are offered subject to the final approval of the legality thereof by Watkins & Eager PLLC, Jackson, Mississippi, as Bond Counsel, and Mitchell, McNutt & Sams, P.A., Starkville, Mississippi, as Counsel to the Municipality. Stephens Inc., Little Rock, Arkansas, is serving as the Municipality's Independent Registered Municipal Advisor in connection with the issuance of the Series 2026 Bonds. It is expected that the Series 2026 Bonds will be available for delivery in book type and entry-only form delivered to the Depository Trust Company on or about __________, 20__.

Interest payable on __________, 20__, and semiannually thereafter on __________ 1 and __________ 1 of each year. The Series 2026 Bonds, in registered form and in the denomination of $5,000 each, or integral multiples thereof up to the amount of a single maturity, will mature serially on February 1, without option of prior payment, in the years and principal amounts as follows:

Maturity Schedule

Year of Maturity	Principal Amount	Interest Rate	Yield	CUSIP*
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________
20__	$__________	_____%	_____%	__________

*These CUSIP numbers have been assigned by Standard & Poor's CUSIP Service Bureau, a Division of The McGraw-Hill Companies, Inc., and are included solely for the convenience of Bondholders. The Municipality is not responsible for the section or use of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2026 Bonds or as indicated herein.

For purposes of compliance with Rule 15c2-12 ("Rule 15c2-12") of the U.S. Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the City of Starkville, Mississippi (the "Municipality"), from time to time (collectively, the "Official Statement"), may be treated as an "Official Statement" with respect to the Series 2026 Bonds described herein that is deemed final as of the date hereof (or as of the date of any such supplement or correction) by the Municipality. The Official Statement, when further supplemented by a Final Official Statement specifying the interest rates, principal amounts, in the aggregate and per maturity, and delivery dates of the Series 2026 Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the Municipality with respect to the Series 2026 Bonds, as that term is defined in Rule 15c2-12. Any addendum or amendment shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, broker, salesperson, or other person has been authorized by the Mayor and Board of Aldermen of the Municipality (the "Governing Body") to give any information or to make any representation, other than as contained in this Official Statement, in connection with the offering described herein, and if given or made, such other information or representation must not be relied upon as having been authorized by the Governing Body. This Official Statement is submitted in connection with the sale of the Series 2026 Bonds described herein, and may not be reproduced, used, or relied upon, in whole or in part, for any other purpose.

CERTAIN INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT MAY HAVE BEEN OBTAINED FROM SOURCES OTHER THAN RECORDS OF THE MUNICIPALITY AND, WHILE BELIEVED TO BE RELIABLE, IS NOT GUARANTEED AS TO COMPLETENESS OR ACCURACY. THE INFORMATION AND EXPRESSIONS OF OPINION IN THIS OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE MUNICIPALITY SINCE THE DATE HEREOF.

Reference herein to laws, rules, regulations, resolutions, agreements, reports, and other documents do not purport to be comprehensive or definitive. All references to laws, rules, regulations, agreements, reports, and other documents are qualified in their entirety by reference to the particular laws, rules, regulations, agreements, reports, and other documents, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to this Official Statement, they will be furnished on request.

The Series 2026 Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and the same will not be listed on any stock or other securities exchange. Neither the U.S. Securities and Exchange Commission nor any other federal, state, or other governmental entity or agency will have passed upon the accuracy or adequacy of this Official Statement or approved the Series 2026 Bonds for sale. Any representation to the contrary is a criminal offense.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE MUNICIPALITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

This Official Statement contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the use of the future tense or by terms such as "may," "intend," "will," "expect," "forecast," "project," "anticipate," "estimate," "plan," "budget," "believe," "should," "strategy," "position," or the negative of such terms or variations of such words or similar expressions. In particular, any statements, express or implied, concerning future operating results or the ability to generate funds to service indebtedness are forward-looking statements. Investors are cautioned that reliance on any of those forward-looking statements involves risks and uncertainties and that, although the Governing Body believes that the assumptions on which those forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate. Those forward-looking statements, including forecasts, projections, and estimates, are based on currently available information, expectations, estimates, assumptions, and projections, and the Governing Body's judgment about future expenses of operations and general economic conditions. The forward-looking statements are not guarantees of future performance. Actual results may vary materially and adversely from what is contained in a forward-looking statement. Factors which may cause results different from those expected or anticipated include, among others, increases in costs of operation, decreases in levels of State financial support, general economic and business conditions, and various other events, conditions, and circumstances, many of which are beyond the control of the Municipality. As a result, the forward-looking statements based on those assumptions also could be incorrect, and actual results may differ materially and adversely from any results indicated or suggested by those assumptions.

Although the Municipality believes in making any such forward-looking statement, and its expectations are based on assumptions considered reasonable by the Municipality, any such forward-looking statement involves uncertainties and is qualified in its entirety by reference to factors both identified within this Official Statement and from publicly available sources about trends in municipal government that could cause the actual financial operating results of the Municipality to differ materially and adversely from those contemplated in such forward-looking statements.

Any forward-looking statement speaks only as of the date such statement is made, and the Municipality undertakes no obligation to update any forward-looking statement in this Official Statement to reflect events or circumstances after the date of this Official Statement or to reflect the occurrence of unanticipated events. New factors arise or emerge from time to time, and it is not possible for the Municipality to predict all such factors, nor can it assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially and adversely from those contained in any forward-looking statement.

TABLE OF CONTENTS

Page

CITY OF STARKVILLE, MISSISSIPPI

LYNN SPRUILL
Mayor

Board of Aldermen

MIKE BROOKS	**SANDRA C. SISTRUNK**
KIM MORELAND	**KYLE SKINNER**
ROY A'. PERKINS	**HENRY N. VAUGHN, SR.**
WILLIAM POCHOP	

JOANNA MCLAURIN
City Clerk

MITCHELL, MCNUTT & SAMS, P.A.
Starkville, Mississippi
Attorney for the Municipality

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

STEPHENS INC.
Ridgeland, Mississippi
Independent Registered Municipal Advisor

WATKINS & EAGER PLLC
Jackson, Mississippi
Bond Counsel

OFFICIAL STATEMENT

$10,000,000
COMBINED WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2026
CITY OF STARKVILLE, MISSISSIPPI

INTRODUCTION

The purpose of this Official Statement is to set forth certain information in connection with the issuance of the Combined Water and Sewer System Revenue Bonds, Series 2026, dated and issued __________, 20__, in the aggregate principal amount of $10,000,000 (the "Series 2026 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 Series 2026 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 resolutions authorizing and directing the issuance of the Series 2026 Bonds adopted by the Mayor and Board of Aldermen of the Municipality (the "Governing Body") on July 15, 2025, September 2, 2025, and December 2, 2025 (the "Bond Resolution").

