

MEETING OF THE MAYOR AND CITY COUNCIL CITY OF COLUMBUS, MS AUGUST 18, 2015

The Mayor and City Council met in Regular Session on Tuesday, August 18, 2015 at 5:00 p.m. in the Court Chambers of the Municipal Complex. Mayor Robert Smith presided over the meeting and all Council Members were present. Also present were the COO, CFO, General Counsel, Police Chief and the Human Resources Director.

I. CALL TO ORDER AND INVOCATION

Mayor Smith called the meeting to order and called upon Council Member Mickens to offer the Invocation.

II. APPROVE MINUTES FOR THE MEETINGS OF AUGUST 4, 10, 12, and 13, 2015.

Council Member Karriem made a motion to approve the Minutes for the Meetings of August 4, 10, 12, and 13, 2015. Council Member Box seconded the motion.

All Council Members voted in favor of the motion.

The motion carried.

III. APPROVE DOCKET OF CLAIMS FOR AUGUST 18, 2015.

Council Member Taylor made a motion to approve the Docket of Claims for August 18, 2015 in the amount of \$471,127.18. Council Member Turner seconded the motion.

All Council Members voted in favor of the motion.

The motion carried.

IV. CONFIRMATION OF/OR AMENDMENTS TO THE AGENDA

CONSENT AGENDA:

Add Item "J" – Accept letter of resignation from Public Works Office Manager, effective September 3, 2015, and authorize the H. R. Director to begin normal recruitment procedures.

Add Item "K" – Authorize the Human resources Director to begin external recruitment process for the Municipal Court Judge.

MINUTES
AUGUST 18, 2015

Add Item "L" - *Accept letter of resignation from one (1) Public Works Concrete Finisher, effective August 25, 2015, and authorize the Human Resources Director to begin the normal recruitment process.*

Add Item "M" – *Approve request for the City Planning and Community Development Director to attend the "Congressional Black Caucus Foundation Congress 2015" to be held in Washington, D. C., and approve payment of registration, lodging, travel, and meal expenses.*

Council Member Turner suggested adding all Council Members to Item "I" and adding all Department Heads to Item "M".

Council Member Gavin made a motion to move Item "M" from the Consent Agenda to the Policy Agenda for discussion. Council Member Box seconded the motion.

All Council Members voted in favor of the motion with the exception of Council Members Turner and Karriem, who opposed.

The motion carried with a 4/2 vote.

REPORTS, PROCLAMATIONS, RECOGNITIONS AGENDA:

Add L. Nicole Clinkscales as an applicant for Board Member on the Columbus Library Board.

POLICY AGENDA:

Add Item "A1" – *Consider/Approve Columbus Water and Sewer Refunding Bonds, Bond Resolution, Preliminary Official Statement, Bond Purchase Agreement and Advance Refunding Escrow Agreement.*

Add Item "A2" – *Consider/Approve Amendments to Chapter 32 (Utilities) of the Columbus Municipal Code.*

Change Item "A" to "Item A3

Add Item "H" - *Discuss/Approve cost of property clean-up on cases previously heard by Council and which remediation has been completed.*

Add Item "I" - *Approve request for the City Planning and Community Development Director to attend the "Congressional Black Caucus Foundation Congress 2015" to be held in Washington, D. C., and approve payment of registration, lodging, travel, and meal expenses.*

EXECUTIVE SESSION:

Delete Pending Litigation matter.

Add Prospective purchase of real Property.

Add Personnel Matter.

Council Member Karriem made a motion to approve the Agenda according to the amendments. Council Member Mickens seconded the motion.

All Council Members voted in favor of the motion.

The motion carried.

V. CONSENT AGENDA:

- A. Approve request for Fire personnel Carole Summerall, Dale Ballard and Jaquay Sherrod to attend the "MS Burn Camp" to be held in Pulaski, MS, and approve payment of \$75.00 for travel and \$92.00 for meal expenses.
- B. Accept letter of resignation from Public Works Laborer Bennie Bush, III, effective August 6, 2015, and authorize the Human Resources Director to begin the normal recruitment process.
- C. Approve request from Police Officer Raymond Hackler to attend "First Line Supervision – Mastering Leadership Skills" held in Knoxville, TN, and approve payment of \$295.00 for registration, \$352.00 for lodging, \$100 for travel and \$224.00 for meal expenses.
- D. Accept letter of resignation from Police Officer Sarah Farwick, effective August 18, 2015, and approve request for compensation for unused vacation days.
- E. Accept letter of resignation from Police Sergeant John Bishop, effective August 19, 2015, and approve request for compensation for unused vacation days.
- F. Approve permit request from Erin Busbea, on behalf of the Tennessee Williams Tribute and Columbus Kiwanis Club 5K Streetcar Run, to host a "5K Run" as part of the annual Tennessee Williams Tribute to be held on September 12, 2015 from 7:30 a.m. until 9:30 a.m. See attached list and map of streets to be blocked off.
- G. Ratify request from Elizabeth Swartz on behalf of First United Methodist Church to host a "Back to Church Block Party" held on August 12, 2015, with College Street between 6th Street South and 7th Street blocked off.
- H. Accept letter of retirement from Fire Marshall Travis "Todd" Weathers, effective September 24, 2015, and approve request for compensation for 30 days of accrued leave.
- I. Approve request for the Mayor and Councilmen Karriem and Mickens to attend the "Congressional Black Caucus Foundation Congress 2015" to be held in Washington, D.C., and approve payment of registration, lodging, travel and meal expenses.
- J. Accept letter of resignation from Public Works Office Manager, Shakeema McCants, effective September 3, 2015, and authorize the H. R. Director to begin normal recruitment process.
- K. Authorize the Pat Mitchell, the H.R. Director to begin external recruitment process for Municipal Court Judge.

- L. Accept letter of resignation from Public Works Concrete Finisher, Leon Scott, effective August 28, 2015, and authorize the Human Resources Director to begin the normal recruitment process.

Council Member Taylor made a motion to approve the Consent Agenda, according to the amendments. Council Member Turner seconded the motion.

All Council Members voted in favor of the motion, with the exception of Council Members Karriem and Gavin, who opposed.

The motion carried with a 4/2 vote.

VI. REPORTS, PROCLAMATIONS, RECOGNITIONS AGENDA:

A. General Comments from the Mayor and Council Members

There were no comments from the Mayor and Council Members.

B. Monthly Report from the Columbus Police Department for July 2015

The Monthly Report from the Columbus Police Department for July 2015 was presented. No action was taken.

C. Monthly Report from the Columbus Fire & Rescue Department for July 2015

The Monthly Report from the Columbus Fire & Rescue Department for July 2015 was presented. No action was taken.

D. Monthly Report from the Municipal Court Division for July 2015

The Monthly Report from the Municipal Court Division for July 2015 was presented. No action was taken.

E. Monthly Report from the Public Works Department for July 2015

The Monthly Report from the Public Works Department for July 2015 was presented. No action was taken.

F. Monthly Report from the City Planning and Community Development Department for July 2015

The Monthly Report from the City Planning and Community Development Department for July 2015 was presented. No action was taken.

G. Monthly Report from the Building Inspection Department for July 2015

The Monthly Report from the Building Inspection Department for July 2015 was presented. No action was taken.

H. Monthly Report from the Code Enforcement Division for July 2015

The Monthly Report from the Code Enforcement Division for July 2015 was presented. No action was taken.

I. Monthly Financial Report

Milton Rawle, Jr., CFO, presented the Monthly Financial Report and remarked that local sales taxes increased by \$70,213.71, compared to the same time last year.

J. Board Vacancies:

David Armstrong, COO, announced vacancies on various boards and remarked that no appointments will be made tonight.

Columbus-Lowndes Recreation Authority

- One Vacancy
- Oop Swoope's 5-Year Term expired May 25, 2015.
- Joint Appointment from the Mayor and Board of Supervisors' President
- No Applicants at this time

Columbus Redevelopment Authority

- One Vacancy
- John Acker's 1-Year Term will expire September 1, 2015.
- Appointment can be made September 1, 2015.

APPLICANT

- John Acker

Columbus Library Board

- One Vacancy
- L. Nicole Clinkscales' 5-Year Term will expire September 30, 2015.
- Appointment can be made October 6, 2015.

APPLICANT

- L. Nicole Clinkscales

VII. CITIZENS INPUT AGENDA

Renee S. Sanders – United Way

Renee S. Sanders, Volunteer Director for United Way, came forward and introduced herself to the Mayor and Council and solicited the City's support of United Way.

VIII. POLICY AGENDA:

A1. Consider approve Columbus Water and Sewer Refunding Bonds, Bond Resolution, Preliminary Official Statement, Bond Purchase Agreement and Advance Refunding Escrow Agreement.

Trey Hairston, with Butler Snow, came forward and requested that the Council approve the Columbus Water and Sewer Refunding Bonds, Bond Resolution, Preliminary Official Statement, Bond Purchase Agreement and Advance Refunding Escrow Agreement. Council Member Box made a motion to approve the Columbus Water and Sewer Refunding Bonds, Bond Resolution, Preliminary Official Statement, Bond Purchase Agreement and Advance Refunding Escrow Agreement. Council Member Turner seconded the motion to adopt the foregoing resolution and the question being put to a role call vote, the result was as follows:

COUNCIL MEMBER TAYLOR voted:	YES
COUNCIL MEMBER MICKENS voted:	YES
COUNCIL MEMBER BOX voted:	YES
COUNCIL MEMBER TURNER voted:	YES
COUNCIL MEMBER KARRIEM voted:	YES
COUNCIL MEMBER GAVIN voted:	YES

THE RESOLUTION/AGREEMENT FOLLOWS:

The Mayor and City Council of the City of Columbus, Mississippi (the "City"), took up for consideration the matter of adopting this sales parameter resolution and bond resolution in connection with the issuance of Combined Water and Sewer System Revenue Refunding Bonds, Series 2015, of the City. After a discussion of the subject, Council Member **BOX** offered and moved the adoption of the following resolution:

RESOLUTION (I) AUTHORIZING AND DIRECTING THE ISSUANCE OF COMBINED WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2015 OF THE CITY OF COLUMBUS, MISSISSIPPI (THE "CITY"), IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED TEN MILLION DOLLARS (\$10,000,000) (THE "BONDS") TO RAISE MONEY FOR THE PURPOSE OF PROVIDING FUNDS FOR (I) (A) THE REFINANCE, PREPAYMENT AND ADVANCE REFUNDING OF ALL OUTSTANDING PRINCIPAL INSTALLMENTS OF THE CITY'S PROMISSORY NOTE (COLUMBUS, MISSISSIPPI COMBINED WATER AND SEWER SYSTEM REFUNDING AND CONSTRUCTION PROJECT), DATED JANUARY 11, 2007, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$27,860,000, SECURING A LOAN AGREEMENT, DATED JANUARY 11, 2007, BY AND BETWEEN THE CITY AND THE MISSISSIPPI DEVELOPMENT BANK, EVIDENCING A LOAN BETWEEN THE CITY AND THE MISSISSIPPI DEVELOPMENT BANK, AND THE SUBSEQUENT ADVANCE REFUNDING AND REDEMPTION OF THE

OUTSTANDING \$27,860,000 MISSISSIPPI DEVELOPMENT BANK SPECIAL OBLIGATION BONDS, SERIES 2007 (CITY OF COLUMBUS, MISSISSIPPI COMBINED WATER AND SEWER SYSTEM REFUNDING AND CONSTRUCTION PROJECT), DATED JANUARY 11, 2007, ISSUED PURSUANT TO AN INDENTURE OF TRUST, DATED JANUARY 11, 2007, BY AND BETWEEN THE MISSISSIPPI DEVELOPMENT BANK AND DEUTSCHE BANK NATIONAL TRUST COMPANY, OLIVE BRANCH, MISSISSIPPI, AND (B) PAYING COSTS OF ISSUANCE FOR THE BONDS, INCLUDING THE PREMIUM FOR THE BOND INSURANCE POLICY, IF APPLICABLE; (II) PRESCRIBING THE FORM AND INCIDENTS OF SAID BONDS; (III) PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES TO BE DERIVED FROM THE OPERATION OF THE COMBINED WATER AND SEWER SYSTEM OF THE CITY IN AN AMOUNT SUFFICIENT TO PAY THE COST OF THE OPERATION AND MAINTENANCE THEREOF AND TO PAY THE PRINCIPAL OF AND INTEREST ON SAID BONDS AND ANY PARITY INDEBTEDNESS; (IV) MAKING PROVISION FOR A DEBT SERVICE RESERVE FUND (V) MAKING PROVISION FOR MAINTAINING THE TAX-EXEMPT STATUS OF SAID BONDS; (VI) APPROVING THE EMPLOYMENT OF CERTAIN PROFESSIONALS IN CONNECTION WITH THE ISSUANCE OF BONDS OF THE CITY TO PROVIDE THE FINANCING DESCRIBED HEREIN; AND (VI) FOR RELATED PURPOSES.

WHEREAS, the Mayor and City Council of the City of Columbus, Mississippi, acting for and on behalf of said City of Columbus, Mississippi, hereby finds, determines, adjudicates and declares as follows:

(a) In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

"Act" shall mean Sections 31-27-1 et seq., of the Mississippi Code of 1972, as amended and/or supplemented from time to time.

"Act of Bankruptcy" shall mean the filing of a petition in bankruptcy or insolvency by or against the City under any applicable bankruptcy, insolvency, reorganization or similar law, now or hereafter in effect.

"Agent" shall mean any Paying Agent or Transfer Agent, whether serving in either or both capacities, and herein designated by the Governing Body.

"Authorized Officer" means the Mayor of the City, the Clerk of the City and any other officer designated from time to time as an Authorized Officer by resolution of the City, and when used with reference to any act or document also means any other Person authorized by resolution of the City to perform such act or sign such document.

"Bank" shall mean the Mississippi Development Bank, a public body corporate and politic of the State of Mississippi, exercising essential public functions and organized under the provisions of the Sections 31-25-1 et seq., Mississippi Code of 1972, as amended and/or supplemented from time to time.

"Beneficial Owner" shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the Beneficial Owner of such Bond by a DTC participant on the records of such DTC participant, or such person's subrogee.

MINUTES
AUGUST 18, 2015

"Bond" or "Bonds" shall mean the not to exceed \$10,000,000 Combined Water and Sewer System Revenue Refunding Bonds, Series 2015 of the City authorized and directed to be issued in this Bond Resolution.

"Bond Counsel" shall mean Butler Snow LLP, Ridgeland, Mississippi.

"Bond Insurance Policy" if applicable, means the financial guaranty insurance policy issued by the Bond Insurer guaranteeing the scheduled payment of the principal of and interest on the Bonds when due.

"Bond Insurer" or "Insurer" if applicable, means the bond insurer of the Bond Insurance Policy, or any successor thereto or assignee thereof.

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement, by and between the City and the Underwriter, dated the date of sale of the Bonds.

"Bond Resolution" shall mean this resolution, as may be amended from time to time.

"Bond Year" shall mean the period commencing on the date of the delivery of the Bonds through November 1, 2015 and each twelve (12) month period thereafter, commencing with the period ending November 1, 2016, until final maturity of the Bonds.

"Bondholder" or "Bondholders" or "Holder" or "Holders" or any similar term shall mean the registered owner of any Bond.

"Book-Entry System" means a book-entry system established and operated for the recordation of Beneficial Owners of the Bonds as described in Section 3 herein.

"Callable 2007 Bank Bonds" shall mean the 2007 Bank Bonds which mature on November 1 in the years 2017 through 2025, both inclusive; or shall include such outstanding 2007 Bank Bonds maturing in the years as determined in the Bond Purchase Agreement, with such completions, changes, insertions and modifications to the Bond Purchase Agreement as shall be approved by the officers executing and delivering the same (the execution thereof shall constitute conclusive evidence approval of any such completions, changes, insertions and modifications).

"City" shall mean the City of Columbus, Mississippi.

"City Counsel" shall mean Mitchell, McNutt & Sams, Columbus, Mississippi.

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

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

"Consulting Engineer" shall mean any engineer or engineering firm subsequently employed for the System or for the purposes set out in the Bond Resolution.

"County" shall mean Lowndes County, Mississippi.

