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BE IT REMEMBERED that there was begun and held the regular meeting of the Mayor and Board of Aldermen of the City of Petal, Mississippi at 7:30 P.M. on March 7, 1989 in the Board Room of said City.

Those present:	Mayor Sidney O. Smith
City Attorney:	Thomas Tyner
Aldermen:	W. H. Campbell Reuben Clepper R. L. Hullum Leroy Scott
Others present:	Dexter Barr Max Huey Mike Lucy Jim Darrah

Mayor Smith declared a quorum present and declared the Mayor and Board of Aldermen in session.

The invocation was offered by Thomas W. Tyner.

WHEREAS Alderman Campbell made a motion that the minutes of the regular meeting of February 23, 1989 be accepted as written. Alderman Clepper seconded the motion.

Those present and voting "AYE":	W. H. Campbell Reuben Clepper R. L. Hullum Leroy Scott
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Those present and voting "NAY":	None
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WHEREAS Mayor Smith called for public comment.

THEREUPON, Jerry Holifield made a report from the Petal Chamber of Commerce and the City of Petal's Joint Long Range Planning Committee to the Board. Mr. Holifield stated that after careful study, the Committee recommends that the City of Petal elect a full-time Mayor and a Board to support a full-time Mayor.

THEREUPON Jim Darrah, Director of the Forrest Lamar Civil Defense, stated that the current communication system used by local law enforcement agencies is inadequate with obsolete equipment that is very difficult to maintain.

THEREUPON, Mike Lucy, Communications Coordinator for the Civil Defense stated that due to problems being experienced by interference on the communications systems Hattiesburg, Forrest and Lamar County are entering into a joint effort to purchase a new 800 MHZ system that will provide better and quicker response with the upgraded system. Mr. Lucy left cost analysis for the Board to review.

WHEREAS the hour of 7:30 P.M. having arrived, the Mayor and Board of Aldermen proceeded to publicly open and read the sealed bids for the renovation of FireHall #1. The bids read as follows, to-wit:

Alvin O. Herring Herring Construction Co. P.O. Box 686	\$29,435.00
Steel Building Enterprises 1950 Lincoln Road Hattiesburg, MS 39401	\$27,000.00
B. W. Sullivan Building Cont. Rt. 6 Box 1415 Hattiesburg, MS 39401	\$30,700.00
Newell C. Sullivan P.O. Box 16778 Hattiesburg, ms 39401	\$27,996.00
Stephen R. Ward, Inc. 107 Florence St. Hattiesburg, MS 39401	\$36,900.00

THEREUPON Alderman Hullum made a motion to take the foregoing bids under advisement. Alderman Scott seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy Scott

Those present and voting "NAY": None

WHEREAS Joe McMurry, Chairman of the City of Petal Electrical Board, stated that he has come before the Board of Aldermen because of the resignation of Lowery Ridgway, Building Inspector. McMurry stated that the Electrical Board supports Mr. Ridgway 100% and requested that the Mayor and Board of Aldermen reconsider Mr. Ridgway's resignation.

THEREUPON Mayor Smith and the Aldermen stated that they have supported Mr. Ridgway and would like for him to reconsider his resignation.

THEREUPON Mayor Smith presented a zoning change request from Alton Davis for his property on Three Mile Cutoff to be rezoned from R-F to R-1.

THEREUPON Alderman Scott made a motion to set Mr. Davis's hearing for March 28, 1989 at 7:00 P.M. Alderman Clepper seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy Scott

Those present and voting "NAY": None

WHEREAS Mayor Smith presented a zoning change request from Robert Lowe for his property on Three Mile Cutoff to be rezoned from R-F to R-1.

THEREUPON Alderman Scott made a motion to set Mr. Lowe's zoning hearing for March 28, 1989 at 7:30 P.M. Alderman Clepper seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy Scott

Those present and voting "NAY": None

WHEREAS Mayor Smith presented the following amended agreement between the City of Petal and the City of Hattiesburg for the treatment of additional sewer because of the extension of sewer to H. C. Clearman's subdivision.

III.

AMENDED CONTRACT

WHEREAS, the City of Hattiesburg, a municipal corporation, is presently operating a sewerage system in Hattiesburg, Forrest County, Mississippi, with a capacity to dispose of said sewage, with an excess in said capacity; and

WHEREAS, the City of Petal, Mississippi, is presently considering and has immediate plans to discontinue treatment of sewage, and wishes to construct necessary facilities to cause its sewage to be transported to the City of Hattiesburg for processing; and

WHEREAS, the City of Hattiesburg has been designated by the federal government, and/or its operating divisions, and the State of Mississippi, and/or its operating divisions, as the regional authority for treatment of sewage; and

WHEREAS, both the City of Hattiesburg and the City of Petal, find and believe that it is in the best interest of their respective municipalities, and in the citizens thereof, for the parties to enter into an agreement whereby the City of Hattiesburg may receive and process sewage collected by the City of Petal, through facilities

That it is understood and agreed by the City of Petal and the City of Hattiesburg that the actual cost to be imposed on the City of Petal for the processing of sewage transported to the City of Hattiesburg by the City of Petal is not subject to easy calculation, but the parties agree that the cost shall be determined by taking the annual operation and maintenance cost for the waste water treatment facility of the City of Hattiesburg, deducting therefrom any cost not directly related to the treatment of sewage, said cost to be determined by the City of Hattiesburg and agreed upon by the City of Petal on an annual basis and dividing the same by the annual discharge per thousand gallons per year. Further, the City of Petal does hereby agree to establish and maintain a special fund for capital expenditures with regard to Petal's share of the improvements and unusual maintenance to the waste water treatment facilities of the City of Hattiesburg to be funded by the City of Petal at a rate of twenty-five percent (25%) of the cost paid by the City of Petal to the City of Hattiesburg for the treatment of sewage. The City of Petal does hereby agree to provide an annual accounting of said capital expenditures fund

VIII.

by the City of Petal to the City of Hattiesburg, with the City of Petal furnishing, installing, operating and maintaining at a point where the sewage will leave the City of Petal's transportation and collection system and enter the City of Hattiesburg's waste water treatment facility, the necessary equipment and devices for measuring properly all sewage and other waste waters to be discharged into the City of Hattiesburg's waste water treatment facility from the City of Petal's transportation and collection system. It is agreed and understood that each municipality shall have ready access to such metering equipment at all reasonable times for inspection and examination and that said metering equipment shall be calibrated by the City of Petal on an annual basis and certification of the same provided to the City of Hattiesburg. All readings of the meters shall be entered upon the books and records maintained by the respective municipalities and/or by any designated third party.

V.

