

**REGULAR MEETING OF THE MAYOR AND BOARD OF ALDERMEN
TUESDAY, NOVEMBER 7, 1995 - 7 P.M.
MUNICIPAL COURTROOM - 305 MONROE STREET**

The Mayor and Board of Aldermen of the City of Clinton, Mississippi, met in Regular Meeting on Tuesday, November 7, 1995, 7 P.M., at the Municipal Courtroom, 305 Monroe Street.

WELCOME AND CALL TO ORDER - Mayor Rosemary Aultman

INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG

The Invocation was led by Alderman Lott followed by the Pledge of Allegiance to the Flag led by Alderman Brabham.

ROLL CALL - City Clerk Nelson Byrd

Present - Jehu Brabham - Alderman-at-Large
O. C. George Ferrell - Alderman Ward 1
Rodney DePriest - Alderman Ward 2
Ben Todd - Alderman Ward 3
Phil Fisher - Alderman Ward 4
Sharbert Lott - Alderman Ward 6
Mayor Rosemary Aultman - Presiding
City Attorney Ken Dreher
City Clerk Nelson Byrd

Absent - Herb Touchton - Alderman Ward 5

APPROVAL OF CONSENT AGENDA ITEMS A-II:

MOTION made by Alderman Ferrell and **SECONDED** by Alderman Lott to approve Consent Agenda Items A-II as listed on pages 211-212 of this Minute Book X, noting that Consent Agenda Items O, P, & II, will serve to advertise favorably the opportunities, possibilities, and resources of the City of Clinton. Quotes listed in items D, E, G, I, J, K, L, W, & Y are on file in the Office of the City Clerk. **MOTION CARRIED UNANIMOUSLY.**

NO BOARD ACTION NECESSARY ON LOTS PREVIOUSLY REPORTED UNCLEAN

Public Works Director Alderman reported the following on those properties listed for public hearing and action on November 7, 1995: (1) 712 Franklin Drive had been owned by James Trease of E. Palatka, FL, but had just been sold to a local owner this past week. Mr. Alderman has spoken with the local owner who stated that said property would be cleaned by next week. City Attorney Dreher advised the Board that the new owner should be properly notified via mail of the necessity of cleaning said property. (2) property located on Highway 80/Lakeview Drive behind Hudgely's Restaurant owned by Mr. Hudgens has been cleaned. **NO BOARD ACTION** was necessary on either item although Mayor Aultman did properly open public hearing and ask if anyone was present to speak to said properties. It was also noted that public notice had been given to the known property owners.

LEASE PURCHASE FOR P&R MOWER APPROVED

MOTION made by Alderman Brabham and **SECONDED** by Alderman Fisher to approve the lease purchase of a Ransomes Fairway mower from Sunshine Equipment Company at \$24,165.00 with copies of bids being located in the Office of the City Clerk and the lease purchase contract being found on pages 214-227 of this Minute Book X. Proof of Publication that bids were properly advertised may be found on page 228 of this Minute Book X. **MOTION CARRIED UNANIMOUSLY.**

ADOPTION OF RESOLUTION AUTHORIZING APPLICATIONS FOR EXEMPTIONS FROM AD VALOREM TAXES FOR RIVERWOOD

MOTION made by Alderman Todd and **SECONDED** by Alderman Lott to approve the resolution found on pages 229-232 of this Minute Book X authorizing application of Riverwood International USA, Inc., for exemption from ad valorem taxes for additions completed February 1, 1995, with actual application and related documents found on pages 233-236 of this Minute Book X. **MOTION CARRIED UNANIMOUSLY.**

MOTION made by Alderman Brabham and **SECONDED** by Alderman Fisher to approve the resolution found on pages 237-240 of this Minute Book X authorizing amended application of Riverwood International USA, Inc., for exemption from ad valorem taxes for additional additions completed December 31, 1994, contingent upon the approval of the Secretary of State since the original filing date has expired. **MOTION CARRIED UNANIMOUSLY.** Actual application and related documents may be found on pages 241-243 of this Minute Book X.

APPROVAL OF LETTER TO HEIDEL TO MODIFY CAP LOAN PAPERS

MOTION made by Alderman Fisher and **SECONDED** by Alderman Lott to approve the letter to Jimmy Heidel as found on page 244 of this Minute Book X modifying the CAP loan papers to include water and sewer improvements. **MOTION CARRIED UNANIMOUSLY.**

FISHER APPOINTED TO SERVE ON CHAMBER BOARD OF DIRECTORS

MOTION made by Alderman DePriest and **SECONDED** by Alderman Brabham to appoint Alderman Phil Fisher to serve as the voting member of the Board of Directors of the Clinton Chamber of Commerce for the 1995 calendar year. **MOTION CARRIED UNANIMOUSLY.**

REQUEST OF REVEREND HARPER FOR ASSISTANCE WITH WATER LINE EXTENSION AND DRAINAGE PROBLEM OFF NORTH FRONTAGE ROAD DISCUSSED

Reverend Jessie Harper requested the Board of Alderman to provide a water line extension from the North Frontage Road to a residence on Vernon Road noting that he would be glad to provide the necessary easements. There being some question as to the legality of the Board to be able to extend said line, the City Attorney was directed to secure an Attorney General's opinion on said matter prior to proceeding. Additionally, Reverend Harper requested assistance with a drainage matter in the same general vicinity. The City Engineer was directed to look into the drainage matter and make further recommendations to the Board. **NO BOARD ACTION** at this time.

APPROVAL TO MAKE CHANGES AND MOVE TO FINAL CONTRACT WITH STES FOR WATER AND SEWER SERVICES

Acting upon the request of City Engineer Broome to move forward with the proposed amended contract with STES, Inc., noting that said final contract will come back to the Board for ratification on November 21, 1995, with STES adding drinking water services to the existing wastewater services effective December 1, 1995, **MOTION** made by Alderman Fisher and **SECONDED** by Alderman Lott to move toward said final contract. **MOTION CARRIED 5-1** with Alderman Ferrell casting the "nay" vote. Copy of proposed contract is on file in the Office of the City Clerk until such time the final contract is adopted which will be made a part of the minutes at time of adoption.

APPROVAL OF ENGINEERING CONTRACT FOR FY 96 WATER/SEWER PROJECTS

MOTION made by Alderman Todd and **SECONDED** by Alderman Ferrell to approve that engineering contract with Alford Engineering as found on pages 245-264 of this Minute Book X for the FY 96 water/sewer projects as detailed on page 245 of this Minute Book X for Gill Road, U.S. Highway 80, Capitol Street, Dunton Road, and Monroe Street, at hourly rates estimated to total no more than \$24,000.00. **MOTION CARRIED UNANIMOUSLY.**

APPROVAL OF ENGINEERING CONTRACT FOR WATER/SEWER MASTER PLAN

MOTION made by Alderman Ferrell and SECONDED by Alderman Fisher to approve that engineering contract with Williford, Gearhart and Knight as found on pages 265-275 of this Minute Book X to prepare a water/sewer master plan for the City at a total lump sum cost of \$60,000.00. MOTION CARRIED UNANIMOUSLY.

AUTHORIZATION TO ADVERTISE FOR PUBLIC HEARING FOR RAILROAD CROSSING UPGRADES AND POSSIBLE CLOSURE OF TWO CROSSINGS

MOTION made by Alderman Todd and SECONDED by Alderman Fisher to approve the advertisement of a public hearing date for the public to express their views on the proposed railroad crossing upgrades and the possible closure of two railroad crossings. MOTION CARRIED UNANIMOUSLY. Said public hearing date will be held 11-21-95.

TRUCK ROUTE DESIGNATION PROPOSED BY CITY ENGINEER

City Engineer Broome presented a proposed truck route to the Board for consideration including the streets of Northside Drive, Industrial Park, Monroe, College, Prospect, and Highway 80. City Attorney Dreher was directed to prepare the proper ordinance for adoption at a later meeting. After adoption and publication of said ordinance designating the official truck route for the City of Clinton proper signage on the streets will be erected. NO BOARD ACTION required.

AUTHORIZATION TO REPAIR SOUTHEAST LAGOON DITCH

MOTION made by Alderman Lott and SECONDED by Alderman Fisher to repair the Southeast Lagoon rip-rap ditch with the Soil Conservation Service on a 90/10 cost sharing basis at an estimated cost to the City of \$5,000.00 plus engineering services. MOTION CARRIED UNANIMOUSLY.

AUTHORIZATION TO INCREASE GARBAGE RATES

MOTION made by Alderman Ferrell and SECONDED by Alderman Lott to adopt the garbage rate increase as reflected on page 276 of this Minute Book X effective immediately. MOTION CARRIED UNANIMOUSLY. Proof of Publication that said proposed increase was properly advertised may be found on page 277 of this Minute Book X.

APPROVAL OF RESOLUTION AUTHORIZING PAYMENT OF 13TH CHECK FOR RETIREES

MOTION made by Alderman Todd and SECONDED by Alderman Lott to approve that resolution found on page 278 of this Minute Book X authorizing the payment of a 13th check to retirees of the Clinton Fire and Police Disability and Relief Fund as authorized by House Bill 1542 (1991). MOTION CARRIED UNANIMOUSLY.

APPROVAL OF RESOLUTION AUTHORIZING MAYOR TO SIGN BOND PURCHASING AGREEMENT TO REFUND 1988 \$1.6 MILLION SEWER SYSTEM REVENUE BONDS

MOTION made by Alderman Brabham and SECONDED by Alderman Fisher authorizing the Mayor to proceed with the appropriate actions which includes adoption of that resolution found on pages 279-283 of this Minute Book X providing for the issuance of City sewer system revenue refunding bonds series 1995 to replace the 1988 series bonds at a present value savings of not less than \$84,000.00; authorizing execution of a bond purchase agreement; approving form of the preliminary official statement; and enact other provisions relating thereto. MOTION CARRIED UNANIMOUSLY.

MCNEECE APPOINTED TO PLANNING AND ZONING BOARD

MOTION made by Alderman Todd and SECONDED by Alderman Lott to

appoint Mark McNeece to serve as the Ward 3 representative on the City of Clinton Planning and Zoning Board effective immediately with said term of office to expire 1-1-98. **MOTION CARRIED UNANIMOUSLY.** Said appointment is to replace vacancy created by Mr. Jeff McWhirter.

OTHER BUSINESS

Under other business, Alderman Fisher thanked Public Works Department personnel for the outstanding job they did on the Angelia Lane project which helped the project come in \$5,000.00 under budget.

ADJOURNMENT - 8:10 P.M.

There being no further business to discuss, **MOTION** made by Alderman Fisher and **SECONDED** by Alderman Todd to Recess until November 21, 1995, 7 P.M. **MOTION CARRIED UNANIMOUSLY.**

Copy of Agenda may be found on Pages 211-213 of this Minute Book X.

APPROVED: Rosemary Aultman November 14, 1995
Rosemary Aultman, Mayor Date

ATTEST: Nelson Byrd November 14, 1995
Nelson Byrd, City Clerk Date

SEAL

**RESOLUTION AUTHORIZING AND APPROVING EXECUTION
OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH
FIRST CONTINENTAL LEASING, A DIVISION OF BANK OF MISSISSIPPI
FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT**

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

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with First Continental Leasing, a division of Bank of Mississippi (the "Lessor") for the purpose of presently purchasing the equipment as described therein for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval;
2. The Lessee is authorized pursuant to Section 31-7-13(e) of the Mississippi Code of 1972, as amended, to acquire equipment and furniture by Lease-Purchase agreement and pay interest thereon by contract for a term not to exceed 5 years;
3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and
4. It is necessary for the Lessee to approve and authorize the Agreement.
5. The Lessee desires to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

NOW, THEREFORE, BE IT RESOLVED by this Governing Body for and on behalf of the Lessee as follows:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is hereby approved and the Mayor - Rosemary Aultman (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being issued in calendar year 1995.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business

carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. Lessee hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In calendar year 1995, Lessee has designated \$ 1,038,552.21 of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than \$10,000,000 of obligations issued during calendar year 1995 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 1995 will not exceed \$10,000,000.

Section 9. For purposes of this resolution, the amount of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from Lessee or by an entity subject to substantial control by Lessee, as provided in Section 265(b)(3)(E) of the Code.

Section 10. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

Following the reading of the foregoing resolution, ALD. BRABHAM moved that the foregoing resolution be adopted, ALD. FISHER seconded the motion for its adoption. The MAYOR put the question to a roll call vote and the result was as follows:

<u>ALD. BRABHAM</u>	Voted: <u>AYE</u>
✓ <u>FERRELL</u>	Voted: <u>AYE</u>
✓ <u>DEPRIEST</u>	Voted: <u>AYE</u>
✓ <u>TODD</u>	Voted: <u>AYE</u>
✓ <u>FISHER</u>	Voted: <u>AYE</u>
✓ <u>LOTT</u>	Voted: <u>AYE</u>
✓ <u>TOUCHTON</u>	Voted: <u>ABSENT</u>

The motion having received the affirmative vote of all members present, the MAYOR declared the motion carried and the resolution adopted this the 7th day of NOVEMBER, 19 95.

Rosemary G. Gaultman, Mayor
(presiding officer) Title

ATTEST:

Nelson Byrd

(S E A L)

*Ken to do
Schedule No. 5*

THIS IS A FORM FOR THE COUNSEL'S OPINION FOR LEASE-PURCHASE. THIS LETTER SHOULD BE TYPED ON THE COUNSEL'S LETTERHEAD:

Pyle, Dreher, Mills & Dye, P.A.

ATTORNEYS AT LAW

775 WOODLANDS PARKWAY, SUITE 100
RIDGELAND, MISSISSIPPI 39157

Kenneth R. Dreher

Mailing Address:
P.O. Box 23004
Jackson, Mississippi 39225-3004
Telephone:
(601) 957-2600
Telecopier:
(601) 957-7440

November 7, 1995

First Continental Leasing
a division of Bank of Mississippi
P. O. Box 15097
Hattiesburg, MS 39404-5097

**RE: Lease-Purchase of Equipment
by City of Clinton, Mississippi
Schedule No. 05**

Ladies and Gentlemen:

Pursuant to your request, we hereby render the following opinion regarding the Equipment Lease-Purchase Agreement (the "Agreement") between City of Clinton, Mississippi (the "Lessee") and the Mayor and Board of Aldermen (the "Governing Body") and First Continental Leasing, a division of Bank of Mississippi (the "Lessor") dated April 6, 1993.