In order to issue the Series 2026 Bonds, the Governing Body adopted a resolution on July 15, 2025, declaring its intention to issue combined water and sewer system revenue bonds in the maximum principal amount of $10,000,000 to provide funds for the purpose of improving, repairing, and extending (the "Authorized Purpose") the combined waterworks, water supply, sewage, and sewage disposal 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 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. August 19, 2025, 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 Series 2026 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 Series 2026 Bonds, the pledge of revenues for the payment of the principal of and interest on the Series 2026 Bonds and any Additional Bonds, the nature and extent of said pledge and the terms and conditions under which the Series 2026 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" means, together, Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended (the "Municipal Utilities Act"), and Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended (the "Bank Act").

"Additional Bonds" means any bonds of the Municipality issued on a parity of lien with the Series 2026 Bonds pursuant to the requirements of the Bond Resolution, the Series 2019 Bonds, the Series 2025A Bonds, the Series 2025B Bonds, and the Loans.

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

"Annual Debt Service Requirement" means 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" means undertaking activities for the purpose of studying the System and determining the nature and extent of the necessary improvements, repairs, and extensions to the System.

"Bond" or "Bonds" means the Series 2026 Bonds and any Additional Bonds hereafter issued under the terms, limitations, and conditions provided in the Bond Resolution.

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

"Bond Counsel" means Watkins & Eager PLLC, Jackson, Mississippi, or any other Nationally Recognized Bond Counsel.

"Bond Insurance Policy" means the municipal bond insurance policy, if any, issued by the Bond Insurer guaranteeing the scheduled payment of principal of and interest on the Series 2026 Bonds when due.

"Bond Insurer" or "_____" means __________, or another 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" means the resolutions authorizing and directing the issuance of the Series 2026 Bonds adopted by the Governing Body on July 15, 2025, September 2, 2025, and December 2, 2025.

"Bond Year" means the period beginning on the Closing Date and ending on the last day of September next occurring and each one-year period thereafter during which any Series 2026 Bonds remain Outstanding; provided, however, that the final Bond Year shall end on the date the Series 2026 Bonds are retired.

"Bondholder" or "Holder", or any similar derivation thereof, means the Registered Owner of any Series 2026 Bonds issued pursuant to the Bond Resolution.

"Business Day" means 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" means the City Clerk of the Municipality.

"Closing Date" with respect to the Series 2026 Bonds means the date of issuance and delivery of the Series 2026 Bonds to the Purchaser.

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

"Consulting Engineer" means such competent engineers or engineering firm(s) as are employed by the Municipality or 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.

"Contingent Fund" means the Combined Water and Sewer System Contingent Fund authorized, established, designated, and provided for in Section 5.03(a)(4) of the Bond Resolution.

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

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

"Defaulted Interest" means interest on any Series 2026 Bonds which is not paid on the date due.

"Defaulted Principal" means principal of any Series 2026 Bonds which is not paid on the date due.

"Depreciation Fund" means the Combined Water and Sewer System Depreciation Fund authorized, established, designated, and provided for in Section 5.03(a)(3) of the Bond Resolution.

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

"Fiscal Year" with respect to the Municipality means 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" means the Mayor and Board of Aldermen of the Municipality.

"Improvement Fund" means the Combined Water and Sewer System Improvement Fund authorized, established, designated, and provided for in Section 6.01 of the Bond Resolution.

"Loans" means any loans for the System existing on the date of issuance of the Series 2026 Bonds resulting from any loan agreements entered into by the Municipality under any loan programs of the State.

"Maximum Annual Debt Service Requirement" means, at any given time of determination with respect to the Series 2026 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" means the Mayor of the Municipality.

"Municipality" means the City of Starkville, Mississippi.

"Municipal Advisor" means Stephens Inc., Little Rock, Arkansas, the "Independent Registered Municipal Advisor" to the Municipality.

"Nationally Recognized Bond Counsel" means 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" means all Revenues of the System remaining after payment of Current Expenses.

"Notice" means the Notice of Bond Sale attached as **Appendix E**.

"Operation and Maintenance Fund" means the Combined Water and Sewer 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 Series 2026 Bonds means, 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" means 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 Series 2026 Bonds, and to serve as registrar and transfer agent for the registration of owners of the Series 2026 Bonds, and for the performance of other duties as may be herein or hereafter specified by the Governing Body.

"Payment Date" means __________, 20__, and semiannually thereafter on __________ 1 and __________ 1 of each year, and continuing until the last such date on which any of the Series 2026 Bonds is Outstanding, or is paid in full whether at maturity or upon redemption thereof.

"Person" means 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 means the sums sufficient for the payment of the principal of and interest on the Series 2026 Bonds which will mature and accrue during such period, including the Loans, 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.

"Project" means providing funds for the Authorized Purpose, to be made in substantial accordance with the plans and specifications, as they may be amended and supplemented, prepared by the Consulting Engineer, and the payment of the costs of issuance of the Series 2026 Bonds.

"Purchaser" or "Underwriter" means the successful bidder for the Series 2026 Bonds, to be hereafter designated by resolution of the Governing Body.

"Record Date" means, as to interest payments, the 15th day of the month preceding the dates set for payment of interest on the Series 2026 Bonds and, as to payments of principal, the 15th day of the month preceding the maturity date thereof.

"Record Date Registered Owner" means the Registered Owner as of the Record Date.

"Redemption Price" means, with respect to a Series 2026 Bond, the principal amount of such Series 2026 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" means the Person whose name shall appear in the registration records of the Municipality as the Registered Owner of a Bond or Bonds.

"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) 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) 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 Series 2026 Bonds of such issue shall be refunded. If a portion, but not all, of the Series 2026 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) 10% of the aggregate Outstanding principal of the Refunded Issue plus 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) 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" means, with respect to any Series 2026 Bonds, the stated principal amount of such Series 2026 Bond, unless the issue of bonds which included such Series 2026 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 means the issue price (as defined in Section 1.148-1(b) of the Treasury Regulations) of such Series 2026 Bond.