It is agreed and understood by the City of Hattiesburg and the City of Petal that the charges for the services provided by the City of Hattiesburg to the City of Petal can be re-negotiated on an annual basis, and that this agreement may be amended to take into consideration any change in circumstances found by the governing authorities of either municipality.

VI.

It is agreed and understood by the parties that upon receipt of the calibrated statement for monthly flow, the City of Hattiesburg will submit to the City of Petal an invoice for the number of gallons received by the Hattiesburg waste water treatment facility from the City of Petal collection and transportation system, and that payment of the same will be made by the City of Petal to the City of Hattiesburg within fifteen (15) days thereafter.

VII.

It is agreed and understood that the City of Petal will gain the City of Hattiesburg's approval prior to accepting any industrial discharge or sewer from areas outside the City of Petal, and that the City of Hattiesburg may require technical information to include appropriate regulatory permits and/or approval prior to issuing its decision on the request.

It is further agreed and understood that terms and provisions of this agreement may be amended, changed, deleted or otherwise altered by the respective party to the agreement on an annual basis.

IX.

It is further agreed and understood that any other necessary and appropriate agreements required by the State of Mississippi, and/or its operating divisions or the federal government, and/or its operating divisions, necessary and appropriate to be made in order to permit transportation of sewage and operation of the waste water treatment facility by the City of Hattiesburg at the least amount of cost to the respective municipalities shall be duly and properly acted and agreed upon.

WITNESS THE SIGNATURES of the parties on this, the 21st day of February, A.D., 1989.

CITY OF HATTIESBURG, MISSISSIPPI

BY: A. D. [Signature]
MAYOR

ATTEST:

[Signature]
CITY CLERK

CITY OF PETAL, MISSISSIPPI

BY: [Signature]
MAYOR

ATTEST:

[Signature]
CITY CLERK

THEREUPON Alderman Scott made a motion to authorize the Mayor to execute the amended agreement. Alderman Clepper seconded the motion.

Those present and voting "AYE": W. H. Campbell
R. L. Hullum
Reuben Clepper
Leroy Scott

Those present and voting "NAY": None

WHEREAS Mayor Smith requested the wishes of the Board concerning the City of Petal's tax sale.

THEREUPON Alderman Clepper made a motion to authorize the City Clerk to advertise the tax sale according to law and to hold the tax sale on the First Monday in April, that being April 3, 1989. Alderman Scott seconded the motion.

Those present and voting "AYE": W. H. Campbell
R. L. Hullum
Reuben Clepper
Leroy Scott

Those present and voting "NAY": None

WHEREAS Mayor Smith presented a Drainage Easement for an inlet on Central Avenue from Pat Green.

THEREUPON Alderman Scott made a motion to accept the easement from Mr. Green and to pay him \$10.00 for the easement. Alderman Campbell seconded the motion.

Those present and voting "AYE": W. H. Campbell
R. L. Hullum
Reuben Clepper
Leroy Scott

Those present and voting "NAY": None

WHEREAS Mayor Smith presented the contract with Graves Electric for the installation of the pump controls on Mamie Street.

THEREUPON Alderman Scott made a motion to authorize the Mayor to execute the contract. Alderman Campbell seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
Leroy Scott
R. L. Hullum

Those present and votig "NAY": None

WHEREAS Mayor Smith presented the contract documents Insituform Gulf South Inc. for the T.V. inspection and insitupiping of W. Second St., Dawson Cutoff and Carterville Road.

THEREUPON Alderman Clepper made a motion to authorize the Mayor to execute the contract documents with insituform Gulf South, Inc. Alderman Scott seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
Leroy Scott
R. L. Hullum

Those present and voting "NAY": None

WHEREAS Mayor Smith presented the following proofs of publication to the Board:

- 1) Notice to Bidders - REmodeling Fire Hall #1
- 2) Public Notice - J. T. "Doc" Johnson
- 3) Public Notice - H. C. Clearman

THEREUPON Alderman Campbell made a motion that the foregoing proofs of publication be accepted and filed. Alderman Scott seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
Leroy Scott
R. L. Hullum

Those present and voting "NAY": None

WHEREAS Mayor Smith presented the following letter from the City Engineers, Shows & Dearman, recommending the Board award the bid for the torque flow pump for the sewer pumping station on South Main to General Pump & Equipment for thie low bid of \$9,729.00.

SHOWS & DEARMAN, INC.

CONSULTING ENGINEERS
P. O. BOX 1711 301 HARDY STREET
HATTIESBURG, MISSISSIPPI 39403 1711
PHONE 601/544-1821

RAYMOND M. DEARMAN P.E. R.L.S.
MICHAEL T. WAITS P.E. R.L.S.
PAUL J. SHOWS P.E. R.L.S.
CONSULTANT

February 24, 1989

Mayor and Board of Aldermen
City of Petal
P. O. Box 564
Petal, MS 39465

RE: Torque Flow Pump with
50 HP Submersible Motor for
Lift Station CP-2
Petal, Mississippi

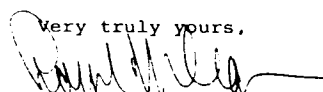
Gentlemen:

Bids were received on the above captioned on February 21, 1989 and opened at your meeting on February 23, 1989. Two bids were received; one from General Pump and Equipment Company in the amount of \$9,729.00 and the other from Pumps and Power Company with no amount stated.

I am recommending award to General Pump and Equipment Company in the amount of \$9,729.00, since irregularities existed in the other bid. No bid bond or certified check accompanied the bid from Pumps and Power Company, and therefore the bid is null and void.

If I may be of further assistance, please call.

Very truly yours,


Raymond M. Dearman, P. E.

THEREUPON Alderman Scott made a motion to award the bid for the torque pump to General Pump and Equipment for \$9,729.00. Alderman Clepper seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy Scott

Those present and voting "NAY": None

WHEREAS Alderman Clepper requested that the Board survey the community for their reaction to the proposal of a full-time Mayor and give an answer at the next Board meeting.

WHEREAS Alderman Hullum presented the following quotations for the purchase of NFPA approved fire equipment:

Quotations: Ferrara Firefighting Equipment, Inc
911 Mammoth Ave.
BatonRouge, La 70814

Harless Fire Equipment, Inc.
109 South 43rd St.
Birmingham, Al 35222

THEREUPON Alderman Hullum made a motion to accept the lowest quotation for the suspenders, coats, pants, face shields and short hoods. Alderman Scott seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy Scott

Those present and voting "NAY": None

WHEREAS Mayor Smith stated that it will be necessary to set a public hearing for the Federal Emergency Management Agency to explain the study on the City's National Flood Ins. program.

