

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 ON JANUARY 2, 2002 AT 7:00 P.M. IN THE BOARD ROOM OF SAID CITY.

THOSE PRESENT	TONY PHILLIPS
CITY ATTORNEY	THOMAS W. TYNER
ALDERMEN	MICHAEL W. DRAUGHN WILLIE W. HINTON JOE C. MCMURRY, SR STEVE STRINGER WILLIAM A TRAVIS
OTHERS PRESENT	TOMMY HILL CHIEF LEE SHELBOURN ALLEN FLYNT

THE MAYOR DECLARED A QUORUM PRESENT AND DECLARED THE CITY COUNCIL IN SESSION.

THE INVOCATION WAS OFFERED BY MAYOR TONY PHILLIPS.

THE PLEDGE OF ALLEGIANCE WAS RECITED.

WHEREAS, MAYOR PHILLIPS PRESENTED THE AGENDA WITH THE FOLLOWING CHANGES:

- XII. 1. RECOMMENDATION TO HIRE STAN KINMON IN FIRE DEPARTMENT AS 3<sup>RD</sup> CLASSMAN.

THEREUPON, ALDERMAN MCMURRY MADE A MOTION TO ACCEPT THE AGENDA AS AMENDED. ALDERMAN STRINGER SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

WHEREAS, MAYOR PHILLIPS PRESENTED THE MINUTES OF THE REGULAR MEETING OF DECEMBER 18, 2001 OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI.

THEREUPON, ALDERMAN DRAUGHN WOULD LIKE TO AMEND THE MINUTES TO REFLECT THAT HE HAD TO LEAVE DURING THE MEETING. ALDERMAN STRINGER MADE A MOTION TO ACCEPT THE MINUTES WITH THE AMENDMENT AS REQUESTED. ALDERMAN MCMURRY SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

WHEREAS, MAYOR PHILLIPS CALLED FOR PUBLIC COMMENT. THERE WAS NONE.

WHEREAS, MAYOR PHILLIPS PRESENTED LETTERS FROM THE FOLLOWING BANKS ON DEPOSITORIES FOR THE CITY'S FUNDS BEGINNING JANUARY 2, 2002 AND ENDING DECEMBER 31, 2004.

SEE EXHIBIT "A"

HANCOCK BANK  
CITIZENS NATIONAL BANK  
TRUSTMARK BANK  
BANCORP SOUTH

THEREUPON, ALDERMAN HINTON MADE A MOTION TO ACCEPT ALL THE BIDS FOR THE DEPOSITORIES. ALDERMAN STRINGER SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

THOSE PRESENT AND ABSTAINING

JOE C. MCMURRY, SR

THEREUPON, AFTER LONG CONVERSATION, ALDERMAN MCMURRY MADE A MOTION TO ACCEPT THE BIDS FROM CITIZENS BANK AND HANCOCK FOR PAYING THE HIGHEST INTEREST RATE.

MOTION WAS WITHDRAWN BY ALDERMAN MCMURRY.

THEREUPON, ALDERMAN MCMURRY MADE A MOTION TO MOVE THE GENERAL FUND CHECKING ACCOUNT TO HANCOCK BANK, WHO HAS GIVEN THE BEST AND HIGHEST BID ON THE DEPOSITORIES. ALDERMAN HINTON SECONDED THE MOTION.

MOTION WAS WITHDRAWN BY ALDERMAN MCMURRY.

WHEREAS, MAYOR PHILLIPS PRESENTED THE FOLLOWING PROOF OF PUBLICATION:

1.) ADVERTISEMENT FOR BIDS-PAVILION FOR THE CITY OF PETAL

THEREUPON, ALDERMAN HINTON MADE A MOTION THAT THE FOREGOING PROOFS OF PUBLICATION BE ACCEPTED AND FILED. ALDERMAN TRAVIS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

WHEREAS, MAYOR PRESENTED CLAIMS #64863-65146 FOR THE CITY OF PETAL GENERAL FUNDS AND THE PETAL WATER AND SEWER FUNDS FOR THE MONTH OF DECEMBER, 2001.

THEREUPON, ALDERMAN HINTON MADE A MOTION TO PAY CLAIMS #64863-65146 FOR THE CITY OF PETAL GENERAL FUNDS AND THE PETAL WATER AND SEWER FUNDS FOR THE MONTH OF DECEMBER, 2001. ALDERMAN DRAUGHN SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

WHEREAS, MAYOR PHILLIPS PRESENTED A REQUEST FOR MAYOR TONY PHILLIPS TO ATTEND THE ANNUAL MML CONFERENCE ON JANUARY 23-24, 2002 IN JACKSON, MS.

THEREUPON, ALDERMAN MCMURRY MADE A MOTION TO AUTHORIZE TONY PHILLIPS TO ATTEND THE MML CONFERENCE IN JACKSON, MS ON JANUARY 23-24, 2002 AND TO PAY HIS EXPENSES. ALDERMAN DRAUGHN SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

WHEREAS, MAYOR PHILLIPS PRESENTED A REQUEST FROM CITY CLERK JEAN ISHEE TO ATTEND THE MS MUNICIPAL CLERK & COLLECTORS CONFERENCE IN OXFORD, MS ON MARCH 20-22, 2002.