"Reserve Fund Surety Bond" means 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.

"Revenue Fund" means the Combined Water and Sewer System Revenue Fund authorized, established, designated, provided for in Section 5.02 of the Bond Resolution.

"Revenues" means 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.

"Series 2019 Bonds" means the $10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2019, of the Municipality, dated and issued May 1, 2019, and maturing May 1, 2039.

"Series 2025A Bonds" shall mean the $10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2025A, of the Municipality, dated and issued May 21, 2025, and maturing on February 1, 2045.

"Series 2025B Bonds" shall mean the $8,000,000 Combined Water and Sewer System Revenue Bonds, Series 2025B, of the Municipality, authorized by the Governing Body pursuant to that certain bond resolution, adopted on November 5, 2024, but not yet issued as of the date of this Preliminary Official Statement.

"Series 2026 Bonds" means the Combined Water and Sewer System Revenue Bonds, Series 2026, of the Municipality, in the original principal amount of $10,000,000, dated the date of issuance thereof, authorized and directed to be issued in the Bond Resolution.

"Special Record Date" means 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.

"State" means the State of Mississippi.

"Subsection 148(f)" means Subsection 148(f) of the Code.

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

"System" means the combined waterworks, water supply, sewage, and sewage disposal system of the Municipality, as the same presently exists and as hereafter improved, repaired, and extended.

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 SERIES 2026 BONDS

Terms of the Series 2026 Bonds. The Series 2026 Bonds shall be in registered form; shall be dated and issued on __________, 20__; 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 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 __________, 20__, and semiannually thereafter on __________ 1 and __________ 1 in each year; and shall mature, with option of prior payment, on __________ 1 in the years and principal amounts as set forth on the cover page of this Official Statement.

Purpose. The Series 2026 Bonds are being issued to provide funds for the Project.

Redemption of the Series 2026 Bonds. The Series 2026 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, either 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 Series 2026 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 30 days before the redemption date of any Series 2026 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 Series 2026 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 Series 2026 Bonds of any one maturity shall be called for redemption, the distinctive numbers and letters, if any, of such Series 2026 Bonds to be redeemed.

(c) Prior to the date fixed for redemption, funds shall be placed with the Paying Agent to pay the Series 2026 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 Series 2026 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.

Security for the Series 2026 Bonds. In order to secure the payment of the principal of, premium, if any, and interest on the Series 2026 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 Series 2026 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 the Bond Resolution as the same become due and payable, and (ii) the Current Debt Service Account and the Debt Service Reserve Account. The Series 2026 Bonds are secured on a parity of lien with the Series 2019 Bonds, the Series 2025A Bonds, the Series 2025B Bonds, the Loans, and any Additional Bonds issued pursuant to the Bond Resolution. The Series 2026 Bonds shall be secured equally and ratably by such pledge.

Limitation of the Obligation of the Municipality. The Series 2026 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 Series 2026 Bonds or the making of any reserve or other payments provided for in the Bond Resolution.

Book-Entry System. The Series 2026 Bonds will be available to purchasers under the Book-Entry System maintained by The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2026 Bonds. Purchasers will not be entitled to receive physical delivery of the Series 2026 Bonds. For so long as any purchaser is a beneficial owner of a Series 2026 Bond, such purchaser must maintain an account with a broker or dealer who is, or acts through, a DTC participant in order to receive payment of principal of and interest on such Series 2026 Bond. In the event the Series 2026 Bonds are no longer held under the Book-Entry System, bond certificates registered in the name of DTC or its nominee will be cancelled and the Municipality will execute and deliver such bonds to the Beneficial Owners as shown on the records of the DTC Participants.

CONTINUING DISCLOSURE

The Municipality will enter into a Continuing Disclosure Agreement for the benefit of holders of the Series 2026 Bonds wherein the Municipality will agree to provide annually its audited financial statements and certain financial information and operating data relating to the System (the "Annual Report"), 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 Report 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 Report or the notices of material events and the other provisions of the Continuing Disclosure Agreement are set forth in **Appendix D**. A failure by the Municipality to comply with the Continuing Disclosure Agreement must be reported in accordance with the 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 Series 2026 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2026 Bonds and their market price.

The Municipality is responsible for making continuing disclosure filings, which include annual reports containing certain financial information and operating data relating to the Municipality and audited financial statements for each fiscal year. Pursuant to prior written disclosure undertakings, the Municipality is responsible for filing its annual reports and audited financial statements within 12 months of the end of its fiscal year of September 30. The Municipality has consistently timely filed its annual reports containing certain financial information and operating data relating to the Municipality. The Municipality failed to timely file its annual reports related to the System and the Municipality's electric system for the fiscal year ending September 30, 2023, and failed notices of failure to timely file. The Municipality filed the annual reports related to the System and the electric system on March 8, 2025. The Municipality has failed in recent fiscal years to timely file its audited financial statements for the fiscal years September 30, 2019, to September 30, 2023, and has filed notices of failure to timely file audited financial statements when applicable. The Municipality filed its audited financial statements for the fiscal year ended September 30, 2022, on EMMA on April 22, 2024. The Municipality filed its audited financial statements for the fiscal year ended September 30, 2023, attached hereto as **Appendix B**, on EMMA on April 9, 2025.

The Municipality's intention is to file the information required under the continuing disclosure undertaking for the Series 2026 Bonds and its prior obligations in a complete and timely manner and has retained an independent agent to monitor compliance throughout the term of the Series 2026 Bonds.

[insert additional information here]

THE COMBINED WATER AND SYSTEM OF THE MUNICIPALITY

General. The Municipality owns the combined waterworks, water supply, sewage, and sewage disposal system of the Municipality (the "System").

The water portion of the System serves approximately 15,500 customers utilizing 280 miles of water mains and 7 wells having a total estimated capacity of 13,270,000 gallons per day ("MGD"). The System utilizes 6 elevated storage tanks and no ground storage tanks, with a total capacity of 3 million gallons.

The sewer portion of the System serves approximately 14,500 customers utilizing 250 miles of sewer mains and a treatment plant with a capacity of 10 MGD.