THEREUPON Alderman Clepper made a motion to set the hearing for April 6, 1989 at 10:00 A.M. in the Board Room of City Hall. Alderman Campbell seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy Scott

Those present and voting "NAY": None

The Board considered the following proposals for the purchase of the General Obligation Water & Sewer Refunding Bonds, Series 1989:

Trustmark National Bank
Deposit Guaranty National Bank
Sunburst Bank

WHEREAS Mayor Smith presented the quotations on the City's Health Insurance to the Board:

THEREUPON Alderman Clepper made a motion to stay with U. S. Life Insurance Company until April 30, 1989 so that more competitive bids may be obtained. Alderman Scott seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy scott

Those present and voting "NAY": None

WHEREAS Alderman Campbell made a motion to refund Ben Dearman \$20.00 paid to the City for a variance hearing and since the Notice has not been published Mr. Dearman has requested to cancel it and obtain a refund. Alderman Clepper seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
Leroy Scott
R. L. Hullum

Those present and voting "NAY": None

WHEREAS Alderman Campbell made a motion to set aside Lowery Ridgway's resignation for the position of City of Petal Building Inspector and Zoning Administrator. Alderman Clepper seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
Leroy Scott
R. L. Hullum

Those present and voting "NAY": None

WHEREAS Mayor Smith presented claims #8710-8968 of the City of Petal General Funds and the City of Petal Water & Sewer funds.

THEREUPON Alderman Campbell made a motion to pay claims #8710-8968 of the City of Petal General Funds and the City of Petal Water & Sewer Funds. Alderman Clepper seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
Leroy Scott
R. L. Hullum

Those present and voting "NAY": None

WHEREAS David Spinks, resident of the Crestview Subdivision, requested that the permit the City issued to Jimmie Dale Odom for the placement of a modular home in his subdivision be revoked since such is prohibited by the covenants of his subdivision.

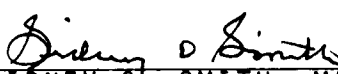
THEREUPON City Attorney Thomas Tyner advised Mr. Spinks and the other residents of the Crestview Subdivision that the City cannot enforce subdivision covenants because the covenant is a private agreement between landowners and that the landowners could file suit against each other.

THEREUPON Alderman Campbell made a motion to recess this meeting until 4:00 P.M. on Wednesday, March 8, 1989. Alderman Scott seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
Leroy Scott
R. L. Hullum

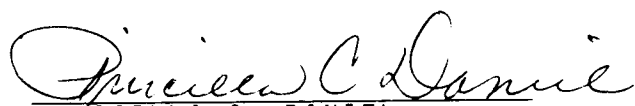
Those present and voting "NAY": None

Therebeing no further business, the regular meeting of the Mayor and Board of Aldermen of the City of Petal, Mississippi was recessed on this the 7th day of March, 1989 until 4:00 P.M. on Wednesday March 9, 1989.


SIDNEY O. SMITH, MAYOR

(SEAL)

ATTEST:



The regular recessed meeting of March 7, 1989 was called to order on this the 8th day of March, 1989 in the Board Room of said City.

Those present:	Mayor Sidney O. Smith
City Attorney	Thomas W. Tyner
Aldermen	W. H. Campbell Reuben Clepper R. L. Hillum Leroy Scott
Others present:	Wib Wright Doug King Dexter Barr Edward Prybylski

Mayor Smith declared a quorum present and declared the Mayor and Board of Aldermen in session.

The Board considered the following:

The Mayor and Board of Aldermen of the City of Petal, Mississippi, acting for and on behalf of said municipality, took up for consideration the issuance of General Obligation Water & Sewer refunding bonds, Series 1989, of the City of Petal, Mississippi, in the principal amount of Seven Hundred Thousand Dollars (\$700,000.00) to raise money for the purpose of refunding the \$1,100,000 combined Water & Sewer system junior lien revenue bond of said Municipality, dated the date of delivery thereof (January 26, 1982) (The "1982 Bond"), all under the authority of the constitution and statutes of the State of Mississippi, including sections 21-33-301 through 21-33-329 and 31-27-1 to 31-27-25, Mississippi Code of 1972, and by the further authority of proceedings duly had by the Mayor and Board of Aldermen of the City of Petal, Mississippi.

The Clerk reported that pursuant to the authority of Section 31-27-7, Mississippi Code of 1972, proposals were privately solicited for the refunding of the 1982 Bond, whereupon there were filed proposals for the purchase of the aforesaid refunding bonds.

The Clerk then and there presented said proposals to the Mayor and Board of Aldermen and the Mayor ordered that the Clerk proceed to read same aloud in the presence and hearing of all persons assembled.

The Clerk thereupon proceeded to read the proposals, which are as follows:

Trustmark National Bank
2000 Main Street
Hattiesburg, Mississippi 39401
(601) 552-1234

J. Dexter Barr, Jr.
Trustee



March 7, 1989

Mayor and Board of Aldermen
City of Petal, MS

Gentlemen:

In connection with the recent Farmers Home Administration refunding proposal, we certainly appreciate the opportunity to negotiate an approximate \$700,000.00 bond issue for the City of Petal which allows us to pass on to you the savings of a pre-sold bond issue.

It is our understanding that this bond issue is a General Obligation, qualified tax exempt under IRS Section 265B, and, in accordance with this, we are attaching a projected debt service schedule on \$700,000.00 for fifteen (15) years with an approximate average interest rate of 7.52%. This schedule is just our estimate and is not exact.

We will be pleased to work through the bond issue of your choice, which we understand is



202 West Central Avenue/Petal, Mississippi 39465/601-562-2231/Member FDIC

Drawer 1
Hamburg, Mississippi 39433-0004
Phone 601-548-4338

Marcus Robinson
Assistant Vice President

DEPOSIT GUARANTY NATIONAL BANK



March 3, 1989

Mayor Sidney Smith
City of Petal
Post Office Box 564
Petal, Ms 39465

Dear Mayor Smith,

I would like to offer these terms merely as a matter of discussion. No commitment will be formally offered until we have approved your credit request. If a commitment is offered, these would be the most likely options:

OPTION 1

1. Borrower: City of Petal
2. Amount: \$700,000
3. Term: 3 year fixed rate of 12½, 15 year amortization with balloon payment after 3 years. Pricing on renewal based on existing rate at the time of renewal

OPTION 2

1. Borrower: City of Petal
2. Amount: \$700,000
3. Term: 5 year fixed rate of 12½, 15 year amortization with balloon payment after 5 years. Pricing on renewal based on existing rate at the time of renewal

March 7, 1989

City of Petal
Petal, MS 39465

To Whom It May Concern:

Deposit Guaranty National Bank is here by making a quote of 8.49% annual percentage rate on the refinancing of revenue bonds currently financed by the Farmer's Home Administration. This interest rate bid is subject to the following:

1. An opinion being received verifying the taxability of the borrower.
2. Subject to credit approval.
3. Subject to all documentation being prepared and delivered to Deposit Guaranty National Bank.
4. Subject to the main operating account of the City of Petal, Water and Sewer Enterprise Fund being maintained at Deposit Guaranty National Bank throughout the term of the loan.