We have acted as counsel to the Lessee and the Governing Body with respect to certain legal matters pertaining to the Agreement, and to the transactions contemplated thereby. We are familiar with the Agreement and we have examined such agreements, schedules, statements, certificates, records, including minutes of the Governing Body of the Lessee and other instruments of public officials, Lessee, and other persons as we have considered necessary or proper as a basis for the opinions hereinafter stated.

Based on such examination, we are of the opinion that:

1. Lessee and the Governing Body have full power, authority and legal right to execute, deliver and perform the terms of the Agreement. The Agreement has been duly authorized by all necessary action on the part of Lessee and the Governing Body and any other governing authority and does not require the approval of, or the giving of notice to any other federal, state, local, or foreign governmental authority and does not contravene any law binding on Lessee or the Governing Body or contravene any indenture, credit agreement or other agreement to which Lessee or the Governing Body is a party or by which it is bound.

2. The Agreement has been duly authorized, executed and delivered and constitutes a valid and binding obligation of Lessee and the Governing Body enforceable in accordance with its terms.

Pyle, Dreher, Mills & Dye, P.A.

First Continental Leasing
a division of Bank of Mississippi
November 7, 1995
Page 2

3. All required procedures for execution of the Agreement, including competitive bidding, if applicable, have been complied with, and all rentals will be paid out of funds which are legally available for such purposes.

4. With respect to the tax-exempt status of the interest portion of rental payments under the Agreement, under present law:

(a) The Agreement is a conditional sales agreement which qualifies as an obligation for purposes of Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and Treasury Regulations and rulings hereunder.

(b) The interest portion of the rental payments under the terms of the Agreement is exempt from federal income taxation pursuant to Section 103(a) of the Code and the Treasury Regulations and rulings thereunder.

5. There are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal or body against Lessee or the Governing Body which may materially affect Lessee's or the Governing Body's financial condition or operations, or which could have any effect whatsoever upon the validity, performance or enforceability of the terms of the Agreement.

This opinion is being furnished to you in connection with the above-referenced transaction and the opinions expressed herein are for the sole benefit of, and may be relied upon by the Lessor and its assigns and are not to be delivered to or relied upon by any other party without our prior written consent.

Sincerely,

PYLE, DREHER, MILLS & DYE, P.A.


Kenneth R. Dreher

KRD/mmh

(Rev. May 1993)

► Under Internal Revenue Code section 149(e) ► For calendar year ending 19

Department of the Treasury
Internal Revenue Service

(Use Form 8038-G if the issue price of the issue is \$100,000 or more.)

Part I Reporting AuthorityCheck box if Amended Return ► ☐

1 Issuer's name City of Clinton	2 Issuer's employer identification number 64: 6000260
3 Number and street (or P.O. box if mail is not delivered to street address) P. O. Box 156	Room/suite
4 City, town, state, and ZIP code Clinton, MS 39060	

Part II Description of Obligations

5 Issue price of small tax-exempt governmental obligations reported on this form.	5	24,165.00
6 Check the box that most nearly approximates the weighted average maturity of the obligation(s): a ☒ Less than 5 years b ☐ From 5 to 10 years c ☐ More than 10 years		
7 Check the box that most nearly approximates the weighted average interest rate on the obligation(s): a ☐ Less than 5% b ☒ From 5% to 10% c ☐ More than 10%		
8 Total issue price of the obligation(s) reported on line 5 that is/are:		
a Obligation(s) issued in the form of a lease or installment sale	8a	24,165.00
b Obligation(s) designated by the issuer under section 265(b)(3)(B)(i)(III)	8b	
c Obligation(s) issued to refund prior issues	8c	
d Loans made from the proceeds of another tax-exempt obligation	8d	
9 Check box if issuer has elected to pay a penalty in lieu of rebate ☐		

**Please
Sign
Here**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Rosemary G. Aultman 11-20-95
Signature of officer DateROSEMARY AULTMAN, MAYOR
Type or print name and title**General Instructions**

(Section references are to the Internal Revenue Code unless otherwise noted.)

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

The time needed to complete and file this form varies depending on individual circumstances. The estimated average time is:

Learning about the law or the form	1 hr., 40 min.
Preparing the form	2 hr., 44 min.
Copying, assembling, and sending the form to the IRS	16 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you.

You can write to both the **Internal Revenue Service**, Attention: Reports Clearance Officer, T:FP, Washington, DC 20224; and the **Office of Management and Budget**, Paperwork Reduction Project (1545-0720), Washington, DC 20503. **DO NOT** send the form to either of these offices. Instead, see **Where To File** on page 2.**Purpose of Form**

Form 8038-GC is used by issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file **Form 8038-G**, Information Return for Tax-Exempt Governmental Obligations.**Filing a separate return.**—Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000. However, an issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to pay a penalty in lieu of arbitrage rebate (see line 9 instructions).**Filing a consolidated return.**—For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one, consolidated Form 8038-GC; but a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

UNIFORM COMMERCIAL CODE-FINANCING STATEMENT-UCC-1

(USE UCC-1F for FARM PRODUCTS)

INSTRUCTIONS (Items marked * are optional):

- PLEASE TYPE
- List exact name of business and, if individual, list LAST name of debtors first
- Please verify and enter Social Security number for each debtor. Businesses list tax I.D. numbers
- Please check debtor type P if individual and C if commercial (commercial includes sole proprietorship)
- List complete address to include county code and nine-digit zip code
- If collateral is fixtures, or will be fixtures when installed, or covers minerals or standing timber, a legal description of real estate and name of record owner or lessee are required
- County codes should be included and are listed on the back of form
- If space provided for any item(s) is inadequate, the item(s) should be continued on Form UCC-E
- Submit completed form in triplicate with appropriate filing fee to Secretary of State UCC Division, P.O. Box 136, Jackson, MS 39205-0136 and/or Chancery Clerk of proper county

This Financing Statement is presented to the Filing Officer pursuant to the Uniform Commercial Code, UCC-1
STATE OF MISSISSIPPI

1. Debtor(s)

City of Clinton
Debtor (Last Name First)/Business Name
P. O. Box 156
Mailing Address
Clinton, MS 39060
City State *County Code Zip
*Tax ID/SS # P C

Debtor (Last Name First)/Business Name
Mailing Address
City State *County Code Zip
*Tax ID/SS # P C

2. Secured Party

First Continental Leasing, a division of
Secured (Last Name First)/Business Name Bank of Mississippi
P. O. Box 15097
Address
Hattiesburg, MS 39404
City State *County Code Zip
*Tax ID/SS # P C

3. Assignee

Assignee (Last Name First)/Business Name
Address
City State *County Code Zip
*Tax ID/SS # P C

4. This Financing Statement covers the following types (or items) of property:

The machinery and equipment described on Exhibit "A" attached hereto and made a part hereof, and all parts, accessories, attachments, additions and replacements therefor wherever located, whether now owned or hereafter acquired and the cash and non-cash proceeds thereof, including insurance proceeds therefor (collectively the "Equipment"). The Equipment covered hereby is the subject of an Equipment Lease-Purchase Agreement dated as of 4-6-93 between Debtor, as Lessee, and Secured Party, as Lessor.

FOR FILING OFFICE USE ONLY

Debtor #
Secasn #

5. Check ☒ if this statement is filed without the Debtor's signature to perfect a security interest in collateral:

- ☐ already subject to a security interest in another jurisdiction when it was brought into this state or when Debtor's location was changed to this state.
- ☐ which is proceeds if the security interest in the original collateral was perfected.
- ☐ where the original filing has lapsed.
- ☐ acquired after a change of name, identity, or corporate structure of the Debtor.
- ☐ if lien to secure payment of royalty proceeds (effective 1 year).

6. Check ☒ if covered: ☐ Products of collateral.

8. Financing Statement is filed with:

City of Clinton
Rosemary G. Aultman
Signature(s) of Debtor(s)

7. Number of additional sheets attached:

First Continental Leasing, a
division of Bank of Mississippi
Signature(s) of Secured Party(ies)
(required only when filed without Debtor signature)

a) Filing Officer Copy-Alphabetical

UCC-1 Approved for Use by The Secretary of State of Mississippi 11/01/86

SPECIAL STIPULATIONS

LESSOR: First Continental Leasing
a division of Bank of Mississippi
P. O. Box 15097
302 Second Avenue
Hattiesburg, MS 39404-5097

By: _____

Title: _____

Date: _____

LESSEE: City of Clinton, Mississippi
P. O. Box 156
Clinton, MS 39060

By: Rosemary G. Quetman

Title: MAYOR

Date: 11-20-95

---NONE---

EXHIBIT A

EQUIPMENT LEASE SCHEDULE

Lease Schedule Number 05

This Lease Schedule to the Equipment Lease-Purchase Agreement dated as of April 6, 1993 (the "Agreement") between First Continental Leasing, a division of Bank of Mississippi, a Mississippi Corporation (the "Lessor") and City of Clinton, Mississippi (the "Lessee"), acting by and through the Mayor and Board of Aldermen, the Governing Body of the Lessee, is made as of this date.

1. Description of the Equipment. The quantity, item, manufacturer, and model and serial number of the Equipment subject to the Agreement are as appear on Exhibit "B-1" attached hereto and made a part hereof.

2. Location of the Equipment. The Equipment is to be located and delivered to Lessee's premises at CLINTON, MS,

3. Original Rental Term. The term of the Agreement shall be 36 months.

4. Rental Payments. The Lessee agrees to pay the Lessor the original cost of \$24,165.00 for the Equipment hereof described in Exhibit "B-1" attached hereto, upon the terms, and at the times as provided in the Payment Amortization Schedule, attached hereto as Exhibit "B-2" and made a part hereof, with an interest rate of 5.34 percent per annum as provided thereby.

5. This Schedule and its terms and conditions are hereby incorporated by reference in the Agreement.

DATED, this the 20th day of NOVEMBER, 19 95.

LESSOR:

First Continental Leasing, a
division of Bank of Mississippi

By: _____

Title: _____

LESSEE:

City of Clinton, Mississippi

By: Rosemary B. Quetman

Title: Mayor

EXHIBIT B

EQUIPMENT DESCRIPTION

- 1 Ransome 945002 5-Gang Fairway Mower
STK#: R161P
PIN#: 9450020256XXDEMO

EXHIBIT B-1

Lender: FIRST CONTINENTAL LEASING
Customer: City of Clinton

Interest Rate: 5.3400% (Monthly) /

Date	Payment	Principal	Interest	Principal Balance	Accrued Interest	Net Balance
11/15/95	724.72	724.72	0.00	23,440.28	0.00	23,440.28
12/15/95	724.72	620.41	104.31	22,819.88	0.00	22,819.88
1995	1,449.43	1,345.12	104.31			
1/15/96	724.72	623.17	101.55	22,196.71	0.00	22,196.71
2/15/96	724.72	625.94	98.78	21,570.77	0.00	21,570.77
3/15/96	724.72	628.73	95.99	20,942.04	0.00	20,942.04
4/15/96	724.72	631.52	93.19	20,310.52	0.00	20,310.52
5/15/96	724.72	634.33	90.38	19,676.18	0.00	19,676.18
6/15/96	724.72	637.16	87.56	19,039.03	0.00	19,039.03
7/15/96	724.72	639.99	84.72	18,399.03	0.00	18,399.03
8/15/96	724.72	642.84	81.88	17,756.19	0.00	17,756.19
9/15/96	724.72	645.70	79.02	17,110.49	0.00	17,110.49
10/15/96	724.72	648.57	76.14	16,461.92	0.00	16,461.92
11/15/96	724.72	651.46	73.26	15,810.45	0.00	15,810.45
12/15/96	724.72	654.36	70.36	15,156.10	0.00	15,156.10
1996	8,696.60	7,663.78	1,032.81			
1/15/97	724.72	657.27	67.44	14,498.82	0.00	14,498.82
2/15/97	724.72	660.20	64.52	13,838.63	0.00	13,838.63
3/15/97	724.72	663.13	61.58	13,175.49	0.00	13,175.49
4/15/97	724.72	666.09	58.63	12,509.41	0.00	12,509.41
5/15/97	724.72	669.05	55.67	11,840.36	0.00	11,840.36
6/15/97	724.72	672.03	52.69	11,168.33	0.00	11,168.33
7/15/97	724.72	675.02	49.70	10,493.31	0.00	10,493.31
8/15/97	724.72	678.02	46.70	9,815.29	0.00	9,815.29
9/15/97	724.72	681.04	43.68	9,134.25	0.00	9,134.25
10/15/97	724.72	684.07	40.65	8,450.19	0.00	8,450.19
11/15/97	724.72	687.11	37.60	7,763.07	0.00	7,763.07
12/15/97	724.72	690.17	34.55	7,072.90	0.00	7,072.90
1997	8,696.60	8,083.19	613.40			
1/15/98	724.72	693.24	31.47	6,379.66	0.00	6,379.66
2/15/98	724.72	696.33	28.39	5,683.33	0.00	5,683.33
3/15/98	724.72	699.43	25.29	4,983.91	0.00	4,983.91
4/15/98	724.72	702.54	22.18	4,281.37	0.00	4,281.37
5/15/98	724.72	705.66	19.05	3,575.70	0.00	3,575.70
6/15/98	724.72	708.80	15.91	2,866.90	0.00	2,866.90
7/15/98	724.72	711.96	12.76	2,154.94	0.00	2,154.94
8/15/98	724.72	715.13	9.59	1,439.81	0.00	1,439.81
9/15/98	724.72	718.31	6.41	721.51	0.00	721.51
10/15/98	724.72	721.51	3.21	0.00	0.00	0.00
1998	7,247.16	7,072.90	174.26			
Totals	26,089.79	24,165.00	1,924.79			

EXHIBIT B-2

EQUIPMENT ACCEPTANCE NOTICE

TO: First Continental Leasing, a division of Bank of Mississippi

RE: Equipment Lease-Purchase Agreement dated as of April 6, 1993.