"Current Expenses" shall mean the reasonable and necessary current expenses of maintenance, repair and operation of the System and shall include, without limiting the generality of the foregoing, expenses not annually recurring, premiums for insurance, administrative and engineering expenses relating to maintenance, repair and operation, fees and expenses of the Paying Agent, legal expenses, taxes lawfully imposed on the System, reasonable payments to pension or retirement funds for employees of the System, and any other expense of the System required or permitted to be paid by the City under the provisions of the Bond Resolution or by law, but shall not include any allowance for depreciation or deposits or

MINUTES
AUGUST 18, 2015

transfers to the credit of the Series 2007 Debt Service Fund, the Series 2015 Debt Service Fund or the Debt Service Reserve Fund.

"Debt Service Reserve Fund" shall mean the debt service reserve fund provided for in the Bond Resolution securing the Bonds.

"Debt Service Reserve Requirement" means the lesser of the following: (i) the maximum amount of principal and interest becoming due in the current or any future bond year (meaning each one year period beginning on July 2 of one year and ending on November 1 of the following year, or such shorter period from the date of issuance of the Bonds to November 1, 2015), on all Bonds then outstanding; (ii) 125% of average annual debt service on the Bonds; or (iii) ten percent (10%) of the stated principal amount of such issue of Bonds, or if such issue of Bonds has more than a de minimis amount (as defined in Section 1.148-1(b) of the Treasury Regulations) of original issue discount or premium, ten percent (10%) of the issue price (as defined in Section 1.148-1(b) of the Treasury Regulations) of such issue of Bonds), which Debt Service Reserve Requirement may be funded with cash or a Reserve Fund Credit Facility; provided, however, that upon initial issuance of the Bonds, the Debt Service Reserve Requirement will mean the amount set forth in (i) hereinabove and in future years if the amount of the Debt Service Reserve Requirement should equal an amount in excess of the lesser of (i), (ii) and (iii) above, the funds held in the Debt Service Reserve Fund will not be invested at a yield in excess of the yield on the Bonds. The initial deposit into the Debt Service Reserve Fund may be funded with a Surety Bond.

"Department" means the Columbus Light and Water Department, acting by and through its Utility Commission.

"Department Counsel" shall mean Sims and Sims, LLC, Columbus, Mississippi.

"Direct Participant" means a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository.

"DTC" means The Depository Trust Company.

"DTC participants" shall mean any participant for whom DTC is a Security Depository Nominee.

"Escrow Agent" shall mean Deutsche Bank National Trust Company, Olive Branch, Mississippi, in its capacity as escrow agent under the Escrow Agreement, and any successor or assign in such capacity.

"Escrow Agreement" shall mean the Advance Refunding Escrow Agreement to be entered into by and between the Escrow Agent and the Mississippi Development Bank, as acknowledged and approved by the City, providing for the escrow and investment of a portion of the proceeds of the Bonds to provide funds for the Refunding Project.

"Escrow Fund" shall mean the Mississippi Development Bank Special Obligation Bonds, Series 2007 (Columbus, Mississippi Combined Water and Sewer System Refunding and Construction Project) Escrow Fund established pursuant to the Escrow Agreement to pay the principal of and interest on the Refunded 2007 Bank Bonds and the redemption price of the Callable 2007 Bank Bonds.

"Escrow Requirement" shall mean that portion of the sale proceeds of the Bonds deposited in the Escrow Fund and used to defease and advance refund the Refunded 2007 Bank Bonds as provided in the Escrow Agreement.

"Financial Advisor" shall mean Government Consultants, Inc., Jackson, Mississippi.

"Fiscal Year" shall mean the period commencing on the first day of October of any year and ending on the last day of September of the following year.

MINUTES
AUGUST 18, 2015

"Governing Body" shall mean the Mayor and City Council of the City.

"Indirect Participant" shall mean a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository through a Direct Participant.

"Interest Payment Date" shall mean May 1 and November 1 of each year, commencing November 1, 2016, unless otherwise specified in the Bond Purchase Agreement.

"Letter of Representations" shall mean the DTC Blanket Issuer Letter of Representations of the City.

"Mayor" shall mean the Mayor of the City.

"Municipal Advisor" shall mean Government Consultants, Inc., Jackson, Mississippi, as the independent registered municipal advisor to the Commission with regard to the sale, issuance, validation and delivery of the Bonds.

"Net Revenues" shall mean all Revenues remaining after payment of Current Expenses.

"Other Revenues" shall mean the Tax Monies and the income or revenues, funds or monies of the City from any source other than the System pledged to the payment of the 2007 Note under the 2007 Loan Agreement.

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

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

"Pledged Net Revenues" shall mean all System Revenues remaining after payment of Current Expenses.

"Principal and Interest Requirements" for any Bond Year shall mean the sums sufficient for the payment of the principal of and interest on the Bonds, any parity bonds, including the 2007 Note, and subordinated indebtedness which will mature and accrue during such period.

"Project" shall mean providing funds for the (i) Refunding Project, (ii) funding the Debt Service Reserve Fund including the premium for the Surety Bond, if applicable, and (iii) paying the costs of issuance of the Bonds, including the premium for the Bond Insurance Policy, if applicable.

"Record Date" shall mean, as to interest payments, the 15th day of the month preceding the dates set for payment of interest on the Bonds and, as to payments of principal, the 15th day of the month preceding the maturity date thereof or the date set for redemption.

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

"Redemption Price" shall mean, with respect to a Bond, the principal amount of such Bond plus the applicable premium, if any, payable upon redemption thereof in the manner contemplated in accordance with its terms pursuant to the provisions hereof.

"Refunded Bonds" shall mean the Refunded 2007 Bank Bonds.

"Refunded 2007 Bank Bonds" shall mean the 2007 Bank Bonds which mature on November 1 in the years 2017 through 2025, both inclusive, or shall include such outstanding 2007 Bank Bonds maturing in the years as determined in the Bond Purchase Agreement, with such completions, changes, insertions and modifications to the Bond Purchase Agreement as shall be approved by the officers executing and

MINUTES
AUGUST 18, 2015

delivering the same (the execution thereof shall constitute conclusive evidence approval of any such completions, changes, insertions and modifications), being advance refunded with a portion of the proceeds of the Bonds.

"Refunded 2007 Note" shall mean the principal installments of the 2007 Note maturing on November 1 in the years 2017 through 2025, both inclusive, being prepaid, such portion being identified in the Bond Purchase Agreement as the same amount in each year of the Refunded 2007 Bank Bonds being refunded with a portion of the proceeds of the Bonds.

"Refunding Project" shall mean providing funds for (i) the refinance, prepayment and advance refunding of the Refunded 2007 Note and (ii) the contemporaneous advance refunding of the Refunded 2007 Bank Bonds, including funds for the redemption of the Callable 2007 Bank Bonds at a redemption price of 100% plus accrued interest.

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

"Reserve Fund Credit Facility" if applicable, means an irrevocable and unconditional letter of credit, insurance policy or surety bond, the terms of which have been approved by the City, issued by a bank or other financial institution, which is acceptable to the City.

"Revenue Fund" shall mean the fund provided for in Section 14 of the Bond Resolution.

"Revenues" shall mean together the System Revenues and the Other Revenues.

"Securities Depository" means The Depository Trust Company and any substitute for or successor to such securities depository that shall maintain a Book-Entry System with respect to the Bonds.

"Securities Depository Nominee" means the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration records the Bonds to be delivered to such Securities Depository during the continuation with such Securities Depository of participation in its Book-Entry System.

"Series 2007 Debt Service Fund" shall mean the account described in the Bond Resolution and provided for in the 2007 Loan Agreement for the 2007 Note.

"Series 2007 Debt Service Reserve Fund" shall mean the fund described in the Bond Resolution securing the 2007 Bank Bonds under the 2007 Indenture.

"State" shall mean the State of Mississippi

"Surety Bond" if applicable, means the Reserve Fund Credit Facility issued by the Bond Insurer guaranteeing certain payments into the Debt Service Reserve Fund with respect to the Bonds.

"Surety Bond Policy" if applicable, shall mean the municipal bond debt service reserve insurance policy issued by the Surety Bond Provider, guaranteeing certain payments into the Debt Service Reserve Fund with respect to the Bonds as provided therein and subject to the limitations set forth therein.

"Surety Bond Provider" if applicable, shall mean the Bond Insurer.

"System" shall mean the combined water and sewer system of the City.

"System Revenues" shall mean all payments, proceeds, fees, charges, rents and all other income derived by or for the account of the City from its ownership and operation of the System, excluding all acreage,

MINUTES
AUGUST 18, 2015

front-footage, assessment and similar fees and charges derived by the City in connection with the provision of or payment for capital improvements constituting a part of the System.

"Transfer Agent" shall mean any bank, trust company or other institution hereafter designated by the Governing Body for the registration of owners of the Bonds and for the performance of such other duties as may be herein or hereafter specified by the Governing Body, and shall initially be the Paying Agent as designated in the Bond Purchase Agreement.

"Transferred Proceeds" shall mean funds, if applicable, transferred from the funds and accounts of the Refunded 2007 Note and/or the Refunded Bonds (i) to provide funds for the debt service on the Bonds, and/or (ii) fund a portion of the Refunding Project.

"2007 Bank Bonds" shall mean the Mississippi Development Bank Special Obligation Bonds, Series 2007 (City of Columbus, Mississippi Combined Water and Sewer System Refunding and Construction Project), dated January 11, 2007, issued under the 2007 Indenture in the aggregate principal amount of \$27,860,000, said 2007 Bank Bonds being secured by payments due by the City under the 2007 Loan Agreement for the 2007 Note.

"2007 Indenture" shall mean the Indenture of Trust, dated January 11, 2007, by and between the Bank and Deutsche Bank National Trust Company, Olive Branch, Mississippi, securing the 2007 Bank Bonds.

"2007 Indenture Trustee" shall mean Deutsche Bank National Trust Company, Olive Branch, Mississippi.

"2007 Note" shall mean the City's Promissory Note (City of Columbus, Mississippi Combined Water and Sewer System Refunding and Construction Project), dated January 11, 2007, issued in the original principal amount of \$27,860,000 under the 2007 Loan Agreement, said 2007 Note and 2007 Loan Agreement representing security for the 2007 Loan provided from the proceeds of the 2007 Bank Bonds under the 2007 Indenture and being presently outstanding in the amount of \$17,375,000.

"2015 Costs of Issuance Fund" shall mean the City of Columbus, Mississippi Combined Water and Sewer System Revenue Refunding Bonds, Series 2015 Costs of Issuance Fund provided for in Section 26 hereof.

"2015 Debt Service Fund" shall mean the Columbus, Mississippi Combined Water and Sewer System Revenue Refunding Bonds, Series 2015 Debt Service Fund provided for in Section 15(b) hereof.

"Underwriter" shall mean Stephens Inc., Little Rock, Arkansas.

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

The City is authorized under the provisions of the Act to issue its Bonds to fund the Project. It is advisable and in the public interest to issue the Bonds for the purpose stated herein.

The estimated cost of the Project is not to exceed Ten Million Dollars (\$10,000,000).

The City is authorized under the provisions of the Act to issue its Bonds to provide funds for the Project, said Bonds to be payable solely from Pledged Net Revenues, subject to the parity lien of the 2007 Note securing the 2007 Bank Bonds.

MINUTES
AUGUST 18, 2015

As of the date of this Bond Resolution, the 2007 Note securing the 2007 Bank Bonds are the only indebtedness of the City consisting, or secured by, a lien on Net Revenues, including the Pledged Net Revenues, as defined herein and as set forth in the 2007 Loan Agreement.

The terms and provisions of this Bond Resolution are subject to the terms and provisions of the 2007 Loan Agreement pertaining to parity indebtedness secured by the Net Revenues, including the Pledged Net Revenues, of the System as defined herein and described in the 2007 Loan Agreement.

The amount of the Bonds, when added to the outstanding indebtedness of the City, will not exceed any constitutional or statutory limitation of indebtedness.

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

The Code provides that non-compliance with the provisions thereof may cause interest on obligations to become taxable retroactive to the initial date of issuance, and provides that the tax-exempt status of interest on obligations such as the Bonds is contingent on a number of future actions by the City. It is necessary to make certain covenants pertaining to the exemption of the interest on the Bonds from federal income taxes since such exemption may depend, in part, upon continuing compliance by the City with certain requirements with the Code.

The Governing Body recognizes that the current low interest rate environment provides an opportunity to refund the Refunded Bonds, and the Governing Body further realizes that the Governing Body must move expeditiously to accomplish the greatest savings possible by the issuance of the Bonds.

In that the bond market is volatile, the Governing Body needs to authorize the negotiated sale of the Bonds to the Underwriter, subject to the satisfaction of the conditions as hereinafter set forth in Section 43 and authorizes the Mayor and City Clerk to execute the Bond Purchase Agreement, prior to a scheduled meeting of the Governing Body in order to maximize the savings to the City regarding the issuance of the Bonds.

The City recognizes that in order to prepare the necessary offering documents it is in the best interest of the City to authorize Bond Counsel to prepare and distribute all necessary documents and to do all things required in order to negotiate the sale of the Bonds to the Underwriter and effectuate the issuance of such Bonds.

It is necessary to approve the form of and execution of the Preliminary Official Statement, to be dated the date of distribution thereof (the "Preliminary Official Statement") for the sale of the Bonds and the distribution thereof to prospective purchasers of the Bonds.

It is necessary to approve the form of and execution of the Bond Purchase Agreement with regard to the sale of the Bonds.

It is necessary to approve the form of, execution and distribution of an Official Statement, to be dated the date of execution of the Bond Purchase Agreement (the "Official Statement") for the Bonds.

It is necessary to approve the Escrow Agent and the form and execution of the Escrow Agreement for the Refunded 2007 Bank Bonds.

It is necessary to authorize the Mayor or Clerk of the City to provide a written notification to the 2007 Trustee of the advance refunding of the Refunded 2007 Bank Bonds.

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

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

SECTION 1. (a) The combined water and sewer facilities of the City are presently operated as the System.

The Refunded 2007 Bank Bonds shall be refunded with a portion of the proceeds of the Bonds and, if applicable, any Transferred Proceeds of the City.

The Bonds are hereby authorized, ordered and directed to be issued in the principal amount of not to exceed Ten Million Dollars (\$10,000,000) to raise money, which funds, together with certain Transferred Proceeds, if applicable, will provide monies for the Project. Transferred Proceeds, if applicable, will be used for the Refunding Project. The principal of and the interest on the Bonds shall be payable in accordance with and as authorized by this Bond Resolution and the Act.

In consideration of the purchase and acceptance of any and all of the Bonds by those who shall hold the same from time to time, this Bond Resolution shall constitute a contract between the City and the Registered Owners from time to time of the Bonds. The pledge made herein and the covenants and agreements herein set forth to be performed on behalf of the City for the benefit of the Registered Owners shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction.

(b) The Bonds shall initially be issued pursuant to a Book-Entry System administered by the Securities Depository with no physical distribution of Bond certificates to be made except as provided in this Section 3. Any provision of this Bond Resolution or the Bonds requiring physical delivery of the Bonds shall, with respect to any Bonds held under the Book-Entry System, be deemed to be satisfied by a notation on the Registration Records maintained by the Paying Agent that such Bonds are subject to the Book-Entry System.

So long as a Book-Entry System is being used, one Bond in the aggregate principal amount of the Bonds and registered in the name of the Securities Depository, the Securities Depository Nominee and the Participants and Indirect Participants will evidence beneficial ownership of the Bonds in authorized denominations, with transfers of ownership effected on the records of the Securities Depository, the Participants and the Indirect Participants pursuant to rules and procedures established by the Securities Depository, the Participants and the Indirect Participants. The principal of and any premium on each Bond shall be payable to the Securities Depository Nominee or any other person appearing on the Registration Records as the Registered Holder of such Bond or its registered assigns or legal representative at the principal office of the Paying Agent. So long as the Book-Entry System is in effect, the Securities Depository will be recognized as the Holder of the Bonds for all purposes. Transfer of principal, interest and any premium payments or notices to Participants and Indirect Participants will be the responsibility of the Securities Depository and transfer of principal, interest and any premium

MINUTES
AUGUST 18, 2015

payments or notices to Beneficial Owners will be the responsibility of the Participants and Indirect Participants. No other party will be responsible or liable for such transfers of payments or notices or for maintaining, supervising or reviewing such records maintained by the Securities Depository, the Participants or the Indirect Participants. While the Securities Depository Nominee or the Securities Depository, as the case may be, is the registered owner of the Bonds, notwithstanding any other provisions set forth herein, payments of principal of, redemption premium, if any, and interest on the Bonds shall be made to the Securities Depository Nominee or the Securities Depository, as the case may be, by wire transfer in immediately available funds to the account of such Holder, without notice to or the consent of the Beneficial Owners, the Paying Agent, with the consent of the City, and the Securities Depository may agree in writing to make payments of principal and interest in a manner different from that set out herein. In such event, the Paying Agent shall make payments with respect to the Bonds in such manner as if set forth herein.