This is to be a fifteen (15) year loan secured by all assets used in the City of Petal Water Distribution System.

Sincerely Yours,

Marcus Robinson
Marcus Robinson
Assistant Vice President

Following the reading of the proposals, the Mayor and Board of Aldermen proceeded to consider them to determine which was the highest and best proposal submitted. Whereupon Alderman Scott offered and moved the adoption of the following Resolution:

Following the reading of the proposals, the Mayor and Board of Aldermen proceeded to consider them to determine which was the highest and best proposal submitted. Whereupon, Alderman Scott offered and moved the adoption of the following resolution:

RESOLUTION DIRECTING THE SALE AND AWARD OF GENERAL OBLIGATION WATER AND SEWER REFUNDING BONDS, SERIES 1989, OF THE CITY OF PETAL, MISSISSIPPI, DATED MARCH 15, 1989, IN THE PRINCIPAL AMOUNT OF SEVEN HUNDRED THOUSAND DOLLARS (\$700,000).

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

1. On March 7, 1989, sealed proposals for the purchase of the General Obligation Water and Sewer Refunding Bonds, Series 1989 (the "Bonds") were received, examined and considered by the Governing Body, said proposals having heretofore been presented by and being on file with the City Clerk.

2. On March 8, 1989, the Governing Body determined that the highest and best bid made for the Bonds on the basis of the lowest net interest cost over the life of the issue was made by Trustmark National Bank, Jackson, Mississippi (the "Purchaser"), and further finds that said bid will be accompanied by a cashier's check, certified check or exchange payable to the Governing Body in the amount of Fourteen Thousand Dollars (\$14,000), issued or certified by a bank located in the State of Mississippi, as a guaranty that said bidder would carry out its contract and purchase the Bonds if its bid be accepted.

3. The use of the proceeds of the Bonds for refunding the 1982 Bond shall result in an overall net present value savings to maturity of not less than two percent (2%) of the bonds being refunded.

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

SECTION 1. The Bonds are hereby awarded and sold to the Purchaser in accordance with the offer submitted to the Governing Body in words and figures as follows:



Trustmark National Bank
P.O. Box 142291
Jackson, Mississippi 39215-0291
601-544-1111

March 8, 1989

Mayor and Board of Aldermen
Attn: Priscilla Daniel
P.O. Box 564
Petal, MS 39465

Gentlemen:

We hereby offer to pay \$700,000 plus accrued interest to the date of delivery for the Seven Hundred Thousand Dollars (\$700,000) principal amount General Obligation Water and Sewer Refunding Bonds, Series 1989, dated March 15, 1989 (the "Bonds"), of the City of Petal, Mississippi (the "City"), maturing March 15 and bearing interest at follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	INTEREST RATE	YEAR OF MATURITY	PRINCIPAL AMOUNT	INTEREST RATE
1990	\$25,000	10.00	1998	\$50,000	7.125
1991	30,000	10.00	1999	50,000	7.20
1992	30,000	10.00	2000	55,000	7.20
1993	35,000	9.00	2001	60,000	7.30
1994	35,000	9.00	2002	65,000	7.30
1995	40,000	8.50	2003	70,000	7.40
1996	40,000	8.10	2004	70,000	7.50
1997	45,000	7.10			

Based upon the interest rate or rates specified above, we compute the net interest cost to the City to be \$491,627.50, and the average annual net interest rate from the date of the Bonds to their respective maturities to be 7.540299%.

A cashier's check drawn on Trustmark National Bank and payable to the City of Petal, Mississippi, in the amount of Fourteen Thousand Dollars (\$14,000) will be provided as a guarantee that we will carry out this contract and accept delivery of the Bonds, which shall be returned to Trustmark National Bank if the City should fail to deliver the Bonds to Trustmark National Bank in

SECTION 2. The Mayor and the City Clerk are hereby authorized and directed to endorse upon a copy or duplicate of the aforesaid offer a suitable notation as evidence of the acceptance thereof, for and on behalf of the Municipality.


SECTION 3. The good faith check to be filed by the successful bidder shall be retained by the Municipality as a guaranty that said bidder will carry out its contract and purchase the Bonds. If said successful bidder fails to purchase the Bonds pursuant to its bid and contract, the amount of such good faith check shall be retained by the Municipality as liquidated damages for such failure.

SECTION 4. The Governing Body shall hereafter, by proper action, provide for the preparation, execution and delivery of the Bonds in accordance with the terms of the aforesaid contract.

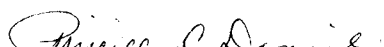
Alderman Clepper seconded the motion to adopt the foregoing resolution and the question being put to a roll call vote, the result was as follows:

Alderman W. H. Campbell	voted: aye
Alderman Reuben Clepper	voted: aye
Alderman R. L. Hullum	voted: aye
Alderman Willie H. Ratliff	voted: absent
Alderman Leroy Scott	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 this, the 8th day of March, 1989.


MAYOR

ATTEST:

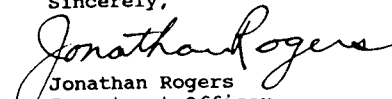

CITY CLERK

Mayor and Board of Aldermen
March 8, 1989
Page 2

accordance with the terms of this proposal, or applied as and for liquidated damages in the event that Trustmark National Bank fails to take up and pay for the Bonds.

We submit this proposal for immediate acceptance.

Sincerely,


Jonathan Rogers
Investment Officer

JR/pc
Enclosure

cc: Watkins, Ludlam & Stennis

Alderman Clepper seconded the motion to adopt the foregoing Resolution and the question being put to a roll call vote, the result was as follows:

Alderman W. H. Campbell	voted	Aye
Alderman Reuben Clepper	voted	Aye
Alderman R. L. Hullum	voted	Aye
Alderman Willie H. Ratliff		Absent
Alderman Leroy Scott	voted	Aye

The motion having received the affirmative vote of the majority of the members present, the Mayor declared the motion carried and the Resolution adopted, this the 8th day of March, 1989.