THEREUPON, ALDERMAN DRAUGHN MADE A MOTION TO AUTHORIZE THE CITY CLERK JEAN ISHEE TO ATTEND THE MS MUNICIPAL CLERK & COLLECTORS CONFERENCE IN OXFORD, MS ON MARCH 20-22, 2002 AND TO PAY HER EXPENSES. ALDERMAN HINTON SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

WHEREAS, MAYOR PHILLIPS PRESENTED THE FOLLOWING ORDER HIRING STAN KINMON AS A 3<sup>RD</sup> CLASS FIREFIGHTER IN THE FIRE DEPARTMENT.

ORDER

WHEREAS, THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI DO HEREBY DEEM IT NECESSARY TO HIRE A FIREFIGHTER IN THE FIRE DEPARTMENT.

IT IS HEREBY ORDERED THAT STAN KINMON BE HIRED AS A 3<sup>RD</sup> CLASS FIRE FIGHTER AT A RATE OF \$8.50 PER HOUR EFFECTIVE JANUARY 10, 2002.

SO ORDERED ON THIS THE 2<sup>ND</sup> DAY OF JANUARY, 2002.

THEREUPON, ALDERMAN HINTON MADE A MOTION TO ADOPT THE FOREGOING ORDER. ALDERMAN MCMURRY SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

WHEREAS, MAYOR PHILLIPS PRESENTED THE FOLLOWING PROCLAMATION SETTING FEBRUARY 9, 2002 AS ARBOR DAY.

SEE EXHIBIT "B"

**PROCLAMATION**

**THEREUPON, ALDERMAN MCMURRY MADE A MOTION TO ADOPT THE FOREGOING PROCLAMATION. ALDERMAN DRAUGHN SECONDED THE MOTION.**

**THOSE PRESENT AND VOTING "AYE"**

**ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS**

**THOSE PRESENT AND VOTING "NAY"**

**NONE**

**WHEREAS, MAYOR PHILLIPS PRESENTED THE RESOLUTION PERTAINING TO THE LEASE PURCHASE AGREEMENT BETWEEN THE CITY OF PETAL AND FIRST CONTINENTAL LEASING.**

**TAKE UNDER ADVISEMENT.**

**WHEREAS, MAYOR PHILLIPS PRESENTED A RESOLUTION TO REIMBURSE THE CITY OF PETAL FOR EXPENDITURES MADE PRIOR TO THE ISSUANCE OF GOVERNMENTAL OBLIGATIONS.**

**SEE EXHIBIT " C "**

**RESOLUTION SETTING FORTH THE OFFICIAL INTENT OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI (THE "CITY"), TO REIMBURSE THE CITY FOR CERTAIN EXPENDITURES TO BE MADE FOR THE PROJECT TO BE CONSTRUCTED WITH THE PROCEEDS OF THE TAX INCREMENT LIMITED OBLIGATIONS BONDS, OF THE CITY OF PETAL, MISSISSIPPI, IN THE PRINCIPAL AMOUNT NOT TO EXCEED SIX HUNDRED THOUSAND DOLLARS (\$600,000) (THE "BONDS"), THE EXPENDITURES BEING MADE PRIOR TO THE ISSUANCE OF THE BONDS, AND THE AGREEMENT BY THE CITY TO COMPLY WITH ALL REGULATIONS RELEASED BY THE INTERNAL REVENUE SERVICE ON JUNE 30, 1993, GOVERNING THE FINAL REIMBURSEMENT OF EXPENDITURES MADE PRIOR TO THE ISSUANCE OF GOVERNMENTAL OBLICATIONS.**

**THEREUPON, ALDERMAN HINTON MADE A MOTION TO ADOPT THE FOREGOING RESOLUTION. ALDERMAN MCMURRY SECONDED THE MOTION.**

**THOSE PRESENT AND VOTING "AYE"**

**ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS**

**THOSE PRESENT AND VOTING "NAY"**

**NONE**

**WHEREAS, MAYOR PHILLIPS PRESENTED THE FOLLOWING RESOLUTION CONCERNING THE TAX INCREMENT FINANCE BETWEEN THE CITY OF PETAL AND THE PROPOSED WALMART SUPERCENTER.**

**SEE EXHIBIT "D"**

**RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF AN INTERLOCAL COOPERATION AGREEMENT BETWEEN FORREST COUNTY, MISSISSIPPI AND THE CITY OF PETAL, MISSISSIPPI TO FACILITATE THE IMPLEMENTATION OF THE CITY'S TAX INCREMENT FINANCING PLAN, WAL-MART SUPERCENTER PROJECT, PETAL, MISSISSIPPI, SEPTEMBER 2000; AND FOR RELATED PURPOSES.**

THEREUPON, ALDERMAN DRAUGHN MADE A MOTION TO ADOPT THE FOREGOING RESOLUTION. ALDERMAN HINTON SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

WHEREAS, THOMAS W TYNER REQUESTED AN EXECUTIVE SESSION TO DISCUSS PENDING LITIGATION.

THEREUPON, ALDERMAN HINTON MADE A MOTION TO CLEAR THE ROOM IN ORDER TO DECIDE IF AN EXECUTIVE SESSION IS NEEDED. ALDERMAN MCMURRY SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

MAYOR PHILLIPS REOPENED THE MEETING.

THEREUPON, ALDERMAN STRINGER MADE A MOTION TO ENTER INTO AN EXECUTIVE SESSION TO DISCUSS PENDING LITIGATION. ALDERMAN HINTON SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

THEREUPON, ALDERMAN DRAUGHN MADE A MOTION TO ADJOURN THE EXECUTIVE SESSION. ALDERMAN STRINGER SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN  
ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

THOSE PRESENT AND VOTING "NAY"

NONE

NO ACTION WAS TAKEN IN EXECUTIVE SESSION.