City of Clinton, Mississippi (the "Lessee"), acting by and through the Mayor and Board of Aldermen, the Governing Body of the Lessee, hereby acknowledge receipt in good condition and working order of the equipment (the "Equipment") as listed on Exhibit "C-1" attached hereto and made a part hereof and further described in the invoices attached hereto and made a part hereof. The Equipment is subject to the Equipment Lease-Purchase Agreement dated as of April 6, 1993 between Lessor and Lessee. Lessee certifies to Lessor that the Lessee has inspected the Equipment and that the Equipment is acceptable and approves supplier's(s') invoices for the Equipment and requests that Lessor make payment of such invoices.

Lessee further acknowledges that it selected the Equipment so received. LESSEE AGREES THAT LESSOR MADE NO REPRESENTATIONS AND WARRANTIES WHATEVER, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, AS TO THE SUITABILITY, DURABILITY, FITNESS FOR USE, MERCHANTABILITY, CONDITION, QUALITY, OR OTHERWISE OF SUCH EQUIPMENT. LESSEE SPECIFICALLY WAIVES ALL RIGHT TO MAKE ANY CLAIM AGAINST LESSOR ITS ASSIGNS FOR BREACH OF ANY WARRANTY, OR TO INTERPOSE OR ASSERT ANY SUCH DEFENSE, COUNTERCLAIM OR SETOFF.

LESSEE:

City of Clinton, Mississippi

By: Rosemary G. Quetman

Title: MAYOR

Date: 11-20-95

EXHIBIT C

EQUIPMENT DESCRIPTION

- 1 Ransome 945002 5-Gang Fairway Mower
STK#: R161P
PIN#: 9450020256XXDEMO

EXHIBIT C-1

FIRST CONTINENTAL LEASING
a division of Bank of Mississippi
P. O. Box 15097
Hattiesburg, MS 39404-5097
601-544-3252

INVOICE

(Please return a copy of this invoice with your payment)

November 15, 1995

City of Clinton
P. O. Box 156
Clinton, MS 39060

Master Lease No. 7082, Schedule No. 05

First rental in advance	\$724.72
Total due	\$724.72

8

PROOF OF PUBLICATION
THE STATE OF MISSISSIPPI
HINDS COUNTY

PASTE PROOF HERE

NOTICE TO RECEIVE BIDS
 Notice is hereby given that the City of Clinton Parks and Recreation Department is accepting sealed bids on One (1) Ransomes 250 Light-weight Fairway Mower. Bids will be for a 36 Mo. lease/option program. Specifications may be picked up the Parks and Recreation office at 200 Soccer Row, Clinton, MS or phone 601-924-6082. Sealed bids can be mailed to City Hall. Bids will be accepted until 10:00 a.m. on 10-24-95 and open immediately thereafter in the office of the City Clerk. The City of Clinton reserves the right to reject any and/or all bids.
 David K. Freeman, Director
 City of Clinton Parks and Recreation
 Nelson Byrd, City Clerk
 City of Clinton
 October 5, 12, 1995

PERSONALLY appeared before me, the undersigned notary public in and for Hinds County, Mississippi,

Shirley Waits,

an authorized clerk of THE CLARION-LEDGER, a daily newspaper as defined and prescribed in Sections 13-3-31 and 13-3-32, of the Mississippi Code of 1972, as amended, who, being duly sworn, states that the notice, a true copy of which is hereto attached, appeared in the issues of said newspaper as follows:

Date October 5, 19 95

Date October 12, 19 95

Date _____, 19 _____

Date _____, 19 _____

Date _____, 19 _____

Number of Lines/Words 27/122

Published 2 Times

Total \$ 17.86

Signed Shirley Waits
 Authorized Clerk
 of The Clarion-Ledger

SWORN to and subscribed before me the 10 12 day of October, 19 95.

My Commission Expires:

Maria Mills
 Notary Public

NOTARY PUBLIC STATE OF MISSISSIPPI AT LARGE.
 MY COMMISSION EXPIRES: Nov. 8, 1996.
 BONDED THRU NOTARY PUBLIC UNDERWRITERS.

(SEAL)

**RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF
CLINTON, MISSISSIPPI, AUTHORIZING APPLICATION
OF RIVERWOOD INTERNATIONAL USA, INC.,
FOR EXEMPTION FROM AD VALOREM TAXES AS AUTHORIZED
BY SECTION 27-31-101 ET. SEQ. OF THE MISSISSIPPI
CODE OF 1972 FOR ADDITIONS COMPLETED FEBRUARY 1, 1995**

The Board next took up for consideration the matter of granting tax exemption from ad valorem taxes for Riverwood International USA, Inc., and the following resolution, having first been reduced to writing, was introduced:

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN
OF CLINTON, MISSISSIPPI, GRANTING TAX EXEMPTION
FROM AD VALOREM TAXES FOR A TEN-YEAR PERIOD TO
RIVERWOOD INTERNATIONAL USA, INC., AS
AUTHORIZED BY SECTION 27-31-101 ET SEQ., OF
THE MISSISSIPPI CODE, AS AMENDED.

WHEREAS, Riverwood International USA, Inc. filed in triplicate with this Board its Application for exemption from ad valorem taxation on expanded facilities completed February 1, 1995, and located at Riverwood's plant within the industrial park of the City of Clinton, Hinds County, Mississippi; and

WHEREAS, Riverwood International USA, Inc. has produced written verification and documentation to this Board as to the authenticity and correctness of its Application in regard to the true value of the prayed-for exemption and the completion date of said enterprise; and

WHEREAS, the additions and expansions of equipment were completed on February 1, 1995, and as of that date the true value of all property to be exempt was Two Million Seven Hundred Forty-Two Thousand Three Hundred Forty-Seven Dollars (\$2,742,347.00), as shown in an itemized list provided with the Application, a copy of which is attached thereto as Exhibit "A"; and

WHEREAS, this Board finds as a fact that the property described in the aforesaid Application constitutes an expanded industrial enterprise of public utility which was completed on the 1st day of February, 1995, and that Riverwood International USA, Inc. is entitled to the exemption sought of ten (10) years beginning on the first day of February, 1995, and ending on the

31st day of January, 2005, subject to approval and certification by the Mississippi State Tax Commission.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Board of Aldermen of Clinton, Mississippi, as follows:

1. That the Application for ad valorem tax exemption by Riverwood International USA, Inc. on the property described in Exhibit "A" of the Application filed by said Company for tax exemption, for a ten (10) year period beginning on the 1st day of February, 1995, and ending on the 31st day of January, 2005, be and the same is hereby approved, and said exemption is hereby granted, subject to certification of eligibility by the Mississippi State Tax Commission.

2. That the Clerk of this Board be and is hereby directed to spread a copy of this Order on the minutes of this Board; and that said Clerk shall forward the original and three certified copies of the Application and a certified copy of the transcript of this Order approving said Application to the Mississippi State Tax Commission for its certification of eligibility; and said Clerk shall also forward one certified copy to the Tax Assessor of the City of Clinton and obtain the Certificate of said Tax Assessor stating that the personal property as itemized in the Application has been placed on the appropriate tax roll as "Non-Taxable," except for State and School District ad valorem taxes, for the duration of the exemption period only.

After a full discussion of this matter, Alderman Todd, moved that the foregoing Resolution be adopted and said motion was seconded by Alderman Lott, and upon the question being put to a vote, the vote was as follows:

Alderman Jehu Brabham voted:
Alderman George Ferrell voted:
Alderman Rodney DePriest voted:
Alderman Ben Todd voted:
Alderman Phil Fisher voted:

Aye
Aye
Aye
Aye
Aye

Alderman Herb Touchton voted:

Absent

Alderman Sharbert Lott voted:

Aye

WHEREUPON, the foregoing Resolution was declared, passed, and adopted at a regular meeting of the Mayor and Board of Aldermen of Clinton, Mississippi, on this, the 7th day of November, 1995.

Rosemary Aultman
ROSEMARY AULTMAN, Mayor
City of Clinton, Mississippi

ATTEST:

Nelson Byrd
NELSON BYRD, City Clerk
City of Clinton, Mississippi

(SEAL)

CERTIFICATE OF TAX ASSESSOR

STATE OF MISSISSIPPI

CITY OF CLINTON

I, _____, Tax Assessor for the City of Clinton, Mississippi, do hereby certify that the property owned by and described in the foregoing Resolution of the Mayor and Board of Alderman of Clinton, Mississippi, was entered on the "State Tax Only" or other appropriate tax roll on the _____ day of _____, 19____, at _____ a.m. or p.m. for a period of _____ () years from and after the _____ day of _____, 19____.

This, the _____ day of _____, 19____.

, Tax Assessor

JGGP\RIVERWOO.RE5

9A

**APPLICATION OF RIVERWOOD INTERNATIONAL USA, INC.
FOR EXEMPTION FROM AD VALOREM TAXES ON ADDITIONAL
AND EXPANDED PROPERTIES AND EQUIPMENT AS AUTHORIZED
BY SECTION 27-31-101 ET. SEQ. OF THE MISSISSIPPI CODE
OF 1972 FOR ADDITIONS COMPLETED FEBRUARY 1, 1995**

TO THE MAYOR AND BOARD OF ALDERMEN OF CLINTON, MISSISSIPPI:

1. Riverwood International USA, Inc. (herein "Riverwood"), files this its application in triplicate for exemption from ad valorem taxation and would respectfully represent unto this Honorable Board as follows:

2. Applicant Riverwood is a Delaware corporation with its national administrative headquarters in Atlanta, Georgia, and is qualified to do business in Mississippi, and is in good standing in the State of Mississippi.

3. Riverwood is now operating a paper cutting, printing and container manufacturing type of industry within the industrial park of the City of Clinton, Hinds County, Mississippi, which factory contains bona fide expanded facilities of public utility within the meaning of Section 27-31-101 et. seq. and related Sections of the Mississippi Code, as amended, and is eligible for the exemption granted by the above-mentioned section by specific enumeration, namely "manufacturing". The exemption prayed for in this Application is for additions or expansions of the above-mentioned plant through the addition of a new building and new equipment owned by Riverwood and used in connection with or necessary to the operation of Riverwood's manufacturing enterprise as provided in Section 27-31-115 of the Mississippi Code, as amended.

4. That said new additions or expansions of equipment and machinery were completed on the 1st day of February, 1995, within the meaning of the applicable statutes of the State of Mississippi, and, therefore, the exemption hereby sought is for ten (10) consecutive years to begin on the 1st day of February, 1995, and to end on the 31st day of January, 2005 and is for that certain real and tangible personal property shown on the attached Exhibit "A".

5. The City of Clinton/Hinds County Tax Assessor will assess City of Clinton ad valorem taxes on the property described in Exhibit "A" against Riverwood.

6. The new addition and expansions of real property improvements and equipment will make more secure and support additional jobs and increased annual payrolls in Riverwood's Clinton, Mississippi Plant. Over the years this plant has undergone almost constant growth and expansion.

7. The true value, or initial cost, of all property to be exempted is \$2,742,347.00 as shown in the itemized list attached hereto as Exhibit "A" and made a part hereof.

8. Applicant is not seeking to exempt the said property described on Exhibit "A" from Mississippi state ad valorem taxation or from ad valorem taxation for school district purposes.

PRAYER

WHEREFORE, applicant prays that this Board of Aldermen will enter a finding that applicant's factory is in fact an expanded enterprise of public utility, and that the same was completed on the 1st day of February, 1995, within the meaning of the applicable laws of Mississippi; and

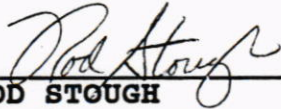
That applicant will be granted an exemption from ad valorem taxation, except State of Mississippi and School District ad valorem taxation, as provided by law, upon all of the real and tangible property described in Exhibit "A" attached hereto and made a part hereof, which is used in, or necessary to, the operation of Riverwood's plant in the industrial park of the City of Clinton, Hinds County, Mississippi, for ten (10) years, beginning on the 1st day of February, 1995, and ending on the 31st day of January, 2005; and

That this Board of Aldermen will approve this application by an order or resolution spread upon its minutes, declaring that such property is exempt from all ad valorem taxation, except State of Mississippi and School District ad valorem taxation, for ten (10) years, and that it will forward the original and three certified copies of this application and a certified transcript of such

approval to the Mississippi State Tax Commission and after receipt by this Board of certification of the Mississippi State Tax Commission approval, the Board will enter a final order on its minutes granting the exemption herein prayed for. Applicant requests such other and further relief as to which it may be entitled.

Respectfully submitted, this the 24TH day of October, 1995.

RIVERWOOD INTERNATIONAL USA, INC.

BY: 

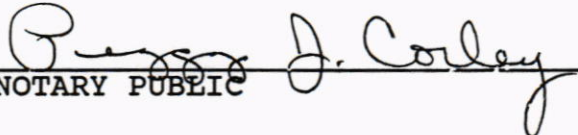
ROD STOUGH
Plant Manager

STATE OF MISSISSIPPI

COUNTY OF HINDS

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the jurisdiction aforesaid, ROD STOUGH, who stated that he is Plant Manager of Riverwood International USA, Inc., Clinton, Mississippi, and that the matters set out in the foregoing Application for Exemption from Ad Valorem Taxation are true and correct.

SWORN TO AND SUBSCRIBED BEFORE ME, on this, the 24th day of October, 1995.


NOTARY PUBLIC

My Commission Expires:

My Commission Expires Aug. 31, 1997

OF COUNSEL:

JOHN G. GOURLAY, JR.
GERALD & BRAND
Suite 900, One Jackson Place
188 East Capitol Street
Post Office Box 158
Jackson, Mississippi 39205-0158
(601) 948-3030

JGGP\RIVERWOO.AP5

EXHIBIT "A"

RIVERWOOD INTERNATIONAL USA, INC.