The Mayor and Board of Aldermen took up for consideration the matter of issuance of General Obligation Water & Sewer refunding bonds, Series 1989, of the City of Petal, Mississippi, in the principal amount of Seven Hundred Thousand Dollars (\$700,000). After a discussion of the subject, Alderman Scott offered and moved the adoption of the following Resolution:

The Mayor and Board of Aldermen took up for consideration the matter of the issuance of General Obligation Water and Sewer Refunding Bonds, Series 1989, of the City of Petal, Mississippi, in the principal amount of Seven Hundred Thousand Dollars (\$700,000). After a discussion of the subject, Alderman Scott offered and moved the adoption of the following resolution:

RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE OF GENERAL OBLIGATION WATER AND SEWER REFUNDING BONDS, SERIES 1989, OF THE CITY OF PETAL, MISSISSIPPI, IN THE PRINCIPAL AMOUNT OF SEVEN HUNDRED THOUSAND DOLLARS (\$700,000) TO RAISE MONEY FOR THE PURPOSE OF REFUNDING THE \$1,100,000 COMBINED WATER AND SEWER SYSTEM JUNIOR LIEN REVENUE BOND OF THE CITY, DATED THE DATE OF DELIVERY THEREOF (JANUARY 26, 1982); PRESCRIBING THE FORM AND INCIDENTS OF SAID BONDS.

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

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

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

"Mayor" shall mean the Mayor of the Municipality.

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

"1982 Bond" shall mean the Combined Water and Sewer System Junior Lien Revenue Bond of the Municipality in the original principal amount of \$1,100,000, dated the date of delivery thereof (January 26, 1982), authorized and directed to be issued by resolution of the Governing Body adopted on February 17, 1981.

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

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

"Purchaser" shall mean Trustmark National Bank, Jackson, Mississippi.

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

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

"Refunding Fund" shall mean the fund of the Municipality provided for in Section 13 hereof.

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

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

"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) 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.

1. The Municipality is authorized under the provisions of the Act to issue its general obligation refunding bonds to refund the 1982 Bond. It is advisable and in the public interest to issue the bonds for the purpose stated herein.

2. The assessed value of all taxable property within the Municipality, according to the last completed assessment for taxation, is Twenty Million Eight Hundred Eighty-eight Thousand Three Dollars (\$20,888,003); the Municipality has outstanding bonded indebtedness subject to the fifteen percent (15%) debt limit prescribed by Section 21-33-303, Mississippi Code of 1972, in the amount of One Hundred Four Thousand Dollars, (104,000)

and outstanding bonded and floating indebtedness subject to the twenty percent (20%) debt limit prescribed by Section 21-33-303, Mississippi Code of 1972 (which amount includes the sum set forth above subject to the 15% debt limit), in the amount of Two Million Three Hundred Fourteen Thousand Dollars (\$2,314,000) ----- 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 fifteen percent (15%) debt limit, of more than fifteen percent (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 twenty percent (20%) debt limit, in excess of twenty percent (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.

3. On March 8, 1989, the Bonds were awarded and sold to the Purchaser at private sale pursuant to the Act.

4. The Bonds are not private activity bonds as such term is defined in Section 141 of the Internal Revenue Code of 1986 (the "Code") and the Governing Body does not reasonably anticipate that the Municipality or any other subordinate entities thereof will issue more than \$10,000,000 of qualified tax-exempt

tax-exempt obligations within the meaning of Section 265(b)(3) of the Code.

5. 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.

6. 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 percent or more of the net proceeds of the Bonds are to be used for local governmental activities of the Municipality, and the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the Municipality, and all subordinate entities of the Municipality, during this calendar year is not reasonably expected to exceed \$5,000,000.

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

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY, ACTING FOR AND ON BEHALF OF THE MUNICIPALITY, AS FOLLOWS:

SECTION 1. In consideration of the purchase and acceptance of any and all of the Bonds by the Registered Owners thereof, this Bond Resolution shall constitute a contract between the Municipality and the Registered Owners from time to time of the Bonds. The pledge made herein and the covenants and agreements herein set forth to be performed on behalf of the Municipality shall 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 and delivery or maturity, shall be of equal rank without preference, priority or distinction.

SECTION 2. The Bonds are hereby authorized and ordered to be prepared and issued in the principal amount of Seven Hundred Thousand Dollars (\$700,000) to raise money for refunding the 1982 Bond.

SECTION 3. (a) Payments of interest on the Bonds shall be made to the Record Date Registered Owner, and payments of principal shall be made upon 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.

(b) The Bonds shall be registered as to both principal and interest; shall be dated March 15, 1989; shall be issued or reissued in denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity; shall be numbered from one upward in the order of issuance; shall bear interest from the date thereof at the rate or rates hereinafter specified, payable semiannually on March 15 and September 15 of each year, commencing September 15, 1989; and shall mature and become due and payable, with option of prior payment, on March 15 in the years and in the principal amounts as follows:

YEAR	AMOUNT
1990	\$25,000
1991	30,000
1992	30,000
1993	35,000
1994	35,000
1995	40,000
1996	40,000
1997	45,000
1998	50,000
1999	50,000
2000	55,000
2001	60,000
2002	65,000
2003	70,000
2004	70,000

(c) Bonds maturing after March 15, 1999, are subject to redemption prior to their respective maturities at the election of the Municipality on March 15, 1999, or any interest payment date thereafter, either as a whole or in part (in inverse order of maturity and by lot if less than all of the maturity is to be redeemed), upon not less than thirty (30) days prior notice, at the principal amount thereof plus accrued interest to the date of redemption. Notice of the call for redemption shall be published one time in a newspaper published in the City of Jackson, Mississippi, and having a circulation throughout the State of Mississippi. Such notice of the call for redemption shall also be mailed to all Registered Owners of the Bonds not less than thirty (30) days prior to the date of redemption.

SECTION 4. (a) When the Bonds shall have been validated and executed as herein provided, they shall be registered as an obligation of the Municipality in the office of the Clerk in a book maintained for that purpose, and the Clerk shall cause to be imprinted upon the reverse side of each of the Bonds, over her

facsimile signature and facsimile seal, her certificate in substantially the form set out in Section 6.

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

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

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

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

(ii) an authorization to the Paying Agent, signed by the Mayor, to authenticate and deliver the Bonds to the Purchaser.

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

(f) Certificates, blank as to denomination, rate of interest, date of maturity and CUSIP number and sufficient in quantity in the judgment of the Municipality to meet the reasonable transfer and reissuance needs on 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 shall imprint the appropriate information as to denomination, rate of interest,

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

(iii) 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.

(iv) Any successor Paying Agent appointed under the provisions hereof shall 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.

(v) 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.

(vi) 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.

(vii) 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.

(viii) 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.

date of maturity and CUSIP number prior to the registration, authentication and delivery thereof to the transferee holder.