THEREUPON, ALDERMAN TRAVIS MADE A MOTION TO ADJOURN. ALDERMAN DRAUGHN SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE"

ALDERMAN MICHAEL W DRAUGHN

ALDERMAN WILLIE W HINTON  
ALDERMAN JOE C MCMURRY, SR  
ALDERMAN STEVE STRINGER  
ALDERMAN WILLIAM A TRAVIS

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 ADJOURNED ON  
THIS THE 2<sup>ND</sup> DAY OF JANUARY, AD, 2002.



TONY PHILLIPS  
MAYOR

(SEAL)

ATTEST:

  
JEAN SHEE  
CITY CLERK

EXHIBIT "A"



December 18, 2001

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

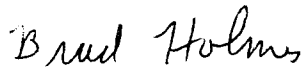
Gentlemen:

With respect to bank bids for the privilege of keeping the funds of the City of Petal, Mississippi, or any part thereof, for the years 2001 through the first Monday of the year 2004, according to the laws of the State of Mississippi, Hancock Bank, domiciled in Gulfport, Mississippi, does hereby respectfully offer to serve as the depository for all of the said funds of the City of Petal, Mississippi, for the years 2001 through the first Monday of the year 2004 in accordance with all applicable laws. We will pay top competitive rates with no service charge fees.

We will pay a variable rate of 2.00% with the capability of changing the rate according to prevailing market conditions on interest-bearing checking accounts for two years with no service charge. A fixed rate of interest on Certificate of Deposit will be paid for the term of deposit. These interest rates are subject to change weekly.

In addition to FDIC \$100,000 insurance, we will secure the payment of all funds of the City of Petal, Mississippi, deposited in the Bank by the city in accordance with the law.

Sincerely,



Brad Holmes  
Branch Manager  
Petal, Mississippi  
Hancock Bank

EXHIBIT "A"



December 11, 2001

City of Petal  
Attn: Jean Ishee, Clerk  
102 West 8<sup>th</sup> Avenue  
Petal, MS 39465

Dear Jean:

We at Citizens National Bank are very interested in serving as a depository for the City of Petal and are pleased to present this proposal for banking services. As requested, we have included information about our specific accounts and services.

We understand that you need to insure the productive investment of the City's excess funds. We also realize that the only prudent investment strategy for you is one that ensures the maximum security of the City funds. We are prepared to offer the City such an option for the investment of your checking funds.

**High Yield Interest Checking Account-** To make your checking account funds as productive as possible, we propose to set up a "sweep" type arrangement, where your checking account(s) would be tied to a "high-yield" overnight investment account. Each day, excess checking funds above the target balance of \$75,000.00 would be swept into your high yield account. As funds are required in the checking account(s) to pay checks, the Bank automatically sweeps the funds back.....ensuring that the idle funds earn the highest yield possible. While the target balance would not earn interest, the "high-yield" account would pay either of the following rates:

- (1) A fixed rate for the two year period of 1.56%
- (2) A "floating" rate equal to the Federal Reserve Discount Rate, plus .11% (i.e. the current rate is 1.50%, so the interest would currently be accrued at 1.61%. Adjustments would occur as the discount rate changes.) A history of the discount rate for the last two years is attached.



EXHIBIT "A"



You would choose the rate you prefer and we would apply that rate for the entire two-year period.

**Certificates of Deposits-** For investments of excess funds for 30 days or longer, we at Citizens National Bank would appreciate the opportunity to provide the City with the interest rate quotes. These quotes can be secured by calling my office at 264-2528.

**Security for City Funds-** Since all of your funds will remain in deposit accounts of the bank, we will continue to pledge securities in accordance with Section 27-105-5, Mississippi Code Ann (1972). A list of securities to be pledged can be provided upon being notified of the amount of the funds to be placed on the deposit with the Bank. We will also provide a Collateral Security Agreement and Custodial Agreement, if required.

Citizens National Bank is approved by the State Treasurer of Mississippi as a State Depository for the year 2002. Also you will find our most recent Statement of Condition

We sincerely believe the proposed accounts and services outlined above are in the best interest of the City. Should your cash management needs change during the year, you can be assured that we will be responsive in providing new solutions. Once again, thank you for your business in the past and for the opportunity to submit this proposal.

Sincerely,

J. Scott Sills  
President  
Hattiesburg  
scotts@citizensnationalbank.com

EXHIBIT "A"

**Trustmark National Bank**  
Post Office Box 1071  
Hattiesburg, Mississippi 39401-1071  
801-444-4100



**Trustmark**

December 18, 2001

HAND DELIVERED

Honorable Mayor and Board of Aldermen  
of the City of Petal, Mississippi

Pursuant to your notice dated November 14, 2001, that you will receive bids from banks until 7:00 pm December 18, 2001, for the privilege of keeping funds for the City of Petal, Mississippi, (from a period of January 1, 2002 until the first Monday of January A.D. , 2004) pursuant to Section 27-105-305 and 27-105-353 - 27-105-363 Mississippi code of 1995 as amended and amendments thereto; we hereby apply for designation for depository for funds for the City of Petal, Mississippi.

If designated as the depository, we agree to receive and disburse all funds in strict conformity with and pursuant to the depository law governing municipal depositories, accounting for all funds deposited and rendering periodic statements as you or the law may direct.

We also agree to post eligible bonds as security in the amount required under the depository laws of the State of Mississippi, after giving effect to the Federal Deposit Insurance Corporation Guaranty on each account having a beneficial interest and insured separately.