The Municipality has met all requirements set forth by the Mississippi Department of Environmental Quality and the Environmental Protection Agency.

Water and Sewer Enterprise Fund. The System is maintained as a separate accounting entity and is operated as an "enterprise fund." Such fund is used to account for water and sewer services provided to residents of the Municipality and some residents outside the incorporated area of the Municipality. All activities necessary to provide such services are accounted for in this fund, including administration, engineering, pumping and purification, transmission, and distribution, financing, debt service, and billing and collections.

Water and Sewer System Enterprise Fund. The System is maintained as a separate accounting entity and is operated as an "enterprise fund." Such fund is used to account for water and sewer services provided to residents of the Municipality and some residents outside the incorporated area of the Municipality. All activities necessary to provide such services are accounted for in this fund, including administration, engineering, pumping and purification, transmission, and distribution, financing, debt service, and billing and collections.

Management of the System. The System is operated by Starkville Utilities, a public utility incorporated in 1939 and operating as a self-sustaining arm of the Municipality under administrative control of the Governing Body of the Municipality. Starkville Utilities maintains the book of accounts and prepares financial statements for the System.

Establishment of Rates. Charges for the services and facilities of the System are established by the Governing Body of the Municipality. During any time any obligations of the System are outstanding and unpaid, the Governing Body must consider, among other things, the rate covenant contained in the Bond Resolution (see "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION - Rate Covenant").

Rate Structure. The following water and sewer rates were adopted by the Municipality on September 3, 2024, effective November 2024, and apply to each user of the System.

- Water rates for users within the corporate limits of the Municipality through metered services are as follows:

Usage Category (Per Month)	Rate (Per Thousand Gallons)
Minimum Fee	$9.00
More than 1,000 gallons	$4.50

- Sewer rates for users within the corporate limits of the Municipality through metered services are as follows:

Usage Category (Per Month)	Rate (Per Thousand Gallons)
Minimum Fee	$9.00
Within Municipality, plus usage	$4.50
Within Municipality, Sewer Only	$21.67

- Water rates for users outside the corporate limits of the Municipality through metered services are as follows:

Usage Category (Per Month)	Rate (Per Thousand Gallons)
Minimum Fee	$13.50
More than 1,000 gallons	$6.75

- Sewer rates for users outside the corporate limits of the Municipality through metered and unmetered services are as follows:

Usage Category (Per Month)	Rate (Per Thousand Gallons)
Minimum Fee	$13.50
Outside Municipality, plus usage	$6.75

Outside Municipality, Sewer Only	$32.51

The following is an estimated breakdown of water and sewer charges for residential and commercial and industrial customers of the System as of September 30, 2024.

	Residential Customers	Commercial and Industrial Customers	Totals
Water Charges:	$3,614,452	$1,660,271	$5,274,723
Sewer Charges:	$2,425,111	$1,334,876	$3,759,987
Totals:	$6,039,563	$2,995,147	$9,034,710

The ten largest residential and commercial users of water per gallon per month as of September 30, 2024, are listed below.

Ten Largest Residential Water Customers	**Usage (Gallons per Month)**	**Revenues (per Month)**
SQ Miss State Vista LLC	4,940,970	$33,818.82
Brooksville Gardens Group LP	4,256,190	$11,797.65
A Strategy Cedar Cove LLC	4,119,000	$18,554.50
The Balcony Office	3,127,100	$15,396.75
Legacy at Louisville	1,472,400	$5,396.75
Johnny Flemming	1,387,800	$6,263.10
Starkville Apartment	1,305,200	$9,734.40
Lloyd Rose	1,219,280	$5,828.80
Yuan Lin	1,201,340	$5,424.06
West Main Street Apts LLC	1,145,290	5,171.82
Total:	24,174,570	$117,386.65
Ten Largest Commercial Water Customers	**Usage (Gallons per Month)**	**Revenues (per Month)**
Amazon.com Services LLC	4,163,500	$18,453.18
MSU Research and Technology	3,070,000	28,975.95
FPA6 College Station LLC	2,022,500	41,144.85
Lakeside Student Living	1,894,000	36,112.05
Chandler Park	1,664,000	44,421.96

Starkville Manor	1,638,300	28,067.90
Starkville MS Opco LLC	1,350,080	23,866.77
Crei-Starkville, LLC	1,272,500	27,563.40
Pines Mobile Home	1,242,500	26,807.40
205 Lynn Ln LLC	1,205,870	12,188.89
Total:	19,523,250	$287,602.35

The current capacity of the water system is as follows:

Current Water System	Number of Gallons Per Day
Peak Daily Load	13,270,000
Average Daily Usage	5,000,000

The current capacity of the sewer system is as follows:

Current Sewer System	Number of Gallons Per Day
Peak Daily Load*	5.5 MGD
Average Daily Usage	4.0 MGD

*with heavy rain, this could increase

Interlocal Agreement with Mississippi State University. While Mississippi State University ("MSU") is a significant user of the Municipality's wastewater treatment plant, MSU is not billed as a standard customer. The Municipality and MSU entered into an amended interlocal agreement dated February 8, 1993 (the "Interlocal Agreement"), whereby MSU agreed to reimburse the Municipality a pro-rata share of the operation and maintenance costs of the wastewater treatment facility based on flow amounts from MSU. When the Municipality receives the reimbursements from MSU, those reimbursements are treated as and become "Revenues" (as defined herein) and therefore are pledged revenues. Additionally, the Municipality agreed to reimburse MSU a pro-rata share of MSU's operation and maintenance costs of their system/lift stations based on flow amounts from the Municipality's customers that flow through MSU's system to arrive at the Municipality's wastewater treatment facility. The Interlocal Agreement shall remain in full force and effect until terminated or amended by mutual consent in writing by MSU and the Municipality. The Interlocal Agreement pertains exclusively to wastewater services.

The ten largest residential and commercial users of the sewer system per gallon per month as of September 30, 2024, are listed below.