SECTION 5. (a) First National Bank of Clarksdale, Clarksdale, Mississippi, is hereby appointed to serve as Paying Agent for the Bonds. The Paying Agent shall serve as paying agent, registrar and transfer agent for the Bonds.

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

(c) The Municipality shall 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, 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.

(d) (i) A Paying Agent may at any time resign and be discharged of its duties and obligations of Paying Agent by giving at least sixty (60) days' written notice 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 an Paying Agent shall become effective until a successor Paying Agent has been appointed pursuant to the Bond Resolution.

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

(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 5(d)(iv) hereof.

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

[BOND FORM]

UNITED STATES OF AMERICA

STATE OF MISSISSIPPI

FORREST COUNTY

CITY OF PETAL

GENERAL OBLIGATION WATER AND SEWER REFUNDING BOND

SERIES 1989

NO. _____ \$ _____

Rate of Interest Maturity Date of Original Issue CUSIP

March 15, 1989

Registered Owner:

Principal Amount _____ DOLLARS

The City of Petal, in Forrest County, State of Mississippi (the "Municipality"), a body politic existing under the Constitution and laws of the State of Mississippi, acknowledges itself to owe and for value received, promises to pay in lawful money of the United States of America to the registered owner identified above, upon the presentation and surrender of this bond, at the principal office of First National Bank of Clarksdale, Clarksdale, Mississippi, or its successor, as paying agent (the "Paying Agent") for the General Obligation Water and Sewer Refunding Bonds, Series 1989, of the Municipality (the "Bonds"), on the maturity date identified above, the principal amount identified above. Payment of the principal amount of this bond shall be made to the registered owner hereof whose name shall appear in the registration records of the Municipality maintained by the Paying Agent, which will also serve as registrar and transfer agent, for the Bonds, as of the last day of the calendar month preceding the maturity date hereof.

The Municipality further promises to pay interest 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 semiannually on March 15 and September 15 of each year, commencing September 15, 1989, until said principal sum is 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 last day of

writing at the principal office of the Paying Agent, but only in the manner, subject to the limitations in the Bond Resolution, and upon surrender and cancellation of this bond. Upon such transfer or exchange, a new bond or bonds of like aggregate principal amount in authorized denominations of the same maturity will be issued.

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

The Bonds are and will continue to be 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. The Municipality will levy annually a special tax upon all taxable property within the geographical limits of the Municipality adequate and sufficient to provide for the payment of the principal of and the interest on the Bonds as the same falls due.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Bond Resolution until the certificate of registration and authentication hereon shall have been signed by the Paying Agent.

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 Clerk of the Municipality, under the facsimile seal of the Municipality, which said facsimile signatures said officials adopt as and for their own proper signatures, all as of the 15th day of March, 1989.

the calendar month preceding the applicable interest payment date.

Payments of principal of and interest on this bond shall be made by check or draft mailed 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 last day of the calendar month preceding the applicable principal or interest payment date.

Bonds maturing after March 15, 1999, are subject to redemption prior to their respective maturities at the election of the Municipality on March 15, 1999, or any interest payment date thereafter, either as a whole or in part (in inverse order of maturity and by lot if less than all of the maturity is to be redeemed), upon not less than thirty (30) days prior notice, at the principal amount thereof plus accrued interest to the date of redemption. Notice of the call for redemption shall be published one time in a newspaper published in the City of Jackson, Mississippi, and having a circulation throughout the State of Mississippi. Such notice of the call for redemption shall also be mailed to all Registered Owners of the Bonds not less than thirty (30) days prior to the date of redemption.

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 Seven Hundred Thousand Dollars (\$700,000) to raise money for the purpose of refunding the \$1,100,000 Combined Water and Sewer System Junior Lien Revenue Bond of the Municipality, dated the date of delivery thereof (January 26, 1982).

This bond is issued under the authority of the Constitution and statutes of the State of Mississippi, including Sections 21-33-301 to 21-33-329 and Sections 31-27-1 to 31-27-25, Mississippi Code of 1972, and by the further authority of proceedings duly had by the Mayor and Board of Aldermen of the Municipality, including a resolution adopted March 8, 1989 (the "Bond Resolution").

The Bonds are registered as to both principal and interest, and are to be issued or reissued in 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

CITY OF PETAL, MISSISSIPPI

BY: _____
Mayor

COUNTERSIGNED:

City Clerk
(facsimile seal)

There shall be printed in the lower left portion on the face of the Bonds a registration and authentication certificate in substantially the following form:

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This bond is one of the Bonds described in the within mentioned Bond Resolution and is one of the General Obligation Water and Sewer Refunding Bonds, Series 1989, of the City of Petal, Mississippi.

FIRST NATIONAL BANK OF CLARKSDALE
Clarksdale, Mississippi
as Paying Agent

BY: _____
Authorized Officer

Date of Registration and Authentication: _____

There shall be printed on the reverse of the Bonds a registration and validation certificate and an assignment form in substantially the following form:

REGISTRATION AND VALIDATION CERTIFICATE

STATE OF MISSISSIPPI

COUNTY OF FORREST

I, the undersigned City Clerk of the City of Petal, 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 Decree of the Chancery Court of Forrest County, Mississippi, rendered on the ___ day of _____, 1989.

(facsimile)
City Clerk

(facsimile seal)

ASSIGNMENT

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

(Name and Address of Assignee)

the within bond and does hereby irrevocably constitute and appoint _____ as Paying Agent to transfer the said bond on the records kept for registration thereof with full power of substitution in the premises.

Signature guaranteed:

(Bank, Trust Company or Paying Agent)

NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without any alteration whatever.

(Authorized Officer)

Date of Assignment: _____

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

SECTION 7. In case any Bond shall become mutilated or be stolen, destroyed or lost, the Municipality shall, 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

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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. There shall be and is hereby levied a direct, continuing special tax upon all of the taxable property within the geographical limits of the Municipality, adequate and sufficient, after allowance shall have been made for the expenses of collection and delinquencies in the payment of taxes, to produce sums required for the payment of the principal of and the interest on the Bonds. Said tax shall be extended upon the tax rolls and collected in the same manner and at the same time as other taxes of the Municipality are collected, and the rate of tax which shall be so extended shall be sufficient in each year fully to produce the sums required as aforesaid, without limitation as to rate or amount. The avails of said tax are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds as the same shall respectively mature and accrue. Should there be a failure in any year to comply with the requirements of this section, such failure shall 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. Only such of the Bonds as shall have endorsed thereon a certificate of registration and authentication in substantially the form hereinabove set forth, duly executed by the Paying Agent, shall be entitled to the rights, benefits and security of this Bond Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of registration and authentication shall have been duly executed by the Paying Agent, which executed certificate shall be conclusive evidence of registration, authentication and delivery under this Bond Resolution. The Paying Agent's certificate of registration and authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Paying Agent, but it shall not be necessary that the same officer sign said certificate on all of the Bonds that may be issued hereunder at any one time.

