

**REGULAR MEETING OF THE MAYOR AND BOARD OF ALDERMEN
TUESDAY, JUNE 1, 1993 - 7 P. M.
MUNICIPAL COURTROOM**

The Mayor and Board of Aldermen of the City of Clinton, Mississippi, met in Regular Meeting on Tuesday, June 1, 1993, 7 P.M. at the Municipal Courtroom, 305 Monroe Street.

WELCOME AND CALL TO ORDER - Mayor Billy Ray Smith

INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG

The Invocation was led by Jean Johnson, followed by the Pledge of Allegiance to the Flag led by Alderman Sharbert Lott.

ROLL CALL - City Clerk Nelson Byrd

Present - Willard Ryan - Alderman-at-Large
Edward Valente - Alderman Ward 2
Ben Todd - Alderman Ward 3
Phil Fisher - Alderman Ward 4
Jean Johnson - Alderman Ward 5
Sharbert Lott - Alderman Ward 6
Mayor Billy Ray Smith - Presiding
City Attorney William E. Spell
City Clerk Nelson Byrd

Absent - O. C. George Ferrell - Alderman Ward 1 - death in family

APPROVAL OF CONSENT AGENDA ITEMS A-KK:

MOTION made by Alderman Johnson and **SECONDED** by Alderman Fisher to approve Consent Agenda Items A-KK as found on pages 1120-1121 of this Minute Book V. **MOTION CARRIED UNANIMOUSLY.** Quotes listed in items E, JJ, and KK are on file in the Office of the City Clerk.

ACTION ON CHAMBERS DIMENSIONAL VARIANCE DELAYED UNTIL NEXT MEETING

Public Works Director Alderman informed the Board that the Planning and Zoning Board voted unanimously to deny a dimensional variance to Becky and Alan Chambers for property located at 211 Lindale Street. Mr. Chambers asked the Board to consider his request to encroach 5 feet on the 25 foot requirement to possibly save money on his part. Alderman Todd suggested he gather more information and come back before the Board at the next Board meeting if necessary. **NO BOARD ACTION TAKEN.**

ACTION ON REZONING OF PROPERTY ON TINNIN ROAD AT KELLY DRIVE DELAYED UNTIL NEXT MEETING

Public Works Director Alderman informed the Board that the Planning and Zoning Board voted unanimously to approve the rezoning of property on Tinnin Road at Kelly Drive. Alderman Valente asked to delay until June 15, 1993 any Board action so that more information could be gathered. **NO BOARD ACTION TAKEN.**

APPROVAL OF THE PRELIMINARY PLAT FOR THE JOE T. DEHMER PROPERTY PHASE I PART II

Public Works Director Alderman informed the Board that the Planning and Zoning Board voted unanimously to approve the preliminary plat with the Court's approval for the Joe T. Dehmer property Phase I Part II. Following lengthy discussion from Attorney Spell and Mr. Martin who was representing Joe T. Dehmer, **MOTION** made by Alderman Valente and **SECONDED** by Alderman Ryan to approve the preliminary plat for Phase I Part II of the Dehmer, Dinkins and Vanmali development and that the Board approve the design concept for a proposed diversion ditch as an interim

modification of the preliminary plat for the overall development.
MOTION CARRIED UNANIMOUSLY.

APPROVAL OF RESOLUTION AUTHORIZING CMPDD TO APPLY FOR CDBG HOUSING GRANT

Following presentation by Mike Monk of CMPDD and acting upon Mayor Smith's recommendation, MOTION made by Alderman Lott and SECONDED by Alderman Johnson to approve the resolution as found on page 1122 of this Minute Book V authorizing CMPDD to apply for CDBG Housing Grant on behalf of the City. MOTION CARRIED UNANIMOUSLY.

BOARD TO BEGIN DISCUSSIONS WITH SCHOOL BOARD REGARDING LEASING ADDITIONAL PROPERTY

Following presentation by Parks and Recreation Advisory Committee members John King and Paul Mucho and acting upon their recommendation, MOTION made by Alderman Johnson and SECONDED by Alderman Lott for the Mayor and Board of Alderman to begin discussions with the School Board about the possibility of leasing additional land from the School Board for Traceway Park. MOTION CARRIED 5-1 with Alderman Valente casting the "nay" vote.

SURPLUS POLICE CARS BID REJECTED AND TO BE RE-ADVERTISED

Acting upon recommendation by City Clerk Byrd, MOTION made by Alderman Valente and SECONDED by Alderman Todd to reject the one bid the City received due to the low amount of the bid and re-advertise for additional bids for the surplus police cars. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF BANK LOAN AGREEMENT AND INTEREST RATE FOR LOVETT LAGOON FINANCING

MOTION made by Alderman Ryan and SECONDED by Alderman Fisher to accept the loan agreement and interest rate of 3.625% from Trustmark National Bank as found on page 1123 of this Minute Book V for the borrowing of \$300,000.00 for the upgrade of Lovett Lagoon. This borrowing was Board approved by resolution found on pages 840-841 of this Minute Book V on January 5, 1993. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF RESOLUTION FOR THE LEASE-PURCHASE OF TRACTOR FOR PARKS AND RECREATION

MOTION made by Alderman Valente and SECONDED by Alderman Todd to approve the resolution, attorney's opinion, and lease agreement as found on pages 1124-1136 of this Minute Book V for the lease-purchase of the tractor for Parks and Recreation. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF APPLICATION AND RESOLUTION OF GULF STATES CANNERS, INC. FOR EXEMPTION FROM AD VALOREM TAXES

MOTION made by Alderman Johnson and SECONDED by Alderman Ryan to approve the application and resolution of Gulf States Canners, Inc. for exemption from ad valorem taxes for a period of ten years as authorized by Section 27-31-101, et seq., of the Mississippi Code of 1972, as amended as found on pages 1137-1143 of this Minute Book V. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF RESOLUTION TO BORROW MONEY FOR WICKSTEAD SEWER

MOTION made by Alderman Fisher and SECONDED by Alderman Ryan to approve the resolution found on pages 1144-1145 of this Minute Book V to borrow \$58,000.00 for the costs associated with Wickstead Sewer. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF RESOLUTION FOR COTTON ACRES SPECIAL IMPROVEMENT ASSESSMENT

MOTION made by Alderman Valente and SECONDED by Alderman Fisher to approve the resolution found on pages 1146-1149 of this Minute Book V assessing the cost of construction of \$61,739.00 against the property owners listed on Exhibit A making the individual properties to be assessed the sum of \$4,115.93 each. Prior to a vote being take MOTION made by Alderman Ryan to amend the original motion that the property owners be assessed the total amount of expenses incurred on Cotton Acres changing the assessed amount to \$70,117.92. AMENDED MOTION DIED FOR LACK OF SECOND. Original motion made by Valente, ROLL CALL VOTE: Alderman Ryan - "aye", Alderman Valente - "aye", Alderman Todd - "aye", Alderman Fisher - "aye", Alderman Johnson - "nay", Alderman Lott - "nay". MOTION CARRIED 4-2.

15TH SECTION LEASE FOR BRIARS LAGOON

MOTION made by Alderman Fisher and SECONDED by Alderman Lott to authorize the Mayor and City Clerk to execute the lease approved by the School Board for Briars Lagoon. MOTION CARRIED 6-0 with Alderman Todd abstaining due to possible conflict of interest. Copy of lease may be found on pages 1149-1163 of this Minute Book V.

OTHER BUSINESS

MOTION made by Alderman Johnson and SECONDED by Alderman Lott authorizing the Mayor and Board of Alderman and other City officials to attend the annual MMA convention and to pay expenses. MOTION CARRIED UNANIMOUSLY.

MOTION made by Alderman Johnson and SECONDED by Alderman Ryan for the Parks and Recreation Advisory Committee to evaluate proposed park property and bring recommendation to the Board in two weeks. MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT - 9:25 P.M.