True value of a new building and related equipment (its cost) added to the Clinton, Mississippi Plant of Riverwood and completed on February 1, 1995;

Site Prep & Parking Lot Paving/Exp Project	\$113,859.00
Site Prep/Cap Int	13,096.00
Concrete Truck Ramp w/Retaining Walls	49,729.00
3 Carrier Gas Package Units w/Duct Wk/Expn Project	9,968.00
Prefab Metal Building Varco-Pruden	288,313.00
Prefab/ Cap Int	32,355.00
Foundation/Prefab Building/Exp Project	281,795.00
Foundation for Prefab/Capital Interest	31,585.00
Wiring Building on Expansion Project	57,000.00
Sprinkler Sys/Expansion Project	71,260.00
Metal Door 3x7x1 3/4 N End Existing WHSE	1,153.00
2 Leading Edge Air Curtains #C8400-2300HD	3,683.00
6-165000 BTU Heaters-Natural Gas	7,365.00
Air Conditioning System	81,944.00
Air Conditioning System	81,944.00
Filter Media Boxes-Finishing Area	9,207.00
Wiring of Equipment/Expansion Project	62,700.00
Foundation of Elec Tie In for 6c Offset Press	11,534.00
Landscaping	21,887.00
Concrete Ditch	6,763.00
Cyclone Fence	6,199.00
Office Building	473,288.00
Capital Interest	214,325.00
QED Switchboard	32,447.00
Cold Glue System	19,738.00
(3) Motorola 2 Way Radios	1,878.00
Live Roll Conveyor	12,114.00
Pallet Jack	4,815.00
(170) Light Fixtures	39,580.00
(5) Dock Levelers	10,238.00
Blower RV 33/23	7,605.00
Utilities Ditch	11,096.00
Elect Line to Gluer	4,732.00
Gas Line to New WHSE	11,042.00
Piping, Vent Line to Restrooms & Breakroom	8,863.00
Sprinklers for Restrooms & Breakroom	4,897.00
Feed Modif. Gluer	11,113.00
Surge Gate Kit	5,213.00
Scrap System	25,227.00
Elect. Hookups for Building & Equip.	30,027.00
Install Plumbing Fixtures & Piping	27,501.00
Quickie Door	10,178.00
Sound Enclosure for 88" Sheeter	6,200.00
Equip. Upgrade & Reorganization	446,018.00
Workstations	68,034.00
Office Furnt.	9,656.00
Personnel Carrier	33,183.00
TOTAL	\$2,742,347.00

98

**RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF
CLINTON, MISSISSIPPI, AUTHORIZING AMENDED
APPLICATION OF RIVERWOOD INTERNATIONAL USA, INC.,
FOR EXEMPTION FROM AD VALOREM TAXES AS AUTHORIZED
BY SECTION 27-31-101 ET. SEQ. OF THE MISSISSIPPI CODE
OF 1972 FOR ADDITIONAL ADDITIONS COMPLETED DECEMBER 31, 1994**

The Board next took up for consideration the matter of granting an additional tax exemption from ad valorem taxes to Riverwood International USA, Inc., for December 31, 1994, additions, and the following resolution, having first been reduced to writing, was introduced:

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN
OF CLINTON, MISSISSIPPI, GRANTING AN ADDITIONAL
TAX EXEMPTION FROM AD VALOREM TAXES FOR A TEN-
YEAR PERIOD TO RIVERWOOD INTERNATIONAL USA,
INC., AS AUTHORIZED BY SECTION 27-31-101 ET
SEQ., OF THE MISSISSIPPI CODE, AS AMENDED, FOR
ADDITIONAL DECEMBER 31, 1994 ADDITIONS.

WHEREAS, on March 28, 1995, Riverwood International USA, Inc. filed in triplicate with this Board its Application for exemption from ad valorem taxation on expanded facilities completed December 31, 1994, in the amount of \$1,183,185.00, and located at Riverwood's plant within the industrial park of the City of Clinton, Hinds County, Mississippi; and

WHEREAS, on April 4, 1995, this Board approved an exemption in the amount of \$1,183,185.00 for additions completed by Riverwood International USA, Inc. on December 31, 1994, for a ten-year period beginning January 1, 1995, and ending December 31, 2004; and

WHEREAS, Riverwood International USA, Inc. subsequently discovered that it had failed to include certain additional machinery, equipment and improvements related to the installation of the same offset Webb press bearing Serial No. S0530 in the amount of \$1,169,010.00; and

WHEREAS, on October 26, 1995, Riverwood International USA, Inc. filed Amendment Number One to its Application which was originally filed with this Board on March 28, 1995, seeking an additional exemption of \$1,169,010.00 for additions also completed on December 31, 1994, which it had failed to include in its original Exemption Application; and

WHEREAS, Riverwood International USA, Inc. has produced written verification and documentation to this Board as to the authenticity and correctness of its Amended Application in regard to the true value of the prayed-for additional exemption amount and the completion date of said additional enterprise; and

WHEREAS, the additional amount of additions and expansions of equipment were completed on December 31, 1994, and as of that date the true value of all additional property to be exempt was One Million One Hundred Sixty-Nine Thousand Ten Dollars (\$1,169,010.00), as shown in an itemized list provided with the Amended Application, a copy of which is attached thereto as Exhibit "A II"; and

WHEREAS, this Board finds as a fact that the additional property described in the aforesaid Amended Application constitutes an expanded industrial enterprise of public utility which was completed on the 31st day of December, 1994, and that Riverwood International USA, Inc. is entitled to an additional exemption in the amount of \$1,169,010.00 for the additional property for ten (10) years beginning on the first day of January, 1995, and ending on the 31st day of December, 2004, subject to approval and certification by the Mississippi State Tax Commission.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Board of Aldermen of Clinton, Mississippi, as follows:

1. That the Amended Application for ad valorem tax exemption by Riverwood International USA, Inc. on the property described in Exhibit "A II" of the Amended Application filed by said Company on October 26, 1995, for an additional tax exemption in the amount of \$1,169,010.00, for a ten (10) year period beginning on the 1st day of January, 1995, and ending on the 31st day of December, 2004, be and the same is hereby approved, and said exemption is hereby granted, subject to certification of eligibility by the Mississippi State Tax Commission.

2. That the Clerk of this Board be and is hereby directed to spread a copy of this Order on the minutes of this Board; and that

said Clerk shall forward the original and three certified copies of the Amended Application and a certified copy of the transcript of this Order approving said Amended Application to the Mississippi State Tax Commission for its certification of eligibility; and said Clerk shall also forward one certified copy to the Tax Assessor of the City of Clinton and obtain the Certificate of said Tax Assessor stating that the personal property as itemized in the Amended Application in Exhibit "A II" has been placed on the appropriate tax roll as "Non-Taxable," except for State and School District ad valorem taxes, for the duration of the exemption period only.

After a full discussion of this matter, Alderman Brabham, moved that the foregoing Resolution be adopted and said motion was seconded by Alderman Fisher, and upon the question being put to a vote, the vote was as follows:

Alderman Jehu Brabham voted:

Aye

Alderman George Ferrell voted:

Aye

Alderman Rodney DePriest voted:

Aye

Alderman Ben Todd voted:

Aye

Alderman Phil Fisher voted:

Aye

Alderman Herb Touchton voted:

Absent

Alderman Sharbert Lott voted:

Aye

WHEREUPON, the foregoing Resolution was declared, passed, and adopted at a regular meeting of the Mayor and Board of Aldermen of Clinton, Mississippi, on this, the 7th day of November, 1995.

Rosemary Aultman
ROSEMARY AULTMAN, Mayor
City of Clinton, Mississippi

ATTEST:

Nelson Byrd
NELSON BYRD, City Clerk
City of Clinton, Mississippi

(SEAL)

CERTIFICATE OF TAX ASSESSOR

STATE OF MISSISSIPPI

CITY OF CLINTON

I, _____, Tax Assessor for the City of Clinton, Mississippi, do hereby certify that the property owned by Riverwood International USA, Inc., and described in the foregoing Resolution of the Mayor and Board of Alderman of Clinton, Mississippi, was entered on the "State Tax Only" or other appropriate tax roll on the _____ day of _____, 19____, at _____ a.m. or p.m. for a period of _____ () years from and after the _____ day of _____, 19____.

This, the _____ day of _____, 19____.

_____, Tax Assessor

JGGP\RIVERWOO.RE7

9B

AMENDMENT NUMBER ONE TO
APPLICATION OF RIVERWOOD INTERNATIONAL USA, INC.,
FOR EXEMPTION FROM AD VALOREM TAXES ON ADDITIONAL
AND EXPANDED PROPERTIES AND EQUIPMENT AS AUTHORIZED
BY SECTION 27-31-101 ET SEQ. OF THE MISSISSIPPI CODE
OF 1972 FOR ADDITIONS COMPLETED DECEMBER 31, 1994

TO THE BOARD OF ALDERMEN, CITY OF CLINTON, MISSISSIPPI:

Riverwood International USA, Inc. (herein "Riverwood"), files this its Amendment Number One in triplicate to its Application for exemption from ad valorem taxation which was filed in triplicate on March 28, 1995, and would respectfully make the following representations unto this Honorable Board, to-wit:

1. Riverwood will give preference to Hinds County residents, including City of Clinton residents, in hiring and will utilize Hinds County, Mississippi minority vendors, suppliers, subcontractors, and professionals.

2. Riverwood represents that during the period of this exemption, Riverwood will employ at least 50 additional persons with a total annual payroll of at least \$1,222,000.00. Also during the period of the exemption, Riverwood and BOT Financial, Inc. has and will invest at least \$13,000,000 in manufacturing machinery and equipment.

3. The original amount of additions of machinery, equipment, etc. related to installation of the Webb press for which an exemption was claimed was \$1,183,185.00. This is itemized on the attached Exhibit "A" as I. Another capital account totalling \$1,169,010.00 for additions of equipment, etc. to accommodate the installation of the Webb press was omitted from the Exemption Application filed on March 28, 1995 for additions completed on December 31, 1994. This Amendment No. One includes these omitted items on the attached Exhibit "A" as II. Thus, the total exemption sought by the Exemption Application, as amended hereby, for December 31, 1994, additions is \$2,352,195.00.

4. Other than the aforesaid changes, the original Application is not otherwise affected.

Respectfully submitted, this the 24TH day of October, 1995.

RIVERWOOD INTERNATIONAL USA, INC.

BY: 

ROD STOUGH
Plant Manager

STATE OF MISSISSIPPI

COUNTY OF HINDS

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the jurisdiction aforesaid, ROD STOUGH, who stated that he is Plant Manager of Riverwood International USA, Inc., Clinton, Mississippi, and that the matters set out in the foregoing Amendment Number One to Application for Exemption from Ad Valorem Taxation are true and correct.

SWORN TO AND SUBSCRIBED BEFORE ME, on this, the 24th day of October, 1995.


NOTARY PUBLIC

My Commission Expires:

My Commission Expires Aug. 31, 1997

OF COUNSEL:

JOHN G. GOURLAY, JR.
GERALD & BRAND, P.L.L.C.
Suite 900, One Jackson Place
188 East Capitol Street
Post Office Box 158
Jackson, Mississippi 39205-0158
(601) 948-3030

G:\GB\WP\JGCP\RIVERWOO.AP2

EXHIBIT "A"

RIVERWOOD INTERNATIONAL USA, INC.

True value of property (its cost) added to the Clinton, Mississippi Plant of Riverwood and completed on December 31, 1994:

I. Machinery, equipment and improvements related to, and partial cost of, one offset Webb press bearing serial number S0530.

Building 9'4" x 20'	\$ 2,622.00
Dell Ram Computer	2,723.00
Lift Truck, Hyster Model S 150A	27,950.00
3 Intercoms	1,646.00
Offset Webb Press - Partial Cost (Not paid by BOT Financial, Inc.)	1,091,784.00
2" Drill Press	3,553.00
2 Dock Levelers	36,191.00
Oscilloscope	5,239.00
4 Base Stations w/14 Headsets	8,294.00
Ink Rub Tester	3,183.00
COST	<u>\$1,183,185.00</u>

II. Other machinery, equipment and improvements related to one offset Webb press bearing serial number S0530.

Plate Room Renovation	\$ 82,271.00
Offices Storeroom & Sheeter	16,265.00
Install MKKE-UP Air Unit	21,782.00
Tower for Fan	9,427.00
Dell 466 8MB Ram Computer	3,154.00
PC Notebook II	6,749.00
MP2 Maintenance Mgmt. System & Training	3,050.00
Printer/Forms Cutter/Stand	3,767.00
2 Nissan Forklifts	35,525.00
Hyster Lift Truck	68,908.00
72 Shelf Bins, Stock Cart, Hand Dolly, Tags	380.00
Heater/Cooler Unit	1,044.00
Phoenix Design Furn	15,440.00
4 Film Filing Cabinets	13,774.00
3' x 4' Safety Mirror	111.00
Shelves Storeroom	15,679.00
2 Chase-Durus Impact Doors	6,313.00
Stretch Wrap Machine	48,364.00
High Speed Step and Repeat Machine	163,516.00
Gluer Prefeeder	40,505.00
Diverter Valve	5,699.00
Video Monitoring Systems	46,058.00
Collection and Venting System	77,530.00
3 Scissor Lifts	43,859.00
Detector Kit and Air Filter System	2,155.00
Rel. Controller	3,982.00
Hydraulic Pit Levelers	14,616.00
2 Roller Conveyors & 2 Traffic Cops	9,932.00
Pallet Inverter	24,619.00
Electric Pallet Jack	5,222.00
Processor	6,206.00
Lift Table	13,123.00
Roberts Prefeeder	43,777.00
2 Case Coders & 2 Ink Drums	31,365.00
5 3M Tapers	26,750.00
Plate Punch Modification	11,187.00
Duplex Strainer & 2 Perforated Baskets	752.00
Level & 2 Glue Units	10,573.00
Feed Belt Assembly & Movable Feed Section	22,858.00
Coupon Placer	71,761.00
Straight Line Gluer W/Feed Modification	131,774.00
Label Aire Applicator	9,188.00
COST	<u>\$1,169,010.00</u>

III. Total Cost of Above December 31, 1994 Additions - \$2,352,195.00

ALDERMEN
O. C. George Ferrell
Ward One

Rodney W. DePriest
Ward Two

Ben L. Todd
Ward Three

Phil Fisher
Ward Four

City of Clinton Mississippi

Rosemary Aultman, Mayor

ALDERMEN
Herb Touchton
Ward Five

Sharbert K. Lott
Ward Six

Jehu Brabham
Alderman-At-Large

Nelson Byrd
City Clerk

November 7, 1995

Mr. James B. Heidel, Executive Director
Department of Economic and Community Development
P. O. Box 849
Jackson, MS 39205

Re: City of Clinton's CAP Loan

Dear Mr. Heidel:

The purpose of this letter is to request authorization to amend the City of Clinton's CAP Loan application to allow the City to use a portion of the CAP Loan for water and sanitary sewer system improvements thus expanding the scope of the loan to allow the use of loan funds for fire protection, access road improvements, and water and sanitary sewer improvements.