SECTION 10. One Bond registered in the name of the Purchaser may be issued in the full amount for each maturity. Ownership of the Bonds shall be in the Purchaser until the initial Registered Owner has made timely payment and, upon request of the Purchaser within a reasonable time of the initial delivery of the Bonds, the Paying Agent shall re-register any such Bond upon its records in the name of the Registered Owner to be designated by the Purchaser in the event timely payment has not been made by the initial Registered Owner.

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SECTION 13. The principal proceeds received upon the sale of the Bonds shall be deposited with a qualified depository of the Municipality in a special fund, hereby created, in the name of the Municipality designated the "1989 Refunding Fund." From the Refunding Fund there shall 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 shall be held and disbursed for the refunding of the 1982 Bond, as authorized by the Act.

SECTION 14. (a) Payment of principal on the Bonds shall be made, upon presentation and surrender of the Bonds at the principal office of the Paying Agent, to the Record Date Registered Owner thereof whose name shall appear in the registration records of the Municipality maintained by the Paying Agent as of the Record Date.

(b) Payment of each installment of interest on the Bonds shall be made to the Record Date Registered Owner thereof. Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Bond subsequent to the Record Date and prior to the due date of the interest.

(c) Principal of and interest on the Bonds shall be paid by check or draft mailed 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 last day of the calendar month preceding the applicable principal or interest payment date to be effective as of such date.

SECTION 15. The Bonds shall be submitted to validation as provided by Chapter 13, Title 31, Mississippi Code of 1972, and to that end the Clerk is hereby directed to make up a transcript of all legal papers and proceedings relating to the Bonds and to certify and forward the same to the State's Bond Attorney for the institution of validation proceedings.

SECTION 16. It is specifically provided, notwithstanding the dates set out in this Bond Resolution for the date of the Bonds and the payment dates for principal and interest, that in the event the delivery of the Bonds is delayed by a contest of the validation of the Bonds or otherwise and the initial Purchaser shall decline to take delivery of the Bonds, then the Bonds may be reoffered for sale. In such event, all principal maturities may be adjusted so that such maturities will fall due in the same amounts and intervals as herein provided, but beginning one (1) year from the actual date of the Bonds as provided by the subsequent resolution directing the offer for sale thereof, and continuing through the fifteenth (15th) year from such actual date of the Bonds. The interest payments may

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also be adjusted accordingly, with interest payments due semiannually, commencing six (6) months from such actual date of the Bonds. After the validation of the Bonds, no amendment, revision or supplement contemplated by this Section shall be cause for the re-submission of the proceedings for the issuance of the Bonds, as amended, revised or supplemented, to any further validation proceedings, it being the intent of this Bond Resolution that any such amendments, revisions or supplements be covered by the initial validation proceeding.

SECTION 17. (a) If the Municipality shall pay or cause to be paid to the Registered Owners of the Bonds the principal of, premium, if any, and interest to become due with respect thereto at the times and in the manner stipulated therein and herein, and if the Municipality shall keep, perform and observe all and singular the covenants and promises in the Bonds and in this Bond Resolution expressed as to be kept, performed and observed by it or on its part and shall pay or cause to be paid to the Paying Agent all sums of money due or to become due according to the provisions hereof, then the rights of the Registered Owners under the Bond Resolution shall cease, determine and be void, and thereupon the lien of this Bond Resolution shall be cancelled and discharged.

(b) Bonds for the payment or redemption of which sufficient moneys shall have been deposited with the Paying Agent (whether upon or prior to the maturity or the redemption date of such Bonds) with irrevocable instructions to apply such funds to such payment or redemption shall be deemed to be paid within the meaning of this Section; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given to the Registered Owners of all Bonds then outstanding.

(c) The Bonds, or any of the Bonds, shall be deemed to be paid within the meaning of this Section and for all purposes of this Bond Resolution when (i) payment of the principal of and premium, if any, on such Bonds, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided herein) either (1) shall have been made or caused to be made in accordance with the terms thereof or (2) shall have been provided for by irrevocably depositing with the Paying Agent and irrevocably setting aside exclusively for such payment (a) cash in an amount sufficient to make all payments specified above, or (b) direct obligations of the United States of America, maturing on or before the date or dates when the payments specified above shall become due, the principal amount of which and the interest thereon, when due, is or will be, in the aggregate, sufficient to make all such payments, or (c) any combination of cash and such obligations and (ii) all necessary and proper fees, compensation and expenses of any Paying Agent and the Municipality pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for. At such time as the Bond shall be

Municipality shall establish a separate and special account of the Municipality to be designated the Series 1989 Rebate Account, into which the Municipality shall deposit: on or before the 30th day following each Bond Year, an amount equal to the excess of all earnings on all nonpurpose investments (within the meaning of Subsection 148(f)) over the amount which would have been earned if such nonpurpose investments had been invested at a rate equal to the yield (computed in accordance with Subsection 148(f)) on the Bonds which amounts shall be credited to a fund designated the Excess Income Fund; and all amounts earned on amounts in the Rebate Account, which amounts shall be credited to a fund designated the Rebate Account Earning Fund. Amounts in the Rebate Account shall be used solely and only to make payments of rebates to the United States as required pursuant to Subsection 148(f), provided that, if at any time the amount in the Rebate Account exceeds the amount which, together with all amounts previously paid to the United States with respect to the Bonds pursuant to Subsection 148(f), will equal the amount which would be required to be rebated to the United States as a result of earnings on nonpurpose investments received during the period beginning on the date of delivery of the Bonds and ending on the date of computation, the Municipality may, in its discretion, withdraw such excess from the Rebate Account and deposit the amount withdrawn into the Bond Fund or, if all principal of and interest on the Bonds shall have been paid in full, and all rebates to the United States payable pursuant to Subsection 148(f) shall have been paid in full, the Municipality may use the amount withdrawn for any purpose permitted under the applicable laws of the State of Mississippi.

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

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

(e) The Mayor and/or Clerk are hereby authorized to execute a "nonarbitrage and federal tax certificate" in connection with the sale and delivery of the Bonds, setting forth the reasonable

deemed to be paid hereunder, such Bond shall no longer be secured by or entitled to the benefits of this Bond Resolution and the lien thereof on the Revenues thereby defeased, cancelled and discharged, except for the purposes of any such payment from such moneys or obligations.