There being no further business to discuss, MOTION made by Alderman Ryan and SECONDED by Alderman Lott to Recess until June 15, 1993, 5 P.M. MOTION CARRIED UNANIMOUSLY.

Copy of Agenda may be found on pages 1120-1121 of this Minute Book V.

APPROVED:	<u>Billy R Smith</u> Billy Ray Smith, Mayor	<u>6-4-93</u> Date
ATTEST:	<u>Nelson Byrd</u> Nelson Byrd, City Clerk	<u>6-4-93</u> Date

SEAL

RESOLUTION

WHEREAS, Clinton, Mississippi, recognizes that community development is a priority concern in this area; and

WHEREAS, the Mayor and Board of Aldermen of Clinton, Mississippi, desire technical assistance from the Central Mississippi Planning and Development District for the purpose of improving the overall well-being of this area; and

WHEREAS, this technical assistance is for the specific function of submission of an application for FY 1993 Community Development Block Grant funds; and

WHEREAS, the District is authorized to investigate, prepare and direct applications for funding to the State of Mississippi.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Board of Aldermen on behalf of Clinton, Mississippi do request assistance from the Central Mississippi Planning and Development District and show their intent to apply for Community Development Block Grant funds, and that the District is requested to aid Clinton, Mississippi in this matter. The Board of Aldermen further designates the Mayor to act as a representative of the city in this matter and to execute all necessary forms and documents on behalf of the city.

Dated this the 1ST day of JUNE, 1993

Clinton, Mississippi

By: Billy R Smith
Mayor

ATTEST:

By: Nelson Byrd

Trustmark National Bank
Post Office Box 291
Jackson, Mississippi 39205-0291
601 354 5111

10



Trustmark

May 20, 1993

MAYOR AND BOARD OF ALDERMAN
CITY OF CLINTON
300 JEFFERSON STREET
CLINTON, MS. 39056

DEAR SIRS:

WE APPRECIATE THE OPPORTUNITY TO BID ON THE \$300,000.00 NOTE TO THE CITY OF CLINTON TO FACILITATE THE UPGRADING OF THE LOVETT LAGOON SEWER TREATMENT FACILITY. WE WILL AGREE TO OFFER AN INTEREST RATE OF 3.625% ON THE NOTE AS DESCRIBED IN YOUR RESOLUTION DATED JANUARY 5, 1993. THE NOTE SHOULD BE FUNDED WITHIN A TWO WEEK PERIOD FROM THE DATE OF THIS LETTER. THIS RATE IS CONTINGENT UPON THE NOTE BEING QUALIFIED AS A TAX EXEMPT OBLIGATION UNDER INTERNAL REVENUE CODE SECTION 265 (B) (3). THE BANK WILL NEED AN ATTORNEYS OPINION FROM THE CITY'S LEGAL COUNSEL ADDRESSED TO TRUSTMARK NATIONAL BANK AS WELL AS A CERTIFIED COPY OF THE RESOLUTION AUTHORIZING THIS BORROWING. WE WILL WELCOME THE OPPORTUNITY TO ONCE AGAIN BID ON ANY FUTURE BORROWING.

SINCERELY,

JOHN W. MURPHY, JR.
VICE PRESIDENT

ACCEPTED AND AGREED TO BY RESOLUTION DULY PASSED BY THE MAYOR AND BOARD OF ALDERMAN OF THE CITY OF CLINTON, MISSISSIPPI THIS THE 1st DAY OF June, 1993.

MAYOR
CITY CLERK

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 MAYOR BILLY RAY SMITH (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 1993.

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 1993, Lessee has designated \$ 251,169.60 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 1993 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 1992 will not exceed \$10,000,000.

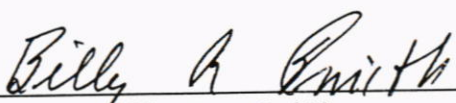
Section 9. For purposes of this resolution, the amount of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from Lessee or by an entity subject to substantial control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

Motion made by Alderman Valente and seconded by Alderman Todd to adopt the foregoing resolution with motion carrying unanimously. The result was as follows:

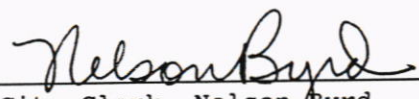
Alderman Ryan	Voted: Aye
Alderman Valente	Voted: Aye
Alderman Todd	Voted: Aye
Alderman Fisher	Voted: Aye
Alderman Johnson	Voted: Aye
Alderman Lott	Voted: Aye

The motion having received the affirmative vote of all members present, the motion carried unanimously and the resolution was adopted this the 1st day of June, 1993.



Mayor Billy Ray Smith

ATTEST:



City Clerk, Nelson Byrd

SEAL

ROSS, HUNT, SPELL & ROSS

A PROFESSIONAL ASSOCIATION
ATTORNEYS AT LAW
203 MONROE STREET
CLINTON, MISSISSIPPI 39056
TEL: 601-924-2655
FAX: 601-924-8958

TOM T. ROSS, SR.
*DAVID R. HUNT
*WILLIAM E. SPELL
TOM T. ROSS, JR.

*ALSO ADMITTED IN DISTRICT OF COLUMBIA

P.O. BOX 1196
123 COURT STREET
CLARKSDALE, MISSISSIPPI 38614
601-627-5251

June 3, 1993

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. 02 (7954606)

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 June 1, 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 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.

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,

William E. Spell
Legal Counsel
City of Clinton

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: _____

Title: Mayor

Date: 6-1-93

---NONE---

EXHIBIT A

EQUIPMENT LEASE SCHEDULE

Lease Schedule Number 02 (7954606)

This Lease Schedule to the Equipment Lease-Purchase Agreement dated as of JUNE 1, 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 TRACEWAY PARK, CLINTON, MISSISSIPPI.

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 \$11,256.00 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 6.25 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 1ST day of JUNE, 19 93.

LESSOR:

LESSEE:

First Continental Leasing, a
division of Bank of Mississippi

City of Clinton, Mississippi

By: _____

By: _____

Title: _____

Title: Mayor

EXHIBIT B

EQUIPMENT DESCRIPTION

1 - Ford Tractor, Model 3930 S#

EXHIBIT "B-1"