The City may at any time elect (i) to provide for the replacement of any Securities Depository as the depository for the Bonds with another qualified Securities Depository, or (ii) to discontinue the maintenance of the Bonds under a Book-Entry System. In such event, and upon being notified by the City of such election, the Paying Agent shall give 30 days' prior notice of such election to the Securities Depository (or such fewer number of days as shall be acceptable to such Securities Depository).

Upon the discontinuance of the maintenance of the Bonds under a Book-Entry System, the City will cause Bonds to be issued directly to the Beneficial Owners of Bonds, or their designees, as further described below. In such event, the Paying Agent shall make provisions to notify Participants and the Beneficial Owners of the Bonds, by mailing an appropriate notice to the Securities Depository, or by other means deemed appropriate by the Paying Agent in its discretion, that Bonds will be directly issued to the Beneficial Owners of Bonds as of a date set forth in such notice, which shall be a date at least 10 days after the date of mailing of such notice (or such fewer number of days as shall be acceptable to the Securities Depository).

In the event that Bonds are to be issued to the Beneficial Owners of the Bonds, or their designees, the City shall, at its expense, promptly have prepared Bonds in certificated form registered in the names of the Beneficial Owners of Bonds shown on the records of the DTC participants provided to the Paying Agent, as of the date set forth in the notice described above. Bonds issued to the Beneficial Owners, or their designees, shall be in fully registered form substantially in the form set forth in Section 6 hereof.

If any Securities Depository is replaced as the depository for the Bonds with another qualified Securities Depository, the City will issue to the replacement Securities Depository Bonds substantially in the form set forth herein, registered in the name of such replacement Securities Depository.

Each Securities Depository and the Participants, the Indirect Participants and the Beneficial Owners of the Bonds, by their acceptance of the Bonds, agree that the City and the Paying Agent shall have no liability for the failure of any Securities Depository to perform its obligation to any Participant, Indirect Participant or other nominee of any Beneficial Owner of any Bonds to perform any obligation that such Participant, Indirect Participant or other nominee may incur to any Beneficial Owner of the Bonds.

Notwithstanding any other provision of this Bond Resolution, on or prior to the date of issuance of the Bonds, the Paying Agent shall have executed and delivered to the initial Securities Depository a Letter

MINUTES
AUGUST 18, 2015

of Representations governing various matters relating to the Securities Depository and its activities pertaining to the Bonds. The terms and provisions of such Letter of Representations are incorporated herein by reference and in the event there shall exist any inconsistency between the substantive provisions of the said Letter of Representations and any provisions of this Bond Resolution, then, for as long as the initial Securities Depository shall serve with respect to the Bonds, the terms of the Letter of Representations shall govern.

Notwithstanding any provision in this Bond Resolution to the contrary, at all times in which the Book-Entry System is in effect, any references to physical delivery of a Bond shall not be required.

(c) When the Bonds shall have been validated, if applicable, and executed as herein provided, they shall be registered as an obligation of the City in the office of the Clerk in a record maintained for that purpose, and the Clerk shall cause to be imprinted upon, or attached to, the reverse side of each of the Bonds, over his manual or facsimile signature and manual or facsimile seal, his certificate in substantially the form set out in Section 6.

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

The Bonds shall be delivered to the Underwriter upon payment of the purchase price therefor in accordance with the terms and conditions of the Bond Purchase Agreement, together with a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance, sale and validation, if applicable, of the Bonds, and the final, unqualified approving opinion of Bond Counsel, which opinion shall be imprinted on, or attached to, the reverse of each of the Bonds.

Prior to or simultaneously with the delivery by the Paying Agent of any of the Bonds, the City shall file with the Paying Agent:

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

an authorization to the Paying Agent, signed by the Mayor or Clerk, to authenticate and deliver the Bonds to the Underwriter.

The Paying Agent shall authenticate the Bonds and deliver them to the Underwriter upon payment of the purchase price of the Bonds to the City in accordance with the Bond Purchase Agreement.

Certificates, blank as to denominations, rate of interest, date of maturity and CUSIP number and sufficient in quantity in the judgment of the City to meet the reasonable transfer and reissuance needs on the Bonds, shall be printed and delivered to the Paying Agent in generally-accepted format, and held by the Paying Agent until needed for transfer or reissuance, whereupon the Paying Agent shall imprint the

MINUTES
AUGUST 18, 2015

appropriate information as to denomination, rate of interest, date of maturity and CUSIP number prior to the registration, authentication and delivery thereof to the transferee. Subject to the approval of the Governing Body, the Paying Agent is hereby authorized to have printed from time to time as necessary additional certificates bearing the manual or facsimile seal of the City and manual or facsimile signatures of the person who were the officials of the Governing Body as of the date of original issue of the Bonds.

(d) On behalf of the City, the Mayor and/or Clerk are hereby authorized and directed to appoint the Paying and Transfer Agent to be designated in and evidenced by the execution of the Bond Purchase Agreement. The Paying and Transfer Agent shall be a bank, trust company or national banking association having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and/or state regulatory authorities under the jurisdiction of which it falls. The City specifically reserves the right to hereafter designate a separate Transfer Agent and/or Paying Agent in its discretion in the manner hereinafter provided.

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

The City shall pay or reimburse the Agent reasonable fees for the performance of the services normally rendered and the incurring of normal expenses reasonably and necessarily paid as are customarily paid to paying agents, transfer agents and bond registrars, subject to agreement between the City and the Agent. Fees and reimbursements for extraordinary services and expenses, so long as not occasioned by the negligence, misconduct or willful default of the Agent, shall be made by the City on a case-by case basis, subject, where not prevented by emergency or other exigent circumstances, to the prior written approval of the Governing Body.

(e) An Agent may at any time resign and be discharged of its duties and obligations of either the function of the Paying Agent or Transfer Agent, or both, by giving at least sixty (60) days written notice to the City, and may be removed from either or both of said functions at any time by resolution of the Governing Body delivered to the Agent. The resolution shall specify the date on which such removal shall take effect and the name and address of the successor Agent, and shall be transmitted to the Agent being removed within a reasonable time prior to the effective date thereof. Provided, however, that no resignation or removal of an Agent shall become effective until a successor Agent has been appointed pursuant to this Bond Resolution.

Upon receiving notice of the resignation of an Agent, the City shall promptly appoint a successor Agent by resolution of the Governing Body. Any appointment of a successor Agent shall become effective upon acceptance of appointment by the successor Agent. If no successor Agent shall have been so appointed and have accepted appointment within thirty (30) days after the notice of resignation, the resigning Agent may petition any court of competent jurisdiction for the appointment of a successor Agent, which court may thereupon, after such notice as it may deem appropriate, appoint a successor Agent.

MINUTES
AUGUST 18, 2015

In the event of a change of Agents, the predecessor Agent shall cease to be custodian of any funds held pursuant to this Bond Resolution in connection with its role as such Agent, and the successor Agent shall become such custodian; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Agent shall be fully paid. Every predecessor Agent shall deliver to its successor Agent all records of account, registration records, lists of Registered Owners and all other records, documents and instruments relating to its duties as such Agent.

Any successor Agent appointed under the provisions hereof shall be a bank, trust company or national banking association having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and/or state regulatory authorities under the jurisdiction of which it falls.

Every successor Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor Agent and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Agent, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor.

Should any transfer, assignment or instrument in writing be required by any successor Agent from the City to more fully and certainly vest in such successor Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Agent, any such transfer, assignment and written instrument shall, on request, be executed, acknowledged and delivered by the City.

The City will provide any successor Agent with certified copies of all resolutions, orders and other proceedings adopted by the Governing Body relating to the Bonds.

All duties and obligations imposed hereby on an Agent or successor Agent shall terminate upon the accomplishment of all duties, obligations and responsibilities imposed by law or required to be performed by this Bond Resolution.

Any corporation or association into which an Agent may be converted or merged, or with which it may be consolidated or to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger consolidation or transfer to which it is a party, shall be and become successor Agent hereunder and vested with all the powers, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of either the City or the successor Agent, anything herein to the contrary notwithstanding, provided only that such successor Agent shall be satisfactory to the City and eligible under the provisions of Section 5(d)(iv) hereof.

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

[remainder of page left blank intentionally]

[BOND FORM]
UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
CITY OF COLUMBUS
COMBINED WATER AND SEWER SYSTEM REVENUE REFUNDING BOND
SERIES 2015

NO. _____ \$ _____

<u>Rate of Interest</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%			

Registered Owner:

Principal Amount: _____ **DOLLARS**

The City of Columbus, in Lowndes County, State of Mississippi (the "City"), a body politic existing under the Constitution and laws of the State of Mississippi, acknowledges itself to owe and for value received, promises to pay in lawful money of the United States of America to the Registered Owner identified above, upon the presentation and surrender of this Bond, at the principal office of _____, _____, _____, or its successor, as paying agent (the "Paying Agent") for the Combined Water and Sewer System Revenue Refunding Bonds, Series 2015, of the City (the "Bonds"), on the maturity date identified above, the principal amount identified above. Payment of the principal amount of this Bond shall be made to the Registered Owner hereof who shall appear in the registration records of the City maintained by _____, _____, _____, or its successor, as transfer agent for the Bonds (the "Transfer Agent"), as of the 15th day of the calendar month preceding the maturity date hereof.

The City further promises to pay interest on such principal amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the rate of interest per annum set forth above, on **May 1** and **November 1** of each year (each an "Interest Payment Date"), commencing **July 1, 2016**, until said principal sum is paid, to the Registered Owner hereof who shall appear in the registration records of the City maintained by the Transfer Agent as of the 15th day of the calendar month preceding the applicable Interest Payment Date.

Payments of principal of and interest on this Bond shall be made by check or draft mailed on the Interest Payment Date to such Registered Owner at his address as it appears on such registration records. The Registered Owner hereof may change such address by written notice to the Transfer Agent by certified mail, return receipt requested, or such other method as may be acceptable to the Transfer Agent, such notice to be received by the Transfer Agent not later than the Record Date preceding the applicable principal or Interest Payment Date.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to denomination, number, rate of interest and date of maturity, issued in the aggregate authorized principal amount of _____ Dollars (\$_____) to raise money for the purpose of providing funds, together with certain transferred funds, sufficient for the refinance, prepayment and advance refunding of the outstanding principal installments of the City's Promissory Note (Columbus, Mississippi Combined Water and Sewer System Refunding and Construction Project), dated January 11, 2007, issued in the original principal amount of \$27,860,000, securing a Loan Agreement, dated January 11, 2007, by and between the City and the Mississippi Development Bank, evidencing a loan between the City and the Mississippi Development Bank, and the subsequent advance refunding and redemption of the outstanding \$27,860,000 Mississippi Development Bank Special Obligation Bonds, Series 2007 (City of Columbus, Mississippi Combined Water and Sewer System Refunding and Construction Project), dated January 11, 2007, issued pursuant to an Indenture of Trust, dated January 11, 2007, by and between the Mississippi Development Bank and Deutsche Bank National Trust Company, Olive Branch, Mississippi; and (ii) paying costs of issuance for the Bonds.

This Bond is issued under the authority of the Constitution and statutes of the State of Mississippi, including Sections 31-27-1 et seq., Mississippi Code of 1972, as amended from time to time, and by the further authority of proceedings duly had by the Mayor and City Council of the City, including a resolution adopted on _____, 2015 (the "Bond Resolution").

[INSERT REDEMPTION PROVISIONS].

[REMOVE IF NOT APPLICABLE: Notice of redemption identifying the numbers of Bonds or portions thereof to be redeemed shall be given to the Registered Owners thereof by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption. Failure to mail or receive any such notice, or any defect therein or in the mailing thereof, shall not affect the validity of any proceedings for the redemption of Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been given, irrespective of whether received. If such written notice of redemption is made and if due provision for payment of the redemption price is made, all as provided above, the Bonds which are to be redeemed thereby automatically shall be deemed to have been redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the owner to receive the redemption price out of the funds provided for such payment. If at the time of mailing of any notice of redemption, there shall not be on deposit with the Paying Agent sufficient moneys to redeem all of the Bonds called for redemption, such notice shall state that it is subject to the deposit of moneys with the Paying Agent not later than on the redemption date and shall be of no effect unless such moneys are deposited.]

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

This Bond may be transferred or exchanged by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent, but only in the manner, subject to the limitations in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon such

transfer or exchange, a new Bond or Bonds of like aggregate principal amount in authorized denominations of the same maturity will be issued.

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

The principal of and interest on the Bonds shall be payable solely from the Revenues derived from the operation of the combined water and sewer system of the City (the "System"), subject to the prior payment of the reasonable and necessary expense of operating and maintaining the System (the "Net Revenues"). The Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory restriction, limitation or provision, and the taxing power of the City is not pledged to the payment hereof, either as to principal or interest. System Revenues shall be deposited in the Revenue Fund and then transferred to the 2015 Debt Service Fund for the payment of principal and interest on the Bonds.

The City covenants and agrees that it will perform all duties required by law and by the Bond Resolution; that it will apply the proceeds of this Bond to the purposes above set forth; that, as long as this Bond is outstanding, it will operate and maintain the System; that it will fix and maintain rates and make and collect charges for the services of the System, without regard to the user thereof, sufficient to provide for the operation and maintenance of the System in good repair and working order, and to provide for the payment of the principal of and interest on this Bond as same shall mature and accrue, all as set forth in the Bond Resolution; and that such an amount of the Net Revenues of the System as will maintain a 2015 Debt Service Fund on this Bond, as the same shall mature and accrue, is hereby irrevocably pledged to said purpose.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that all conditions, acts and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, in order to make the same a legal and binding limited obligation of the City, according to the terms hereof, do exist, have happened and have been performed in regular and due time, form and manner as required by law.

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

Terms capitalized herein shall have the same meaning as in the Bond Resolution, unless otherwise expressly provided herein.

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City, countersigned by the manual or facsimile signature of the Clerk of the City, under the manual or facsimile seal of the City, which said manual or facsimile signatures and seal said officials adopt as and for their own proper signatures and seal.

CITY OF COLUMBUS, MISSISSIPPI

BY: _____

Mayor

COUNTERSIGNED:

City Clerk

(SEAL)

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

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Resolution and is one of the Combined Water and Sewer System Revenue Refunding Bonds, Series 2015, of the City of Columbus, Mississippi.

as Paying Agent

BY: _____
Authorized Officer

Date of Registration and Authentication: _____

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

REGISTRATION [AND VALIDATION] CERTIFICATE

**STATE OF MISSISSIPPI
LOWNDES COUNTY
CITY OF COLUMBUS**

I, the undersigned City Clerk of the City of Columbus, Mississippi, do hereby certify that the within Bond has been duly registered by me as an obligation of said City pursuant to law in a record kept in my office for that purpose [, and has been validated and confirmed by Decree of the Chancery Court of Lowndes County, Mississippi, rendered on the 18TH day of AUGUST, 2015].

City Clerk

(SEAL)

ASSIGNMENT

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

(Name and Address of Assignee)
the within Bond and does hereby irrevocably constitute and appoint _____,
_____, _____, as Transfer Agent to transfer the said Bond on the records kept for
registration thereof with full power of substitution in the premises.

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

Signatures guaranteed:

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

(Authorized Officer)

Date of Assignment: _____

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

[End of Bond Form.]