Ten Largest Residential Sewer Customers	Usage (Total Gallons from October 23-September 24)	Revenues
SQ Miss State Vista LLC	10,481,200	$32,592.04
Brooksville Gardens Group LP	4,256,190	4,424.40
A Strategy Cedar Cove LLC	4,119,000	18,554.50
The Balcony Office	3,127,100	14,089.95
Legacy at Louisville	1,472,400	4,040.55
Johnny Flemming	1,387,800	6,263.10
Starkville Apartment	1,367,000	6,705.00
Lloyd Rose	1,219,280	5,828.80
Yuan Lin	1,201,340	5,424.06
West Main Street Apts LLC	1,145,290	5,171.82
Total:	29,776,600	103,094

Ten Largest Commercial Sewer Customers	Usage (Total Gallons from October 23-September 24)	Revenues
Chandler Park	11,374,900	$50,922.25
FPA6 College Station LLC	9,129,300	40,614.65
Lakeside Student Living	7,845,000	35,095.10
MSU Research and Technology	6,432,100	28,975.95
Starkville Manor	6,222,200	27,769.28
Crei-Starkville, LLC	6,121,200	27,796.28
Pines Mobile Home	5,953,200	26,508.61
Starkville MS OPO LLC	5,295,720	23,700.68
Hilton Garden Inn	4,688,800	20,916.65
Ferndale Manor	4,686,800	20,859.90
Total:	67,749,220	303,159

Water and Sewer Debt Service. The following schedule shows a summary of the current outstanding debt service of the water and sewer system and the Proposed Series 2026 Bonds.

	Existing			Proposed			After Issuance		
	Total Water & Sewer Debt			Series 2025 Bonds*			Aggregate*		
FYE	Principal	Interest	Total P+I	Principal	Interest	Total P+I	Principal	Interest	Total P+I
09/30/2025	1,170,209	334,229	1,504,438			-	1,170,209	334,229	1,504,438
09/30/2026	1,006,179	303,634	1,309,813	160,000	365,464	525,464	1,166,179	669,098	1,835,277
09/30/2027	912,009	275,788	1,187,797	230,000	295,569	525,569	1,142,009	571,357	1,713,366
09/30/2028	730,487	250,344	980,831	245,000	283,694	528,694	975,487	534,038	1,509,525
09/30/2029	736,654	226,578	963,232	255,000	271,194	526,194	991,654	497,771	1,489,426
09/30/2030	726,144	207,137	933,280	270,000	258,069	528,069	996,144	465,205	1,461,349
09/30/2031	686,413	188,381	874,793	280,000	244,319	524,319	966,413	432,699	1,399,112
09/30/2032	709,873	169,471	879,343	295,000	229,944	524,944	1,004,873	399,414	1,404,287
09/30/2033	738,403	149,891	888,293	310,000	214,819	524,819	1,048,403	364,710	1,413,112
09/30/2034	762,004	129,490	891,493	325,000	200,569	525,569	1,087,004	330,059	1,417,062
09/30/2035	790,677	108,416	899,093	340,000	187,269	527,269	1,130,677	295,685	1,426,362
09/30/2036	819,425	86,519	905,943	355,000	173,369	528,369	1,174,425	259,887	1,434,312
09/30/2037	750,445	64,552	814,997	370,000	158,869	528,869	1,120,445	223,421	1,343,866
09/30/2038	748,119	43,324	791,444	385,000	143,769	528,769	1,133,119	187,093	1,320,212
09/30/2039	754,042	21,702	775,744	400,000	128,069	528,069	1,154,042	149,771	1,303,812
09/30/2040	5,404	23	5,427	415,000	111,769	526,769	420,404	111,792	532,196
09/30/2041	-	-	-	435,000	93,953	528,953	435,000	93,953	528,953
09/30/2042	-	-	-	450,000	74,594	524,594	450,000	74,594	524,594
09/30/2043	-	-	-	470,000	54,469	524,469	470,000	54,469	524,469
09/30/2044	-	-	-	495,000	33,359	528,359	495,000	33,359	528,359
09/30/2045	-	-	-	515,000	11,266	526,266	515,000	11,266	526,266
Total	**12,046,487**	**2,559,477**	**14,605,964**	**7,000,000**	**3,534,392**	**10,534,392**	**19,046,487**	**6,093,869**	**25,140,356**

Source: Starkville Utilities Officials

** - Preliminary, Subject to change.*

Revenues Available for Debt Service. The following schedule sets forth the actual and projected Net Revenues and Debt Service Coverage for fiscal years 2020 through 2025.

Revenue	**2020**	**2021**	**2022**	**2023**	**Estimate 2024**	**Proposed Budget 2025**
Charges for Services	$6,943,950	$7,784,946	$8,386,166	$9,598,728	$9,398,529	$10,487,721
Other Income	$643,330	$2,503,620	$1,561,584	$970,432	$3,769,786	$2,085,929
Total Revenue	$7,587,280	$10,288,566	$9,947,750	$10,569,160	$13,168,315	$12,573,650
Expenses(1)						
Operating & Maintenance	$5,651,078	$6,419,461	$5,650,210	$6,132,188	$9,370,627	$7,804,463
Total Expenses	$5,651,078	$6,419,461	$5,650,210	$6,132,188	$9,370,627	$7,804,463
Net Revenue Available for Debt Service	$1,936,202	$3,869,105	$4,297,540	$4,436,972	$3,797,688	$4,769,187
Debt Service						
Total Debt Service	$1,523,663	$1,496,888	$1,501,389	$1,538,062	$1,505,438	$1,504,438
Debt Service Coverage	**1.27x**	**2.58x**	**2.86x**	**2.88x**	**2.52x**	**3.17x**

(1) - Excludes Depreciation and Amortization

Sources: Audited Financial Statements for the Fiscal Years ending September 30, 2020 through 2023 prepared by Watkins, Ward and Stafford, PLLC and City Officials.

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 Series 2026 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 Series 2026 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 Series 2026 Bonds.

RISK FACTORS

Revenues of the System. The Series 2026 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.

Cyber Security Management. The Municipality, like many other public and private entities, relies on a large and complex technology environment to conduct its operations and faces multiple cyber security threats including, but not limited to, hacking, phishing, viruses, malware, and other attacks on its computing and other digital networks and systems (collectively, "Systems Technology"). As a recipient and provider of sensitive information, the Municipality may be the target of cyber security incidents that could result in adverse consequences to the Municipality and its Systems Technology, requiring a response action to mitigate the consequences. The Municipality has in place daily backup processes to help mitigate the potentiality of these risks. The Municipality has structured its "technology" environment based upon best practice Zero Trust standards to mitigate these risks. Cyber security incidents could result from unintentional events or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Municipality's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. The Municipality has implemented certain controls, including data and network security measures, malware protection, security configuration, website filtering and protection, and user training, to mitigate the risk of cyber security breaches from internal sources or activities. The Municipality has personnel policies in place for the Municipality's computer systems and networks detailing the security of the systems by only designated personnel and password securities in place by user. The Municipality carries a cybersecurity insurance policy in the amount of $1,000,000. Despite the Municipality's measures to safeguard its network infrastructure, there are no guarantees that such measures will be successful.