At the time of submittal of the application, the City anticipated using the CAP Loan for fire protection and access road improvements. The access road improvements contemplated in the original application were to be made in the area south of Interstate 20 between Springridge Road and Clinton-Raymond Road. Water and sewer improvements contemplated by this amendment will be made in the same area.

Thank you in advance for your approval of this request.

With kindest regards,



Rosemary G. Aultman
Mayor

RGA/bls

P.O. Box 156 / 300 Jefferson Street / Clinton, Mississippi 39060 / (601) 924-5462

14

AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

PART I. PARTIES AND PROJECT

THIS AGREEMENT is made on the _____ day of _____ in the year 1995 between the Mayor and Aldermen of the City of Clinton, Mississippi (hereinafter referred to as the "OWNER"), and Alford Engineering (hereinafter referred to as the "ENGINEER") for the Project known as:

1996 Water and Sewer Improvements more specifically described as:

1. **Gill Road** - Water line extension from McRaven Road to end of street right-of-way (approximately 1,000 L.F.);
2. **U.S. Highway 80** - Water line addition from Clinton-Raymond Road to Capitol Street;
3. **Capitol Street** - Water line extension from U.S. Highway 80 to Ratliff Drive;
4. **Dunton Road** - Water line replacement along Dunton Road from extension of Livingston Road to Hester Street;
5. **Monroe Street** - Sewer line replacement (each side) from box culvert north of Sproles Street to Cynthia Street; and
6. Other items added by OWNER.

The OWNER and the ENGINEER agree as follows:

PART II. ENGINEERING CHARGES

A. In accordance with the Terms and conditions of this Agreement, the ENGINEER shall provide professional services for which the OWNER shall compensate the ENGINEER as follows:

A.1 **Basic Services:** As defined in Paragraph 1.1 on the basis of the hourly rate schedule shown in A.2 with an estimated total fee to be \$24,000.00 for the specific scope included. This estimated total shall not be exceeded without justification and approval by the OWNER.

A.2 Additional Services: As defined in Paragraph 1.2, as follows:

The field surveys needed for design purposes to include planimetric mapping for the pipeline routes, profiles for the sewer lines on Monroe Street, a profile for the Highway 80 water line, and information for Mississippi Department of Transportation (MDOT) permits are to be charged at the hourly rate schedule listed. The total charges are estimated to be \$21,000.00 for the specific scope outlined. This estimated total shall not be exceeded without justification and approval by the **OWNER**.

Other additional services rendered under Paragraph 1.2 shall be charged at the respective rates for each classification listed:

A.2.1 Principals time and employees time rendered shall be charged at the respective hourly rates which are to be revised annually:

<u>Classification</u>	<u>Hourly Rate</u>
Professional Engineer	\$75.00
Engineering Technician	35.00
Resident Project Representative	35.00
Draftsman	35.00
Clerical	25.00
Survey Crew (3 Men)	85.00
Registered Land Surveyor	48.00

The hourly rates include all supplies, equipment and incidentals normally consumed by each individual in the performance of his work.

A.2.2 Mileage charges allowed under this contract shall not exceed the mileage charges allowed by IRS regulations at the time the charge is incurred or the rate allowed by the State of Mississippi, whichever is lower. No local mileages will be charged.

A.2.3 Reimbursable Expenses: As defined in Article 4, shall be paid for at the actual cost billed the **ENGINEER** plus ten percent (10%). The estimated total shall not exceed \$1,000.00 without prior approval by the **OWNER**.

PART III. TERMS AND CONDITIONS

Article I. ENGINEER'S SERVICES

1.1 Basic Services

The **ENGINEER** agrees to perform professional services in connection with the **Project**, including normal civil and structural services related thereto, as set forth below and contained within this Agreement which services shall be provided in a timely manner and with reasonable diligence and without unreasonable delay.

1.1.1 Preliminary Design Phase

Upon the **OWNER'S** approval of this Agreement, the **ENGINEER** shall:

1.1.1.1 In consultation with **OWNER**, determine the extent of the **Project**.

1.1.1.2 Prepare preliminary design documents consisting of final design criteria, preliminary plan drawings.

1.1.1.3 Based on the information contained in the preliminary design documents, submit a revised opinion of probable **Project Costs**.

1.1.1.4 Furnish the above preliminary design documents and present and review them in person with **OWNER**.

1.1.2 Final Design Phase

After acceptance of the Preliminary Design, **ENGINEER** shall:

1.1.2.1 On the basis of the accepted preliminary design documents and the revised opinion of probable **Project Cost**, prepare for incorporation in the Contract Documents final drawings to show the character and extent of the **Project** (hereinafter called "Drawings") and Specifications.

1.1.2.2 Furnish to **OWNER** such documents and design data as may be required for, and assist in the preparation of, the required documents so that **OWNER** may apply for approvals of such governmental authorities as have jurisdiction over design criteria applicable to the **Project**, and assist in obtaining such approvals by participating in submissions to and negotiations with appropriate authorities.

1.1.2.3 Advise **OWNER** of any adjustments to the latest opinion of probable **Project Cost** caused by changes in extent or design requirements of the **Project** or Construction Costs and furnish a revised opinion of probable **Project Cost** based on the Drawings and Specifications.

1.1.2.4 Prepare for review and approval by **OWNER**, his legal counsel and other advisors contract agreement forms, general conditions and supplementary conditions, and (where appropriate) bid forms, invitations to bid and instructions to bidders, and assist in the preparation of other related documents.

1.1.2.5 Furnish the above documents and present and review them in person with **OWNER**.

1.1.3 Construction Contract Documents Phase

After acceptance of the Final Design, the **ENGINEER** shall:

1.1.3.1 Prepare the required Contract forms including proposal forms and notice to bidders, drawings, technical specifications and other documents which are required to complete the Construction Contract Documents.

1.1.3.2 Furnish to the **OWNER** engineering data and documents so that the **OWNER** may secure approval from governmental authorities having jurisdiction over the **Project**.

1.1.3.3 Advise the **OWNER** of any adjustments to previous **ENGINEER'S** Opinion of the Construction Cost when changes in requirements, general market conditions or other conditions so warrant.

1.1.3.4 At the **OWNER'S** request, assist the **OWNER'S** legal counsel in connection with his review of the Construction Contract Documents for their legally related aspects.

1.1.3.5 Furnish the Construction Contract Documents for the **OWNER'S** review and approval.

1.1.4 Bidding or Negotiating Phase

Upon receipt of the **OWNER'S** written approval of the Construction Contract Documents Phase and latest Opinion of the Construction Cost, and written authorization to proceed with the Bidding or Negotiating Phase, the **ENGINEER** shall:

1.1.4.1 Assist the **OWNER** in obtaining bids or negotiating bid proposals, in analyzing bids and proposals, and in awarding the Construction Contract.

1.1.5 Construction Phase

Upon award of any Construction Contract based upon the Construction Contract Documents compiled by the **ENGINEER**, the Construction Phase of this Agreement shall commence and the **ENGINEER** shall:

1.1.5.1 Act as the **OWNER'S** representative with duties and responsibilities and limitations of authority as described in the General Conditions to the Construction Contract. The **OWNER** shall not modify the Construction Contract Documents without the Written consent of the **ENGINEER**.

1.1.5.2 Advise and consult with the **OWNER** during the Construction Phase and the **ENGINEER** shall issue the **OWNER'S** authorized instructions to the Contractor.

1.1.5.3 Make periodic visits to the site of the construction to observe the progress and quality of the construction work and to determine, in general, if the results of the construction work are in accordance with the Drawings and the Specifications. On the basis of his on-site observations as an **ENGINEER**, he shall endeavor to guard the **OWNER** against apparent defects and deficiencies in the permanent work constructed by the Contractor but does not guarantee the performance of the Contractor. The **ENGINEER** shall not be required to make exhaustive or continuous on site observations to check the quality or quantity of the construction work. The **ENGINEER** is not responsible for construction means, methods, techniques, sequences or procedures, time of performance, programs, or for any safety precautions in connection with the construction work. The **ENGINEER** is not responsible for the Contractor's failure to execute the work in accordance with the Construction Contract.

1.1.5.4 Review the Contractor's request for progressive payment, and based upon said on-site observation, advise the **OWNER** as to the **ENGINEER'S** opinion of the extent of the work completed in accordance with the terms of the Construction Contract as of the date of the Contractor's payment request and issue, for processing by the **OWNER**, a Certificate for Payment in the amount owed the Contractor. The issuance of Certificates for Payment shall constitute a declaration by the **ENGINEER** to the **OWNER**, based upon said on-site observations, review and data accompanying the request for payment, that the Contractor's work has progressed to the point indicated; that to the best of the **ENGINEER'S** knowledge, information and belief, the quality of the Contractor's work is in accordance with the Construction Contract Documents (subject to subsequent tests and review required by the Construction Contract Documents, to correction of minor deviations from the Construction Contract Documents and to qualifications stated in the Certificate for Payment); and that the Contractor is entitled to the amount stated. The issuing of the Certificate for Payment by the **ENGINEER** shall not represent that he has made any investigation to determine the uses made by the Contractor of sums paid to the Contractor.

1.1.5.5 Make recommendations to the **OWNER** on all claims relating to the execution and progress of the construction work. The **ENGINEER'S** decisions in matters relating to the **ENGINEER'S** designs shall be final.

1.1.5.6 Notify the **OWNER** of permanent work which does not conform to the result required in the Construction Contract, prepare a written report describing any apparent non-conforming permanent work and make recommendations to the **OWNER** for its correction and, at the request of the **OWNER**, have recommendations implemented by the Contractor.

1.1.5.7 Review shop drawings, samples, and other submittals of the Contractor only for general conformance to the design concept of the **Project** and for general compliance with the Construction Contract.

1.1.5.8 Prepare change orders for the **OWNER'S** approval.

1.1.5.9 Conduct a construction progress review related to the Contractor's date of completion; receive written guarantees and related data assembled by the Contractor; and issue to the OWNER a Certificate of Final Payment.

1.1.5.10 The ENGINEER shall not be responsible for the defects or omissions in the work result of the Contractors, or any Subcontractors, or any of the Contractor's or Subcontractor's employees, or that of any other persons or entities responsible for performing any of the work result as contained in the Construction Contract.

1.1.5.11 Prepare a set of reproducible record drawings conforming to construction records provided to the ENGINEER, made by the Contractor during the construction process.

1.1.5.12 ENGINEER shall secure approval of all local, state and federal regulatory agencies having jurisdiction over the activities in this Project.

1.2 Additional Services

If authorized in writing by the OWNER, the ENGINEER agrees to furnish or obtain from others, additional professional services in connection with the Project, as set forth below and contained within this Agreement:

1.2.1 Preparation of applications and supporting documents for government grants, loans or advances.

1.2.2 Making drawings from field measurements of existing construction when required for planning additions or alterations thereto.

1.2.3 Services due to changes in the scope of the Project or its design, including but not limited to, changes in size, complexity schedule or character of construction.

1.2.4 Revising studies, reports, design documents, drawings or specifications which have previously been approved by the OWNER, or when such revisions are due to causes beyond the control of the ENGINEER.

1.2.5 Preparation of design documents for alternate bids or for out of sequence work requested by the OWNER.

1.2.6 Preparation of detailed renderings, exhibits or scale models for the Project.

1.2.7 Providing special analysis of the OWNER'S needs such as owning and operating analysis, OWNER'S special operating drawings or charts, and any other similar analysis.

1.2.8 Providing planning surveys, site evaluations and comparative studies of prospective sites.

1.2.9 Providing any type of field surveys for design purposes, "stake out" of the location of the work, easement surveys, plats, property surveys and any other special field surveys.

1.2.10 Furnishing additional copies of reports and additional prints of Drawings and Specifications in excess of those stipulated in the Agreement.

1.2.11 Investigations involving detailed consideration of operations, maintenance and overhead expenses; the preparation of rate schedules, earnings and expense statements, feasibility studies, appraisals and valuations; detailed quantity surveys of material and labor; and material audits or inventories required by the OWNER.

1.2.12 Additional services when the Project involves more than one Construction Contract, or separate equipment contracts.

1.2.13 Preparing special change orders when requested by the OWNER which are not within the scope of Article 1. "ENGINEER'S SERVICES," Paragraph 1.1.5.8.

1.2.14 Making a review of the Project prior to expiration of the guarantee period and reporting observed discrepancies under guarantees provided by the Construction Contract.

1.2.15 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) defective or incomplete work of the Contractor, (3) prolongation of the initial Construction Contract time beyond the contract time. (4) acceleration of the work schedule involving services beyond established office working hours, and (5) the Contractor's default under Construction Contract due to delinquency or insolvency.

1.2.16 Providing assistance in the initial start-up, testing, adjusting or balancing, or operation of equipment or systems, or training personnel for operation or maintenance of equipment or system.

1.2.17 Providing design services relating to future facilities, systems and equipment which are not intended to be constructed or operated as a part of the Project.

1.2.18 Providing services as an expert witness for the OWNER in connection with litigation or other proceedings involving the Project.

1.2.19 Providing other services not otherwise provided for in this Agreement, including services normally furnished by the OWNER as described in Article II. "OWNER'S RESPONSIBILITIES".

1.2.20 Providing Resident Project Representative services to give the OWNER more extensive on-site representation during the Construction Phase.

1.2.21 Notwithstanding the above, the OWNER will not be required to pay for any additional service that is occasioned by some fault, negligent act or omission of the ENGINEER.