1131

Prepared by: First Continental Leasing
 Serial #: 1A3.3S324C

INFO - ANALYSIS
 Payment Amortization Schedule

2/25/93 @ 9:57am

Lender: First Continental Leasing
 Customer: City of Clinton

Per Mo/Yr	<-----Payments----->			<-----Balances----->		
	Payment	Principal	Interest	Net Balance	Princ Balance	Accrued Int
0 3/93	341.92	341.92	0.00	10,914.08	10,914.08	0.00
1 4/93	341.92	285.08	56.84	10,628.99	10,628.99	0.00
2 5/93	341.92	286.57	55.36	10,342.43	10,342.43	0.00
3 6/93	341.92	288.06	53.87	10,054.37	10,054.37	0.00
4 7/93	341.92	289.56	52.37	9,764.81	9,764.81	0.00
5 8/93	341.92	291.07	50.86	9,473.75	9,473.75	0.00
6 9/93	341.92	292.58	49.34	9,181.16	9,181.16	0.00
7 10/93	341.92	294.11	47.82	8,887.06	8,887.06	0.00
8 11/93	341.92	295.64	46.29	8,591.42	8,591.42	0.00
9 12/93	341.92	297.18	44.75	8,294.24	8,294.24	0.00
1993 12/93	3,419.25	2,961.76	457.49			
10 1/94	341.92	298.73	43.20	7,995.51	7,995.51	0.00
11 2/94	341.92	300.28	41.64	7,695.23	7,695.23	0.00
12 3/94	341.92	301.85	40.08	7,393.39	7,393.39	0.00
13 4/94	341.92	303.42	38.51	7,089.97	7,089.97	0.00
14 5/94	341.92	305.00	36.93	6,784.97	6,784.97	0.00
15 6/94	341.92	306.59	35.34	6,478.39	6,478.39	0.00
16 7/94	341.92	308.18	33.74	6,170.20	6,170.20	0.00
17 8/94	341.92	309.79	32.14	5,860.41	5,860.41	0.00
18 9/94	341.92	311.40	30.52	5,549.01	5,549.01	0.00
19 10/94	341.92	313.02	28.90	5,235.99	5,235.99	0.00
20 11/94	341.92	314.65	27.27	4,921.33	4,921.33	0.00
21 12/94	341.92	316.29	25.63	4,605.04	4,605.04	0.00
1994 12/94	4,103.10	3,689.20	413.90			
22 1/95	341.92	317.94	23.98	4,287.10	4,287.10	0.00
23 2/95	341.92	319.60	22.33	3,967.50	3,967.50	0.00
24 3/95	341.92	321.26	20.66	3,646.24	3,646.24	0.00
25 4/95	341.92	322.93	18.99	3,323.31	3,323.31	0.00
26 5/95	341.92	324.62	17.31	2,998.69	2,998.69	0.00
27 6/95	341.92	326.31	15.62	2,672.39	2,672.39	0.00
28 7/95	341.92	328.01	13.92	2,344.38	2,344.38	0.00
29 8/95	341.92	329.71	12.21	2,014.67	2,014.67	0.00
30 9/95	341.92	331.43	10.49	1,683.23	1,683.23	0.00
31 10/95	341.92	333.16	8.77	1,350.08	1,350.08	0.00
32 11/95	341.92	334.89	7.03	1,015.18	1,015.18	0.00
33 12/95	341.92	336.64	5.29	678.54	678.54	0.00
1995 12/95	4,103.10	3,926.50	176.60			

EXHIBIT "B-2"

Prepared by: First Continental Leasing
Serial #: 1A3.3S324C

I N F O - A N A L Y S I S
Payment Amortization Schedule

2/25/93 @ 9:57am

Lender: First Continental Leasing
Customer: City of Clinton

Per Mo/Yr	<-----Payments----->			<-----Balances----->		
	Payment	Principal	Interest	Net Balance	Princ Balance	Accrued Int
34 1/96	341.92	338.39	3.53	340.15	340.15	0.00
35 2/96	341.92	340.15	1.77	-0.00	-0.00	0.00
36 3/96	0.00	0.00	0.00	-0.00	-0.00	0.00
1996 3/96	683.85	678.54	5.31			
Totals	12,309.30	11,256.00	1,053.30			

Note: Interest is calculated at the Interest Rate of 0.520833%.

EQUIPMENT ACCEPTANCE NOTICE

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

RE: Equipment Lease-Purchase Agreement dated as of JUNE 1, 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 JUNE 1, 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: _____

Title: Mayor

Date: 6-1-93

EXHIBIT C

EQUIPMENT DESCRIPTION

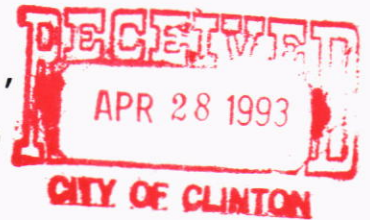
1 - Ford Tractor, Model 3930 S#

EXHIBIT "C-1"

1139

12

APPLICATION OF GULF STATES CANNERS, INC.,
FOR EXEMPTION FROM AD VALOREM TAXES
FOR A PERIOD OF TEN YEARS AS AUTHORIZED
BY SECTION 27-31-101, ET SEQ., OF THE
MISSISSIPPI CODE OF 1972, AS AMENDED



TO THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF CLINTON, HINDS COUNTY, MISSISSIPPI:

(1)

Gulf States Canners, Inc., files this its Application in triplicate for exemption from ad valorem taxation, and respectfully represents unto this Honorable Board of Aldermen and Mayor of the City of Clinton, Hinds County, Mississippi, as follows:

(2)

Applicant, Gulf States Canners, Inc., is a Mississippi corporation and domiciled in the City of Clinton, Hinds County, Mississippi.

(3)

Applicant is now operating as a plastics products manufacturing type of industry within the City of Clinton, Hinds County, Mississippi, which factory is a bona fide expanded enterprise of public utility within the meaning of Section 27-31-101, et seq., and related Sections of the Mississippi Code of 1972, as amended, and is eligible for the exemption granted by the above mentioned section by specific enumeration, namely a manufacturer and processor as contemplated by the pertinent laws of the State of Mississippi, particularly Title 27, Chapter 31, Mississippi Code of 1972. The exemption sought in this Application is for the acquisition of new equipment necessary for the operation of Applicant.

(4)

Said enterprise was completed on the 31st day of December, 1992, within the meaning of the applicable statutes of the State of Mississippi, and, therefore, the exemption hereby claimed should commence on said date.

(5)

On December 31, 1992, Applicant employed at its Clinton Industrial Park plant approximately one hundred fifty-five (155)

employees with an estimated annual payroll of approximately \$3,300,000.00. Additionally, the operations of Applicant have created numerous additional jobs for firms in Hinds County, Mississippi, supplying trucking services for the transporting of Applicant's products to various consumers of these products in the States of Louisiana, Arkansas, Tennessee, Alabama and Mississippi.

(6)

The additions and expansions hereinabove described will not create any new permanent jobs, but are essential to the preservation of the competitive position of Applicant and, therefore, are essential to the preservation of existing jobs and to the maintenance of Applicant's competitive position with other manufacturing operations in competition with Applicant.

(7)

That said exemption of the tangible property described in Exhibit "A" should be granted for a period of ten (10) years from said date of completion.

(8)

That the true value of all property to be exempted is \$679,145.62, as shown in an itemized list attached hereto as Exhibit "A" and made a part hereof.

WHEREFORE, Applicant prays that this Board enter a finding that Applicant's factory is in fact an expanded enterprise of public utility, and that the same was completed on the 31st day of December, 1992, within the meaning of the applicable laws of Mississippi; and

That Applicant be granted an exemption from ad valorem taxation except State and School District ad valorem taxation, as provided by law, for a period of ten (10) years beginning on the 1st day of January, 1993, and ending on the 31st day of December 2002, upon all of the tangible property described in Exhibit "A" attached hereto and made a part hereof, used in, or necessary to the operation of Applicant's factory in the City of Clinton, Hinds County, Mississippi; and

That this Board 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 and School District ad valorem taxation, for a period of ten (10) years and forward the original and three certified copies of this Application and a certified transcript of such approval to the Mississippi State Tax Commission and upon approval of such Application by the said Mississippi State Tax Commission and certification of its approval, the Board will enter a final order on its minutes granting the exemption herein prayed.

Respectfully submitted, this the 27 day of April, 1993.

GULF STATES CANNERS, INC.

BY: Randy Lee - Controller
RANDY LEE, CONTROLLER

Marion Smith
MARION SMITH
TRULY, SMITH, LATHAM & KUEHNLE
P.O. BOX 1307
NATCHEZ, MS 39121
ATTORNEYS FOR APPLICANT,
GULF STATES CANNERS, INC.

STATE OF MISSISSIPPI
COUNTY OF HINDS

Personally came and appeared before me, the undersigned authority in and for the jurisdiction aforesaid, RANDY LEE, who being by me first placed on oath, deposes and says:

Affiant is the duly constituted, acting and serving Controller of Gulf States Canners, Inc., the Applicant named in the above and foregoing Application for tax exemption addressed to the Board of Supervisors of Hinds County, Mississippi, and as such, is duly authorized to execute, file and present this Application on behalf of the Corporate Applicant.

The construction projects were described in the Application were completed during the year 1992.

All of the matters and facts set forth in the above and foregoing Application are true and correct as therein stated.

Randy Lee
RANDY LEE

Sworn to and subscribed
before me, this the 27
day of April, 1993.