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 2026 Bond Proceeds. All funds received from the sale of the Series 2026 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 Series 2026 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 Series 2026 Bonds shall be deposited into the Improvement Fund.

Rate Covenant.

(a) As long as any of the Series 2026 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 120% of the amount of the maximum Principal and Interest Requirement for the current Bond Year on account of the Series 2026 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.

Combined Water and Sewer 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 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 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) <u>Current Debt Service Account</u>. On or before the first 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 Series 2026 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 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 Series 2026 Bonds (including for this purpose any advancement of maturity pursuant to a mandatory sinking fund payment).

(B) <u>Debt Service Reserve Account</u>. (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 Series 2026 Bonds deposit an amount from the proceeds of the sale of the Series 2026 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 Series 2026 Bonds.

(ii) On or before the first 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 Series 2026 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 Series 2026 Bonds then Outstanding, plus the amount of interest then due or to become due on the Series 2026 Bonds then Outstanding, or when the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 $5,000; provided, however, that deposits may be made on or before the first Business Day of each month, beginning with the first calendar month after the Closing Date, until the amount on deposit in the Depreciation Fund is equal to $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 the Bond Resolution for the payment of the principal of and interest on the Series 2026 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 Series 2026 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 Series 2026 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 $5,000; provided, however, that deposits may be made on or before the first Business Day of each month, beginning with the first calendar month after the Closing Date, until the amount on deposit in the Contingent Fund is equal to $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 the Bond Resolution for the payment of the principal of and interest on the Series 2026 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 Series 2026 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.

Combined Water and Sewer Improvement Fund. Pursuant to the Bond Resolution, the proceeds of the Series 2026 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 Series 2026 Bonds and Bond Insurance Policy premiums, if any, for the Series 2026 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 Series 2026 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 Series 2026 Bonds and fully to retire all of the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds and the interest thereon.

The Municipality may issue obligations junior and subordinate to the Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds, or if the Series 2026 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 Series 2026 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 means any of the following: (a) failure to pay the principal of, premium, if any, or interest on any of the Series 2026 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 bonds resolutions.

The Registered Owner of any of the Series 2026 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 Series 2026 Bonds, any court having jurisdiction in the proper action may, upon petition of the Registered Owners of a majority in principal amount of the Series 2026 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 Series 2026 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 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 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 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 12-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% of the principal amount of the Series

2026 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 Series 2026 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 Series 2026 Bonds, except in the manner and under the conditions provided above. The Municipality may issue bonds junior and subordinate to the Series 2026 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 Series 2026 Bonds. If the Municipality shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Series 2026 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.

Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds on and prior to the redemption date or maturity date thereof, as the case may be and (c) in the event said Series

2026 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 Series 2026 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 Series 2026 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 Series 2026 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 Series 2026 Bonds shall not constitute the payment of the Series 2026 Bonds pursuant to the Bond Resolution, and the Series 2026 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 Series 2026 Bonds then Outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of the Series 2026 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 Series 2026 Bonds, as the same mature and become due, from the Net Revenues of the System, or reduce such percentage of Holders of the Series 2026 Bonds required above for such modification or amendment without the consent of the Holders of all of the Series 2026 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 Series 2026 Bonds;

(3) to subject to the lien of the Series 2026 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 Series 2026 Bonds with the consent of the Purchaser 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 Series 2026 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 Series 2026 Bonds is necessary in order that interest on the Series 2026 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 Series 2026 Bonds is necessary in order that interest on the Series 2026 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 Series 2026 Bonds to be includable in gross income for federal income tax purposes, retroactive to the date of issuance of the Series 2026 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% 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 Series 2026 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 Series 2026 Bonds will not be "specified private activity bonds."

Certain Other Provisions of the Code Affecting Owners of the Series 2026 Bonds; Other Federal Tax Consequences of Interest on the Series 2026 Bonds.

Branch Profits Tax. Interest on the Series 2026 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 Series 2026 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 Series 2026 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% of the amount of interest earned on the Series 2026 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 Series 2026 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 laws of the State, interest on the Series 2026 Bonds earned by the respective owners thereof is exempt from income taxes of the State.

Bond Counsel Opinion. Bond Counsel will not address or opine with respect to any federal tax consequences arising with respect to the Series 2026 Bonds, other than its opinion with respect to the exclusion of interest on the Series 2026 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code, its opinion that the Series 2026 Bonds are "qualified tax-exempt obligations," and its opinion that the Series 2026 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 Series 2026 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 Series 2026 Bonds will not adversely affect the tax consequences of owning the Series 2026 Bonds, the exclusion of interest on the Series 2026 Bonds from gross income for federal income tax purposes or the market price of the Series 2026 Bonds.

VALIDATION

The Series 2026 Bonds will be submitted to validation before the Chancery Court of Oktibbeha County, Mississippi, 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 Series 2026 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 Series 2026 Bonds. No representation is made to the Registered Owners of the Series 2026 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 Series 2026 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 Series 2026 Bonds or the collection of Revenues pledged or to be pledged to pay the principal of and interest on the Series 2026 Bonds, or in any way contesting or affecting the validity of the Series 2026 Bonds or the Bond Resolution or the power to collect and pledge said Revenues to pay the Series 2026 Bonds, or contesting the powers or authority of the Municipality to issue the Series 2026 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 Series 2026 Bonds, the representative of the Purchaser 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 Series 2026 Bonds to the Purchaser, 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 Series 2026 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 Series 2026 Bonds after their initial sale by the Municipality. The Municipality has no control over the prices at which the Series 2026 Bonds will be initially reoffered to the public.