We also agree on proper order or warrant to render such other services as the City may require in connection with administration of its funds, subject to regulations of Federal and State supervisory authorities.

Your favorable consideration of our application will be very much appreciated.

Sincerely,

Carol Elder  
Credit Operations Specialist

EXHIBIT "A"



**BancorpSouth**

November 18, 2001

Mayor Tony Phillips,  
Board of Aldermen and  
Jean Ishee, City Clerk  
City of Petal  
8th Avenue  
Petal, MS 39465

Dear Sirs and Madam:

BancorpSouth Bank, a state banking association, does hereby respectfully offer to serve as depository for all funds, or any part thereof of the City of Petal for the fiscal years 2002 and 2003.

BancorpSouth Bank will comply with all the laws and statutes of the State of Mississippi and in accordance with Section 27-105-305 and 27-105-353 of the Mississippi Code of 1972, Annotated, to properly qualify upon being designated as depository and will pledge in an amount of 100% of the maximum sum to be placed on deposit at any time exclusively of the portion of the accounts insured by the Federal Deposit Insurance Corporation.

We offer the full service of these facilities to assist in any financial matter which might arise including, but not limited to, trust and investment counseling. We will provide safe deposit boxes, night deposit bags, night depository services, coin rolling services, money straps and coin wrappers without cost as requested. We will pay competitive money market rates on all City of Petal funds deposited on time and/or in interest bearing accounts. We will waive all service charges.

We, at BancorpSouth Bank, appreciated the privilege of serving as depository for the City of Petal and the harmonious working relationship that has developed between your staff and our bank. We also appreciated the opportunity of submitting this request to serve as your depository for the coming years.

Sincerely,

BancorpSouth Bank

Tommy Fairley  
President / Petal

EXHIBIT "B"

*City of Petal*  
**Petal, Mississippi**  
**Proclamation**



**WHEREAS**, in 1872 Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and

**WHEREAS**, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and

**WHEREAS**, trees are a valuable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products, and

**WHEREAS**, trees in our City increase property values, enhance the economic vitality of business areas and beautify our community, and

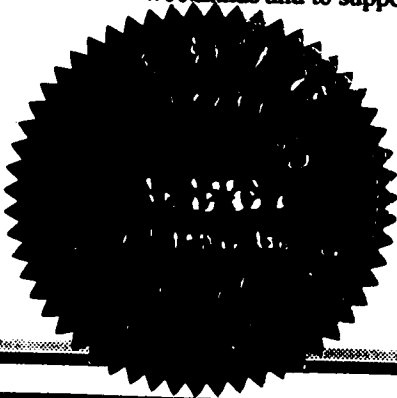
**WHEREAS**, trees, wherever they are planted are a source of joy and spiritual renewal, and

**WHEREAS**, Petal desires to continue its tree planting ways,

**NOW, THEREFORE**, the Board of Aldermen and I, Tony Phillips, Mayor of the City of Petal, Mississippi, do hereby proclaim February 9, 2002 as

**ARBOR DAY**

in the City of Petal, and urge all citizens to support efforts to protect our trees and woodlands and to support our City's Urban Forestry Program.



  
Tony Phillips  
Mayor

EXHIBIT "C"

The Mayor and Board of Aldermen of the City of Petal, Mississippi, acting for and on behalf of the City of Petal, Mississippi, took up for further consideration the matter of approving the reimbursement of certain expenditures incurred by the City prior to the issuance of the proposed Tax Increment Limited Obligation Bonds of the City of Petal, Mississippi, in the principal amount not to exceed Six Hundred Thousand Dollars (\$600,000). After discussion of the subject, Alderman Hinton offered and moved the adoption of the following resolution:

**RESOLUTION SETTING FORTH THE OFFICIAL INTENT OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI (THE "CITY"), TO REIMBURSE THE CITY FOR CERTAIN EXPENDITURES TO BE MADE FOR THE PROJECT TO BE CONSTRUCTED WITH THE PROCEEDS OF THE TAX INCREMENT LIMITED OBLIGATION BONDS, OF THE CITY OF PETAL, MISSISSIPPI, IN THE PRINCIPAL AMOUNT NOT TO EXCEED SIX HUNDRED THOUSAND DOLLARS (\$600,000) (THE "BONDS"), THE EXPENDITURES BEING MADE PRIOR TO THE ISSUANCE OF THE BONDS, AND THE AGREEMENT BY THE CITY TO COMPLY WITH ALL REGULATIONS RELEASED BY THE INTERNAL REVENUE SERVICE ON JUNE 30, 1993, GOVERNING THE FINAL REIMBURSEMENT OF EXPENDITURES MADE PRIOR TO THE ISSUANCE OF GOVERNMENTAL OBLIGATIONS.**

**WHEREAS**, the Mayor and Board of Aldermen (the "Governing Body") of the City of Petal, Mississippi, acting for and on behalf of the City of Petal, Mississippi (the "City"), have authorized Tax Increment Limited Obligation Bonds of the City in the maximum principal amount not to exceed Six Hundred Thousand Dollars (\$600,000) (the "Bonds"), a portion of the proceeds of which are to be used to provide funds for certain infrastructure improvements including, but not limited to, the installation and/or relocation of utilities such as water, sanitary sewer, natural gas lines, electricity, construction of drainage improvements, construction of roadways and bridges with curb and gutter, asphalt overlay, installation of traffic signalization and signage, acquisition of rights-of-way, landscaping of rights-of-way, related engineering fees, attorney's fees, capitalized interest, and other related soft costs (the "Project");