Linda J. Bogard
Notary Public

MY COMMISSION EXPIRES:
My Commission Expires March 30, 1995

EXHIBIT "A"

<u>ASSET #</u>	<u>DESCRIPTION</u>	<u>ACQ. DATE</u>	<u>COST</u>	<u>ACCT. #</u>
7031	LIGHTWEIGHT 16 OZ MOLDS	03/09/92	\$ 30,875.00	1711-340
7032	2L LABELER CONVEYOR	07/02/92	22,111.00	1711-340
5077	16/200Z ALCOA RAIL CAPPER	03/05/92	36,004.82	1720-110
5078	CONVEYOR 16/200Z FILLING	11/01/92	40,024.00	1720-110
5079	PUREFLOW UV SYSTEM	10/17/92	26,758.15	1720-110
5080	LABOR-PUREFLOW UV SYSTEM	10/17/92	1,125.00	1720-110
5081	FILL LEVEL INSPECTOR	08/16/92	16,491.62	1720-110
5082	FILL LEVEL INSPECTOR	08/16/92	16,491.63	1720-110
5083	16/200Z FILLING LABELER	11/01/92	72,049.98	1720-110
5084	16/200Z FILLING LABELER	11/01/92	72,049.99	1720-110
5085	BRIX/DIET/CO2 ANALYZER	07/19/92	31,776.59	1720-110
5086	BRIX/DIET/CO2 ANALYZER	07/19/92	31,776.58	1720-110
7033	16/200Z HI SPEED LABELER	11/01/92	69,974.98	1721-340
7034	2 LITER HI SPEED LABELER	11/01/92	70,049.99	1721-340
7035	2 LITER HI SPEED LABELER	11/01/92	70,049.99	1721-340
7036	REFURBISH 200Z MOLDS	08/13/92	43,746.30	1721-340
7037	CONVEYOR FOR ACCUMLATING	05/20/92	27,790.00	1721-340
TOTAL			\$679,145.62	

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RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN
OF THE CITY OF CLINTON,
HINDS COUNTY, MISSISSIPPI,
GRANTING EXEMPTION FROM
AD VALOREM TAXATION

The Board next took up for consideration the matter of granting tax exemption from ad valorem taxes for Gulf States Cannery, Inc., and the following Resolution, having first been reduced to writing, was introduced:

RESOLUTION OF THE MAYOR AND BOARD OF ALDERMEN
OF THE CITY OF CLINTON,
HINDS COUNTY, MISSISSIPPI,
GRANTING TAX EXEMPTION FROM AD VALOREM TAXES
FOR A PERIOD OF TEN YEARS TO
GULF STATES CANNERS, INC.,
AS AUTHORIZED BY SECTION 27-31-101, ET SEQ.,
OF THE MISSISSIPPI CODE OF 1972, AS AMENDED.

WHEREAS, Gulf States Cannery, Inc., filed in triplicate with this Board its Application for exemption from ad valorem taxation; and

WHEREAS, Gulf States Cannery, 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, the completion date of said enterprise; and

WHEREAS, this Board finds as a fact that the property described in the aforesaid Application constitutes an industrial enterprise of public utility which was completed on the 31st day of December, 1992, and that said Company is entitled to the exemption sought of a period of ten (10) years, beginning on January 1, 1993, subject to the approval and certification by the Mississippi State Tax Commission.

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

1. That the Application for ad valorem tax exemption by Gulf States Cannery, Inc., for a period of ten (10) years, beginning January 1, 1993, on the property described in the Application filed by said Company for tax exemption, be, and the same is hereby, approved, subject to approval and certification by the Mississippi State Tax Commission.

2. That Gulf States Cannery, Inc., is hereby granted tax exemption on ad valorem taxes, except State and School District ad valorem taxation, for a period of ten (10) years, beginning January 1, 1993.

3. That the Clerk of this Board be, and he 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 approval and certification; and said Clerk shall also forward one certified copy to the Tax Assessor of the City of Clinton, Hinds County, Mississippi, and obtain the Certificate of said Tax Assessor stating that both the real and 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, Ald. Johnson moved that the foregoing Resolution be adopted and said motion was seconded by Ald. Ryan, and upon the question being put to a vote, the Resolution was unanimously adopted by the affirmative vote of the members of the Board of Aldermen of the City of Clinton, Hinds County present.

WHEREUPON, the foregoing Resolution was declared passed and adopted at a regular meeting of the Mayor and Board of Aldermen of the City of Clinton, Hinds County, Mississippi, on this 1st day of June, 1993.

CITY OF CLINTON, MISSISSIPPI

BY: Billy A. Smith
MAYOR

ATTEST:

Nelson Byrd
CITY CLERK

CERTIFICATE OF HINDS COUNTY TAX ASSESSOR

STATE OF MISSISSIPPI

COUNTY OF HINDS

I, Mike Barnes, Tax Assessor of the City of Clinton, Hinds County, Mississippi, do hereby certify that the above and foregoing property was entered on the "State Tax Only" or other appropriate tax roll on the ____ day of _____, 1993, at _____ .M., for a period of ten (10) years from and after the 1st day of January, 1993.

This the ____ day of _____, 1993.

MIKE BARNES, TAX ASSESSOR

SEAL

RESOLUTION

WHEREAS, the Mayor and Board of Aldermen, after duly published Notice and public hearing, found and determined that a Special Improvement District should be created to be known generally as the Wickstead Special Improvement District; and

WHEREAS, the Mayor and Board of Aldermen determined that the cost of said project should be assessed to the property benefitted without regard to front footage but by parcel; and

WHEREAS, the Mayor and Board of Aldermen determined that the owners of said property should have the right, as provided by law, to pay for said improvement assessments; and

WHEREAS, the project having been approved, is ready for construction, after which the cost of construction will be assessed to the property owners; and

WHEREAS, it is necessary that the City borrow money required for the construction of the said Special Improvement Project;

NOW, THEREFORE, BE IT RESOLVED that the Mayor be, and hereby is, authorized to borrow the sum of Fifty-Eight Thousand Dollars and no Cents (\$58,000.00), which is the construction cost of the Wickstead Special Improvement Project, and that the Mayor and City Clerk be, and hereby are, authorized to execute such documents as are necessary and required to borrow said money from any lending institution from which the City, by law, may borrow such monies.

BE IT FURTHER RESOLVED that the cost of borrowing for construction shall be assessed as a cost of the Wickstead Special Improvement Project to be paid by the owners of the property benefitted from such Special Improvement Project in accordance with the assessment to be made, as provided by law.

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

Alderman Ryan voted: aye

Alderman Valente voted: aye

Alderman Todd voted: aye

Alderman Fisher voted: aye

Alderman Johnson voted: aye

Alderman Lott voted: aye

APPROVED on the 1st day of June, 1993.

Billy R Smith
BILLY RAY SMITH, MAYOR

ATTEST:

Nelson Byrd
NELSON BYRD, CITY CLERK

RESOLUTION

WHEREAS, the Mayor and the Board of Aldermen of the City of Clinton, Mississippi, acting as the governing authority of said municipality, determined that certain special improvements, namely, sanitary sewer facilities, should be provided and located in Cotton Acres Subdivision; and

WHEREAS, on October 6, 1992, a Resolution authorizing that project and the assessment of its cost against the property benefit was approved by the governing authority; and

WHEREAS, the project has been completed at a total cost of Seventy Thousand One Hundred Seventeen Dollars Ninety-two Cents (\$70,117.92); and

WHEREAS, the cost of said project is to be assessed equally among the properties benefitted by the project, a list of which is attached to this Resolution as Exhibit A; and

WHEREAS, the City Clerk has caused to be prepared an assessment book for local improvements into which has been placed the assessments for the special improvements of Cotton Acres Subdivision; and

WHEREAS, the assessment roll, including the identity of the properties assessed and the amounts assessed against each property, is now available for inspection in the office of the City Clerk during regular business hours;

NOW, THEREFORE, BE IT RESOLVED AND ORDAINED as follows:

1. The cost of construction of Sixty-One Thousand Seven Hundred Thirty-Nine Dollars and no Cents (\$61,739.00) is hereby assessed against the property benefitted by the special improvements constructed in the Cotton Acres Subdivision and the individual properties listed on Exhibit A are hereby assessed the sum of \$4,115.93 each.