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

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

(f) In the event the Underwriter shall fail to designate the names, addresses and social security or tax identification numbers of the Registered Owners of the Bonds within thirty (30) days of the date of sale, or at such other later date as may be designated by the City, one Bond registered in the name of the Underwriter may be issued in the full amount of each maturity. Ownership of the Bonds shall be in the Underwriter until the initial Registered Owner has made timely payment and, upon request of the Underwriter within a reasonable time of the initial delivery of the Bonds, the Paying Agent shall re-register any such Bond upon its records in the name of the Registered Owner to be designated by the Underwriter in the event timely payment has not been made by the initial Registered Owner.

(b) Except as hereinabove provided, the Person in whose name any of the Bonds shall be registered in the records of the City maintained by the Paying Agent may be deemed the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on any of the Bonds shall be made only to or upon the order of the Registered Owner thereof, or his legal representative, but such registration may be changed as hereinafter provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon any of the Bonds to the extent of the sum or sums so paid.

(c) The Bonds shall be transferable only in the records of the City, upon surrender thereof at the office of the Transfer Agent, together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the Registered Owner or his or its attorney duly authorized in writing. Upon the transfer of any of the Bonds, the City, acting through its Transfer Agent, shall issue in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond or Bonds.

(d) In all cases in which the privilege of transferring any of the Bonds is exercised, the Transfer Agent shall authenticate and deliver said Bonds in accordance with the provisions of this Bond Resolution.

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

Payment of each installment of interest on the Bonds shall be made to the Record Date Registered Owner thereof whose name shall appear in the registration records of the City maintained by the Transfer Agent as of the Record Date. Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Bond subsequent to the Record Date and prior to the due date of the interest.

(f) Principal of and interest on the Bonds shall be paid by check or draft mailed on the Interest Payment Date to Registered Owners at the addresses appearing in the registration records of the Paying Agent. Any such address may be changed by written notice from the Registered Owner to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the applicable principal or interest payment date to be effective as of such date.

The principal of and interest on the Bonds shall be payable solely from a pledge of Pledged Net Revenues subject to the prior payment of the reasonable and necessary expense of operating and maintaining the System and the parity lien of the 2007 Note securing the 2007 Bank Bonds. The Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory restriction, limitation or provision, and the taxing power of the City is not pledged to the payment of the Bonds, either as to principal or interest.

From and after the issuance and delivery of the Bonds, the System shall be operated on a Fiscal Year basis, commencing on the first day of October, and ending on the last day of September in the following year; provided, however, that the Fiscal Year may be changed upon written notice to the Registered Owners.

All Revenues shall be set aside as collected and shall be deposited into the Revenue Fund heretofore created pursuant to the Bond Resolution. Moneys in said fund shall not be subject to lien or attachment by any creditor of the City and shall be set aside for, allocated to and deposited by the Clerk to the extent available in the following order of preference in the following separate and special funds, created pursuant to the Bond Resolution, without further direction of or action by the Governing Body or other authority of the City:

(a) On the first business day of each month, commencing in the first month after delivery of the Bonds, there shall be deposited into the Operation and Maintenance Fund created by the Bond Resolution, which will provide for the payment of the Current Expenses to be paid during such calendar month, and, in the event that the aggregate amounts deposited into such fund pursuant to this subsection (a) during the preceding months shall have been insufficient to pay all such expenses, an amount sufficient to repay such deficiencies.

(b) On the first business day of each month, commencing in the first month after the delivery of the Bonds, there shall be into the 2015 Debt Service Fund hereby created and established herein for the Bonds an amount which, together with equal subsequent monthly deposits on the first business day

of each successive month, will provide a sum equal to the amount necessary to pay interest and principal due and payable through the date on which the next installment of principal on the Bonds is due.

(c) Any amount remaining in the Revenue Fund after making all payments and deposits required by subsection (a) and (b), including any deficiency in payments required hereunder for prior months shall be maintained in the Revenue Fund and when necessary, transferred to the Operation and Maintenance Fund at the discretion of the City to cover any deficiency therein or for any expenditure as a result of an unforeseen circumstance.

The moneys in the foregoing funds shall be held separate and apart from all other funds of the City and shall be applied in the manner provided, and, pending such application, shall be subject to a lien and charge in favor and for the security of Registered Owners for the Bonds and the registered owners of the 2007 Bank Bonds until paid out or transferred as herein provided. Any surplus Revenues remaining after all deposits and transfers required or allowed by the Bond Resolution shall be used solely for purposes pertaining to the System.

If Net Revenues, including the Pledged Net Revenues, shall be insufficient at any time to make the payments or deposits from the Net Revenues and Pledged Net Revenues, as applicable, required by Section 15 hereof, the deficiency shall be made good by additional payments to be made out of the first available Net Revenues and Pledged Net Revenues, as applicable, received during any succeeding month or months.

Subject to the provisions of the 2007 Loan Agreement and the 2007 Indenture regarding the 2007 Note and the 2007 Bank Bonds, all sums in the funds referred to in Section 15 hereof shall be kept on deposit in bank accounts separate from all other bank accounts of the City in a bank or banks having Federal Deposit Insurance Corporation insurance of its accounts and at all times shall be continuously secured as provided by the laws of the State of Mississippi for other funds of the City, or, in the discretion of the Governing Body, may be invested as directed in this Bond Resolution in investments authorized under the laws of the State of Mississippi as may now be or hereafter become. Such investments shall mature or be redeemable prior to the time the funds so invested will be needed for expenditure. Any interest or other income received from investments shall accrue to and be deposited in the fund which generated such income or to which such income is attributable and applied toward the purposes set forth in such fund.

The City covenants and agrees with the Registered Owners that it will perform or clause to be performed all duties with respect to the operation and maintenance of the System and with respect to the fixing, maintaining and collecting of the rates, fees and charges for the services thereof, the establishing of the funds herein referred to, and all other matters and things required by law and by this Bond Resolution, and that it will do or cause to be done, in apt time and season, each and every official act necessary for the payment of the principal of and the interest on the Bonds as the same shall mature and accrue.

The City further covenants with the Registered Owners as follows:

(a) As long as any of the Bonds are outstanding and unpaid, it will operate and maintain the System, or cause the System to be operated and maintained.

(b) As long as any of the Bonds are outstanding and unpaid, it will fix and maintain rates and make and collect charges for the use and service of the System which will at all times provide Pledged Net Revenues sufficient: (i) to pay the Current Expenses of the System, and (ii) to provide one hundred ten per cent (110%) of the amount of the maximum Principal and Interest Requirements and the payments required to be made to the credit of the Debt Service Reserve Fund for the current Bond Year on account of the Bonds then outstanding.

(c) If the Pledged Net Revenues in any Fiscal Year as shown by the City's audit are less than the total amount set forth in subsection (b) of this Section, then it shall, as promptly as possible, request the Consulting Engineers to make recommendations as to a revision of such rates, fees and charges or methods of operating the System which will result in producing the required amount in the following Fiscal Year. Upon receipt of such recommendations the City shall, subject to applicable requirements imposed by law, immediately revise such rates, fees and charges and take such other actions respecting the methods of operation of the System as shall in its discretion be deemed necessary. Failure to implement the recommendation of the Consulting Engineer or if coverage is less than one hundred ten percent (110%) of the maximum Principal and Interest Requirements and the payment required to be made to the credit of the Debt Service Reserve Fund, shall be a breach of the City's covenants herein.

(d) As long as any of the Bonds shall remain outstanding and unpaid, the City shall carry and maintain all-risk insurance upon all the properties forming a part of the System which may be of an insurable nature, such insurance to be of the type and kind and for such amount or amounts as carried and maintained by other municipalities rendering services of a similar character in similar communities. The proceeds of all such insurance shall be used only for the maintenance and restoration of the System, or for the payment of the principal of and the interest on the Bonds.

(e) The City shall set up and maintain a proper system of accounts showing the amount of Revenues received from the System and the application thereof. Such accounts shall be separate and distinct from the other accounts of the City and the City, and at least once a year shall be properly audited by independent auditors who shall be certified public accountants. The report of such audit shall be open to the public and to all Registered Owners.

(f) The Registered Owner of any of the Bonds shall be permitted, at all reasonable times, to inspect the System and all records, accounts and data relating thereto, and shall be furnished all data and information relating to the System which may be reasonably requested.

(g) Except as provided for by this Bond Resolution, the City will not create or permit to be created any charge or lien on Pledged Net Revenues ranking equal or prior to the charge or lien of the Bonds and the 2007 Note securing the 2007 Bank Bonds.

Prior to the commencement of each Fiscal Year, the Governing Body shall cause to be prepared a budget setting out the estimated receipts and expenditures of the System for the then ensuing Fiscal Year. This budget shall contain:

- (a) An estimate of the receipts expected to be derived from the operation of the System;
- (b) A statement of the estimated cost of operating the System during the next ensuing Fiscal Year;

- (c) A statement of the amount of principal and interest due during the ensuing Bond Year;
- (d) A statement of what replacements to the System may be anticipated and the estimated cost thereof;
- (e) A statement of the total amount anticipated to be payable from Revenues during the next ensuing Fiscal Year; and
- (f) A statement of the amount on deposit in each of the funds referred to in Section 15 of this Bond Resolution.

(g) In order to insure the efficient and economical operation of the System and to insure the proper maintenance thereof in an efficient working order, the City covenants, as a part of the contract to be evidenced by the Bonds, that it will employ, or cause to be employed, while any of the Bonds are outstanding, an independent engineer or engineering firm having a favorable reputation for skill and experience in such work, such engineer or engineering firm to act as Consulting Engineers for the operation and maintenance of the System. The Consulting Engineers employed to supervise the System shall continue to be employed under this Section 20 until further action by the Governing Body. The compensation of the Consulting Engineers shall be deemed to be an expense of operating the System and shall be payable from Revenues.

(b) It shall be the duty of the Consulting Engineers annually to inspect the System prior to the commencement of each Fiscal Year and to file a report with the Clerk prior to the commencement of each Fiscal Year, setting out the condition of the physical plant of the System and any recommendations which the Consulting Engineers shall deem to be advisable. Such report shall include the following:

- (i) Advice and recommendations concerning the maintenance, repair and operation of the System.
- (ii) Advice and recommendations as to renewals or replacements of any part of the System.
- (iii) Advice and recommendations as to extensions of the System.
- (iv) The estimated cost of any recommended renewals, replacements or extensions to the System.
- (v) Advice and recommendations concerning the amount and character of insurance that should be carried on the System.
- (vi) Advice and recommendations concerning any revision of the rates to be charged for the services of the System.
- (vii) A statement of the judgment of the Consulting Engineers concerning whether the System had been maintained in good repair and operating order, with such suggestions as the Consulting Engineers may deem advisable concerning changes in the methods of operating the System.

(c) The City covenants with the Registered Owners that if the report of the Consulting Engineers shall show that the System has not been maintained in good repair and operating condition, it will, from available Revenues promptly restore the System to good repair and operating condition; that all recommendations of said report shall receive impartial consideration by the Governing Body; and that the City and the Governing Body shall endeavor in good faith to carry out the recommendations that may be made by the Consulting Engineers.

(d) From and after the issuance of the Bonds, no additional bonds shall be issued or obligations incurred by the City which are payable in whole or in part from or chargeable to Pledged Net Revenues (except obligations incurred in the operation and maintenance of the System), unless such additional bonds or obligations are in all respects junior and subordinate to the Bonds and the 2007 Note securing the 2007 Bank Bonds.

(b) The City shall have the right to issue one or more additional bond series to be secured by a parity lien on and ratably payable from Pledged Net Revenues and any other security pledged to the Bonds, including the 2007 Note securing the 2007 Bank Bonds, subject to the provisions of the 2007 Loan Agreement and the 2007 Indenture, regarding parity indebtedness, provided in each instance that:

(i) the Pledged Net Revenues available for payments of principal and interest on the Bonds and the 2007 Note securing the 2007 Bank Bonds for a period of 12 consecutive months during the 18 months preceding the month in which such additional parity bonds are issued must be certified by an accountant to have been at least equal to 110% of the highest annual debt service payments in any succeeding Bond Year with respect to the Bonds and the 2007 Note securing the 2007 Bank Bonds, any other outstanding bonds and the bonds proposed to be issued; or in lieu of the foregoing formula, if a new schedule of rates, fees and charges for the services, facilities and commodities of the System shall have been adopted, then the Pledged Net Revenues available for debt service payments (taking into account such new rates) must be certified by an accountant to have been at least equal to 110% of the highest annual debt service payments in any succeeding Bond Year with respect to the Bonds and the 2007 Note securing the 2007 Bank Bonds, any other outstanding bonds, and the bonds proposed to be issued during the period set forth above;

(ii) the pledge of and lien on the Pledged Net Revenues and amounts on deposit from time to time in the 2015 Debt Service Fund shall be extended for the benefit of the Registered Owners of the additional bonds; and

(iii) the resolution under which the proposed bonds are being issued shall provide for the funding of the increase in the Debt Service Reserve Fund resulting from the issuance of such additional bonds from the proceeds of such additional bonds.

(c) The City hereby covenants and agrees that in the event additional series of parity bonds are issued, it shall:

(i) Adjust the deposits into the 2015 Debt Service Fund in the following manner: On the first business day of each month, commencing in the first month after the delivery of the additional bonds, there shall be deposited into the 2015 Debt Service Fund an amount which, after taking into account any amounts already on deposit and equal subsequent monthly deposits

on the first business day of each successive month, will provide a sum equal to the amount necessary to pay interest and principal due and payable through the date on which the next installment of principal on the Bonds and the additional bonds is due.

(ii) Adjust the amount of the Debt Service Reserve Fund to a sum equal to the lesser of the following: (1) the Debt Service Reserve Fund Requirement as calculated for the Bonds, and such additional parity bonds; and (2) the maximum amount which, if deposited therein, in the opinion of nationally recognized bond counsel, would not adversely affect the tax-exempt status of interest on the Bonds and such additional bonds. The additional funds required to provide the lesser of (1) or (2) as set forth in the immediate preceding sentence shall be funded from the proceeds of the additional parity bonds.

(d) The City shall have the right to call, subject to the call provisions of the respective bond series, any or all outstanding bonds which may be called at par prior to calling any bonds that are callable at a premium. If it is provided in any subsequently issued series of bonds secured by a parity lien on Pledged Net Revenues that excess moneys in the 2015 Debt Service Fund shall be used to redeem bonds in advance of scheduled maturity or if the City, at its option, undertakes to redeem outstanding bonds in advance of scheduled maturity, it is agreed and understood that:

(i) calls of or prepayment on bonds will apply to each series of bonds on an equal pro rata basis (reflecting the proportion of the original amount of each series of bonds outstanding at the time of such call); and

(ii) calls of bonds for each bond series will be in accordance with the call provisions of the respective bond series.

(e) The City may issue bonds junior and subordinate to the Bonds and the 2007 Note securing the 2007 Bank Bonds at any time, provided that the issuance of such bonds does not violate any covenant of the City concerning any of its then outstanding bonds.

(f) The provisions of this Bond Resolution shall constitute a contract between the City and the Registered Owners from time to time of the Bonds, and after the issuance of the Bonds no changes, additions or alterations of any kind shall be made hereto in any manner except upon consent of the Registered Owners of at least sixty-five percent (65%) in principal amount of the Bonds then outstanding, such consent to be evidenced by an instrument or instruments signed by such Registered Owners and duly acknowledged in the manner of a deed for the conveyance of real estate in the State of Mississippi. Such instruments shall contain or be accompanied by proofs of ownership of specified numbers and principal amounts of the Bonds, shall be filed in the office of the Clerk and shall be a public record.

(b) Any and all modifications or alterations made in the manner hereinabove provided shall not become effective until the required consents shall have been filed with the Clerk.

(c) No modifications or alterations to this Bond Resolution shall extend the maturity of or reduce the interest rate on or otherwise alter or impair the obligation to pay the principal of or the interest on any of the Bonds at the time and place and at the rate and in the currency as provided therein, without the express consent of the Registered Owner of any of such Bonds, nor reduce the percentage of the Bonds required for the affirmative vote or written consent to a modification or alteration, nor alter or impair the covenants set forth in Sections 18, 19 and 21 hereof.

The Bonds and the 2007 Note securing the 2007 Bank Bonds shall be payable equally and ratably, without regard to the date when the Bonds actually shall be delivered and shall enjoy parity of lien, one with the other, upon Pledged Net Revenues.