**WHEREAS**, the City has incurred and/or will incur certain expenditures prior to the issuance of the Bonds for the Project (the "Expenditures");

**WHEREAS**, it is necessary that the Governing Body on behalf of the City declare its official intent (the "Official Intent") to reimburse the City for these certain Expenditures;

**WHEREAS**, the Governing Body reasonably expects to reimburse the Expenditures with the proceeds of the Bonds;

**WHEREAS**, the Governing Body declares that its Official Intent is a declaration of official intent under Treasury Regulation Section 1.150-2 (the "Regulations");

**WHEREAS**, the Governing Body certifies that those expenditures to be reimbursed are only those Expenditures incurred in the acquisition and construction of the Project and allowed under the Regulations; and

**WHEREAS**, the maximum principal amount of proceeds of the Bonds to be used for reimbursement of the Expenditures is Six Hundred Thousand Dollars (\$600,000).

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

- Section 1.** The Governing Body has authorized the sale and issuance of the Bonds.
- Section 2.** The Governing Body declares its Official Intent to reimburse the City for certain Expenditures incurred by the City, prior to the issuance of the Bonds, in the construction of the Project.
- Section 3.** The fund from which the Expenditures were/will be paid is the General Fund.

EXHIBIT "C"

- Section 4.** The Governing Body reasonably expects to reimburse itself from the proceeds received from the issuance of the Bonds.
- Section 5.** The Governing Body declares its resolution of Official Intent is a declaration of official intent as set forth in Treasury Regulation Section 1.150-2.
- Section 6.** The Governing Body declares that those expenditures to be reimbursed are only those expenditures incurred in the acquisition and construction of the Project and allowed under the Regulations.
- Section 7.** The Governing Body certifies that the maximum principal amount of proceeds of the Bonds to be used for reimbursement of Expenditures is Six Hundred Thousand Dollars (\$600,000).
- Section 8.** 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 Resolution shall become effective upon the adoption hereof.

Following the reading of the foregoing resolution, Alderman McMurry seconded the motion for its adoption. The Mayor put the question to a roll call vote, and the result was as follows:

Alderman Willie W. Hinton	voted: Aye
Alderman William A. Travis	voted: Aye
Alderman Steve Stringer	voted: Aye
Alderman Joe C. McMurry, Sr.	voted: Aye
Alderman Michael W. Draughn	voted: Aye

The motion having received the affirmative vote of all members present, the Mayor declared the motion carried and the resolution adopted, this the 2<sup>nd</sup> day of January, 2002.

  
MAYOR

ATTEST:

  
CITY CLERK

(SEAL)

EXHIBIT "D"

The Mayor and Board of Aldermen of the City of Petal, Mississippi (the "City"), took up for consideration the matter of issuing Tax Increment Limited Obligation Bonds (Wal-Mart SuperCenter Project) of said City. After a discussion of the subject, Alderman Draughn offered and voted the adoption of the following resolution:

**RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF AN INTERLOCAL COOPERATION AGREEMENT BETWEEN FORREST COUNTY, MISSISSIPPI AND THE CITY OF PETAL, MISSISSIPPI TO FACILITATE THE IMPLEMENTATION OF THE CITY'S TAX INCREMENT FINANCING PLAN, WAL-MART SUPERCENTER PROJECT, PETAL, MISSISSIPPI, SEPTEMBER 2000; AND FOR RELATED PURPOSES.**

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

1. On September 19, 2000, the City approved and adopted the Tax Increment Financing Plan, Wal-Mart SuperCenter Project, Petal, Mississippi, September 2000 (the "City TIF Plan") and on September 21, 2000, the County approved and adopted the Tax Increment Financing Plan, Wal-Mart SuperCenter Project, Forrest County, Mississippi, September 2000 (the "County TIF Plan") (the City TIF Plan and the County TIF Plan collectively referred to hereinafter as the "TIF Plans"), which provide for the issuance of not to exceed the principal amount of \$600,000 Tax Increment Limited Obligation Bonds (Wal-Mart SuperCenter Project) of the City (the "Bonds") to fund certain public infrastructure improvements described in the TIF Plans and further provide for the joint and mutual pledge and division of the incremental increase in tax revenues generated by the development and redevelopment within the Tax Increment Financing District defined in the TIF Plans as security for the Bonds.
2. The City and Forrest County, Mississippi (the "County") desire to enter into an Interlocal Cooperation Agreement between the City and the County to provide for the construction, operation, maintenance and funding of public infrastructure improvements as provided in the TIF Plans and as authorized by §§ 21-45-1 *et seq.*, Mississippi code of 1972, as amended (the "Tax Increment Financing Laws").
3. Pursuant to the Interlocal Cooperation Agreement, the City and the County shall contract with each other for the joint and cooperative action relating to the financing for the construction of the public infrastructure improvements and facilities and to jointly pledge revenues to fund the debt service of any such indebtedness incurred pursuant to the Tax Increment Finance Laws.
4. The Interlocal Cooperation Agreement is necessary to facilitate implementation of the TIF Plans and will further the public interest and convenience of citizens of the City.

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

**SECTION 1.** That the Governing Body of the City does hereby approve the Interlocal Cooperation Agreement in the form attached hereto as **EXHIBIT A**, and does hereby authorize the Mayor and City Clerk to execute the Interlocal Cooperation Agreement in substantially the same form as is attached hereto, for and on behalf of the City.

**SECTION 2.** All orders, resolutions or proceedings of this Governing Body in conflict with the provisions of this resolution shall be and are hereby appealed, rescinded and set aside, but only to the extent of such conflict, if any.