2. Notification should be given in writing to each of the property owners of the hearing set by this Resolution to hear objections to said assessment.

3. The Mayor and Board of Aldermen hereby set a hearing for 7 P. M., July 6, 1993, at its regular Board meeting in the Courtroom of the City of Clinton to hear objections to said assessments.

4. The City Clerk is directed to advertise in some newspaper published in said municipality, the first notice of which shall be published not less than fifteen (15) days from the date of the hearing.

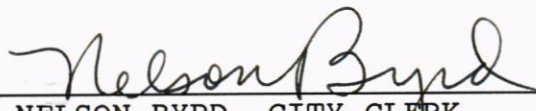
Alderman Valente moved that the foregoing Resolution be adopted. Alderman Fisher seconded. The vote as as follows:

Alderman Ryan voted :	<u>AYE</u>
Alderman Valente voted:	<u>AYE</u>
Alderman Todd voted:	<u>AYE</u>
Alderman Fisher voted:	<u>AYE</u>
Alderman Johnson voted:	<u>NAY</u>
Alderman Lott voted:	<u>NAY</u>

APPROVED on the 1st day of June, 1993.


BILLY RAY SMITH, MAYOR

ATTEST:


NELSON BYRD, CITY CLERK

COTTON ACRES
Special Assessment Roll

<u>Parcel No.</u>	<u>Name of Owners</u>	<u>Assessment</u>
2982-2	M/M Jones Fedric	\$ 4,115.93
2982-3	M/M Charles Fendley	4,115.93
2982-4	M/M Tom Coward	4,115.93
2982-5	Philip and Karen Goode	4,115.93
2982-6	William D. Woodard	4,115.93
2982-7	M/M Lloyd Richberg	4,115.93
2982-8	M/M Clark Sullivan	4,115.93
2982-9	M/M Sonny Jones	4,115.93
2982-10	M/M Neil King	4,115.93
2982-11	M/M Donald K. Walker	4,115.93
2982-12	M/M Dan Modisett	4,115.93
2982-13	M/M Neil Poag	4,115.93
2982-14	M/M Ennis Kay	4,115.93
2982-15	M/M Billy Sam Ward	4,115.93
2982-16	M/M David Nohra	4,115.93

COMMERCIAL LEASE CONTRACT FOR SCHOOL TRUST LANDS

STATE OF MISSISSIPPI
COUNTY OF HINDS

THIS AGREEMENT made and entered into this the 8th day of June, 1993, by and between the Board of Trustees, Clinton Public School District (herein called "LESSOR") and The City of Clinton, Mississippi (herein called "LESSEE") to create a lease and grant of easement to said City across and upon School Trust Lands of the State of Mississippi of which the LESSOR is Trustee:

WITNESSETH:

LESSOR is, ex officio, Trustee of such School Trust Lands which lie within the confines of the Clinton Public School District, Hinds County, Mississippi; among which is a tract of land in Section 15, Township 6 North, Range I West of the First Judicial District thereof; and, is empowered to lease such lands in the manner and form provided by and pursuant to statute. LESSEE, City of Clinton, a Code Charter municipality of the State of Mississippi which lies within the said Clinton Public School District, is desirous of leasing certain tracts of land in said Section 15 for the purpose of constructing, maintaining and operating a waste water disposal facility, access thereto and certain affluent/influent lines thereof in extension of the waste disposal system of the City.

NOW, THEREFORE, acting pursuant to resolution adopted in meeting assembled on the 11th day of May, 1993 of the said Board of Trustees FOR THE TERM AND IN CONSIDERATION OF THE RENTALS AND THE PERFORMANCE OF COVENANTS, AGREEMENTS AND CONDITIONS HEREAFTER RECITED; and other good and valuable consideration, the receipt and sufficiency of all of which is acknowledged; and, LESSOR, pursuant to said statutes, does hereby rent, lease and let unto LESSEE those certain tracts of land in said Section 15, Township 6 North, Range 1 West, First Judicial District, Hinds County, Mississippi, as described on Annex "A through D" hereto and made a part hereof as if fully copied and written herein in words and figures; and, solely for the purposes herein stated.

1.

THE TERM of this lease shall be for forty (40) years, to begin on the 1st day of July, 1993, and to terminate on the last day of June, 2033 A.D., and upon which termination the Lessee shall have the prior right, exclusive of all others, to re-lease said property for the selfsame purposes as herein stated at an annual rental based upon the then appraised fair market value of the land; said appraisal

excluding the value of buildings and improvements thereon not then owned by LESSOR.

2.

Concurrently with execution of this lease agreement, LESSEE does pay as annual rent to LESSOR the sum of \$5328.00 dollars representing a rental per acre of \$277.72 and LESSEE covenants and agrees to pay, in advance, the same sum per annum on or before the anniversary date of this lease each year thereafter; subject, however to a rent adjustment clause hereafter expressed and further, for and in consideration of the payment of \$144.00 per year, the grant of an easement of 25 feet in width described in Annex "E" for construction purposes and centered over and along that certain easement for the placement of a sanitary sewer main affluent line below plow depth granted herein and depicted in Annex "D", said easement for construction to exist for the period of two years from the date and upon the termination of which the surface of the area shall be restored to level of the surface surrounding.

3.

The LESSOR shall have a reappraisal of the subject property made a minimum of ninety (90) days prior to the tenth, twentieth and thirtieth anniversary dates of the execution of this lease to determine and establish the then current and fair market value of the property; and, to determine the necessity and/or propriety of a readjustment of rent. Buildings and other improvements upon the property and not owned by LESSEE shall be excluded from the evaluation then made. LESSOR shall notify LESSEE of the reappraisal and submit to LESSEE a true copy thereof. In the event said subsequent reappraisals establish a then current and fair market value of the property greater than that determined at the date of execution of the initial lease or such subsequent appraisals, the annual rental shall be adjusted accordingly and the LESSEE shall pay a rental for the succeeding ten (10) year Period on the basis of the appraised then made and at the annual Percentage rate then deemed appropriate in said appraisal. The amount of the rent determined in the manner aforesaid on the tenth (10th), twentieth (20th) and thirtieth (30th) anniversary dates, respectively, shall be paid annually as for the ten (10) years next succeeding; which procedure shall be followed throughout the balance of the lease term. (a) Adjustments of annual rental determined by the above stated statutory appraisal procedure shall be binding upon the LESSOR and LESSEE. (b) Regardless of any appraisal made hereafter by the procedure described above, the annual rental

on any adjustment date shall not be reduced below the amount established upon the initial date of this lease or at date of the adjustment of rental last made; which ever shall be the greater sum.

4.

LESSEE covenants and agrees to pay any and all general taxes and special assessments, if ever any there be, applicable to the above described property and LESSEE'S interest therein; and, further, LESSEE covenants and agrees to pay any and all costs of survey and recording fees in connection with this lease and such other fees as determined by law.

5.