Upon delivery of the Bonds, the City shall cause a portion of proceeds of the Bonds will be remitted directly to the Escrow Agent to effectuate the Refunding Project.

(a) The City hereby establishes the 2015 Costs of Issuance Fund which shall be held by the Escrow Agent pursuant to Escrow Agreement, for and on behalf of the City. A certain portion of the proceeds received upon the sale of the Bonds shall be deposited in the 2015 Costs of Issuance Fund. Any income received from investment of monies in the 2015 Costs of Issuance Fund shall be deposited in the 2015 Costs of Issuance Fund. Funds in the 2015 Costs of Issuance Fund shall be used to pay the costs, fees and expenses incurred by the City in connection with the authorization, issuance, sale, validation, if applicable, and delivery of the Bonds. Any amounts which remain in the 2015 Costs of Issuance Fund after the payment of the costs of issuance for the Bonds shall be transferred by the Escrow Agent to the City for deposit to the 2015 Debt Service Fund and used as permitted under State law.

(b) The Mayor is hereby authorized and directed to sign requisitions and perform such other acts as may be necessary to authorize the payment by the Escrow Agent, acting for an on behalf of the City, on the closing date of the Bonds the costs of issuance of said Bonds; provided, however, total costs of issuance for said Bonds shall not exceed five percent (5%) of the par amount of the Bonds (excluding the Underwriter's discount and original issue discount, and any costs associated with the Bond Insurance Policy and Surety Bond, if applicable).

(d) Upon the occurrence of an event of default, the Registered Owner of any of the Bonds may, by suit, action, mandamus or other proceedings at law or in equity, enforce and compel performance by the appropriate official or officials of the City of any or all acts and duties to be performed by the City under the provisions of the Act and of this Bond Resolution.

(b) Each of the following constitutes an event of default under this Bond Resolution:

(i) failure by the City to pay any installment of principal or Redemption Price of any Bond at the time required;

(ii) failure by the City to pay any installment of interest on any Bond at the time required;

(iii) failure by the City to perform or observe any other covenant, agreement or condition on its part contained in this Bond Resolution or in the Bonds, and the continuance thereof for a period of sixty (60) days after written notice thereof to the City by the Registered Owners of not less than ten percent (10%) in principal amount of the then outstanding Bonds; or

(iv) an Act of Bankruptcy occurs.

(c) If there be any default in the payment of the principal of and interest on the Bonds, any court having jurisdiction in the proper action may, upon petition of the Registered Owners of a majority in principal amount of the Bonds then outstanding, appoint a receiver to administer and operate the System with power to fix rates and collect charges sufficient to provide for the payment of the Bonds

and to pay the expense of operating and maintaining the System in conformity with the provisions of the Act and of this Bond Resolution; provided, however, if the 2007 Note is outstanding, the provisions of this sub-section will be subject to the provisions of the 2007 Loan Agreement and the 2007 Indenture.

At least five (5) days prior to the due date thereof, the Clerk of the City shall remit to the Paying Agent the sum or sums then becoming due as interest, or principal and interest, on the Bonds, plus the sum then due as the charges of the Paying Agent for its services and responsibility under the terms of this Bond Resolution, which charges shall be expenses of operation and shall be charged to and payable from the Operation and Maintenance Fund referred to in Section 14 of this Bond Resolution.

The Bonds may be submitted to validation as provided by Sections 31-13-1 to 31-13-11, Mississippi Code of 1972, as amended, and for that purpose the Clerk, if required, is hereby authorized and directed to transmit to the State's Bond Attorney a certified copy of all of the legal papers pertaining to the issuance of the Bonds, including transcripts of records, resolutions, proofs of publication, tabulation or votes and all facts pertaining to the issuance of the Bonds.

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

The City hereby covenants that it will not make any use of the proceeds of the Bonds or do or suffer any other action that would cause: (i) the Bonds to be "arbitrage bonds" as such term is defined in Section 148(a) of the Internal Revenue Code of 1986, as amended ("Code"), and the Regulations promulgated thereunder; (ii) the interest on the Bonds to be included in the gross income of the Registered Owners thereof for federal income taxation purposes; or (iii) the interest on the Bonds to be treated as an item of tax preference under Section 57(a)(5) of the Code.

The City hereby covenants with regard to the Refunded 2007 Bonds as follows:

(a) it has not abandoned, sold or otherwise disposed of any facility, equipment or improvement financed or refinanced directly or indirectly with the proceeds of the 2007 Note and the 2007 Bank Bonds;

(b) it does not intend to, during the term that any of the Bonds allocable to the Refunding Project are outstanding, abandon, sell or otherwise dispose of any facility, equipment or improvement financed or refinanced directly or indirectly with the proceeds of the 2007 Note and the 2007 Bank Bonds;

(c) it shall timely file with the Ogden, Utah Service Center of the Internal Revenue Service, such information report or reports as may be required by Section 148(f) and 149(e) of the Code;

(d) it shall take no action that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code;

(e) it will not employ an abusive arbitrage device in connection with the issuance by it of the Bonds which will (1) enable it to obtain a material financial advantage (based on arbitrage) apart from the savings that may be realized as a result of the lower interest rates on the Bonds than on the Refunded 2007 Note and the Refunded 2007 Bank Bonds and (2) overburden the tax-exempt bond market; and

(f) the amount of "excess gross proceeds", as such term is defined in Income Tax Regulation § 1.148-10(c)(2), of the Bonds allocable to the Refunding Project will not exceed one percent (1%) of the proceeds received from the sale thereof.

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

The City hereby designates the Bonds as "qualified tax-exempt obligations" as defined in and for the purposes of Section 265(b)(3) of the Code. For purposes of this designation, the City hereby represents that:

(a) the City reasonably anticipates that the amount of tax-exempt obligations to be issued by it during the period from January 1, 2015, to December 31, 2015, and the amount of obligations designated as "qualified tax-exempt obligations" by it, will not exceed \$10,000,000 when added to the aggregate principal amount of the Bonds; and

(b) for purposes of this Section 34, the following obligations are not taken into account in determining the aggregate principal amount of tax-exempt obligations issued by the City: (i) a private activity bond as defined in Section 141 of the Code (other than a qualified 501(c)(3) bond, as defined in Section 145 of the Code); and (ii) any obligation issued to refund any other tax-exempt obligation (other than to advance refund within the meaning of Section 149(d)(5) of the Code) as provided in Section 265(b)(3)(c) of the Code.

The City hereby covenants that it shall make, or cause to be made, the rebate required by Section 148(f) of the Code ("Rebate") in the manner described in Regulation §§1.148-1 through 1.148-11, as such regulations and statutory provisions may be modified insofar as they apply to the Bonds. In accordance therewith, the City shall:

(a) Within sixty (60) days of the last day of the fifth and each succeeding fifth "bond year" (which shall be the five-year period ending on the date five years subsequent to the date of the closing, unless another date is selected by the Governing Body of the City, and each succeeding fifth "bond year"), and within sixty (60) days of the date the last bond that is part of the Bonds is discharged the City shall (i) calculate, or cause to be calculated, the "rebate amount" as of each "computation date" or the "final computation date" attributable to any investment in "investment-type property" made by the City, of "gross proceeds" of the Bonds, and (ii) remit the following to the United States Treasury within sixty (60) days of the last day of the fifth and each succeeding fifth "bond year": (A) an amount of money equal to such "rebate amount" (treating for purposes of such calculation any previous payments made to the United States Treasury on account of such "rebate amount" as if the payment on any such date was an "expenditure" constituting a "rebate payment"), (B) the calculations supporting the amount of "rebate amount" attributable to any investments in "investment-type property" made by the City of gross proceeds of the Bonds and (C) any other information required to comply with Section 148 of the Code.

(b) The City shall keep accurate records of each investment-type property (as that term is defined in Section 148(b) of the Code), if any, acquired, directly or indirectly, with "gross proceeds" of the Bonds and each expenditure it makes with "gross proceeds". Such records shall include the purchase price, nominal interest rate, dated date, maturity date, type of property, frequency of periodic payments, period of compounding, yield to maturity, amount actually or constructively realized on disposition, disposition date, and evidence of the "fair market value" of such property on the purchase date and disposition date (or deemed purchase or disposition date), for each item of such "investment-type property".

In the event the City receives an opinion of nationally recognized bond counsel to the effect that any of the computations, deposits or payments referenced in Section 35 herein are not required to be made in order to maintain the tax-exempt status of interest on the Bonds, the City need not make such computations, deposits or payments.

The City shall not hereafter construct, acquire or operate, or permit, or, to the extent permitted by law, consent to the construction, acquisition or operation of, any plants, structures, facilities or properties which may compete or tend to compete with the System; except that nothing in this Bond Resolution contained shall prevent the City from giving its permission or consent to the construction, acquisition or preparation in the area serviced by the System by a Person or facilities for the provision of water and sewer services which the City shall determine are not economically feasible for it to construct or acquire at such time, but which, if constructed or acquired by the City, would carry out the purposes of the City and its System under Sections 21-27-23 and 21-27-41 through 21-27-69, Mississippi Code of 1972, as amended and/or supplemented from time to time, and such facilities pursuant to the terms of such permission or consent will become a part of the System upon notice to such person by the City, either (i) without any cost to or payment by the City, or (ii) upon payment of such amount or cost as the City shall determine to be proper in the circumstances.

The City covenants that it will (a) diligently enforce and collect all fees, rental or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the laws of the State, and (b) to the full extent permitted by law, under reasonable rules and regulations, shut off and discontinue the supplying of the services and facilities of

the System for the non-payment of fees, rentals or other charges for said water services, and will not restore said water services until all delinquent charges, together with interest and reasonable penalties, have been paid in full.

The City covenants that it will not provide free service to any user of the System unless permitted by State statute.

The City hereby agrees for the benefit of the holders and beneficial owners of the Bonds for so long as it remains obligated to advance funds to pay the Bonds to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the Municipal Securities Rulemaking Board ("MSRB") through MSRB's Electronic Municipal Market Access system at www.emma.msrb.org ("EMMA"), in the electronic format then prescribed by the Securities and Exchange Commission (the "SEC") (the "Required Electronic Format") pursuant to Rule 15c2-12, as amended from time to time (the "Rule") of the SEC, together with any identifying information or other information then required to accompany the applicable filing (the "Accompanying Information"). This information will be available free to securities brokers and others through EMMA.

The City will provide certain updated financial information and operating data to the MSRB in the Required Electronic Format through EMMA, together with any Accompanying Information. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement in APPENDIX A under the headings "ECONOMIC AND DEMOGRAPHIC INFORMATION," "TAX INFORMATION" and "DEBT INFORMATION," quantitative financial information and operating data with respect to the System of the general type included in the Official Statement in APPENDIX B and other financial information all as set forth in the Continuing Disclosure Agreement, the form of which is included in the Official Statement. The City will update and provide this information within twelve months after the end of each fiscal year of the City ending in or after September 30, 2015.

The City may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by the Rule. The updated information will include audited financial statements, if the City's audit is completed by the required time. Any such financial statements will be prepared in accordance with the accounting principles promulgated by the State of Mississippi or such other accounting principles as the City may be required to employ from time to time pursuant to law or regulation.

The City's current fiscal year end is September 30. If the City changes its fiscal year, it will notify the MSRB in the Required Electronic Format through EMMA, together with any Accompanying Information.

Anyone requesting information under the continuing disclosure requirements of SEC Rule 15c2-12 should contact the City Clerk, City Hall, 523 Main Street, Columbus, Mississippi 39703, Telephone Number: (662) 328-7021.

The City will also provide notice to the MSRB in the Required Electronic Format through EMMA, together with any Accompanying Information, in a timely manner not in excess of ten business days after the occurrence of certain events. The City will provide notice of any of the following events with respect to the Bonds, in a timely manner not in excess of ten business days after the occurrence of such event: (1) principal and interest payment delinquencies; (2) unscheduled draws on debt service reserves, reflecting financial difficulties; (3) unscheduled draws on credit enhancements, reflecting financial difficulties; (4) substitution of credit or liquidity providers for the Bonds; or their failure to perform; (5) adverse tax

opinions, IRS notices or events affecting the tax status of the Bonds; (6) defeasances; (7) rating changes; (8) tender offers; and (9) bankruptcy, insolvency receivership, or a similar proceeding by the obligated person. The City will provide to the MSRB in the Required Electronic Format through EMMA, together with any Accompanying Information, notice of an occurrence of the following events, if such event is material to a decision to purchase or sell Bonds, in a timely manner not in excess of ten business days after the occurrence of an event: (1) non-payment related defaults; (2) modifications to the rights of bond holders; (3) bond calls or redemption; (4) release, substitution, or sale of property securing repayment of the Bonds; (5) the consummation of a merger, consolidation, acquisition involving an obligated person, other than in the ordinary course of business, or the sale of all or substantially all the assets of an obligated person, other than in the ordinary course of business, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms; and (6) appointment of a successor or additional trustee, or the change in the name of the trustee. In addition, the City will provide timely notice of any failure by the City to provide information, data, or financial statements in accordance with its agreement described above under paragraphs 2, 3 and 4 of this Section.

The City has agreed to update information and to provide notices of material events only as described in this Section. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described herein. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although Holders or Beneficial Owners of Bonds may seek a writ of mandamus to compel the City to comply with its agreement.

The City may amend its continuing disclosure agreement only if (1) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature, or status of the City, (2) the agreement, as amended, would have complied with the Rule at the date of sale of the Bonds, taking into account any amendments or interpretations of the Rule as well as any change in circumstance, and (3) the City receives an opinion of nationally recognized bond counsel to the effect that the amendment does not materially impair the interests of the Holders and Beneficial Owners of the Bonds. If any such amendment is made, the City will include in its next annual update an explanation in narrative form of the reasons for the change and its impact on the type of operating data or financial information being provided.

35. The Preliminary Official Statement, in the form submitted to this meeting and attached hereto as **Exhibit A**, shall be, and the same hereby is, approved in substantially said form with such changes, omissions, insertions and revisions therein as the Mayor, as representative of the Governing Body, may in such officer's opinion determine to be required. The Governing Body deems the Preliminary Official Statement to be "final" as required by SEC Rule 15c2-12(b)(1). The actions of the Mayor and all other persons in connection with the preparation of the Preliminary Official Statement are hereby ratified and confirmed. The Mayor is hereby authorized and directed to distribute the Preliminary Official Statement to the Underwriter and to cause to be prepared and to execute and deliver a final Official Statement in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions from the Preliminary Official Statement as may be approved by such officer, said execution being conclusive evidence of such approval.

The Governing Body herein employs Butler Snow LLP, Ridgeland, Mississippi, to serve as bond counsel ("Bond Counsel"), Sims & Sims, LLC, Columbus, Mississippi, to serve as department counsel ("Department Counsel"), Mitchell, McNutt & Sams LLP, Columbus, Mississippi, to serve as city counsel ("City Counsel"), and Government Consultants, Inc., Jackson, Mississippi, to serve as financial advisor ("Financial Advisor") in connection with the Bonds and authorizes them to prepare and distribute all necessary documents and to do all things required in order to negotiate the sale of the refunding bonds, in one or more series, and to effectuate the issuance of such refunding bonds, in one or more series.

Stephens Inc., is hereby designated as the Underwriter for the Bonds.

That the Governing Body of the City hereby authorizes the negotiation of the sale of the Bonds to the Underwriter and authorizes the execution by the Mayor and City Clerk of the Governing Body of the Bond Purchase Agreement in substantially the same form attached hereto as **EXHIBIT B** for and on behalf of the City, with such completions, changes, insertions and modifications as shall be approved by the officers executing and delivering the same (the execution thereof shall constitute conclusive evidence approval of any such completions, changes, insertions and modifications), and provided that the following parameters are met: (1) the par amount of the Bonds will not exceed \$10,000,000; (2) the net interest cost of the Bonds will not exceed 4.00%; (3) the term of the Bonds will not exceed November 1, 2032 (or as determined by the Bond Purchase Agreement, the execution thereof shall constitute approval of any such completions, changes, insertions and modifications); and (4) terms and provisions of the Bonds in compliance with the Act.