EXHIBIT "D"

SECTION 3. For cause, this resolution shall become effective immediately upon adoption thereof.

Alderman Hinton seconded the motion to adopt the foregoing Resolution and the question being put to a roll call vote, the results were as follows:

Alderman Willie W. Hinton	voted: Aye
Alderman William A. Travis	voted: Aye
Alderman Steve Stringer	voted: Aye
Alderman Joe C. McMurry, Sr.	voted: Aye
Alderman Michael W. Draughn	voted: Aye

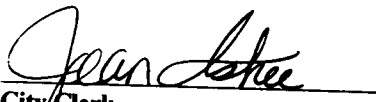
The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted, on this the 2<sup>nd</sup> day of January, 2002.

CITY OF PETAL, MISSISSIPPI

BY: 

Mayor

ATTEST:

  
City Clerk

(SEAL)



EXHIBIT "D"

EXHIBIT A

INTERLOCAL COOPERATION AGREEMENT

**INTERLOCAL AGREEMENT BETWEEN FORREST COUNTY, MISSISSIPPI  
AND THE CITY OF PETAL, MISSISSIPPI FOR THE  
CONSTRUCTION, OPERATION, MAINTENANCE AND FUNDING OF PUBLIC  
INFRASTRUCTURE IMPROVEMENTS**

---

**THIS AGREEMENT** made by and between **FORREST COUNTY, MISSISSIPPI** (the "County"), a political subdivision of the State of Mississippi, acting by and through its duly elected and serving Board of Supervisors and the **CITY OF PETAL, MISSISSIPPI** (the "City"), a municipal corporation of the State of Mississippi, acting by and through its duly elected and serving Mayor and Board of Aldermen.

**RECITALS:**

**WHEREAS**, the Board of Supervisors of the County is the duly elected and serving governing authority of the County; and

**WHEREAS**, the Mayor and Board of Aldermen of the City are the duly elected and serving governing authority of the City; and

**WHEREAS**, the County and City are in need of additional and expanded public infrastructure facilities to foster and support development; and

**WHEREAS**, the County and City recognize that the Infrastructure Improvements (as herein defined) are necessary to serve the needs of the people of the County and City; and

**WHEREAS**, the County and the City are authorized pursuant to §§ 21-45-1 et seq., Mississippi code of 1972, as amended (the "Act"), to contract with each other for joint and cooperative action relating to the financing for the construction of public infrastructure improvements and facilities and to jointly pledge revenues to fund the debt service of any such indebtedness incurred pursuant to the Act; and

**WHEREAS**, on September 19, 2000, the City approved and adopted the Tax Increment Financing Plan, Wal-Mart SuperCenter Project, Petal, Mississippi (hereinafter the "City TIF Plan") and on September 21, 2000, the County approved and adopted the Tax Increment Financing Plan, Wal-Mart SuperCenter Project, Forrest County, Mississippi (hereinafter the "County TIF Plan") (the City TIF Plan and the County TIF Plan collectively referred to hereinafter as the "TIF Plans"), which provide for the issuance of not to exceed the principal amount of \$600,000 Tax Increment Limited Obligation Bonds of the City (the "Bonds") to fund certain public infrastructure improvements described in the TIF Plans and as further defined herein below; and

**WHEREAS**, as described in the TIF Plans and this Agreement the City shall, pursuant to agreement with Wal-Mart Stores, Inc. ("Wal-Mart"), undertake the development and construction

**EXHIBIT "D"**

of the necessary public infrastructure improvements in order to provide needed municipal services and infrastructure to certain property located within the City and County as more fully described in Exhibit "A" attached hereto (the "District Property"), which property is also the Tax Increment Financing District defined in the TIF Plans; and

**WHEREAS**, concurrently with the construction of the Infrastructure Improvements Wal-Mart shall construct or cause to be constructed a Wal-Mart SuperCenter consisting of at least 109,000 square feet (the "SuperCenter") on certain land located within the District Property; and

**WHEREAS**, the County and City affirmatively recognize and represent that these joint and mutual efforts, performed under the terms of this Agreement, or otherwise, will foster the development and redevelopment of the District Property, and accord well with the needs of the people of the County and City.

**WITNESSETH:**

**NOW, THEREFORE, FOR AND IN CONSIDERATION** of the mutual covenants and promises contained herein, the County and the City do hereby agree as follows:

1. **PURPOSE:** The purpose of this Agreement is to provide for joint participation of the County and City in this acquisition, construction, operation, maintenance and financing of public infrastructure improvements and facilities necessary to serve the needs of the people of the County and City to be located within the County and City.

2. **STATUTORY AUTHORITY:** The County and City are authorized to fulfill the terms of this Agreement under the authority of §§ 21-45-1 et seq., Mississippi Code of 1972, as amended.

3. **EFFECTIVE DATE:** This Agreement shall become effective from and after the date it has been approved by the governing authorities of the County and City and executed by the parties hereto.

4. **THE INFRASTRUCTURE IMPROVEMENTS:** The Infrastructure Improvements shall consist of the development and construction of necessary public infrastructure improvements in order to provide needed municipal services and public infrastructure to the District Property, said improvements to include the installation of utilities such as water, sanitary sewer and natural gas lines; installation of drainage; construction of roadways with curb and gutter; installation of traffic signalization and signage; relocation/realignment of roadways; relocation of utilities; landscaping of rights-of-way, purchase of rights-of-way necessary for the installation of the improvements described hereinabove (hereinafter collectively referred to as the "Infrastructure

EXHIBIT "D"

Improvements") which shall be acquired, leased, or owned, and maintained by, the City for public use.