LESSEE MAY NOT ASSIGN, TRANSFER, SUBORDINATE OR SUB-LEASE the property hereby leased without the consent and approval of the LESSOR. If the LESSEE desires to sell or convey any buildings or improvements situated upon the leased property and the purchaser of said buildings or improvements deems it necessary to acquire a lease of the said property, the LESSEE shall file a "NOTICE OF INTENT TO CANCEL" with the Superintendent of Education of the school district which is then Trustee of the School Trust Lands herein described. Upon approval of such cancellation by the Board of Trustees of said school district, this lease shall be deemed canceled and the Superintendent shall record such cancellation as required. Upon any such cancellation of this lease, unless the date of any other reappraisal otherwise required herein shall fall within twelve months of the date of approval of said cancellation, a reappraisal of said property shall be ordered by the Board of Trustees for determination of the then current fair market value of said lands; exclusive of said buildings and/or improvements not owned by LESSOR. Any purchaser of said buildings and improvements shall incur all obligation and responsibilities required of the initial LESSEE; but shall have the exclusive option to enter into a lease agreement with this LESSOR, or its successor, within ninety (90) days of completion of said reappraisal at an annual rent for the lease sought to be acquired based upon the then fair market value and determined in the same manner and procedure and subject to the same rental adjustment provisions herein provided; but in no event less than the rental amount established upon the initial date of this lease or at date of the adjustment of rental last made; which ever shall be the greater sum.

6.

LESSEE herein expressly agrees that should DEFAULT be made in payment of

tax assessment, if any, or rent due pursuant to this lease, then and in any such event, this lease shall be in DEFAULT; and, upon thirty (30) days written notice to LESSEE by LESSOR of its intent to so act, either with or without other notice or process of law, it shall be lawful for LESSOR to enter upon said premises, or any part thereof; and, at the election of LESSOR it may re-enter, repossess and distrain the same for any rent or assessment which may be due thereon. Nothing herein is to be construed to mean that, at its election, LESSOR may not hold LESSEE liable for any rent or assessment which may be due and unpaid thereon to that time. Enforcement of any and all other conditions, covenants and obligations imposed on the LESSEE herein, shall be by proceeding at law or in equity against LESSEE, or any entity acting therefor, to seek an Order to restrain said violation and to recover damages, if any, for the violation or attempted violation of the terms, conditions, covenants and obligations of this lease. LESSEE agrees and expressly covenants that the word "damages" includes the reasonable expense of such action necessary to enforce compliance with the terms and conditions of this lease and includes attorney's fees and costs of suit incurred therein; and, which damages LESSEE here expressly agrees to pay. Enforcement by such proceedings at law or in equity may be instituted at any time after thirty (30) days written notice to LESSEE as aforesaid and the continued failure to correct the violation or breach of these agreements. Invalidation of any provision of this lease by judgment or court order shall operate as an approved "NOTICE OF CANCELLATION" as set forth in paragraph 5 above.

7.

In the event of any FORFEITURE, DEFAULT, OR CANCELLATION of this lease or termination of the terms therefore as aforesaid, the LESSEE shall quit, deliver up and surrender to LESSOR possession of the lease property and all structures and improvements thereon; and whereupon, this lease and all agreements and covenants on LESSOR'S behalf to be performed and kept, shall be utterly void, cease and terminate as if this lease had not been made. In addition thereto, however, LESSOR shall be entitled to such remedies it may have at law or equity against LESSEE for the collection of any rental hereunder which may be unpaid and for such other sums for loss, damages or otherwise that LESSOR may have sustained on account of failure of the LESSEE to fulfill or perform the terms and conditions of this lease.

Immediately upon the termination of this lease, whether by DEFAULT, LIMITATION, FORFEITURE or CANCELLATION, the LESSOR shall be entitled to take possession of said property and improvements thereon, absolutely; custom,

usage, or law to the contrary notwithstanding. In the event, however, all rents and/or other assessments, costs, expenses and fees due through date of removal have been paid, LESSEE shall remove all property of the LESSEE within ninety (90) days and prior to said event of termination, cancellation or default. Any removal of property from the leased property shall be accomplished so as to leave said property in a condition satisfactory to LESSOR and as herein provided.

The LESSEE shall be responsible for all damage that results to the property of Lessor by activity of or for the Lessee under and during the term of this lease. And, LESSEE shall exercise due diligence in the protection of all improvements, timber and other property of LESSOR which may be located on the leased property or in the vicinity thereof, against fire, damage or waste from any and all other causes.

8.

LESSEE agrees and covenants to save and hold harmless, protect and indemnify LESSOR from and against any and all claims whatsoever and by whomever made of and for loss or damage, suits or actions at law, penalty, judgments and costs including attorney's fees, which may arise, grow out of or result from any loss, damage, personal injury or death of persons attributable to and connected with the exercise of any right granted or conferred to LESSEE hereby; and, to any such claim, suit, action, penalty, judgment, costs or fees which are the result of the maintenance, operation, condition or use or lack of maintenance, operation or use of the property herein leased and all activities thereon conducted by LESSEE, whether sustained by LESSOR, its agents, servants or employees or by any other persons, legal entity or corporations which may seek to hold LESSOR liable therefor.

9.

Notwithstanding any other provision of this lease containing a DEFAULT provision, any present or future holder of any security instrument, mortgage or deed of trust to secure money loaned to LESSEE on these facilities shall have the right of a sixty (60) day notice of default within which to cure any DEFAULT which may be cured by the payment of money. For any other condition of DEFAULT for which a forfeiture of said lease may be invoked, such holder of such security instrument, mortgage or deed of trust shall be entitled to notice in writing of the claimed DEFAULT and shall have a reasonable time of not less than sixty (60) days nor more than ninety (90) days within which to require either the correction of such DEFAULT by LESSEE; or, in lieu thereof, to protect itself through the exercise of

a power of sale and thereby obtain a leasehold interest in said property and itself correct the DEFAULT. LESSEE hereby covenants and agrees to provide LESSOR true, as recorded or enrolled, copy in writing of any such mortgages, deeds of trust or other security encumbrance; and further LESSEE agrees that, in the absence of such copy, there is no obligation whatever upon LESSOR to give any notice of LESSOR'S action or intent to act, if any, to any purported holder of such an encumbrance.

LESSEE shall have quiet and peaceful possession of said property through the term hereof for so long as LESSEE is in compliance with the terms of this agreement.

11.

LESSEE proposes to construct a waste water treatment facility, access thereto and affluent/influent lines therefor upon said lands in accordance to and with plans and specifications delivered to LESSOR concurrently with the execution of this lease agreement; and, this lease is granted for that sole and express purpose. It is agreed by and between the parties that, without the express written consent of LESSOR first given, the LESSEE may not take any action upon said lands which alters, expands or exceeds the sole purpose of said lease here expressed; or, which alters or amends said plans and specifications; and, that the LESSEE will not occupy or use said property, nor permit the same to be occupied or used, for any other business or purpose; and, especially LESSEE may not occupy or use any of the lands here leased for such use or occupancy which may be deemed extra-hazardous on account of fire or the disposal of waste listed or characterized as hazardous by the United States Environmental Protection Agency; or, defined by any state agency pursuant to the Resource Conservation and Recovery Act of 1976, as amended; applicable state law, or otherwise; nor will the LESSEE permit the same to be used for any immoral or unlawful purpose. LESSEE also covenants and agrees to maintain the said premises in a neat and orderly manner and to refrain from creating or maintaining any eyesores, unattractive unhealthy nuisance, or any other nuisance; and, at its sole expense, upon the termination of this lease; whether by act of default, limitation, forfeiture or cancellation; to restore the leased lands to condition commensurate with that at the inception of this lease.

12.

The LESSEE hereby covenants and agrees that if an execution upon Judgment or other writ or process is levied upon the said premises; or, if a Petition of bankruptcy be filled by or against the LESSEE in any court of competent jurisdiction, the LESSOR shall have the right, at its option, to cancel this lease, retaining all rights to LESSOR appertaining hereto.

LESSEE further covenants and agrees that this lease and the interest of the LESSEE hereunder shall not, without the written consent of the LESSOR first obtained, be subject to garnishment or sale under execution or otherwise in any suit or proceeding which may be brought by or against said Lessee.

LESSEE further covenants and agrees that the tenets of this lease and any interest of the Lessee granted hereunder DO AND SHALL NOT INCLUDE, CONVEY OR ASSIGN any interest in minerals, oil or gas, coal, lignite or other subterranean rights, whatsoever.