Article II. OWNER'S RESPONSIBILITIES

The OWNER shall:

- 2.1 Provide to the ENGINEER all criteria, design and construction standards and full information as to the OWNER'S requirements for the Project.
- 2.2 Designate in writing a person authorized to act as the OWNER'S representative. The OWNER or his representative shall receive and examine documents submitted by the ENGINEER, interpret and define the OWNER'S policies and render decisions and authorizations in writing promptly to prevent unreasonable delay in the progress of the ENGINEER's services.
- 2.3 Furnish to the ENGINEER a complete land survey of the Project area.
- 2.4 Furnish soils data including but not limited to reports, test borings, test pits, probings, subsurface exploration, soil bearing values, percolation tests, ground corrosion and resistivity tests, all with appropriate professional interpretation.
- 2.5 Furnish laboratory tests, air and water pollution tests, reports and inspections of samples, materials or other items required by law or by governmental authorities having jurisdiction over this Project.
- 2.6 Provide legal, accounting, and insurance counseling services necessary for the Project, legal review of the Construction Contract Documents, and such auditing services as the OWNER may require to account for expenditures of sums paid to the Contractor.
- 2.7 Furnish above services at the OWNER'S expense and in such manner that the ENGINEER may rely upon them in the performance of his services under this Agreement.
- 2.8 Obtain bids or proposals from contractors for work relating to this Project and bear all costs relating thereto.
- 2.9 Protect and preserve all survey stakes and markers placed at the Project site prior to the assumption of this responsibility by the Contractor and bear all costs of replacing stakes or markers damaged or removed during said time interval.
- 2.10 Guarantee full and free access for the ENGINEER to enter upon all property required for the performance of the ENGINEER's services under this Agreement.
- 2.11 Give prompt written notice to the ENGINEER whenever the OWNER observes or otherwise becomes aware of any defect in the Project or other event which may substantially affect the ENGINEER's performance of services under this Agreement.
- 2.12 Compensate the ENGINEER for services rendered under this Agreement.

2.13 The OWNER's obligation to furnish the above items are to be extent the City reasonably determines that item is necessary for the ENGINEER to perform its work.

Article III. DIRECT PERSONNEL EXPENSE

Direct Personnel Expense is defined as the direct labor costs incurred by the ENGINEER directly attributable to the Project by the payment of the actual salaries and wages to the employees of the ENGINEER, but not including indirect payroll connected costs and other non-Project related costs.

Article IV. REIMBURSABLE EXPENSES

4.1 Reimbursable Expenses are in addition to compensation to the ENGINEER for Basic and Additional Services and include expenditures made by the ENGINEER, his employees or his consultants in the interest of the Project. Reimbursable Expenses include but are not limited to:

4.1.1 Expense of transportation, subsistence and lodging when traveling in connection with the Project.

4.1.2 Expense of long distance or toll telephone calls, telegrams, messenger service, field office expenses, and fees paid for securing approval of authorities having jurisdiction over the Project.

4.1.3 Expense of all reproduction, postage and handling of drawings, specifications, reports or other Project-related work product of the ENGINEER.

4.1.4 When authorized in advance by the OWNER, expense of overtime work requiring higher than normal rates, and expense of preparing perspectives, renderings or models.

Article V. PAYMENTS TO THE ENGINEER

5.1 Progress payments shall be made in proportion to services rendered and as indicated within this Agreement and shall be due and owing within thirty days of the ENGINEER's submittal of his monthly statement. Past due amounts owed shall include a charge at the rate of interest allowed by state law from the forty-fifth (45th) day.

5.2 If the OWNER fails to make monthly payments due the ENGINEER, the ENGINEER may, after giving seven days written notice to OWNER, suspend services under this Agreement.

5.3 No deductions shall be made from the ENGINEER's compensation on account of penalty, liquidated damages or other sums withheld from payments to Contractors.

5.4 If the Project is delayed or if the ENGINEER's services for the Project are delayed or suspended for more than three months for reasons beyond the ENGINEER's control, the ENGINEER may, after giving seven days written notice to the OWNER, terminate this Agreement and the OWNER shall compensate the ENGINEER in accordance with the termination provision contained hereafter in this Agreement.

Article VI. GENERAL PROVISIONS

6.1 Ownership of Documents

All Drawings, Specifications and other work product of the ENGINEER for this Project are instruments of service for this Project but becomes the property of the OWNER whether the Project is completed or not when OWNER pays for said work. Reuse of any of the instruments of service of the ENGINEER by the OWNER on extensions of this Project or on any other Project without the written permission of the ENGINEER shall be at the OWNER'S risk and the OWNER agrees to defend, indemnify and hold harmless the ENGINEER from all claims, damages, and expenses including attorney's fees arising out of such unauthorized reuse of the ENGINEER's instruments of service by the OWNER OR BY OTHERS ACTING THROUGH THE OWNER. Any reuse or adaptation of the ENGINEER's instruments of service occurring after the written agreement of the ENGINEER shall entitle the ENGINEER to further compensation in amounts to be agreed upon by the OWNER and the ENGINEER.

6.2 Delegation of Duties

Neither the OWNER nor the ENGINEER shall delegate his duties under this Agreement without the written consent of the other.

6.3 Miscellaneous

6.3.1 Termination: This Agreement may be terminated by either party by seven days written notice in the event of substantial failure to perform in accordance with the terms of this Agreement by the other party through no fault of the terminating party. If this Agreement is terminated, the ENGINEER shall be paid for services performed to the termination notice date including Reimbursable Expenses due plus Termination Expenses. Termination Expenses are defined as Reimbursable Expenses directly attributable to termination, plus 15% of the total compensation earned to the time of termination to account for ENGINEER's rescheduling adjustments, reassignment of personnel and related costs incurred due to termination.

6.3.2 Equal Opportunity: During the performance of this contract, the ENGINEER agrees as follows:

a. The ENGINEER will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The ENGINEER will take affirmative action to ensure that applicants are employed, and that employees are treated during

employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The **ENGINEER** agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

b. The **ENGINEER** will, in all solicitations or advertisements for employees placed by or on behalf of the **ENGINEER**, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

c. The **ENGINEER** will comply with the rules and regulations and relevant orders of the Secretary of Labor.

6.4 Extent of Agreement

This Agreement represents the entire and integrated agreement between the **OWNER** and the **ENGINEER** and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the **OWNER** and the **ENGINEER**.

6.5 Governing Law

Unless otherwise specified within this Agreement, this Agreement shall be governed by the law of the principal place of business of the **ENGINEER**.

6.6 General

6.6.1 Should litigation or arbitration occur between the two parties relating to the provisions of this Agreement, all litigation or arbitration expenses, collection expenses, witness fees, court costs and attorneys fees incurred by the prevailing party shall be paid by the non-prevailing party to the prevailing party.

6.6.2 Neither party shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or the other's employees and agents.

6.6.3 In the event any provisions of this Agreement shall be held to be invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provision , term, condition or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

6.6.4 The **ENGINEER** has not been retained or compensated to provide design or construction review services relating to the Contractor's safety precautions or to means, methods, techniques, sequences, or procedures required for the Contractor to perform his work but not relating to the final or completed structure. Omitted services include but are not limited to shoring, scaffolding, underpinning, temporary retainment of excavations and any erection methods and temporary bracing.

6.6.5 The **ENGINEER** intends to render his services under this Agreement in accordance with generally accepted professional practices for the intended use of the **Project** and makes no warranty either express or implied.

6.6.6 Any Opinion of the Construction Cost prepared by the **ENGINEER** represents his judgment as a design professional and is supplied for the general guidance of the **OWNER**. Since the **ENGINEER** has no control over the cost of labor and material, or over competitive bidding or market conditions, the **ENGINEER** does not guarantee the accuracy of such Opinions as compared to Contractor bids or actual cost to the **OWNER**.

Article XII. SPECIAL PROVISIONS

7.1 Insurance and Indemnity

The **ENGINEER** shall acquire and maintain statutory workmens' compensation insurance coverage employer's liability, comprehensive general liability insurance coverage and professional liability insurance coverage. The limits of the professional liability shall be \$250,000.00.

7.1.2 Contractor's Insurance

Prior to the commencement of the work, the **OWNER** shall require the Contractor and any subcontractors to submit evidence that he (they) have obtained for the period of the Construction Contract and the guarantee period comprehensive general liability insurance coverage (including completed operations coverage). This coverage shall provide for bodily injury and property damage arising directly or indirectly out of, or in connection with, the performance of the work under the Construction Contract, and have a combined single limit of not less than \$1,000,000.00 for all damages arising out of bodily injury, sickness or death or damages arising out of injury to or destruction of property of others arising directly or indirectly out of or in connection with the performance of the work under the Construction Contract and in any one occurrence including explosion, collapse and underground exposures. The **OWNER** reserves the right to require increased insurance amounts as **OWNER** reasonably determines appropriate during the course of this contract.

Included in such coverage will be contractual coverage sufficiently broad to insure the provision of Paragraph 7.1.4, "Indemnity". The comprehensive general liability insurance will include as additional named insured; the **OWNER**; the **ENGINEER** and each of their officers, agents and employees.

7.1.3 Builders Risk "All Risk" Insurance

Before commencement of the work, the **OWNER** will require that the Contractor and any sub-contractors submit written evidence that he (they) have obtained for the period of the Construction Contract, Builders Risk "All Risk" Completed Value Insurance Coverage (including earthquake and flood) upon the entire **Project** which is the subject of the Construction Contract. Such insurance shall include as additional names insured; the **OWNER**; the **ENGINEER**; and each of their officers, agents, employees and any other persons with an insurable interest as maybe designated by the **OWNER**.

Such insurance may have a deductible clause but not to exceed \$5,000, except that the earthquake deductible may be in accordance with generally accepted insurance practices in the locale where the coverage is issued.

7.1.4 Indemnity

The **OWNER** will require that any Contractor of sub-contractors performing work in connection with Drawings and Specifications produced under this Agreement to hold harmless, indemnify and defend, the **OWNER** and the **ENGINEER**, their consultants, and each of their officers, agents, and employees from any and all liability claims, losses or damage arising out of or alleged to arise from the Contractor's (sub-contractor's) negligence in the performance of the work described in the construction Contract Documents, but not including liability that may be due to the sole negligence of the **OWNER**, the **ENGINEER**, their consultants or their officers, agents and employees.

7.2 Construction Cost

7.2.1 When a fixed limit of Construction Cost is established as a condition of this Agreement, it shall be in writing signed by both the **OWNER** and **ENGINEER** and shall include a ten percent bidding contingency unless another amount is agreed upon in writing. When such fixed limit is established the **ENGINEER** shall be permitted to determine what materials, equipment, component systems, types of construction and alternative bid items are to be included in the Construction Contract Documents, and to make reasonable adjustments in the scope of the **Project** to bring it within the fixed limit. Acceptance by the **OWNER** of a revised Opinion of Construction Cost in excess of the fixed limit shall constitute a corresponding increase in the fixed limit of Construction Cost.

7.2.2 After completion of the Construction Contract Documents Phase, if the bidding or negotiating phase does not commence within six months, any fixed limit of the Construction Cost shall be adjusted to reflect general construction industry price level increases occurring between the date of **ENGINEER**'s submittal to the **OWNER** of the final Construction Contract Document and the date on which bids or proposals are sought.

7.2.3 If the lowest bona fide bid or the **ENGINEER's** Opinion of the Construction Cost exceeds such fixed limit of Construction Cost (including the bidding contingency) established as a condition of this Agreement, the **OWNER** shall (1) give written approval for an increase in such fixed limit, (2) authorize re-bidding within a reasonable time, or (3) cooperate in revising the **Project** scope and quality as required to reduce the Construction Cost. In the case of (3) the **ENGINEER**, without additional charge, shall modify the Construction Contract Documents, as the **ENGINEER** deems necessary, to bring the Construction Cost within the fixed limit. The providing of this service once shall be the limit of the **ENGINEER's** responsibility in this regard, and having so performed this service the **ENGINEER** shall be entitled to his compensation in accordance with this Agreement.

7.3 Resident Project Representative

7.3.1 If requested by the **OWNER** or recommended by the **ENGINEER** and approved in writing by the **OWNER**, the **ENGINEER** shall provide one or more full time resident **Project** representatives to assist the **ENGINEER** in order to render more extensive representation at the **Project** site during the construction phase. Such resident construction review services shall be paid for by the **OWNER** as additional services as defined within this Agreement. The limits of the authority, duties and responsibilities of a resident **Project** representative shall be described before such services begin by written instruments labeled Exhibit A, attached to, and made a part of this Agreement.

7.3.2 By means of the more extensive on-site observations of the work in progress, the **ENGINEER** will endeavor to provide further protection for the **OWNER** against defects and deficiencies in the contractor's work, but the furnishing of such services shall not include construction review of the Contractor's construction means, methods, techniques, sequences or procedures, or of any safety precautions and programs in connection with the work, and the **ENGINEER** shall not be responsible for the Contractor's failure to carry out the work in accordance with the Construction Contract.

7.4 Limitation of Liability

The **OWNER** agrees to limit the **ENGINEER's** liability to the **OWNER** and to all Construction Contractors and Subcontractors on the **PROJECT**, due to the **ENGINEER's** professional negligent acts, errors or omissions, such that the total aggregate liability of the **ENGINEER** to those named shall not exceed Two Hundred Fifty Thousand (\$250,000.00) dollars or the **ENGINEER's** total fee for services rendered on this **PROJECT**, whichever is greater.

7.5 Responsible Professional Engineer

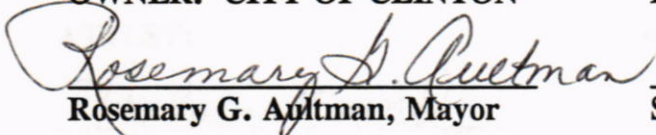
Primary responsibility for these services will be assigned to Jerry L. Tullos, P.E., Registration No. 6175.

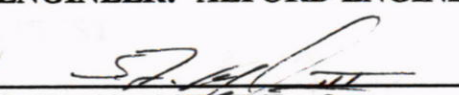
PART IV: ACCEPTANCE

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed by their duly authorized representatives on the day and year first above written.

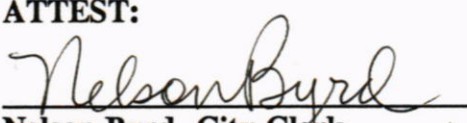
OWNER: CITY OF CLINTON

ENGINEER: ALFORD ENGINEERING


Rosemary G. Aultman, Mayor


S. F. Alford III, P.E., Owner

ATTEST:


Nelson Byrd, City Clerk

ATTEST:

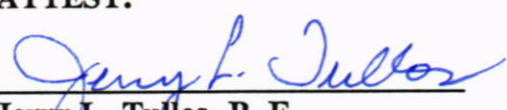

Jerry L. Tullos, P. E.