Upon the execution of the Bond Purchase Agreement, the Mayor and Clerk are hereby authorized and directed to cause to be prepared and to execute a final Official Statement in connection with the Bonds in substantially the form of the Preliminary Official Statement, subject to minor amendments and supplement as approved by the Mayor and Clerk executing same (the execution thereof shall constitute approval of any such completions, changes, insertions and modifications).

The Governing Body recognizes and acknowledges that due to uncertain conditions in the municipal bond marketplace from time to time, that it may or may not be determined to be advisable to refund any, all or a portion of the Refunded Bonds at any given time. Therefore the Governing Body does hereby grant authority to the Mayor to provide for the final selection and approval of the obligations, amounts, and maturities of the Refunded Bonds to be refunded with the Bonds.

The President and Clerk, acting for and on behalf of the City, and the counsel to the City are hereby authorized to apply for a commitment for the provision of a Bond Insurance Policy and/or a Surety Bond. If the City executes a commitment for the provision of a Bond Insurance Policy and/or a Surety Bond for the Bonds and any additional documents and certificates which are required by any provider of such Bond Insurance Policy and/or Surety Bond selected to provide credit enhancement and funding for the Debt Service Reserve Requirement for the Debt Service Reserve Fund, respectively, in connection with the issuance of the Bonds, the Mayor, City Clerk and/or any other Authorized Officers of the Governing Body is hereby authorized to approve any changes, insertions and omissions as may be required by the provider of the Bond Insurance Policy and/or Surety Bond to the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement and the Escrow Agreement as are approved by the Mayor of the City evidenced by his execution of the commitment for said Bond Insurance Policy and/or Surety Bond and other additional documents and certificates. The Governing

Body hereby authorizes and approves the execution of said commitments for said Bond Insurance Policy and/or Surety Bond by the Mayor of the City, for and on behalf of the City, if applicable.

This resolution shall serve as notice to the 2007 Trustee of the City's desire to provide for refunding of the Refunded 2007 Bank Bonds.

The form of and the execution by the Mayor or Clerk of the 2007 Bank Bonds Notice of Refunding/Redemption, attached hereto as **EXHIBIT C** is hereby approved.

That the Governing Body hereby approves the form of the Escrow Agreement, attached hereto as **EXHIBIT D**, for and on behalf of said Governing Body, and authorizes the execution by the Authorized Officers of the Governing Body of the Escrow Agreement in substantially the same form for and on behalf of said Governing Body.

That the Governing Body hereby approves the appointment of the Escrow Agent under the terms and provisions of the Escrow Agreement, such appointment to be as set forth in the Bond Purchase Agreement.

The Governing Body hereby authorizes the Escrow Agent to make the initial application with the Department of the Treasury, Bureau of Public Debt, Division of Special Investments, Parkersburg, West Virginia for SLGS, if such application is deemed necessary in connection with completing the Refunding 2007 Project. The Governing Body further authorizes the Mayor and/or City Clerk to execute an Escrow Bidding Agent Agreement, as applicable, if such agreement is deemed necessary in connection with completing the Refunding Project.

The Governing Body authorizes the preparation and submission of the final application for SLGS by the Escrow Agent, if such application is deemed necessary in connection with completing the Refunding 2007 Project.

If in the opinion of the City and Bond Counsel, a supplement or amendment to the Preliminary Official Statement and/or Official Statement is necessary to provide proper disclosure for the Bonds, the Governing Body of the City hereby authorizes (a) the Bond Counsel acting as disclosure counsel to prepare such supplement or amendment to the Preliminary Official Statement and/or the Official Statement in a form and in a manner approved by the Bond Counsel acting as disclosure counsel, and (b) the Bond Counsel and/or the Underwriter for the Bonds to provide distribution of such supplement or amendment to the Preliminary Official Statement and/or Official Statement, as the case may be, in connection with the sale of the Bonds.

That the City hereby certifies that it will be in compliance with the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule") in connection with all applicable bond issues sold, issued and delivered by the City since November 1, 1995, subject to the Rule, prior to the sale of the Bonds.

The Mayor and Clerk and any other Authorized Officer of the Governing Body are authorized to execute and deliver such resolutions, certificates and other documents as are required for the sale, issuance and delivery of the Bonds.

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

Council Member **TURNER** seconded the motion to adopt the foregoing resolution, and the question being put to a roll call vote, the result was as follows:

Council Member Gene Taylor	Voted: <u>YES</u>
Council Member Joseph Mickens	Voted: <u>YES</u>
Council Member Charles E. Box	Voted: <u>YES</u>
Council Member Fred Stewart	Voted: <u>YES</u>
Council Member Kabir Karriem	Voted: <u>YES</u>
Council Member Bill Gavin	Voted: <u>YES</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 18th day of August, 2015.

MAYOR

ATTEST:

CITY CLERK

(SEAL)

MINUTES
AUGUST 18, 2015

EXHIBIT A
FORM OF PRELIMINARY

EXHIBIT B
FORM OF BOND PURCHASE AGREEMENT
OFFICIAL STATEMENT

EXHIBIT C

FORM OF NOTICE OF REFUNDING/REDEMPTION FOR 2007 BANK BOND

_____, 2015

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mississippi Development Bank
Attn: Executive Director
735 Riverside Drive, Suite 300
Jackson, MS 39202

Deutsche Bank National Trust Company
Attn: Corporate Trust & Agency Services
6810 Crumpler Blvd., Suite 100
Olive Branch, MS 38654

RE: Advance refunding of certain outstanding principal installments of the City of Columbus, Mississippi (the "City") \$27,860,000 Promissory Note (Columbus, Mississippi Combined Water and Sewer System Refunding and Construction Project), dated January 11, 2007 (the "2007 Note"), maturing on November 1 in the years 2017 through 2025, both inclusive (the "Refunded 2007 Note") securing a Loan Agreement, dated January 11, 2007 (the "2007 Loan Agreement"), by and between the City and the Mississippi Development Bank and the subsequent advance refunding of a portion of the outstanding \$27,860,000 Mississippi Development Bank Special Obligation Bonds, Series 2007 (Columbus, Mississippi Combined Water and Sewer System Refunding and Construction Project), dated January 11, 2007 (the "2007 Bank Bonds"), maturing on November 1 in the years 2017 through 2025, both inclusive (the "Refunded 2007 Bank Bonds") and the redemption of the 2007 Bank Bonds maturing on November 1 in the years 2017 through 2025, both inclusive (the "Callable 2007 Bank Bonds")

Dear Sir:

The Mayor and City Council (the "Governing Body") of the City of Columbus, Mississippi (the "Issuer"), acting for and on behalf of the Issuer, did adopt a resolution which authorized the advance refunding of the Refunded 2007 Bank Bonds and the optional redemption of the Callable 2007 Bank Bonds at a redemption price of 100%. The Governing Body does hereby irrevocably exercise its option to refinance, prepay and advance refund the Refunded 2007 Note under the provisions of the 2007 Loan Agreement and advance refund the Refunded 2007 Bank Bonds under the provisions of the Indenture of Trust, dated January 11, 2007 (the "2007 Indenture"), by and between the Mississippi Development Bank and Deutsche Bank National Trust Company, Olive Branch, Mississippi, as trustee (the "2007 Trustee") and to optionally redeem at a redemption price of 100% the Callable 2007 Bank Bonds effective November 1, 2017. Such optional redemption shall be carried out in accordance with the provisions of the 2007 Loan Agreement and the 2007 Indenture and the 2007 Trustee is hereby authorized to utilize the funds deposited with Deutsche Bank National Trust Company, in its capacity as escrow agent (in such capacity, the "Escrow Agent"), for and on behalf of the City pursuant to an Escrow Agreement dated _____, 2015, to be dated the date of delivery thereof, to be issued in the aggregate principal amount of \$_____ (the "Bonds").

From the date of the issuance of the Bonds, the 2007 Trustee shall provide for the payment of principal of and interest on the Refunded 2007 Bank Bonds including the redemption price of the Callable 2007 Bank Bonds from the funds (together with interest earnings thereon) provided to it by the Escrow Agent.

It is the responsibility of the 2007 Trustee to assure that all publications and form of redemption notices conform to the requirements of the 2007 Indenture.

Sincerely,

Name of Mayor or Clerk of the City of
Columbus, Mississippi)

Cc: Municipal Securities Rulemaking Board (via email) at www.emma.msrb.org
Assured Guaranty Municipal Corp., (formerly known as Financial Security Assurance Inc.), 31 West
52nd Street, New York, New York 10019, Attn: Managing Director – Public Finance Surveillance, RE:
Municipal Bond Insurance

EXHIBIT D
FORM OF ESCROW AGREEMENT

A2. Consider Approve Amendments to Chapter 32 (Utilities) of the Columbus Municipal Code.

Todd Gale, Director of CL&W and John Cunningham, with Neel-Schaffer, came forward and requested that the Council approve Amendments to Chapter 32 (Utilities) of the Columbus Municipal Code. Council Member Taylor made a motion to approve the amendments to Chapter Chapter 32 (Utilities) of the Columbus Municipal Code. Council Member Mickens seconded the motion.

All Council Members voted in favor of the motion.

The motion carried.

The Amended ordinance follows:

Chapter 32 - UTILITIES
ARTICLE I. - IN GENERAL

Sec. 32-1. - Definition.

For the purpose of this chapter, the word "utility" shall be construed to mean and include electricity, water, garbage collection, sewer and/or any other utility service furnished by the city to consumers thereof.

Sec. 32-2. - Scope of chapter provisions.

All pertinent provisions of this chapter are hereby made a part of the terms and conditions whereby the city shall furnish any utility service to any person; or whereby the city shall make any utility connections, or perform any work of any kind in connection with the furnishing of any utility service.

Sec. 32-3. - Service to comply with technical regulations.

Any utility service furnished under the provisions of this chapter shall be in accordance with and compliance with all applicable technical provisions of this Code, state law and city ordinances, rules and regulations.

Cross reference— Buildings, ch. 7; electricity, ch. 11; gas, ch. 15; housing, ch. 17; plumbing, ch. 24.

Sec. 32-4. - Inspections outside city.

In order to protect the city's utility systems, the city shall not make any taps or connections to such systems outside the city limits until the proposed customer's facilities and premises have been inspected and approved by the appropriate inspector of the city, which inspection shall be made only after deposit of the stipulated fee for such inspection.

Sec. 32-5. - Termination of service authorized.

The city shall have the right to disconnect or refuse to connect or reconnect any utility service for the following reasons:

- (1) Failure to meet the applicable provisions of law.
- (2) Violation of the rules and regulations of the utilities commission.
- (3) Nonpayment of bills.
- (4) Willful or negligent waste of service due to improper or imperfect pipes, wiring, fixtures, appliances or otherwise.
- (5) Molesting any pipe, wire, meter, seal or other equipment controlling or regulating the supply of utility service.

(6) Theft or diversion and/or use of service without payment therefor.

(7) Vacancy of premises.

(Ord. of 9-27-49, Part 2, § 2)

Sec. 32-6. - Liability of city.

The city shall not be liable for any damage to the property of any customer of any utility service furnished by the city due to backflow of the sewerage system, failure of water or electricity supply, interruption of service or any cause outside the direct control of the city.

Sec. 32-7. - Utility service—Application required.

Any person desiring any utility service furnished by the city shall make application for the same to the Columbus Light and Water Department. Such application shall be in such form as the utilities commission shall provide, including among other items the applicant's name, address and the uses for which such utility service is desired. A separate application shall be made for each premises to be served. The applicant shall abide by the rules and regulations established by the city relative to utility service in effect at the time of his application and as they may be revised from time to time.

Sec. 32-8. - Same—Not available to debtors.

The city may decline or fail or cease to furnish utility service to any person who may be in debt to the city for any reason, except ad valorem taxes and special assessments.

Sec. 32-9. - Same—Use assumed.

All premises connected to any utility service of the city shall be assumed to be using such utility service and the owner or occupant will be charged therefor so long as such premises shall remain connected with the utility service.

Sec. 32-10. - Right of entry.

Any authorized inspector of the city shall have free access at any time to all premises supplied with any utility service by the city for the purpose of examination in order to protect the utility service from abusive use.

Sec. 32-11. - Damage, trespass.

It shall be unlawful for any person, not having authority to do so, to open any water hydrant or tamper with any utility service furnished by the city to consumers, or to in any other way molest or damage or trespass upon any equipment or premises belonging to the city connected with any utility service.

Sec. 32-12. - Unlawful use.

No person, other than employees of the city, shall be authorized to connect, turn on, turn off or disconnect any utility service offered by the city, or remove, replace or repair any equipment connected to any such utility service.

Sec. 32-13. - Interruption of service.

Consumers of any utility service are hereby notified that the supply of such utility may be temporarily shut off at any time. Notice shall be given, if feasible, of the contemplated shutoff, but accidents or emergencies may render this impossible; hence the city hereby warns those dependent upon the utility service for any purpose of this hazard. Immediately upon finding the supply shut off, it becomes the duty of the occupant of the premises to take prompt precautions to prevent damages.

Sec. 32-14. - Sale of service by customer.

It shall be unlawful for any person to resell any utility service obtained from the city to others except by units of local government or recognized and licensed utility companies, and then only by special arrangement.

Sec. 32-15. - Connections to service.

Connections for any utility service furnished by the city shall be made only by the city under the supervision of the utilities commission.

Sec. 32-16. - Meters.

Meters for the measurement of utility services furnished by the city shall be furnished and installed by, and shall remain the property of, the light and water department.

(Ord. of 9-27-49, Part 2, § 4)

Sec. 32-17. - Reserved

Sec. 32-18. - Reserved

Sec. 32-19. - Extension of lines.

The city shall run water or sewer lines outside the municipal corporate limits solely at the city's discretion. Said lines shall at all times be owned and maintained by the city, with all parties connecting onto said lines being regulated and charged connection fees and other fees as set forth and regulated by the city.

Sec. 32-20. - Ordinances saved from repeal.

Nothing contained in this Code of Ordinances or in the ordinance adopting this Code shall be construed to repeal or otherwise affect in any manner any ordinance of the city fixing utility rates and charges.

Sec. 32-21. - Voluntary discontinuance of service.

Consumers wishing to discontinue the use of any utility service must give written notice thereof at the light and water department. Failure to do this will render them liable for the payment of all bills until such notice has been given.

Sec. 32-22. - Fluoridation of water supply.

The city water department is hereby authorized and directed to provide the means and to proceed with the introduction of approximately one to one and two-tenths parts of fluoride to every 1,000,000 parts of water being distributed in the water supply system of the city.

(Ord. of 3-20-51, § 1)

Sec. 32-23. - Fiscal year of light, water departments.

The fiscal year of the light department shall be from the first day of July to the last day of June. The fiscal year of the water department shall be from the first day of October to the last day of September.

(Ord. of 9-27-49, § 7)

Secs. 32-24—32-34. - Reserved.

ARTICLE II. - UTILITIES COMMISSION

Sec. 32-35. - Created.

There is hereby created in and for the city a commission which shall be known as the "Utilities Commission" of the city.

(Ord. of 6-16-53, § 1)

Sec. 32-36. - Purpose.

The utilities commission is created for the purpose of controlling, managing and operating the public utility systems owned by the city.

(Ord. of 6-16-53, § 1)

Sec. 32-37. - Composition.

The utilities commission shall be composed of five members who shall be qualified electors of the city and shall not hold any other municipal office for honor or profit.

(Ord. of 6-16-53, § 1)

Sec. 32-38. - Appointment.

The members of the utilities commission shall be appointed by the city council.

(Ord. of 6-16-53, § 1)

Sec. 32-39. - Operation by council.

In the event the city council does not elect to appoint a utilities commission, then the public utility systems owned by the city shall be controlled and managed by the city council.

(Ord. of 6-16-53, § 1)

Sec. 32-40. - Terms.

The terms of office of the members of the utilities commission shall be for a period of one, two, three, four and five years respectively for the first appointment. Thereafter, the terms of each commissioner shall be for five years.

(Ord. of 6-16-53, § 1)

Sec. 32-41. - Removal of member.

The city council shall have the power to remove any member of the utilities commission for inefficiency or incompetency or any other good cause.

(Ord. of 6-16-53, § 4)

Sec. 32-42. - Commissioners' bonds.