14.

LESSOR reserves and excepts from this lease all timber now, or during its term, situated on said property and LESSOR retains the right of ingress and egress over and upon the lands leased hereby to remove said timber; and, LESSOR retains the right to sell all or any part of said timber without apportionment or payment to LESSEE. Further, LESSEE covenants and agrees that such action by LESSOR does and shall not constitute breach of any right of LESSEE granted hereunder. The LESSEE SHALL NOT cut nor remove any timber from the leased lands without express written consent of LESSOR. Timber standing and necessary to be removed from the leased lands to permit and allow LESSEE accomplishment of its purpose hereunder will be removed by LESSOR within sixty (60) days after notification in writing of such necessity. Timber standing upon the leased property and which does not interfere with the purpose of LESSEE herein provided may be removed by LESSOR in a manner provided by statute.

15.

LESSOR reserves the right to grant additional easements and rights-of-way across any of lands leased for any road, highway, railroad or public utility line, provided, however, only that said easement or rights-of-way proposed does not interfere with the use and purpose which LESSEE here proposes to and will hereafter use said lands; and, LESSOR covenants that it will sub-lease said lands for such stated purposes only upon condition that LESSEE be paid a reasonable rental by the GRANTEE of such right of way for such use and during the remaining term of this lease.

IN WITNESS WHEREOF, this lease is entered into by and between THE BOARD OF TRUSTEES OF CLINTON PUBLIC SCHOOL DISTRICT and THE BOARD OF ALDERMEN AND MAYOR OF THE CITY OF CLINTON, MISSISSIPPI, pursuant to resolution entered upon the Minutes of the Meeting of each, and is executed by the respective, empowered and appointed authorities of each this the 8th day of June, 1993.

BOARD OF TRUSTEES

CLINTON PUBLIC SCHOOL DISTRICT; LESSOR

BY: *Sonny Jones*

SONNY JONES, President

ATTEST:

Katie Tonore
KATIE TONORE, Secretary

Randy D. McCoy
RANDY D. MCCOY, SUPERINTENDENT
CLINTON PUBLIC SCHOOL DISTRICT

THE CITY OF CLINTON, MISSISSIPPI; LESSEE

BY: *Billy R. Smith*

BILLY RAY SMITH, Mayor

ATTEST:

Nelson Byrd
NELSON BYRD, City Clerk

ADDRESS OF LESSOR

% Clinton Public School District
P. O. Box 300
Clinton, MS 39060
Telephone: 601-924-7533

ADDRESS OF LESSEE

P. O. Box 156
Clinton, MS 39060
Telephone: 601-924-5462

STATE OF MISSISSIPPI
COUNTY OF HINDS

PERSONALLY APPEARED BEFORE ME, the undersigned authority for and within the jurisdiction aforesaid, the within named SONNY JONES and KATIE TONORE; who, being first duly sworn, stated that they are PRESIDENT AND SECRETARY of the Board of Trustees, Clinton Public School District, which Board is ex officio Trustee of School Trust Lands within said school district; and, who acknowledged that they signed and delivered the above and foregoing LEASE CONTRACT on the day and date therein stated, in the capacity therein set forth, and after having been authorized to so act for said Board, as LESSOR.

Given under my hand and official seal on this the 8th day of June, 1993.

(SEAL)

Shirley D. Taylor
NOTARY PUBLIC

My Commission Expires:

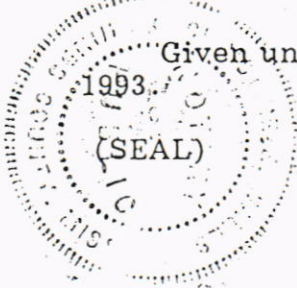
My Commission Expires June 12, 1995

JUN 28 1993

STATE OF MISSISSIPPI
COUNTY OF HINDS

PERSONALLY APPEARED BEFORE ME, the undersigned authority for and within the jurisdiction aforesaid, the within named BILLY RAY SMITH and NELSON BYRD, who by me being first duly sworn stated that they are, respectively, MAYOR and CLERK of THE CITY OF CLINTON, MISSISSIPPI, who acknowledged that they signed and delivered the above and foregoing LEASE Contract on the day and date therein stated, in the capacity therein set forth, and after having been authorized to so act for said City of Clinton, as LESSEE.

Given under my hand and official seal on this the 8th day of June, 1993.



Christine E. Walker
NOTARY PUBLIC

My Commission Expires:

My Commission Expires July 24, 1994

STATE OF MISSISSIPPI
COUNTY OF HINDS

I, the undersigned GEROGE S. SMITH certify that I am President of the Board of Supervisors of Hinds County, Mississippi and that the foregoing Lease Contract for the lease of lands in Section 15, Township 6 North, Range I West, Hinds County, Mississippi by the Trustees of the Clinton Public School District, ex officio Trustees of School Trust Lands therein, was presented to said Board of Supervisors in meeting assembled on the 28th day of June, 1993, pursuant to provisions of Sec. 29-3-82, Mississippi Code, 1972, Ann., as amended, for consideration and acceptance of the amount of rental to be received therefore; and, having considered the same, upon Resolution for Ratification, the following vote was cast:

FOR RATIFICATION: Smith, Hobson, wright, Chappell, _____.

AGAINST RATIFICATION: _____, _____, _____, _____, _____.

ABSENT: Vickery, _____.

ABSTAINING: _____, _____.

Further, I so certify that the said Resolution was thereafter entered in Minute Book at Page ' ' of the records of the Meetings of said Board of Supervisors.

Witness my signature this 28th day of June, 1993.

GEORGE S. SMITH

George S. Smith
President

ATTEST:

Alice James, Chancery Clerk
Secretary
By: Dianne Carr, D.C.



JUN 28 1993

STATE OF MISSISSIPPI
COUNTY OF HINDS

MIN. BK. 0205 PAGE 060

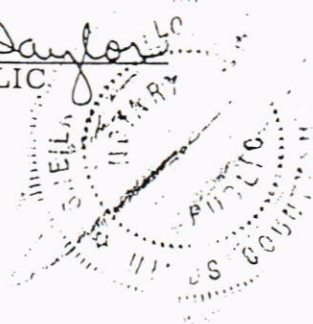
This day personally came and appeared before me, the undersigned authority in and for the aforesaid jurisdiction, Randy D. McCoy, Superintendent of Schools of the Clinton Public School District, who acknowledged that he signed and delivered the foregoing instrument of writing on the day and year therein mentioned, for and on behalf of said Board of Trustees after having been first duly authorized so to do.

Given under my hand and official seal, this the 8th day of June, 1993.

My Commission Expires:

My Commission Expires June 12, 1995

Sheila D. Taylor
NOTARY PUBLIC



BOOK 4144 PAGE 151

MIN. 0205 PAGE 061
BK.

JUN 28 1993

EXHIBIT I

LEGAL DESCRIPTIONS FOR PROPOSED EASEMENTS

11528

LEGAL DESCRIPTION
FOR

JUN 28 1993

BRIARS WASTEWATER TREATMENT FACILITY
CITY OF CLINTON, HINDS COUNTY, MISSISSIPPI

Begin at the Northwest corner (of the Herbert F. Hart property) according to a map or plat on file and of record in the office of the Chancery Clerk of Hinds County at Jackson, Mississippi in Deed Book 1742 Page 608, reference to which is hereby made in aid of and as a part of this description; Said point also being located at the Southwest corner of the Hinds County Board of Supervisors property; Said point also being the POINT OF BEGINNING; From said POINT OF BEGINNING run thence these following bearings and distances;

POINT OF BEGINNING;

Thence	N	0-00-00	E	946.00 Feet;
Thence	S	90-00-00	E	740.00 Feet;
Thence	S	0-00-00	W	946.00 Feet;
Thence	N	90-00-00	W	740.00 Feet;

To the POINT OF BEGINNING.