THE MUNICIPAL ADVISOR

Stephens Inc., Little Rock, Arkansas, is serving as the "Independent Registered Municipal Advisor" (the "IRMA" or the "Municipal Advisor") to the Municipality in connection with the issuance of the Series 2026 Bonds. In its capacity as the IRMA, the Municipal Advisor has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants, and representations contained in any of the legal documents with respect to the federal or state income tax status of the Series 2026 Bonds or the possible impact of any present, pending, or future actions taken by any legislative or judicial bodies. The information set forth herein has been obtained from the Municipality and other sources believed to be reliable but has not been independently verified by the IRMA.

The IRMA has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Municipality and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the IRMA does not guarantee the accuracy or completeness of such information.

AUDITORS

The financial statements of the City as of September 30, 2024, have been audited by Watkins, Ward and Stafford, PLLC, Certified Public Accountants, Starkville, Mississippi, independent certified public accountants, as set forth in their report attached as **Appendix B**. Watkins, Ward and Stafford, PLLC, has not performed any procedures relating to this Official Statement.

BOND INSURANCE

[insert additional information here]

BOND RATING

[insert additional information here]

UNDERWRITING

The Series 2026 Bonds have been purchased by __________ (the "Purchaser"), at competitive sale from the Municipality for resale. The Purchaser has agreed to purchase the Series 2026 Bonds at the purchase price of $__________, calculated at par of $10,000,000, plus a premium of $__________, less Purchaser's discount of $__________, and less premium for the Bond Insurance Policy of $__________. The initial public offering yields of the Series 2026 Bonds are set forth on the inside front cover of this Official Statement and may be changed from time to time by the Purchaser. The Purchaser may also allow a concession from the public offering prices to certain dealers. The Purchaser has received no fee from the Municipality for underwriting the Series 2026 Bonds. If the Series 2026 Bonds are sold at the public offering yields as set forth on the inside front cover of this Official Statement, the Purchaser anticipates total selling compensation of $__________ for the Series 2026 Bonds.

REGISTRAR AND PAYING AGENT

__________, __________, __________, is acting as Registrar and Paying Agent for the Series 2026 Bonds (the "Paying Agent"). The Paying Agent has not provided, or undertaken to determine, the accuracy of, any of the information contained in this Official Statement and makes no representation or warranty, express or implied, as to (i) the accuracy or completeness of such information; (ii) the validity of the Series 2026 Bonds; or (iii) the tax exempt status of the interest on the Series 2026 Bonds.

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 Series 2026 Bonds, the security for the payment of the Series 2026 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 Series 2026 Bonds depending on such matters, and the identity of the Purchaser, 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 Series 2026 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 City 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 Purchaser identification determined by the Municipality to be necessary for the Official Statement within 24 hours after the sale and award of the Series 2026 Bonds.

A copy of this Official Statement may be obtained from:

Joanna McLaurin **City Clerk** **City of Starkville, Mississippi** **j.mclaurin@cityofstarkville.org** **(662) 323-2525**	**or**	**Brad C. Davis, Esq.** **Bond Counsel** **Watkins & Eager PLLC** **bdavis@watkinseager.com** **(601) 965-1988**

City of Starkville, Mississippi

***/s/ D. Lynn Spruill*, Mayor**

***/s/ Joanna McLaurin*, City Clerk**

Appendix A

General Information regarding the Municipality and its Economy

Appendix B

Audited Financial Statements for the Fiscal Year Ended September 30, 2024;
Budget for the Fiscal Years Ended September 30, 2025,
and Budget for the Fiscal Year Ending September 30, 2026

Appendix C

Form of Bond Counsel Opinion

__________, 2026

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 $10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2026, dated and issued __________, 2026 (the "Series 2026 Bonds"), pursuant to the provisions of Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended, and Sections 31-25-1 *et seq*., Mississippi Code of 1972, as amended (together, the "Act"), and the resolutions of the Mayor and Board of Aldermen (the "Governing Body") of the Municipality adopted on July 15, 2025, September 2, 2025, and December 2, 2025, authorizing and directing the issuance of the Series 2026 Bonds (the "Bond Resolution").

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 Series 2026 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 (the "State") with the corporate power to adopt the Bond Resolution, perform the agreements on its part contained therein, and issue the Series 2026 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 in accordance with the terms thereof.

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 Series 2026 Bonds issued pursuant to the requirements set forth in the Bond Resolution, pledged on a parity of lien with the Series 2019 Bonds, the Series 2025A Bonds, the Series 2025B Bonds, the Loans, and any Additional Bonds (all as defined in the Bond Resolution) issued in accordance with the provisions of the Bond Resolution.

4. The Series 2026 Bonds have been duly authorized, executed, and delivered by the Municipality and are valid and binding limited obligations of the Municipality, payable solely from the sources provided therefor in the Bond Resolution. The Series 2026 Bonds and the payment of

debt service are not secured by an obligation or pledge of any funds raised by taxation and the Series 2026 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 Series 2026 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 Series 2026 Bonds are not "specified private activity bonds" and interest on the Series 2026 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporation. 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 Series 2026 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 Series 2026 Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Series 2026 Bonds.

6. The Series 2026 Bonds are not 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 Series 2026 Bonds.

8. Under existing statutes, regulations, and court decisions as presently interpreted and construed, interest on the Series 2026 Bonds earned by the respective owners thereof is excludable from gross income for purposes of computing income taxes imposed by the State.

9. The Series 2026 Bonds are exempt from registration under the Securities Act of 1933 and securities laws of the State and the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939.

The rights of the holders of the Series 2026 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,

Watkins & Eager PLLC

Appendix D

Form of Continuing Disclosure Agreement

<u>CONTINUING DISCLOSURE AGREEMENT</u>

This Continuing Disclosure Agreement (this "Disclosure Agreement") is executed and delivered by the City of Starkville, Mississippi (the "Municipality"), in connection with the issuance of its $10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2026, dated and issued __________, 2026 (the "Series 2026 Bonds"). The Series 2026 Bonds are being issued pursuant to resolutions adopted by the Mayor and Board of Aldermen (the "Governing Body") of the Municipality on July 15, 2025, September 2, 2025, and December 2, 2025 (the "Bond Resolution").

The Municipality covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Municipality for the benefit of the Bondholders and Beneficial Owners and in order to assist the Participating Purchasers 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 Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

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

"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 Series 2026 Bonds (including persons holding Series 2026 Bonds through nominees, depositories, or other intermediaries) or (b) is treated as the owner of any Series 2026 Bonds for federal income tax purposes.