5. **OBLIGATIONS AND RESPONSIBILITIES OF THE COUNTY AND CITY:**

(1) City: The City shall have the following obligations and responsibilities:

(a) The City shall issue tax increment limited obligation bonds in the principal amount of not to exceed \$600,000 for up to twenty (20) years (the "Bonds") the proceeds of which will be used to pay the cost of acquiring and constructing the Infrastructure Improvements for the County and City, and the costs of issuance and capitalized interest.

(b) The City shall irrevocably pledge for the life of the Bonds the incremental increase in ad valorem tax revenues (excluding school taxes) and payments in lieu of tax if applicable generated by the SuperCenter and District Property in an amount which when combined with the County's Pledge as set forth hereinbelow, is sufficient to secure and provide for payment of the debt service on the Bonds including paying and transfer agent fees, amounts necessary to fund a service reserve, if any, capitalized interests, and any other amounts required under the City's Bond Resolution for the issuance of the Bonds (the "City's Pledge").

(c) The City shall, pursuant to the authority provided in §§ 21-45-1 et seq., Mississippi Code of 1972, as amended, enter into a Development and Reimbursement Agreement with Wal-Mart for purposes of constructing the Infrastructure Improvements and providing for reimbursement to Wal-Mart from the proceeds of the Bonds for eligible expenditures, and further, providing for the construction of the SuperCenter by Wal-Mart at its own expense.

(d) The City is designated as the legal entity assigned the responsibility for administration of the joint undertaking, and the City Clerk is hereby designated as the officer to receive, disburse and account for the funds of the undertaking in the manner prescribed by law.

(e) All real or personal property acquired for purposes of the joint undertaking shall be acquired, leased, or owned by the City and shall be maintained by the City.

(f) Upon the expiration of this Agreement, all interests in any real or personal property acquired for the purpose of the joint undertaking shall remain with the City.

(g) The City shall provide documentation to the County for any expenditures made with respect to this Agreement.

(h) The City shall open and maintain a bond fund within the City depository into which shall be deposited the City's Pledge and the County's Pledge for debt service for the Bonds as provided for in this Agreement.

EXHIBIT "D"

(2) County: The County shall have the following obligations and responsibilities:

(a) The County shall and by this Agreement does hereby irrevocably pledge to the City the avails of the incremental increase in real property County ad valorem tax revenue (excluding school taxes) and payments in lieu of taxes if applicable generated by the SuperCenter and District Property as additional security and payment on the Bonds including paying and transfer agent fees, amounts necessary to fund a debt service reserve, if any, capitalized interests, and any other amounts required under the City's Bond Resolution issued by the City for purposes of financing the Infrastructure Improvements (the "County's Pledge").

(b) The pledge of tax revenues made pursuant to this Agreement is irrevocable for a period of eleven (11) years, it being the intent that the County's Pledge provide for additional security and be limited to the payment of ten (10) annual payments or twenty (20) semi-annual payments, as shall be provided by the City's Bond Resolution, which shall commence one year from the dated date of the Bonds and exclude the first interest payment due date.

(c) The County agrees that it shall, not less than ten (10) days prior to any installment becoming due on the Bonds, deposit with the City the County's Pledge.

(d) The County further agrees that it will promptly execute and deliver all further pledge and security instruments and documents consistent with this Agreement as may be reasonably required in connection with the City's issuance, sale and delivery of the Bonds.

6. **DURATION:** This Agreement shall be for the duration of the Bonds issued by the City as same are required by this Agreement and as same are provided for in the TIF Plans, but shall in no event exceed eleven (11) years from the dated date of the Bonds unless mutually agreed to by the City and the County.

7. **AMENDMENT:** This Agreement may be amended by mutual written consent of the County and the City.

[remainder of page left blank intentionally]

EXHIBIT "D"

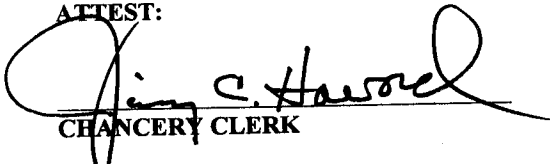
THIS AGREEMENT ENTERED into this the 2nd day of January,

2002.

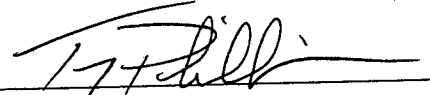
FORREST COUNTY, MISSISSIPPI

By:   
PRESIDENT, BOARD OF SUPERVISORS

ATTEST:

  
CHANCERY CLERK

CITY OF PETAL, MISSISSIPPI

By:   
MAYOR

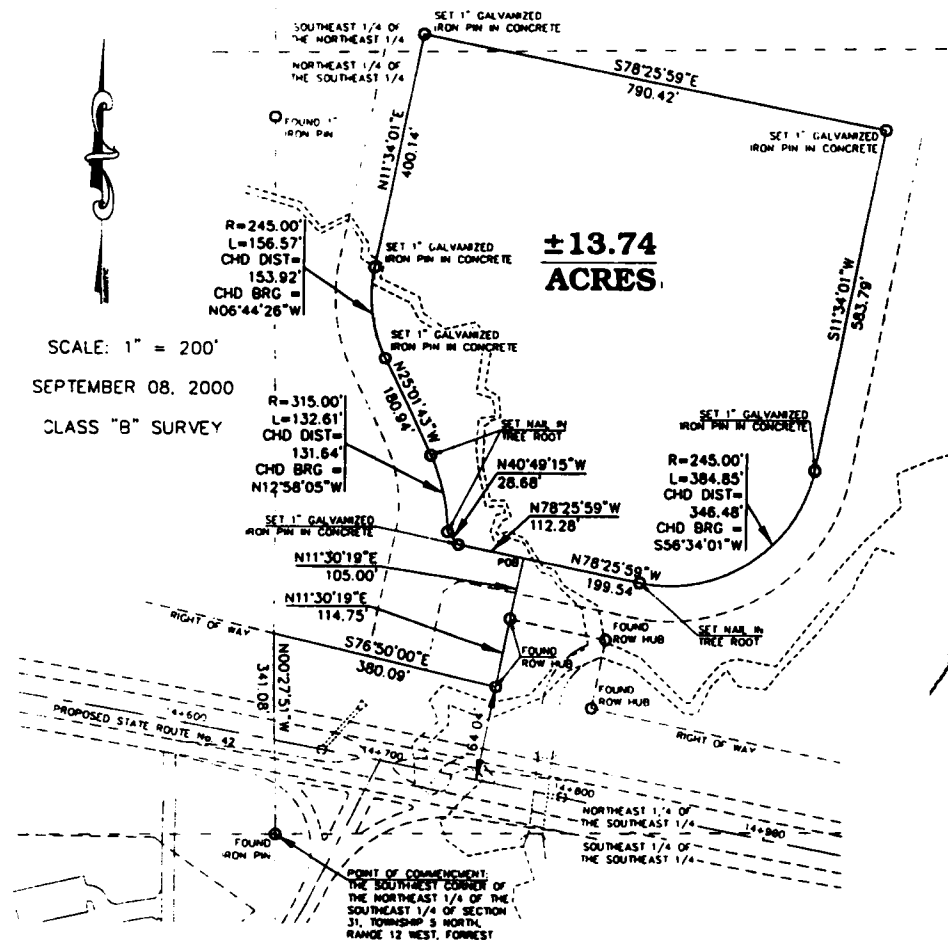
ATTEST:

  
CITY CLERK

EXHIBIT "D"

EXHIBIT "A"

DISTRICT PROPERTY



SCALE: 1" = 200'  
SEPTEMBER 08, 2000  
CLASS "B" SURVEY

STATE OF MISSISSIPPI  
COUNTY OF FORREST  
CITY OF PETAL

THIS IS TO CERTIFY THAT I HAVE MADE A SURVEY OF THE FOLLOWING DESCRIBED PROPERTY:

A part of the Northeast 1/4 of the Southeast 1/4 and a part of the Southeast 1/4 of the Northeast 1/4, all in Section 31, Township 5 North, Range 12 West, City of Petal, County of Forrest, State of Mississippi and being more particularly described as commencing at the Southwest Corner of the said Northeast 1/4 of the Southeast 1/4 of Section 31, thence run N00°27'51"W and along the West Line of the said Northeast 1/4 of the Southeast 1/4 for 341.08 feet to a point on the Northern Right of Way Line of Proposed State Route No. 42, thence run S76°50'00"E and along the said Northern Right of Way Line of Proposed State Route No. 42 for 380.09 feet, thence run N11°30'19"E and along the said Northern Right of Way Line of Proposed State Route No. 42 for 114.75 feet, thence continue N11°30'19"E for 105.00 feet to a point on the Northern Margin Line of a Proposed Public Road also known as the Point of Beginning; thence run N78°25'59"W and along the said Northern Margin Line of a Proposed Public Road for 112.28 feet, thence run N40°49'15"W and along the said Northern Margin Line of a Proposed Public Road for 28.68 feet to a point where the said Northern Margin Line of a Proposed Public Road becomes the Eastern Margin Line of a Proposed Public Road, thence run Northwesterly along an Arc to the Left and along the said Eastern Margin Line of a Proposed Public Road for 132.61 feet, said Arc having a Radius of 315.00 feet, Chord Bearing of N12°58'05"W and a Chord Distance of 131.64 feet, thence run N25°14'43"W and along the said Eastern Margin Line of a Proposed Public Road for 180.94 feet, thence run Northwesterly along an Arc to the Right and along the said Eastern Margin Line of a Proposed Public Road for 156.57 feet, said Arc having a Radius of 245.00 feet, a Chord Bearing of N06°44'26"W and a Chord Distance of 153.92 feet, thence run N11°34'01"E and along the said Eastern Margin Line of a Proposed Public Road for 400.14 feet, thence run S78°25'59"E for 790.42 feet to the Western Margin Line of a Proposed Public Road, thence run S11°34'01"W and along the said Western Margin Line of a Proposed Public Road for 583.79 feet, thence run Southwesterly along an Arc to the Right and along the said Western Margin Line of a Proposed Public Road for 384.85 feet to a point where the said Western Margin Line of a Proposed Public Road becomes the Northern Line of a Proposed Public Road, said Arc having a Radius 245.00 feet, a Chord Bearing of S56°34'01"W and a Chord Distance of 346.48 feet, thence run N78°25'59"W and along the said Northern Margin Line of a Proposed Public Road for 199.54 feet to the Point of Beginning, containing 13.74 Acres, more or less.

SHOWS, DEARMAN & WAITS, INC.  
CONSULTING ENGINEERS  
P.O. BOX 1711  
HATTIESBURG, MISSISSIPPI 38403-1711  
(801) 544-1821

*William F. Waits*  
William F. Waits, P.E., R.L.S.  
Civil Engineer No. 12261  
Land Surveyor No. 2638