The city council may require the members of the utilities commission to furnish bonds for the faithful performance of their duties, in such amounts as may be deemed proper, and to pay the premiums thereon from the city treasury or the available funds of the city's utility systems.

(Ord. of 6-16-53, § 1)

Sec. 32-43. - Compensation.

The members of the utilities commission shall receive such compensation as may be specified and provided by the city council.

(Ord. of 6-16-53, § 1)

Sec. 32-44. - Powers, duties generally.

The utilities commission shall have the power, authority and duty to manage and control all public utility systems owned by the city, the supply of the facilities and services thereof to all consumers thereof both within and without the city limits, and all property connected or appertaining in any manner to such systems.

(Ord. of 6-16-53, §§ 1, 2)

Sec. 32-45. - Bylaws, regulations.

The utilities commission is hereby authorized to make such bylaws as may be necessary for the holding and conduct of its meetings, and to make such other regulations as it may deem necessary for the safe, economic and efficient management and protection of the public utility systems owned by the city. Such bylaws and regulations shall have the same validity as an ordinance duly passed by the city council.

(Ord. of 6-16-53, § 3)

Sec. 32-46. - Officers, employees.

The utilities commission is authorized to elect such officers and appoint such employees as may be necessary to operate the public utility systems owned and operated by the city, and it shall have the right to fix the salaries and terms of office of all such officers and employees and to direct them in the discharge of their duties. The commission shall have the right to require good and sufficient bonds from all officers and employees in such amounts as may be deemed proper. The commission shall have the right to discharge employees when found inefficient or for other good cause.

(Ord. of 6-16-53, § 2)

Sec. 32-47. - Superintendent.

The utilities commission shall have the authority to employ a superintendent or manager of the public utility systems who shall have the actual charge of the management and operation thereof and the enforcement and execution of all the rules, regulations, programs, plans and decisions made and adopted by the commission.

(Ord. of 6-16-53, § 3)

Sec. 32-48. - Fix, collect rates.

The utilities commission shall have the power to make and collect rates and charges for the consumption and use of the services and facilities of the public utility systems owned by the city.

(Ord. of 6-16-53, § 2)

Sec. 32-49. - Appropriate funds.

The city council shall have the power to appropriate funds for the maintenance and improvements of the public utility systems owned by the city.

(Ord. of 6-16-53, § 2)

Sec. 32-50. - Insurance coverage.

The utilities commission is hereby authorized to insure all property used in the operation of the public utility systems owned by the city, including buildings, furniture, books and records, against loss by fire and tornado, and to carry sufficient amount of employer's liability, steam boiler, plate glass and other miscellaneous casualty insurance, including public liability and property damage in the operation of motor vehicles owned by the commission, as in the discretion of the commission may be deemed proper. The premiums for such insurance coverage shall be paid out of the funds derived from the operation of the public utility systems of the city.

(Ord. of 6-16-53, § 2)

Sec. 32-51. - Reports.

The utilities commission shall report quarterly to the city council all their doings and transactions of every kind whatsoever and shall make a complete statement of the financial condition of the public utility systems owned by the city at the end of each quarter. The commission shall annually make a detailed statement covering the entire management and operation of the utility systems, with any recommendations which they may have for the further development of the utility systems, to the city council.

(Ord. of 6-16-53, § 2)

Sec. 32-52. - Record of services to city.

The utilities commission shall keep an accurate account and record of power, current, water, or other services furnished to all departments of the city.

(Ord. of 6-16-53, § 6)

Sec. 32-53. - Purchasing procedures.

The utilities commission shall advertise for competitive bids in the manner and form as is required of the city council, and may accept or reject such bids and award contracts for the purchase of supplies and materials; provided, however, that the superintendent of the public utility systems owned by the city may, without the necessity for bids, purchase at any one time materials and supplies up to an amount not exceeding \$2,000.00, and may thereby obligate such commission on such orders. The superintendent shall make and keep full and proper books and records of all purchases and shall submit them to the commission for its approval and ratification before payment thereof is authorized to be made.

(Ord. of 6-16-53, § 3)

Sec. 32-54. - Disposition of funds.

The utilities commission shall devote all moneys derived from any source other than the issuance of bonds for purposes authorized by the laws of the state to or for the payment of all operating expenses: The payment of all bonds and interest on outstanding revenue bonds, if any, of city utility systems; the acquisition and improvement of the system contingencies; the payment of all other obligations incurred in the operation and maintenance of the systems and the furnishing of service; the creation and maintenance of a cash working fund or surplus fund to be used for replacement, extension of systems, and emergencies; the balance of the revenues of said systems, if any, may be used for any other lawful municipal purpose and may be paid to the mayor and city council for distribution to the various municipal funds, or may be disbursed for said commission at the direction and request of the city council.

(Ord. of 5-28-53, § 5)

Secs. 32-55—32-66. - Reserved.

ARTICLE III. - WATER DEPARTMENT

DIVISION 1. - GENERALLY

Sec. 32-67. - Employee bonds.

All officers or employees having access to the cash of the water department or signing checks for the disbursement of its funds, shall be under fiduciary bond in such amount as may be required by the city; the premium therefor to be paid from department funds.

(Ord. of 9-27-49, § 8)

Sec. 32-68. - Bond, interest payments.

Funds in the amount available after operation and maintenance costs and reasonable working capital, and up to the amount of current bonds and interest due shall be delivered to the city for the purpose of meeting bond and interest payments.

(Ord. of 9-27-49, § 7)

Sec. 32-69. - Ownership of water.

Water shall be delivered to the customer's side of the meter, and shall be considered the property of the customer past that point.

(Ord. of 9-27-49, Part 2, § 3)

Sec. 32-70. - Reserved

Sec. 32-71. - Extensions of connections to mains.

Connections to mains may be extended to vacant property without application by the owner when paving of the street has been ordered by the city. A statement of charges shall be mailed the owner at the address recorded on the tax rolls of the city. If these charges have not been paid within 30 days after date of statement, a copy thereof shall be furnished the tax collector for assessment against the property. When collected, this assessment shall be delivered to the department by the tax collector to reimburse the department for the costs incurred.

(Ord. of 9-27-49, Part 2, § 1)

Secs. 32-72—32-80. - Reserved.

DIVISION 2. - FIRE PROTECTION SYSTEM

Sec. 32-81. - Storage tanks, reservoirs.

The water department shall at all times possible retain in storage tanks and reservoirs a supply of water for emergency fire protection.

(Ord. of 9-27-49, Part 2, § 9)

Sec. 32-82. - Installation.

All installations of water supply systems for fire protection shall meet the latest requirements of the American Water Works Association (AWWA).

Sec. 32-83. - Maintenance.

Fire hydrants and other equipment and installations, approved and accepted, for the supply and delivery of water for fire protection shall be maintained by the water department,

(Ord. of 9-27-49, § 6)

Sec. 32-84. - Unmetered automatic systems.

Unmetered automatic fire protection systems shall have no fixture or valve connected thereto for the purpose of drawing water, except that approved fixtures for draining the system shall be provided. Removal of water from such systems for any purpose other than fire fighting or draining, shall be considered theft of water and shall be prosecuted accordingly.

(Ord. of 9-27-49, Part 2, § 9)

Secs. 32-85—32-89. - Reserved.

ARTICLE IV. - REGULATION OF SEWER USE

Sec. 32-90. - Definitions.

Unless the context specifically indicates otherwise, the meaning of terms used in this article shall be as follows:

Act or "THE ACT" shall mean the Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 U.S.C. 1251, et seq.

Approving authority shall mean the city or its duly authorized agent.

BOD₅ (denoting biochemical oxygen demand) shall mean the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five days at 20 degrees C, expressed in milligrams per liter.

Building drain shall mean that part of the lowest horizontal piping of a drainage system which receives the discharge from soil, waste, and other drainage pipes inside the walls of the building and conveys it to the building sewer, beginning five feet outside the inner face of the building wall.

Building sewer shall mean the extension from the building drain to the public sewer or other place of disposal.

Chlorine requirement shall mean the amount of chlorine in milligrams per liter, which must be added to sewage to produce a residual chlorine content or to meet the requirements of some other objective, in accordance with procedures set forth in "Standard methods."

City shall mean the City of Columbus, Mississippi.

Combined sewer shall mean a sewer receiving both surface runoff and sewage. No such combined sewer shall be permitted by the city.

Department shall mean the Columbus Light and Water Department.

Existing User shall mean a discharger to the POTW who is discharging on or before the effective date of this Article.

Garbage shall mean solid wastes from the domestic and commercial preparation, cooking, and dispensing of food, and from the handling, storage, and sale of produce.

Hydrogen ion concentration—See (n), pH.

Industrial wastes shall mean as defined under industrial user in 40 CFR 35.905 and shall also mean the liquid and/or liquid conveyed wastes from industrial manufacturing processes, trade, or business as distinct from sanitary sewage.

Industrial User shall mean a discharger to the POTW who discharges non-domestic wastewaters.

Infiltration shall mean water, other than wastewater, that enters a sewer system (excluding building drains) from the ground through such means as defective pipes, pipe joints, connections, or manholes. Infiltration does not include, and is distinguished from, inflow. Infiltration is inadvertent, that is, not purposely designed or built into the sewer or drain.

Inflow shall mean water, other than wastewater, that enters a sewer system (including building drains) from sources such as, but not limited to, roof leaders, cellar drains, area drains, drains from springs and swampy areas, manhole covers, cross connections between storm sewers and sanitary sewers, catch basins, cooling towers, Policy 207986-N storm waters, foundation drains, swimming pools, surface runoff, street wash waters, or drainage. Inflow does not include, and is distinguished from, infiltration.

Natural outlet shall mean any outlet into a watercourse, pond, ditch, lake, groundwater, or other body or surface.

New User shall mean a discharger to the POTW who initiates discharge after the effective date of this Article.

Normal Sewage (also referred as: Domestic Sewage or Sanitary Sewage) - Liquid wastes from the non-commercial preparation, cooking, and handling of food, liquid wastes containing human excrement and similar matter from the sanitary conveniences in dwellings, commercial buildings, industrial buildings, and institutions, or liquid wastes from clothes washing and/or floor/wall washing. Therefore, normal sewage includes both black water and grey water and do not include substances of concern, as determined by the Columbus Light and Water Department.

Person shall mean any individual, firm, company, association, society, corporation, or group.

pH shall mean the logarithm to the base 10 of the reciprocal of the weight of hydrogen ions in grams per liter of solution.

Properly shredded garbage shall mean the wastes from the preparation, cooking, and dispensing of food that have been shredded to such a degree that all particles will be carried freely under the flow conditions normally prevailing in public sewers, with no particle greater than one-half inch in any dimension.

Publicly Owned Treatment Works (POTW) shall mean a treatment works, as defined by Section 212 of the Act, (33 U.S.C 1292), which is owned, in this instance, by the City. This definition includes any sewers and appurtenances that transport wastewater to the POTW treatment plant, but does not include pipes, sewers, or other conveyances not connected directly or indirectly to a facility providing treatment.

Regulatory agency shall mean the U.S. Environmental Protection Agency (USEPA), the MS State Department of Health (MSDH) and the MS Department of Environmental Quality (MDEQ).

Sanitary sewer shall mean a sewer which carries sewage and to which storm, surface, and groundwaters are not intentionally admitted.

Service charge shall mean the basic assessment levied on all users of the public sewer system whose wastes do not exceed in strength the concentration values established as representative of normal sewage.

Sewage shall mean a combination of the water-carried wastes from residences, business buildings, institutions, and industrial establishments, together with such groundwater, surface water, and storm water as may be present.

Sewage treatment plant shall mean any arrangement of devices and structures used for treating sewage.

Sewer shall mean a pipe or conduit for carrying sewage.

Shall is mandatory; "may" is permissive.

Slug shall mean any discharge of water, sewage, or industrial waste which for any period of duration longer than 15 minutes exceeds in concentration of any given constituent and/or exceeds in quantity of flow more than five times the average normal 24-hour concentration and/or quantity of flow.

Standard methods shall mean the examination and analytical procedures set forth in the most recent edition of "Standard Methods for the Examination of Water and Wastewater," published jointly by the American Public Health Association, the American Water Works Association, and the Water Environment Federation.

Storm drain (sometimes termed "storm sewer") shall mean a sewer which carries storm and surface waters and drainage, but excludes sewage and industrial wastes, other than unpolluted cooling water.

Surcharge shall mean the assessment in addition to the service charge which is levied on those persons whose wastes are greater in strength than the concentration values established as representative of normal sewage.

Suspended solids shall mean solids that either float on the surface of or are in suspension in water, sewage, or other liquids, and which are removable by laboratory filtering.

Unusual Strength or Character Sewage shall mean sewage which has characteristics greater than those of Domestic Wastewaters and/or which contain substances of concern, as determined by Columbus Light and Water.

Wastewater shall mean the liquid and water-carried industrial or domestic wastewaters from dwellings, commercial establishments, industrial facilities, and institutions, together with any groundwater, surface water, and

storm water that may be present, whether treated or untreated, which is contributed into or permitted to enter the POTW.

Waters of the State shall mean all waters within the jurisdiction of this State, including all streams, lakes, ponds, wetlands, impounding reservoirs, marshes, watercourses, waterways, wells, springs, irrigation systems, drainage systems, and all other bodies or accumulations of water, surface and underground, natural or artificial, situated wholly or partly within or bordering upon the State, and such coastal waters as are within the jurisdiction of the State, except lakes, ponds, or other surface waters which are wholly landlocked and privately owned, and which are not regulated under the Federal Clean Water Act (33 U.S.C.1251, et seq.).

Other terms not herein defined shall be referenced to "Glossary—Water and Wastewater Control Engineering," produced by the American Public Health Association, the American Society of Civil Engineers, the American Water Works Association, and the Water Pollution Control Federation (now the Water Environment Federation).

(Ord. of 9-21-76, Art. I, §§ 1—31; Ord. of 10-13-92)

Sec. 32-91. - Use of public sewers required.

- (a) It shall be unlawful for any person to place, deposit, or permit to be deposited in any unsanitary manner on public or private property within the city or in any area under the jurisdiction of said city, any human or animal excrement, garbage, or other objectionable waste.
- (b) It shall be unlawful to discharge to any Waters of the State within the city, or in any area under the jurisdiction of said city, any sewage or other polluted waters, except where a suitable permit has been issued by the MDEQ and by the City.
- (c) Except as hereinafter provided, it shall be unlawful to construct or maintain any privy, privy vault, septic tank, cesspool, or other facility intended or used for the disposal of sewage.
- (d) The owner of all houses, buildings, or properties used for human occupancy, employment, recreation, or other purposes, situated within the city and abutting on any street, alley, or right-of-way in which there is now located or may in the future be located a public sanitary sewer of the city, is hereby required at his expense to install suitable toilet facilities therein, and to connect such facilities directly with the proper public sewer in accordance with the provisions of this article.
- (e) It shall be unlawful for any person, establishment or corporation to discharge to the sanitary sewer system any pollutant except in accordance with Federal standards promulgated pursuant to the Clean Water Act, and any more stringent state or local standards.

(Ord. of 9-21-76, Art. II, §§ 1—4; Ord. of 10-13-92)

Sec. 32-92. - Private sewage disposal.

- (a) Only private sewage disposal systems in at existence before the effective date of this Article shall be allowed to continue operation in the City. New private sewage disposal systems will not be allowed for installation in the City. All new building sewers shall be connected to a public sewer.
- (b) The owner shall operate and maintain the existing private sewage disposal facilities in a sanitary manner at all times, at his own expense.
- (c) No statement contained in this article shall be construed to interfere with any additional requirements that may be imposed by the regulatory agencies.
- (d) Should the City determine that an existing private sewage disposal system has failed and is not being properly operated and maintained, the building sewer shall be connected to the public sewer and the private sewage disposal system abandoned in accordance with the requirements of the regulatory agency in charge, all at the owner's expense.

(Ord. of 9-21-76, Art. III, §§ 1—8; Ord. of 10-13-92)

Sec. 32-93. - Building sewers and connections.

- (a) No unauthorized person shall uncover, make any connections with or opening into, use, alter, or disturb any public sewer or appurtenance thereof without first obtaining a written permit from the Columbus Light and Water Department.