EXHIBIT "A"

This Exhibit is attached to and made a part of the Agreement between the **OWNER**, City of Clinton, Mississippi and the **ENGINEER**, Alford Engineering, for the Project known as 1996 Water and Sewer Improvements.

LIMITATIONS OF AUTHORITY, DUTIES AND RESPONSIBILITIES OF THE RESIDENT PROJECT REPRESENTATIVE

- A. The Resident Project Representative shall act under the direct supervision of the **ENGINEER**, shall be the **ENGINEER**'s agent in all matters relating to on-site construction review of the Contractor's work, shall communicate only with the **ENGINEER** and the Contractor (or Contractors), and shall communicate with subcontractors only through the Contractor or his authorized superintendent. The **OWNER** shall communicate with the Resident Project Representative only through the **ENGINEER**.
- B. The Resident Project Representative shall review and observe on-site construction activities of the Contractor relating to portions of the Project designed and specified by the **ENGINEER** as contained in the Construction Contract Documents.
- C. Specifically omitted from the Resident Project Representative's duties are any review of the Contractor's safety precautions, or the means, methods, sequences, or procedures required for the Contractor to perform the work but not relating to the final or completed Project. Omitted design or review services include but are not limited to shoring, scaffolding, underpinning, temporary retainment of excavations and any erection methods and temporary bracing.
- D. The specific duties and responsibilities of the Resident Project Representative are enumerated as follows:
 - 1. **Schedule:**

Review the construction schedule prepared by the Contractor for compliance with the Contract and give written advice to the **CONSULTING ENGINEER** concerning its acceptability.

2. **Conferences:**

Attend preconstruction conferences. Arrange a schedule of progress meetings and other job conferences as required in consultation with the **CONSULTING ENGINEERS** and notify those expected to attend in advance. Maintain and circulate copies of records of the meetings.

3. **Liaison:**

- a. Serve as the **CONSULTING ENGINEER's** liaison with the Contractor working principally through the contractor's field superintendent. Alert the Contractor, through his field superintendent, to the hazards involved in accepting and acting upon instructions from the **OWNER** or others, except such instructions transmitted through the **CONSULTING ENGINEER**.
- b. Cooperate with the **CONTRACTOR** in his dealings with the various local agencies having jurisdiction over the **Project** in order to complete service connections to public utilities and facilities.
- c. Assist the **CONSULTING ENGINEER** in obtaining from the **OWNER** additional details or information, when required at the job site for proper execution of the work.

4. **Approvals:**

When required, assist the **CONSULTING ENGINEER** in obtaining from the Contractor a list of his proposed suppliers and sub- contractors.

5. **Samples:**

Assist the **CONSULTING ENGINEER** in obtaining field samples of materials delivered to the site which are required to be furnished, and keep records of actions taken by the **CONSULTING ENGINEER**.

6. **Shop Drawings:**

- a. Receive approved shop drawings and other submissions from the **ENGINEER**; record data received, maintain a file of the drawings and submissions, and check construction for compliance with them.
- b. Alert the Contractor's field superintendent when he observes materials or equipment being installed before approval of shop drawings or samples, where such are required, and advise the **ENGINEER** when he believes it is necessary to disapprove work as failing to conform to the Contract Documents.

7. **Review of Work, Inspections and Tests:**

- a. Conduct on-site observations of the work in progress for the **ENGINEER** as a basis for determining that the **Project** is proceeding in accordance with the Contract Documents.
- b. Verify that tests, including equipment and systems start up, which are required by the Contract Documents are conducted and that the Contractor maintains adequate records thereof; observe, record and report to the **ENGINEER** appropriate details relative to the test procedures and start ups.
- c. Accompany visiting inspectors representing public or other agencies having jurisdiction over the **Project**, record the outcome of these inspections and report to the **ENGINEER**.

8. **Interpretation of Contract Documents:**

Transmit to the Contractor the **ENGINEER's** interpretations of the Contract Documents.

9. **Modifications:**

Consider and evaluate Contractor's suggestions for modifications in drawings or specifications and report them with recommendations to the **ENGINEER**.

10. **Records:**

- a. Maintain at the job site orderly files for correspondence, reports of job conferences, shop drawings and other submissions, reproductions of original Contract Documents including all addenda, change orders, and additional drawings issued subsequent to the award of the Contract, the **ENGINEER's** interpretations of the Contract Documents, progress reports, and other **Project** related documents.
- b. Keep a diary or log book, recording hours on the job site, weather conditions, list of visiting officials, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures.
- c. Record names, addresses and telephone numbers of all Contractors, subcontractors and major material suppliers.

- d. Maintain a set of drawings on which authorized changes are noted, and deliver to the **CONSULTING ENGINEER** at the completion of the **Project**.

11. **Reports:**

- a. Furnish the **CONSULTING ENGINEER** periodic reports as required of progress of the **Project** and the Contractor's compliance with the approved construction schedule.
- b. Consult with the **CONSULTING ENGINEER** in advance of scheduled major tests or start of important phases of the **Project**.

12. **Payment Requisitions:**

Review Applications for payment with the Contractor for compliance with the established procedure for their submission and forward them with recommendations to the **CONSULTING ENGINEER**, noting particularly their relation to the work completed and materials and equipment delivered at the site.

13. **Guarantees, Certificates, Maintenance and Operation Manuals:**

During the course of work, assemble Guarantees, Certificates, Maintenance and Operation Manuals and other required data to be furnished by the Contractor and upon acceptance of the **Project** deliver this material to the **CONSULTING ENGINEER** for their approval and forwarding to the **OWNER**.

14. **Completion:**

- a. Prior to final inspection, submit to the Contractor a list of observed items requiring correction and verify that each correction has been made.
- b. Conduct final inspection in the company of the **CONSULTING ENGINEER** and the **OWNER** and prepare a final list of items to be corrected.
- c. Verify that all items on final list have been corrected and make recommendations to the **CONSULTING ENGINEER** Concerning acceptance.

15. **Limitations of Authority:**

Except upon written instruction of the **CONSULTING ENGINEER**, the Resident **Project** Representative shall observe the following limitations of authority:

- a. Shall not authorize any deviation from the Contract Documents.
- b. Shall not undertake any of the responsibilities of the Contractor, the sub-contractors or the Contractor's field superintendent.
- c. Shall not expedite the work for the Contractor.
- d. Shall not advise or issue directions relative to any aspect of the construction technique or sequence unless a specific technique or sequence is called for in the Contract Documents.
- e. Shall not authorize the **OWNER** to occupy the **Project** in whole or in part to final acceptance of the work.
- f. Shall not participate in specialized field or laboratory tests.

PROFESSIONAL SERVICES AGREEMENT
by and between
CITY OF CLINTON, MISSISSIPPI
and
WILLIFORD, GEARHART & KNIGHT, INC.

This is an Agreement made this the 7th day of November, 1995, by and between the City of Clinton, Mississippi, Post Office Box 156, Clinton, Mississippi 39060 (Owner) and Williford, Gearhart & Knight, Inc., Engineers & Surveyors, Post Office Box 318, Clinton, Mississippi 39060 (Engineer).

The Owner hereby employs the Engineer to perform certain professional engineering services as defined herein, to serve as the Owner's professional representative on the services authorized herein and to provide professional engineering consultation as may be required. The Engineer agrees to provide the professional services authorized by the Owner, and the Owner agrees to compensate the Engineer for the professional services rendered.

The Owner and Engineer further agree that the purpose of this Agreement is to authorize certain professional engineering services in accordance with the scope of work attached hereto. In addition, the Owner and Engineer also agree that this Agreement is to authorize any additional professional services beyond the scope of work attached hereto, as may be directed by the Owner. Finally, the Owner and Engineer hereby agree to the following provisions:

SECTION 1 - ENGINEER'S RESPONSIBILITIES

- 1.1 The Engineer shall perform the necessary professional services in a timely manner so as not to delay the initiatives of the Owner;
- 1.2 The Engineer shall consult with the Owner to establish the Owner's requirements for the professional services identified by the Owner;
- 1.3 The Engineer shall advise the Owner regarding the need for the Owner to provide or secure certain other special services or consultants as may be needed to fulfill the requirements identified by the Owner, and to assist the Owner in securing such special services;
- 1.4 The Engineer shall furnish the professional services required by the Owner for the preparation of a **Water and Sewer Master Plan** for the City of Clinton, consistent with the requirements of the Mississippi Department of Health and Mississippi Department of Environmental Quality;

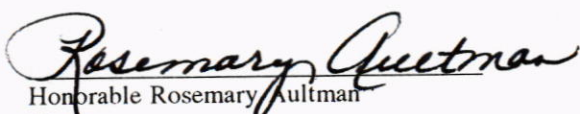
**PROFESSIONAL SERVICES AGREEMENT
CLINTON- WGK
Page 6**

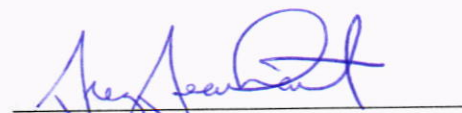
- 6.7 Owner hereby agrees that to the fullest extent permitted by law, that the design professional's total liability to Owner for any and all injuries, claims, losses, expenses or damages whatsoever arising out of or in any way related to the work efforts authorized herein or this Agreement from any cause or causes, including, but not limited to, design professional's negligence, errors, omissions, strict liability, breach of contract or breach of warranty, shall not exceed the total compensation received by design professional for the specific work effort authorized under this Agreement from which a liability claim arises.

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

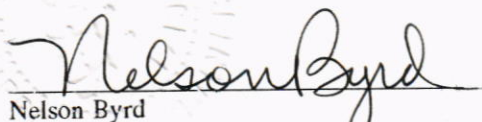
CITY OF CLINTON, MISSISSIPPI

WILLIFORD, GEARHART & KNIGHT, INC.

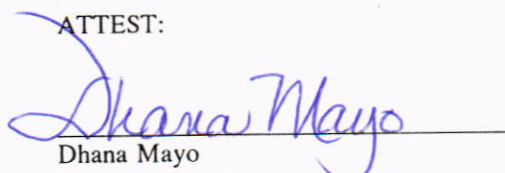

Honorable Rosemary Aultman
Mayor


Greg Gearhart P.E.
Principal

ATTEST:


Nelson Byrd
City Clerk

ATTEST:


Dhana Mayo
Administrative Assistant

PROFESSIONAL SERVICES AGREEMENT
CLINTON- WGK
Page 7

Standard Hourly Billing Rates
As of July 1995

Principal	\$80
Project Engineer	70
Engineer	60
Surveyor	55
Engineering Assistant	50
Surveying Assistant	45
Designer	45
Technician	35
Computer Aided Design (CAD)	30
Administrative	30
Clerical	20
Construction Review	40
Survey Party (2 man)	65
Survey -Party (3 man)	75
Survey Party (4 man)	85

OUTLINE SCOPE OF WORK
Water and Sewer Master Plan
City of Clinton, Mississippi
October 1995

Table of Contents

- I. **Executive Summary**
- II. **Introduction**
 - A. Background
 - B. Purpose and Scope
 - C. Planning Area and Period
 - D. Authority
 - E. Acknowledgements
 - F. Limitations
- III. **Existing Conditions**
 - A. General
 - B. Population
 - C. Economy
 - D. Topography
 - E. Demography
 - F. Geology
 - G. Floodplains
 - H. Land Use
 - I. User Charge Systems
- IV. **Existing Systems**
 - A. General
 - B. Water Supply/Treatment
 - C. Water Storage
 - D. Water Distribution
 - E. Water Uses and Demands
 - F. Wastewater Collection
 - G. Wastewater Treatment
 - H. Wastewater Disposal
 - I. Wastewater Flows and Loads
 - J. Sludge Storage

**PROFESSIONAL SERVICES AGREEMENT
CLINTON-WGK
Page 9**

V. Future Conditions

- A. General
- B. Population
- C. Land Use
- D. Water Uses and Demands
- E. Wastewater Flows and Loads

VI. Future Systems

- A. General
- B. Water Supply/Treatment
- C. Water Storage
- D. Water Distribution
- E. Wastewater Collection
- F. Wastewater Treatment
- G. Wastewater Disposal
- H. Sludge Storage/Disposal

VII. Implementation

- A. General
- B. Financial Requirements
- C. Funding Scenarios
- D. Phasing Concepts
- E. User Charge Systems
- F. Implementation Schedule

Appendices

- 1 Planning Area Map
- 2 Floodplain Map
- 3 Existing Land Use Map
- 4 Existing Water System Map
- 5 Existing Sewer System Map
- 6 Future Land Use System Map
- 7 Future Water Improvements Map
- 8 Future Sewer Improvements Map

CITY OF CLINTON
WATER AND WASTEWATER EVALUATION
PROJECT TIMETABLE

<u>WEEK</u>	<u>ACTIVITY</u>
0	Notice to Proceed and Owner-Supplied Information provided.
1	First progress meeting: . Review accuracy/completeness of existing information provided. . Review system operation. . Confirm proposed planning area.
6	Second progress meeting: . Review results of current water system analysis. . Review results of current wastewater system analysis. . Discuss future land use patterns and timetable.
8	Third Progress Meeting: . Review future land use system map. . Review future water/sewer demand projections.
10	Fourth Progress Meeting: . Discuss proposed water well/tank locations. . Discuss options for WWTF/pump station locations.
14	Fifth Progress Meeting: . Review schematic water system improvements. . Review schematic wastewater system improvements.
18	Sixth Progress Meeting: . Review planning level cost projections. . Adopt system concept. . Discuss phasing approaches. . Discuss funding schemes.
22	Seventh Progress Meeting: . Review draft report.
28	Final Report Meeting . Distribute and discuss final report.