SECTION 18. (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) (i) The Governing Body has made 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 shall take all actions necessary in order to comply with the requirements of paragraphs (2) and (3) of Subsection 148(f) (in order that none of the Bonds shall be treated as an arbitrage bond pursuant to paragraph (1) of Subsection 148(f), including payment of all amounts, if any, required to be paid to the United States 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.

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

(iii) In the event it is determined that the Bonds do not meet the requirements of paragraph (4) of Subsection 148(f), then, in order to assure that there will be funds available to make any payments required pursuant to Subsection 148(f), the

expectations of the Municipality with respect to the investment and use of proceeds of the Bonds and also setting forth certain covenants, stipulations and certifications with respect to the investment and expenditures of the proceeds of the Bonds, and the Municipality shall comply with all certifications, stipulations and covenants set forth in such certificate.

SECTION 19. (a) 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 (within the meaning of Section 141 of the Code), directly or indirectly, in a trade or business (within the meaning of Section 141 of the Code and including any activity carried on by any person other than a natural person) carried on by any person other than a governmental unit (within the meaning of Section 141 of the Code and specifically excluding the United States of America or any agency or instrumentality thereof).

(c) No more than 10% of any property with respect to which all or any part of the bond proceeds will be used (within the meaning of Section 141 of the Code), directly or indirectly, will be used in a trade or business (within the meaning of Section 141 of the Code and including any activity carried on by any person other than a natural person), other than a governmental unit (within the meaning of Section 141 of the Code and specifically excluding the United States of America or any agency or instrumentality thereof).

(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 to be 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, 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 at substantially the same interest rate as the interest rate of the Bonds, (3) were or are to be sold pursuant to a common plan of marketing as the marketing plan for the Bonds, and (4) 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 or interest on the Bonds is or will be guaranteed (in whole or in part, directly or indirectly) by the United States, or any agency or instrumentality thereof or any entity with statutory authority to borrow from the United States. The Municipality represents, warrants and covenants that none of the bond proceeds will be: (a) used to make loans, the payment of principal or interest on which is or will be guaranteed (in whole or in part, directly or indirectly) by the United States or any agency or instrumentality thereof or any entity with statutory authority to borrow from the United States; or (b) invested (directly or indirectly) in any deposit or account which is insured under federal law by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration or any similar federally chartered corporation (other than: (i) 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; (ii) investments of a bona fide debt service fund (within the meaning of Subparagraph 3(B) of Subsection 149(b) of the Code); (iii) investments of a reserve which meets the requirements of Subsection 149(d) of the Code; (iv) investments in bonds issued by the United States Treasury; (v) or 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 exemption of interest on the Bonds from federal income taxation, and it will take such reasonable action as may be necessary to continue such exemption, including, without limitation, the preparation and filing of any statements required to be filed by it in order to maintain such exemption.

SECTION 20. The Bonds are hereby designated as a portion of the \$10,000,000 of qualified tax-exempt obligations within the meaning and for the purposes of Section 265(b)(3) of the Code.

SECTION 21. The Municipality covenants that it will make no Prohibited Payments as that term is used in the regulations promulgated under the Code.

SECTION 22. 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 in Sections 18 and 19 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 23. All orders, resolutions or proceedings of the Governing Body in conflict with any provision hereof 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 upon the adoption hereof.

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

Alderman W. H. Campbell	voted: aye
Alderman Reuben Clepper	voted: aye
Alderman R. L. Hullum	voted: aye
Alderman Willie H. Ratliff	voted: absent
Alderman Leroy Scott	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 this the 8th day of March, 1989.

Ray O. Smith
MAYOR

ATTEST:

Phillip C. Daniel
CITY CLERK

Alderman Clepper seconded the motion to adopt the foregoing Resolution and, the question being put to a roll call vote, the result was as follows:

Alderman W. H. Campbell	voted Aye
Alderman Reuben Clepper	voted Aye
Alderman R. L. Hullum	voted Aye
Alderman Willie Ratliff	voted Absent
Alderman Leroy Scott	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 this the 8th day of March, 1989.

WHEREAS Alderman Scott made a motion to make the good faith payment in the amount of \$50,925.68 to Farmers Home Administration and to execute the intent to participate in the Discount Purchase Program. Alderman Campbell seconded the motion.

Those present and voting "AYE":	W. H. Campbell Reuben Clepper R. L. Hullum Leroy Scott
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Those present and voting "NAY":	None
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Thereupon Alderman Scott made a motion that the \$50,925.68 be paid out of Water R & E Fund and to be repaid from the proceeds of the sale of the bonds. Alderman Campbell seconded the motion.

Those present and voting "AYE":	W. H. Campbell Reuben Clepper R.L. Hullum Leroy Scott
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Those present and voting "NAY":	None
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WHEREAS Alderman Scott made a motion for the City to pay the additional monthly premium on the increased U.S. Life insurance health policy for the employee coverage and the dependant coverage for one month (April). Alderman Clepper seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy Scott

Those present and voitung "NAY": None

WHEREAS Alderman Scott made a motion to extend the service contract with G & K Services for the service of uniforms for the City departments. Alderman Clepper seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy Scott

Those present and voting "NAY": None

THEREUPON Alderman Clepper made a motion to adjourn. Alderman Campbell seconded the motion.

Those present and voting "AYE": W. H. Campbell
Reuben Clepper
R. L. Hullum
Leroy Scott

Those present and voting "NAY": None

There being no further business, the regular recessed meeting of the Mayor and Board of Aldermen of the City of Petal, Mississippi, was adjourned on this the 8th day of March, A.D., 1989.

Sidney O. Smith

SIDNEY O. SMITH, MAYOR

(SEAL)

ATTEST:

Priscilla C. Daniel

PRISCILLA C. DANIEL
CITY CLERK

BE IT REMEMBERED that there was begun and held the regular meeting of the Mayor and Board of Aldermen of the City of Petal, Mississippi at 7:30 P.M. on March 21, 1989 in the Board Room of said City.

Those present: Mayor Pro-Tem W. H. Campbell
City Attorney: Alex Brinkley sat in for Tom Tyner
Aldermen: Reuben Clepper
Willie Ratliff
Leroy Scott
Others Present: Jerry Holifield
Jim Darrah
and many others

The Mayor Pro-Tem declared a quorem present and declared the Mayor and Board of Aldermen in session.

The invocation was offered by Leroy Scott.

WHEREAS Alderman Clepper made a motion that the minutes of the regular meeting of the Mayor and Board of Aldermen of March 7th 1989 and the regular recessed meeting of March 8, 1989 be accepted as written. Alderman Scott seconded the motion.