- (b) There shall be three classes of building sewer permits: (a) for residential (b) for commercial service, and (c) for service to establishments producing industrial wastes. In either case, the owner or his agent shall make application for service. The permit application shall be supplemented by any plans, specifications, or other information considered pertinent in the judgment of the approving authority. A permit and inspection fee as set by the approving authority for a residential, commercial, or industrial building sewer permit shall be paid to the approving authority at the time the application is filed.
- (c) All costs and expense incident to the installation and connection of the building sewer shall be borne by the owner. The owner shall indemnify the approving authority, and/or the Columbus Light and Water Department from any loss or damage that may directly or indirectly be occasioned by the installation of the building sewer.
- (d) A separate and independent building sewer shall be provided for every building.
- (e) Old building sewers may be used in connection with new buildings only when they are found, on examination and test by the approving authority, to meet all requirements of this article. Owners of old buildings must locate and uncover old sewer connections for Columbus Light and Water Department.
- (f) The size, slope, alignment, materials of construction of a building sewer, and the methods to be used in excavating, placing of the pipe, jointing, testing, and backfilling the trench, shall all conform to the requirements and regulations of the approving authority.
- (g) Whenever possible, the building sewer shall be brought to the building at an elevation below the basement floor. In all buildings in which any building drain is too low to permit gravity flow to the public sewer, sanitary sewage carried by such building drain shall be lifted by an approved means and discharged to the building sewer.
- (h) No person shall make connection of roof downspouts, exterior foundation drains, areaway drains, or other sources of surface runoff or groundwater to a building sewer or building drain which in turn is connected directly or indirectly to a public sanitary sewer.
- (i) The connection of the building sewer line into the public sewer shall conform to the service policy of the Columbus Light and Water Department.
- (j) The applicant for the building sewer permit shall notify the approving authority when the building sewer for inspection and connection to the public sewer. The connection to public sewer shall be made by the Columbus Light and Water Department.
- (k) All excavations for building sewer installation shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public property disturbed in the course of the work shall be restored in a manner satisfactory to the city.

(Ord. of 9-21-76, Art. IV, §§ 1—11)

Sec. 32-94. - Use of public sewers.

- (a) All users of the POTW shall comply with the latest requirements of the USEPA and the MDEQ and with the service policy for sanitary sewer service approved by the Columbus Light and Water Department.
- (b) All users of the POTW shall comply with all standards and requirements of the Act and standards and requirements promulgated pursuant to the Act, including but not limited to, the categorical pretreatment standards found in 40 CFR Chapter I, Subchapter N, Parts 405 through 407.
- (c) No user shall contribute or cause to be contributed, in any manner or fashion, directly or indirectly, any pollutant or wastewater which will interfere with the operation or performance of the POTW. These general prohibitions apply to all such users of a POTW whether or not the user is subject to National Categorical Pretreatment Standards, or any other National, State, or Local Pretreatment Standards or Requirements.
- (d) Prohibited pollutants and wastes are defined by the service policy approved by the Columbus Light and Water Department.
- (e) All industrial users requesting the POTW to accept industrial wastes shall be subject to a formal review by the MDEQ and Columbus Light and Water Department for any requirements for pretreatment of the user's

wastewater. The latest requirements of the Columbus Light and Water Department's service policy shall also apply.

- (f) If any waters or wastes are discharged, or are proposed to be discharged to the public sewers, which waters contain the substances or possess characteristics, which in the judgment of the Columbus Light and Water Department may have a deleterious effect upon the sewage works, processes, equipment, or receiving waters, or which otherwise create a hazard to life or constitute a public nuisance, the Columbus Light and Water Department may:
 - (1) Reject the wastes,
 - (2) Require pretreatment to an acceptable condition for discharge to the public sewers,
 - (3) Require control over the quantities and rates of discharge, and/or
 - (4) Require payment to cover the added cost of handling and treating the wastes not covered by existing taxes or sewer charges under the provisions of this article.
- (g) If the Columbus Light and Water Department permits the pretreatment or equalization of waste flows, the design and installation of the user's wastewater pretreatment facilities shall be subject to the review and approval of the MDED and Columbus Light and Water Department and shall be subject to the requirements of the Columbus Light and Water Department's service policy.
- (f) Grease, oil, and sand interceptors shall be provided when, in the opinion of the approving authority, they are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, sand, or other harmful ingredients; except that such interceptors shall not be required for private living quarters of dwelling units. All interceptors shall be of a type and capacity approved by the city and shall be located as to be readily and easily accessible for cleaning and inspection.
- (h) Where preliminary treatment or flow-equalizing facilities are provided for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the owner (user) at his expense.
- (i) No statement contained in this article shall be construed as preventing any special agreement or arrangement between the Columbus Light and Water Department and any industrial user whereby an industrial waste of unusual strength or character may be accepted by the Columbus Light and Water Department for treatment, subject to payment therefor, by the industrial user.

Sec. 32-95. - Protection from damage.

No unauthorized person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with any structure, appurtenance, or equipment which is a part of the sewage works. Any person violating this provision shall be subject to immediate arrest under charge of disorderly conduct.

(Ord. of 9-21-76, Art. VI, § 1)

Sec. 32-96. - Powers and authority of inspectors.

- (a) Representatives of the approving authority and/or Columbus Light and Water Department bearing proper credentials and identification shall be permitted to enter all properties for the purposes of inspection, observation, measurement, sampling and testing in accordance with the provisions of this article. The approving authority and/or Columbus Light and Water Department shall have no authority to inquire into any processes including metallurgical, chemical, oil, refining, ceramic, paper or other industries beyond that point having a direct bearing on the kind and source of discharge to the sewers or waterways or facilities for waste treatment.
- (b) While performing the necessary work on private properties referred to in paragraph (a) above, the employees of the approving authority and/or Columbus Light and Water Department shall observe all safety rules applicable to the premises established by the company and the company shall be held harmless for injury or death to the employees of the approving authority and/or Columbus Light and Water Department and the approving authority and/or Columbus Light and Water Department shall indemnify the company against loss or damage to its property by employees of the approving authority and/or Columbus Light and Water Department and against liability claims and demands for personal injury or property damage asserted against the company

and growing out of the gauging and sampling operation, except as such may be caused by negligence or failure of the company to maintain safe conditions.

- (c) The employees of the Columbus Light and Water Department bearing proper credentials and identification shall be permitted to enter all private properties through which the Columbus Light and Water Department holds a duly negotiated easement for the purposes of, but not limited to, inspection, observation, measurement, sampling, repair, and maintenance of any portion of the sewage works lying within said easement. All entry and subsequent work, if any, on said easement, shall be done in full accordance with the terms of the duly negotiated easement pertaining to the private property involved.

(Ord. of 9-21-76, Art. VII, §§ 1—3)

Sec. 32-97. - Penalties.

- (a) Any person found to be violating any provision of this article except section 32-95 shall be served by the approving authority and/or Columbus Light and Water Department with written notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. The offender shall, within the period of time stated in such notice, permanently cease all violations.
- (b) Any person who shall continue any violation beyond the time limit provided for in paragraph (a) shall be guilty of a misdemeanor, and on conviction thereof shall be fined for each violation in the amount stipulated by the approving authority and/or Columbus Light and Water Department. Each day in which any such violation shall continue shall be deemed in a separate offense.
- (c) Any person violating any of the provisions of this article shall become liable to the Columbus Light and Water Department for any expense, loss, or damage occasioned the Columbus Light and Water Department by reason of such violation.

(Ord. of 9-21-76, Art. VIII, §§ 1—3)

Sec. 32-98. - Permit system.

- (a) It is accepted practice for those political entities using the permit system to call for three-classes of permits:
 - (1) For residential building sewers,
 - (2) For commercial building sewers, and
 - (3) For industrial sewer connections.

(Ord. of 9-21-76, Art. IX, § 1)

(THIS SPACE LEFT BLANK INTENTIONALLY)

A3. Discuss/Approve the hiring of three (3) Police Officers for the Columbus Police Department, contingent upon successful completion of the pre-employment physical and drug screen.

Council Member Taylor made a motion to approve the request to hire Caden Adams, Thomas Corey Houston and Aaron Andrew as Police Officers, contingent on successful completion of a pre-employment medical examination and drug screen. Council Member Gavin seconded the motion.

All Council Members voted in favor of the motion.

The motion carried.

B. Discuss/Approve City Hall Window Change Order.

Robyn Eastman came forward and discussed the Change Order for windows and doors in City Hall, which increased by \$44,919.80. Council Member Karriem made a motion to approve the Change Order for windows and doors in City Hall in the amount of \$44,919.80. Council Member Turner seconded the motion.

All Council Members voted in favor of the motion.

The motion carried.

C. Discuss/Approve Derelict Property Docket case tabled at Council Meeting of August 4, 2015.

LUCAS DAVENPORT
905 – 5th Avenue North
Case Number 15-272 Vegetation

The General Counsel called cause number **15-272** that was continued from the previous meeting. No one appeared. Code Enforcement Officer Tomarris Jones stated the property has been **remediated** by the owner, and it is his recommendation to enter the proposed Order under Section 21-19-11 of the Mississippi Code, finding that this property was in such a state of uncleanliness as to be a menace to the public health and safety of the community. This Order should provide for such re-entry as the Statute allows. Council Member Karriem made a motion in accordance with Section 21-19-11, and for an Order stating the City may remediate the property with respect to cutting grass and weeds and removing rubbish, personal property and other debris no more than twelve (12) times in a twenty-four (24) month period immediately following the Order, with further notice to the owner as required by law. Costs are to be assessed as allowed under Section 21-19-11 of the Mississippi Code. Council Member Turner seconded the motion.

All Council Members voted in favor of the motion.

The motion carried.

D. Discuss/Approve recommendations from the Planning Commission Meeting of August 10, 2015.

ANNEXATION ZONING MAPS

The Planning Commission recommends approval of Zoning Maps of the City of Columbus' 2014 annexed parcels. Council Member Taylor moved that the facts and findings of the Planning Commission be adopted as the facts and findings of the Mayor and City Council, and that the recommendation of the Planning Commission to approve the Zoning Maps of the City of Columbus' 2014 Annexed parcels be approved and that the Zoning Ordinances of the City of Columbus be amended to reflect the zoning of the annexed properties as reflected on the zoning maps of the City of Columbus. Council Member Gavin seconded the motion, after which followed discussion, consideration, and review by the Council of the issues and facts presented by this request and the action taken by the City of Columbus Planning Commission.

All Council Members voted in favor of the motion.

The motion carried.

E. Discuss/Approve Amendment to Open Container Ordinance tabled at Council Meeting of August 4, 2015.

The General Counsel presented the proposed Open Container Ordinance that was tabled at the previous meeting for approval.

Mayor Smith called for the motion according to Robert's Rules of Order. The matter did not receive a motion, and therefore, did not pass.

F. Consider/Approve sale of Municipal Property to Ralph Billingsley.

Council Member Karriem made a motion to adopt a Resolution approving the sale of Municipal Property to Ralph Billingsley for the sum of \$250.00, certifying that the property has no value to the City of Columbus. Council Member Gavin seconded the motion to adopt the foregoing resolution and the question being put to a roll call vote, the result was as follows:

COUNCIL MEMBER TAYLOR voted:	YES
COUNCIL MEMBER MICKENS voted:	YES
COUNCIL MEMBER BOX voted:	YES
COUNCIL MEMBER TURNER voted:	YES
COUNCIL MEMBER KARRIEM voted:	YES
COUNCIL MEMBER GAVIN voted:	YES

The Resolution follows:

There came on for consideration the matter of the sale of certain property to Ralph Billingsley, located in the City of Columbus, Mississippi, and after a discussion of the subject matter, Council Member **KARRIEM** offered and moved for the adoption of the following resolution:

RESOLUTION DECLARING THAT THE CITY OF COLUMBUS, MISSISSIPPI, GIVE A WARRANTY DEED TO THE PROPERTY DESCRIBED IN THE ATTACHED SURVEY TO RALPH BILLINGSLEY, FOR \$250.00 AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and City Council of the City of Columbus, Mississippi, acting for and on behalf of the City of Columbus, Mississippi (the "City"), is authorized by Section 21-17-1, Mississippi Code of 1972, as amended to sell and convey by warranty deed to Ralph Billingsley without public notice or advertisement and for the sum of \$250.00 on the terms specified below; and

WHEREAS, it would be in the best interest of the City to sell and convey such property; and

WHEREAS, the City is authorized and empowered to sell said property for the purposes herein set forth.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

The property is real property owned by the City.

The property is not needed for governmental or related purposes and is not to be used in the operation of the City.

That the sale of the property in the manner otherwise provide by law is not necessary or desirable for the financial welfare of the City.

That the use of the property for the purpose for which it is to be conveyed will promote and foster the development and improvement of the community in which it is located and the property shall be put back on the tax roll.

In such deed the City shall retain all mineral rights that it owns, together with the right of ingress and egress to remove same.

The City has agreed to accept \$250.00 from Ralph Billingsley in exchange for a Warranty Deed with the provisions stated herein above, conditioned upon Ralph Billingsley having had a meets and bounds survey of the property generally described above at his cost and expense and that Ralph Billingsley will pay the costs of deed preparation and recording same in the land records of Lowndes County, Mississippi.

Section 7. Pending the survey of the property, the property is generally described as a as follows:

A strip of property, approximately thirty (30) feet wide by fifty (50) feet long, located with a point of beginning being at the Northeast corner of a parcel of property owned by Ralph Billingsley and located at 1128 11th Street North, Columbus, Lowndes County, Mississippi, 39701; from said point of beginning, going Northerly a distance of thirty (30) feet; thence Westerly a distance of approximately fifty (50) to the eastern edge of the paved portion of 11th Avenue North; thence Southerly a distance of thirty (30) feet; thence Easterly a distance of approximately fifty (50) feet to the point of beginning, as will be more particularly described by meets and bounds survey as required by Section 6 of this resolution.

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

Councilman Gene Taylor voted:	<u>YES</u>
Councilman Charlie Box voted:	<u>YES</u>
Councilman Joseph Mickens voted:	<u>YES</u>
Councilman Marty Turner voted:	<u>YES</u>
Councilman Kabir Karriem voted:	<u>YES</u>
Councilman Bill Gavin voted:	YES

The motion having received the affirmative vote of a majority of the members of the Governing Body present, being a quorum of said Governing Body, the Mayor declared the motion carried and the resolution adopted this 18th day of August, 2015.

By _____
Robert E. Smith, Sr., Mayor

ATTEST:

By _____
Milton Rawle, Secretary-Treasurer

G. Discuss/Approve donation of property to City.

Council Member Taylor made a motion to approve the donation of property, formerly Glenn Machine Works property located on the south side of town, to the City. Council Member Box seconded the motion. The General Council informed the Mayor and Council that the property had passed a phase I and II environmental inspection.

All Council Members voted in favor of the motion.

The motion carried.

H. Discuss/Approve cost of property clean up on cases previously heard by Council and which remediation has been completed.

Council Member Turner made a motion to adjudicate the cost of property clean-up on cases previously heard by Council and for which remediation has been completed. Council Member Box seconded the motion.

All Council Members voted in favor of the motion.

The motion carried.

The Adjudication follows:

- I. **Approve request for the City Planning and Community Development Director to attend the “Congressional Black Caucus Foundation Congress 2015” to be held in Washington, D. C., and approve payment of registration, lodging, travel, and meal expenses.**

Council Member Mickens made a motion to approve the request for the City Planning and Community Development Director to attend the “Congressional Black Caucus Foundation Congress 2015” to be held in Washington D. C., and approve payment of registration, lodging, travel and meal expenses. Council Member Turner seconded the motion. There followed a discussion of whether the presence of the City Planner would benefit the City.

All Council Members voted in favor of the motion, with the exception of Council Member Gavin, who opposed.

The motion carried with 5/1 vote.

ADJOURNMENT:

The Mayor then asked if there was any other business to come before the Mayor and City Council. There being none, Council Member Karriem moved that the meeting be adjourned. Upon second by Council Member Gavin and unanimous vote, the Mayor announced that the meeting was ADJOURNED.

Approved by: _____
Robert E. Smith, Sr., Mayor

Milton Rawle, Jr.,
CFO- Secretary-Treasurer

(THIS SPACE LEFT BLANK INTENTIONALLY)