The above described parcel of property is located in the Northwest Quarter (1/4) of the Southeast Quarter 1/4) of Section 15, Township 6 North, Range 1 West, City of Clinton, Hinds County, Mississippi, and contains 697,642.24 square feet or 16.0157 acres, less 2,397.76 square feet or 0.055 acres contained in a 10 feet wide Mississippi Fuel Company Gas Pipeline easement which crosses the Northwest corner of said property.

LEGAL DESCRIPTION
FOR
BRIARS WASTEWATER TREATMENT PLANT
BUFFER ZONE
CITY OF CLINTON, MISSISSIPPI

JUN 28 1993

Commence at a iron pin marking the Northeast Corner of the Cascades Part 6 according to a map or plat thereof on file and of record in the office of the Chancery Clerk of Hinds County at Jackson, Mississippi in Plat Book 34 Page 8. From said Point of Commencement thence run South 89 degrees 46 minutes 13 seconds East for 701.60 to a iron pin located on the South right-of-way line of Northside Drive; thence run South 89 degrees 47 minutes 17 seconds East 1847.61 feet to a point located on the South right-of-way line of Northside Drive; thence run North 02 degrees 54 minutes 29 seconds East 80.09 feet to a point located on the North right-of-way line of Northside Drive; thence run North 02 degrees 54 minutes 29 seconds East 119.00 feet; thence run North 66 degrees 37 minutes 31 seconds East 410.00 feet; thence run North 71 degrees 23 minutes 26 seconds East 400.00 feet; thence run North 34 degrees 38 minutes 34 seconds East 380.00 feet; thence run North 59 degrees 03 minutes 16 seconds East 400.00 feet; thence run North 48 degrees 14 minutes 28 seconds East 320.00 feet; thence run North 06 degrees 14 minutes 28 seconds East 242.86 feet to a point described as the POINT OF BEGINNING of a parcel of land known as a buffer zone. From said POINT OF BEGINNING thence run these following bearings and distances;

POINT OF BEGINNING;

Thence N 90-00-00 W 84.00 Feet;
Thence N 00-00-00 E 946.00 Feet;
Thence S 90-00-00 E 84.00 Feet;
Thence S 00-00-00 W 946.00 Feet;
To the POINT OF BEGINNING;

The above described parcel of property is located in the Southwest Quarter (1/4) of Section 15, Township 6 North, Range 1 West City of Clinton, Hinds County, Mississippi and contains 79,464.0000 square feet or 1.8242 acres more or less.

LEGAL DESCRIPTION

FOR

JUN 28 1993

50 FOOT WIDE ACCESS EASEMENT
 BRIARS WASTEWATER TREATMENT FACILITY
 CITY OF CLINTON, HINDS COUNTY, MISSISSIPPI

Commence at the Northwest corner (of the Herbert F. Hart property) according to a map or plat on file and of record in the office of the Chancery Clerk of Hinds County at Jackson, Mississippi in Deed Book 1742 Page 608, reference to which is hereby made in aid of and as a part of this description; Said point also being located at the Southwest corner of the Hinds County Board of Supervisors property; From said point run thence South 90 degrees 00 minutes 00 seconds East 740.00 feet to a point located on the North line of the Herbert F. Hart property; run thence North 00 degrees 00 minutes 00 seconds East 822.00 feet to a point; said point also being the POINT OF BEGINNING; From said POINT OF BEGINNING run thence these following bearings and distances;

POINT OF BEGINNING;

Thence	N	0-00-00	E	50.80 Feet;
Thence	N	81-00-00	E	536.10 Feet;
Thence	S	8-22-32	E	50.18 Feet;
Thence	S	81-00-00	W	543.50 Feet;

To the POINT OF BEGINNING.

The above described parcel of property is located in the Northwest Quarter (1/4) of the Southeast Quarter 1/4) of Section 15, Township 6 North, Range 1 West, City of Clinton, Hinds County, Mississippi, and contains 27,085.56 square feet or 0.6218 acres, more or less.

DESCRIPTION OF PERMANENT SANITARY SEWER EASEMENT

JUN 28 1993

Permanent Easement

LEGAL DESCRIPTION
FOR
15 FOOT WIDE SANITARY SEWER EASEMENT
BRIARS WASTEWATER TREATMENT PLANT
INFLUENT LINE
CITY OF CLINTON, MISSISSIPPI

Commence at a iron pin marking the Northeast Corner of the Cascades Part 6 according to a map or plat thereof on file and of record in the office of the Chancery Clerk of Hinds County at Jackson, Mississippi in Plat Book 34 Page 8. From said Point of Commencement thence run South 89 degrees 46 minutes 13 seconds East for 701.60 to a iron pin located on the South right-of-way line of Northside Drive; thence run South 89 degrees 47 minutes 17 seconds East 1847.61 feet to a point located on the South right-of-way line of Northside Drive; thence run North 02 degrees 54 minutes 29 seconds East 30.09 feet to a point located on the North right-of-way line of Northside Drive; Said point also being the POINT OF BEGINNING for a 15.00 foot wide sanitary sewer easement. From said POINT OF BEGINNING thence run the centerline of said easement following these bearings and distances;

POINT OF BEGINNING;

Thence N 02-54-29 E 119.00 Feet;
Thence N 66-37-31 E 410.00 Feet;
Thence N 71-23-26 E 400.00 Feet;
Thence N 34-38-34 E 380.00 Feet;
Thence N 59-03-16 E 400.00 Feet;
Thence N 48-14-28 E 320.00 Feet;
Thence N 06-14-28 E 242.86 Feet;
To the POINT OF BEGINNING;

The above described parcel of property is located in the Southwest Quarter (1/4) of Section 15, Township 6 North, Range 1 West City of Clinton, Hinds County, Mississippi and contains 33,378.5499 square feet or 0.778 acres more or less.

JUN 28 1993

DESCRIPTION OF TEMPORARY EASEMENT FOR
SANITARY SEWER EASEMENT*Temporary Easement*LEGAL DESCRIPTION
FOR
25 FOOT WIDE TEMPORARY WORKING EASEMENT
BRIARS WASTEWATER TREATMENT PLANT
INFLUENT LINE
CITY OF CLINTON, MISSISSIPPI

Commence at a iron pin marking the Northeast Corner of the Cascades Part 6 according to a map or plat thereof on file and of record in the office of the Chancery Clerk of Hinds County at Jackson, Mississippi in Plat Book 34 Page 8. From said Point of Commencement thence run South 89 degrees 46 minutes 13 seconds East for 701.60 to a iron pin located on the South right-of-way line of Northside Drive; thence run South 89 degrees 47 minutes 17 seconds East 1847.61 feet to a point located on the South right-of-way line of Northside Drive; thence run North 02 degrees 54 minutes 29 seconds East 80.09 feet to a point located on the North right-of-way line of Northside Drive; Said point also being the POINT OF BEGINNING for a 15.00 foot wide sanitary sewer easement. From said POINT OF BEGINNING thence run the centerline of said easement following these bearings and distances;

POINT OF BEGINNING;

Thence N 02-54-29 E 119.00 Feet;
 Thence N 66-37-31 E 410.00 Feet;
 Thence N 71-23-26 E 400.00 Feet;
 Thence N 34-38-34 E 380.00 Feet;
 Thence N 59-03-16 E 400.00 Feet;
 Thence N 48-14-28 E 320.00 Feet;
 Thence N 06-14-28 E 242.86 Feet;

To the POINT OF BEGINNING;

The above described parcel of property is located in the Southwest Quarter (1/4) of Section 15, Township 6 North, Range 1 West City of Clinton, Hinds County, Mississippi and contains 56,237.5873 square feet or 1.291 acres more or less.

STATE OF MS
 COUNTY OF HINDS
 FILED - RECORDED

JUL 2 4 11 PM '93

BOOK

PAGE

ALICE JAMES
CHANCERY CLERK