"Dissemination Agent" means a banking institution or other person or entity appointed by resolution of the Municipality as the Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Municipality and which has provided the Municipality a written acceptance of such designation.

"EMMA" means MSRB's Electronic Municipal Market Access system on the MSRB Website.

"Listed Event" means any of the events listed in Section 5 of this Disclosure Agreement.

"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 Series 2026 Bonds.

"Participating Purchaser" means any of the original Purchasers of the Series 2026 Bonds required to comply with the Rule in connection with offering of the Series 2026 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 Agreement, 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 Agreement, which shall be a date not later than 12 months after the end of the Municipality's fiscal year (presently September 30), commencing with the report for the 2025 fiscal year.

SECTION 3. Provision of Annual Reports.

(a) The Municipality 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 Agreement. 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 Agreement; provided that the audited financial statements of the Municipality 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 Municipality's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5 of this Disclosure Agreement.

(b) Not later than 15 Business Days prior to the Submission Date, the Municipality shall provide the Annual Report to the Dissemination Agent (if other than the Municipality). If the Municipality is unable to provide to the Repositories an Annual Report by the Submission Date, the Municipality 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 Municipality, file a report with the Municipality certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Reports. The Municipality'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 Combined Water And System Of The Municipality*" and (b) the audited financial statements of the Municipality 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 Municipality'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 Municipality 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 Municipality 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 Series 2026 Bonds, in a timely manner not in excess of 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 Series 2026 Bonds.

SECTION 6. Termination of Reporting Obligation. The Municipality's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption, or payment in full of all of the Series 2026 Bonds. If such termination occurs prior to the final maturity of the Series 2026 Bonds, the Municipality shall give notice of such termination in the manner as for a Listed Event under Section 5of this Disclosure Agreement.

SECTION 7. Dissemination Agent. The Municipality may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, 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 Municipality pursuant to this Disclosure Agreement. From the date hereof until such time (if any) that the Municipality appoints a Dissemination Agent, or if a Dissemination Agent appointed by the Municipality resigns or is discharged and the Municipality does not appoint a successor Dissemination Agent, the Municipality, acting through the City Clerk of the Municipality, shall carry out the duties of the Dissemination Agent under this Disclosure Agreement.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Municipality may amend this Disclosure Agreement, and any provision of this Disclosure Agreement 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 of this Disclosure Agreement, 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 Series 2026 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 Series 2026 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 Agreement, the Municipality 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 Municipality. 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 Agreement shall be deemed to prevent the Municipality from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement 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 Agreement. If the Municipality 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 Agreement, the Municipality shall have no obligation under this Disclosure Agreement 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 Municipality to comply with any provision of this Disclosure Agreement, 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 Municipality to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Bond Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the Municipality to comply with this Disclosure Agreement 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 Agreement, and the Municipality 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 Municipality under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2026 Bonds.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Municipality, the Dissemination Agent, the Participating Purchasers, and the Bondholders and Beneficial Owners from time to time of the Series 2026 Bonds and shall create no rights in any other person or entity.

Date: __________, 20__

City of Starkville, Mississippi

____
Mayor

____
City Clerk

(seal)

<u>Exhibit A</u>

Notice to Repositories of Failure to File Annual Report

Name of Issuer:	**City of Starkville, Mississippi**
Name of	**$10,000,000 Combined Water and Sewer System Revenue Bonds, Series 2026**
Date of Issuance:	**__________, 2026**

NOTICE IS HEREBY GIVEN that the City of Starkville, Mississippi, has not provided an Annual Report with respect to the above-referenced Series 2026 Bonds as required by the Official Statement for the Series 2026 Bonds. The City of Starkville, Mississippi, anticipates that the Annual Report will be filed by __________, 20__.

Date: __________, 20__.

City of Starkville, Mississippi

____

City Clerk

Appendix E

Notice of Bond Sale

Appendix F

Specimen Municipal Bond Insurance Policy

PROCEDURES FOR POST-ISSUANCE COMPLIANCE

$__________
COMBINED WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2026
CITY OF STARKVILLE, MISSISSIPPI

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 combined water and sewer system of the Municipality (the "General Manager") as the primary persons responsible for compliance with this policy (together, 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

____

City Clerk

____

General Manager

Dated: __________, 20__

(seal)

17. CONSIDERATION OF THE CITY OF STARKVILLE CLAIMS DOCKET

Upon the motion of Alderman Pochop, duly seconded by Alderman Moreland, to approve the City of Starkville Claims Docket for all departments including Starkville Utilities, as of November 25, 2025 for fiscal year ending 9/30/26, 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 Kim Moreland Voted: Yea
Alderman Sandra Sistrunk Voted: Yea
Alderman Kyle Skinner Voted: Yea
Alderman Mike Brooks Voted: Yea
Alderman William Pochop Voted: Yea
Alderman Roy A'. Perkins Voted: Nay
Alderman Henry Vaughn, Sr. Voted: Nay

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

General Fund	001	$259,594.90
Airport Fund	015	$45,006.21
Sanitation / Environmental Services	022	$20,667.45
State Forfeited Funds	151	$2,799.60
Capital Projects Fund	300	$13,172.15
SS4A Grant Fund	304	$61,140.55
Parks Capital Project (2023)	312	$131,234.96
Spring/Hwy 12 Linkage Tap	313	$1,807.01
Park & Rec Tourism	375	$1,850.00
Starkville Utilities		$154,943.67
Starkville Water		$359,341.45
Payroll		$571,201.98
Grand Total		$1,622,759.93

24. **MOTION TO RECESS UNTIL DECEMBER 16, 2025 @ 5:30 P.M. IN THE COURT ROOM AT 110 WEST MAIN STREET.**

Upon the motion of Alderman Vaughn, duly seconded by Alderman Skinner, for the Board of Aldermen to recess the meeting until December 16, 2025 @ 5:30 at 110 West Main Street in the Court Room of City Hall, the Board voted as follows:

Alderman Kim Moreland Voted: Yea
Alderman Sandra Sistrunk Voted: Yea
Alderman Kyle Skinner Voted: Yea
Alderman Mike Brooks Voted: Yea
Alderman William Pochop 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 16th DAY OF DECEMBER, 2025.

Attest:

____
D. LYNN SPRUILL, MAYOR

____
JOANNA MCLAURIN, CITY CLERK