CITY OF CLINTON
WATER AND WASTEWATER EVALUATION
OWNER-PROVIDED INFORMATION

EXISTING STUDIES

- Facility Plans
- Existing hydraulic analyses
- Reports associated with CDBG and/or Farmers Home applications
- Annexation studies
- Master Plans
- Fire flow testing reports

EXISTING MAPPING

- Water distribution plans
- Sewage collection system plans
- Utility construction plans
- Land use map
- Zoning map
- School district boundary map
- Subdivision Plans
- Ten copies - street map
- City water and sewer certificated areas, and adjoining certificates

Water Sales Data

- Monthly well pumpage data for past 2 years
- Monthly usage for past 2 years for major users (100,000 gals/month+)
- WWTF DMR's
- Total monthly water sales for past 2 years (gallons and \$)
- Current rate schedule
- Water and Sewer budgets, revenues and expenses for past 3 years
- Balances on water and sewer bonds and payoff schedules

MONTHLY SCHEDULE OF RATES OF CHARGES FOR GARBAGE COLLECTION
PROVIDED BY THE CITY OF CLINTON

City of Clinton Customer Garbage Rates approved, effective 11-7-95. Rates shall now read as follows:

RESIDENTIAL

Each single residence and all churches \$ 10.00
* Over age 65 and/or handicapped \$ 6.00

COMMERCIAL ESTABLISHMENTS

Class 1 - Small commercial places of business which require no greater amount of service than that provided for residential, who do not require more than two 30 gallon residential-type containers and who have access to placing said containers at curb-side \$ 13.00

Class 2 - Commercial places of business which require more than two but less than seven 30 gallon residential-type containers who have access to placing said containers at curb-side \$ 18.00

REDUCTION ALLOWANCE FOR SENIOR CITIZEN/HANDICAPPED

* Upon application at the Office of the City Clerk, provisions have been made to allow a \$4.00 reduction in fee to those persons who qualify for that additional Homestead Exemption for Age (65 or older) or Handicapped.

APPROVED: Rosemary Aultman
Rosemary Aultman, Mayor

November 15, 1995
Date

ATTEST: Nelson Byrd
Nelson Byrd, City Clerk

November 14, 1995
Date

SEAL

**NOTICE OF PROPOSED
INCREASE IN ¹⁰⁻¹²⁻⁹⁵
GARBAGE COLLECTION FEES**

Due to a proposed increase in
contracted garbage collection

6-The Clinton News, Thursday, October 19, 1995

Pro 8-The Clinton News, Thursday, October 5, 1995

**NOTICE OF PROPOSED
INCREASE IN
GARBAGE COLLECTION FEES**

Due to a proposed increase in
contracted garbage collection
rates, the City of Clinton,
Mississippi is proposing to
increase its monthly garbage
collection fees approximately
23%. Annual estimated revenues
will increase approximately 23%.
Said proposed increase is
required in order to comply with
Mississippi Code 21-19-1 and 2.

RESOLUTION

WHEREAS, on October 16, 1990, a Resolution was adopted by the City of Clinton requesting the Mississippi Legislature to enact legislation to authorize the City of Clinton to establish the payment of one (1) additional payment per year from the monies accumulated in the Clinton Police and Fire Disability and Relief Fund to be paid directly to retired members of said fund, or the beneficiaries thereof, who on December 1 of each year are receiving a retirement allowance under Section 21-29-139 of the Mississippi Code of 1972. The amount shall be equal to the annual percentage change in each fiscal year of the consumer price index set by the United States government, not to exceed two and one-half percent (2 1/2%) of the annual retirement of the allowance, for each full fiscal year that the retired member or beneficiary has actually drawn retirement payments from the date of retirement or the passage of this Act, whichever is the later date. The first additional payment as described herein will, however, be payable to recipients as of December 1, 1991, who were recipients as of June 30, 1991; and

WHEREAS, the Senate approved such request in the form of House Bill No. 1542, approved by the Governor on April 9, 1991, authorizing the governing authorities of the City of Clinton to establish the payment of an additional payment each year to retired members of the Clinton Police and Fire Disability and Relief Fund based on the change in the consumer price index; to provide that payment of the additional payments shall not be established unless the disability and relief fund currently is actuarially sound and will remain actuarially sound if the additional payments are made; and for related purposes; and

WHEREAS, the governing authorities wish to establish the additional payments authorized in House Bill No. 1712, and request the Board of Trustees of the Public Employees' Retirement System to make payments directly to the persons authorized and entitled to receive the payments.

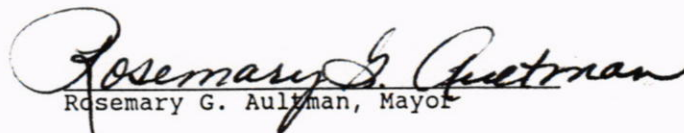
NOW, THEREFORE, BE IT RESOLVED by the Mayor and Board of Aldermen of the City of Clinton, Mississippi, that the City is hereby authorized to establish the payment of one (1) additional payment each year from monies accumulated in the Clinton Police and Fire Disability and Relief Fund to retired members of such disability and relief fund or beneficiaries thereof who on December 1 of each year are receiving a retirement allowance under Section 21-29-139, Mississippi Code of 1972. The amount of such payment shall be equal to the annual percentage change in each fiscal year of the consumer price index set by the United States government, not to exceed two and one-half percent (2 1/2%) of the annual retirement allowance for each full fiscal year after June 30, 1990, that the retired member or beneficiary has actually drawn retirement payments from the date of retirement.

BE IT FURTHER RESOLVED that the governing authorities of the City of Clinton hereby request the Board of Trustees of the Public Employees' Retirement System to make payments directly to the persons authorized and entitled to receive the payments in accordance with House Bill No. 1542.

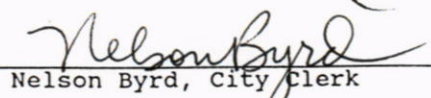
Alderman Todd moved that the foregoing Resolution be adopted.
Alderman Lott seconded. The vote was as follows:

Alderman Brabham:	<u>Aye</u>	Alderman Fisher:	<u>Aye</u>
Alderman Ferrell:	<u>Aye</u>	Alderman Touchton:	<u>Absent</u>
Alderman DePriest:	<u>Aye</u>	Alderman Lott:	<u>Aye</u>
Alderman Todd:	<u>Aye</u>		

APPROVED on the 7th day of November, 1994.


Rosemary G. Aultman, Mayor

ATTEST:


Nelson Byrd, City Clerk

There came on for consideration by the Mayor and Board of Aldermen ("Governing Authority") of the City of Clinton, Mississippi (the "City") the matter of the issuance of sewer system refunding bonds, Series 1995, of the City. After a discussion of the subject, Alderman BRABHAM offered and moved the adoption of the following resolution:

A RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF CLINTON, MISSISSIPPI, PROVIDING FOR THE ISSUANCE OF CITY OF CLINTON SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 1995 AND AUTHORIZING THE MAYOR TO EXECUTE A BOND PURCHASE AGREEMENT IF CERTAIN CONDITIONS ARE MET; APPROVING THE FORM OF PRELIMINARY OFFICIAL STATEMENT; AND ENACTING OTHER PROVISIONS RELATING THERETO.

Whereas the Mayor and Board of Aldermen (the "Board") acting for and on behalf of the City does find, determine and adjudicate as follows:

Section 1.01. Definitions

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Resolution, the following terms shall have the meanings specified below:

"Act" means the Mississippi Bond Refinancing Act, Sections 31-27-1 through 31-27-25, Mississippi Code of 1972, as amended.

"Bond Purchase Agreement" or "BPA" means the Bond Purchase Agreement in substantially the form and content as attached hereto and incorporated herein by reference.

"Bond Resolution" means this Resolution, as supplemented by the Board at a later date.

"Bonds" means the City of Clinton, Mississippi, Sewer System Revenue Refunding Bonds, Series 1995, issued in the approximate principal amount set forth in the Bond Purchase Agreement, the proceeds of which shall be used to refund the City's outstanding Sewer System Revenue Bonds, 1988 Series A(the "Refunded Bonds").

"Closing Date" means the date of the initial delivery of and payment for the Bonds.

"Escrow Fund" means the fund established by the Escrow Agreement to hold cash and securities for the payment of principal and interest on the Refunded Bonds.

"Owner" means the registered owner of a Bond.

"Preliminary Official Statement" means the Preliminary Official Statement in substantially the form and content attached hereto,

"Purchaser" means Howard, Weil, Labouisse, Friedrichs, Inc.

Section 1.02. Specific Findings

In addition to other findings contained herein, the Board does hereby specifically find, determine and adjudicate as follows:

A. In accordance with the Constitution and laws of the State of Mississippi, specifically, Section 21-27-11, et seq., Mississippi Code of 1972, the City previously issued the Refunded Bonds on behalf of the City, said bonds being payable solely from and secured by the revenues of the sewerage and sewerage disposal system of the City specifically pledged therefor; and

B. The City desires to issue the Bonds in the approximate principal amount of \$1,450,000 to refund in advance of maturity the outstanding balance of the Refunded Bonds in the approximate principal amount of \$1,280,000 which mature in the years 1999 through 2013. The issuance of the Bonds and the advance refunding of the Refunded Bonds will be accomplished pursuant to the authority contained in the Act, this Resolution and the resolutions authorizing the Refunded Bonds, if the refunding of the Refunded Bonds will result in a net present value savings to the City of at least two percent (2.0%) of the bonds being refunded and if the conditions stated in Section 3.01 hereof are met to the City's satisfaction.

C. If the conditions stated in Section 3.01 are met and the Mayor executes the Bond Purchase Agreement on behalf of the City, the Board shall supplement this Resolution with an additional resolution setting forth in greater detail the terms of the Bonds and additional covenants of the City regarding the Bonds. This Resolution, as supplemented, shall constitute a contract between the City and the Owners.

D. This Resolution and all terms and provisions hereof shall be liberally construed to effect the purposes set forth herein.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF CLINTON that:

Section 2.01. Authorization

If the conditions stated in Section 3.01 are met, the Bonds shall be authorized to be issued and delivered in accordance with the Constitution and laws of the State of Mississippi, including particularly the Act and the Bond Documents, as defined in the BPA. The Bonds shall be issued for the purpose of restructuring the City's debt evidenced by the Refunded Bonds, thereby reducing the debt service requirements thereof and resulting in an overall net present value savings of not less than two percent (2.0%) of the Refunded Bonds, and to pay the costs of issuing the Bonds.

Section 2.02. Details of Bonds

A. The Bonds shall be dated December 1, 1995, shall be in fully registered form, without coupons, in the denomination of \$5,000.00 or any integral multiple thereof up to the amount of a single maturity, and shall be subject to the further terms of the Bond Purchase Agreement and subsequent Board resolutions.

B. Subject to subsequent revision of the Bond Purchase Agreement prior to its execution, the Bonds shall be payable as to interest and shall mature serially in each year on October 1, and shall be subject to optional redemption as set forth in the Bond Purchase Agreement.

Section 2.03. Security

The Bonds shall be special obligations of the City, payable as to principal and interest solely from and secured by a lien on and a pledge of the Revenues (as defined in the Preliminary Official Statement) to be derived from the operation of the City's waterworks and sewage system. The lien on the Revenues securing the Bonds is subordinate to the lien on the Revenues securing certain Prior Obligations, as defined in the Preliminary Official Statement. No special ad valorem tax shall be levied to pay the Bonds. The Bonds shall neither be nor constitute an indebtedness of the City within the meaning of any constitutional, statutory, or charter limitations of indebtedness, but shall be payable solely from the Revenues and other funds pledged thereto as provided for herein. No Owner(s) of any of the Bonds shall ever have the right to compel the exercise of the ad valorem taxing power of the City, or taxation in any form of any real property therein, to pay the Bonds or the interest thereon.

Section 2.04. Appointment of Initial Paying Agent

The Board shall appoint a Paying/Transfer Agent/Registrar for the Bonds at a later date.

Section 3.01. Sale of Bonds

A. The Board anticipates selling the Bonds to the Purchaser in accordance with the terms and provisions hereof and in the Bond Purchase Agreement in substantially the form attached hereto. The Purchaser is hereby authorized and directed to price the Bonds as soon after the date hereof as is deemed feasible by the Purchaser and to report the final pricing and details of the proposed sale to the City's Mayor. As long as the final details of the sale are substantially the same as those set forth in this resolution and in the Bond Purchase Agreement, and provided that the sale of the Bonds will result in a present value savings of at least \$84,000, the Mayor is authorized to execute and deliver on behalf of the Board a Bond Purchase Agreement in substantially the form attached hereto, with any revisions thereto as may be approved by the Mayor, with such execution and delivery to be conclusive proof of the Mayor's approval.

Section 3.02. Use of Proceeds

The Bond proceeds not used to pay costs of issuance will be deposited into the Escrow Fund established pursuant to the Escrow Agreement. The Board will approve the Escrow Agreement and appoint the Escrow Agent at a later date.

Section 3.03. Approval of Preliminary Official Statement: Authorization to Distribute Final Official Statement

The Preliminary Official Statement prepared in connection with the sale of the Bonds and attached hereto is hereby approved and deemed to be "final" as described in SEC Rule 15c2-12(b)(1) for the purpose of such rule, and the distribution of the Preliminary Official Statement is hereby approved. The Official Statement is hereby approved in substantially the form of the Preliminary Official Statement with such changes as shall be necessary to make the statements made therein correct as of the date thereof, which changes shall be approved by the Mayor and with such additions as are required by Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934; the distribution of said Official Statement is hereby authorized, and the Mayor is hereby authorized to execute the same in connection with the delivery of the Bonds.

Section 4.01. Repealing Clause

All prior orders, resolutions or proceedings of the Board, in conflict with the provisions of this Resolution shall be, and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict.

Section 4.02. Time of Effect

For cause this Resolution shall become effective immediately upon the adoption hereof.

Following the reading of the foregoing resolution, upon motion of Alderman BRABHAM, seconded by Alderman FISHER, a vote was called for, with the following results:

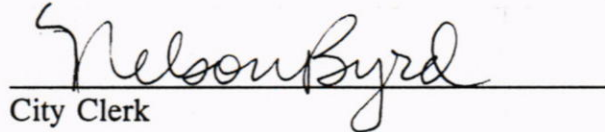
Alderman O.C. George Ferrell	Voted: <u>Aye</u>
Alderman Rodney W. DePriest	Voted: <u>Aye</u>
Alderman Ben L. Todd	Voted: <u>Aye</u>
Alderman Phil Fisher	Voted: <u>Aye</u>
Alderman Herb Touchton	Voted: <u>Absent</u>
Alderman Sharbert K. Lott	Voted: <u>Aye</u>
Alderman-at-Large Jehu Brabham	Voted: <u>Aye</u>

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 7th day of November, 1995.

CITY OF CLINTON, MISSISSIPPI


Mayor

ATTEST:


City Clerk