



MADISON COUNTY
SCHOOLS

MARK OF EXCELLENCE

476 Highland Colony Parkway
Ridgeland, MS 39157
Telephone: 601-499-0800

May 10, 2024

Madison County Board of Supervisors
P.O. Box 404
Canton, MS 39046

RE: Documents for May 20, 2024 Board Approval

To Whom It May Concern:

Enclosed please find the following document:

- 16th Section Lease to Bear Creek Water Association regarding a right of way in 7N-1E.
- Notice to Renew Residential Lease to John Mark and Olivia Albrecht regarding Lot 40, Madison Oaks subdivision, part 1.

It is requested that the Board of Supervisors approve the enclosed document at the upcoming Board of Supervisors' meeting to be held May 20, 2024.

Please let me know if you need additional information. I can be reached at 601-499-0734 or abrowning@madison-schools.com.

Sincerely,

Ashley Browning
16th Section Land Manager

INDEXING:

Lot 40, Madison Oaks Subdivision, Part I
Per Plat Cabinet C at Slide 182, City of Madison, Section 16, Township 7 North,
Range 2 East, Madison County, Mississippi
Parcel #072E-16B-085/00.00

LESSOR:

Madison County Board of Education
476 Highland Colony Parkway
Ridgeland, MS 39157
Telephone: 601-499-0800

LESSEE:

John Mark Albrecht and
Olivia Albrecht

Telephone: _____

PREPARED BY:

Madison County School District
476 Highland Colony Parkway
Ridgeland, MS 39157
Telephone: 601-499-0800

**NOTICE TO RENEW
RESIDENTIAL LEASE CONTRACT**

This Notice to Renew is made and entered into on the _____ day of _____, 2024, by and between the Madison County, Mississippi, Board of Education Trustees of the Madison County School District 16th Section School Lands Trust (“Lessor”) and **John Mark Albrecht**, and wife, **Olivia Albrecht** (“Lessee”) according to the following terms and provisions:

A. Lessor and Lessee executed that certain Residential Lease Contract (the “Lease”) for a term of forty years, beginning on the 3rd day of August, 1998, and terminating on the 2nd day of August, 2038, (the “Primary Term”), covering a parcel of 16th Section Land as described therein which is recorded in the office of the Chancery Clerk of Madison County, Mississippi in **Deed Book 425 at Page 531**, being located in Section 16, Township 7 North, Range 2 East, Madison County, Mississippi, and being more particularly described as:

Lot 40 of Madison Oaks Subdivision, Part I, a subdivision which is on file and of record in the office of the Chancery Clerk of Madison County at Canton, Mississippi as now recorded in Plat Cabinet C at Slide 182, reference to which is hereby made in aid of and as a part of this description.

B. This Notice to Renew is executed pursuant to Paragraph (1) of the Lease whereby the Lease provided the Lessee with an option to renew the Lease for an additional term of twenty-five (25) years pursuant to Miss. Code Ann. § 29-3-69 (1972) as amended, commencing on the termination date of the Primary Term (the “Initial Termination Date”).

C. NOW THEREFORE, the Lessor and Lessee do hereby agree to renew the Lease for an additional term of twenty-five (25) years commencing on the Initial Termination Date; and as a result, **the Lease shall now terminate on the 2nd day of August, 2063** (the “Final Termination Date”). Said renewal shall be under the same terms, conditions, and stipulations set forth in the Lease, except the annual rental shall be based upon the fair market value of the subject property, as determined by a qualified appraiser selected by Lessor who performs his or her appraisal not more than twelve (12) months prior to the expiration of the Primary Term.

D. Except as amended by this Notice to Renew, the existing Lease shall stay in full force and effect and under the same terms, conditions, annual rental, and stipulations set forth in the Lease until the Final Termination Date.

The Lease, as amended by this Notice to Renew, is ratified and confirmed as the valid and subsisting agreement of the parties but without waiver of remedies for any presently existing default.

In Witness Whereof, this Notice to Renew is executed by Lessor pursuant to an order entered upon its minutes and is executed by Lessee on the date first stated above.

LESSOR:

**MADISON COUNTY, MISSISSIPPI,
BOARD OF EDUCATION**

By: _____
Samuel C. Kelly, President of
the Board Of Education

By _____
Charlotte A. Seals, Superintendent Of
Education

STATE OF MISSISSIPPI
COUNTY OF MADISON

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said county and state, on this ____ day of _____, 2024, within my jurisdiction, the within named **Samuel C. Kelly** and **Charlotte A. Seals** who acknowledged to me that they are President of the Madison County Board of Education and Superintendent of Education, respectively, of the **Madison County School District**, and that for and on behalf of the said Madison County School District, and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized so to do.

NOTARY PUBLIC

My Commission Expires:

[SEAL]

LESSEE:

John Mark Albrecht

Olivia Albrecht

STATE OF MISSISSIPPI
COUNTY OF _____

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said county and state, on this ____ day of _____, 2024, within my jurisdiction, the within named **John Mark Albrecht**, and wife, **Olivia Albrecht**, who acknowledged to me that they executed the above and foregoing instrument.

NOTARY PUBLIC

My Commission Expires:

[SEAL]

Reviewed and approved by the Madison County Board of Supervisors, this the ____ day of _____, 2024.

By: _____

Gerald Steen, President
of the Board of Supervisors

ATTEST:

Ronny Lott, Clerk

STATE OF MISSISSIPPI
COUNTY OF MADISON

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said county and state, on this ____ day of _____, 2024, within my jurisdiction, the within named **Gerald Steen**, who acknowledged to me that he is President of the **Madison County Board of Supervisors**, and that for and on behalf of the said Madison County Board of Supervisors, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized so to do.

NOTARY PUBLIC

My Commission Expires:

[SEAL]

Extension/2024/#1067

Prepared by:
Alexander Bondurant
MS State Bar #104553
Adams and Reese LLP
1018 Highland Colony Pkwy, Ste. 800
Ridgeland, MS 39157
(601) 353-3234

Return to:
Bear Creek Water Association, Inc.
Attn: Nolan Williamson, P.E.
301 Distribution Drive
Madison, MS 39110

STATE OF MISSISSIPPI
COUNTY OF MADISON

INDEXING INSTRUCTIONS: Section 16, T7N, R1E, Madison County, MS

LEASE
16TH SECTION PUBLIC SCHOOL TRUST LAND

THIS 16TH SECTION PUBLIC SCHOOL TRUST LANDS LEASE, (hereinafter "Lease Agreement"), is made and entered into this the 6 day of May, 2024, by and between the LESSOR,

Madison County School District
Attn: Ashley Browning, 16th Section Land Manager
4746 Highland Colony Parkway
Ridgeland, MS 39157
(601) 499-0800 _____

and LESSEE,

Bear Creek Water Association, Inc.
Attn: Nolan Williamson, P.E.
301 Distribution Drive
Madison, MS 39110
(601) 856-5969

WITNESSETH:

That, for the term and in consideration of the rentals hereinafter set forth, and the covenants, conditions, and by the authority and under the direction of the Board of Education for the Madison County School District, LESSOR does hereby lease and rent unto LESSEE the following described land (hereinafter called "Subject Property") to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED BY REFERENCE AS IF COPIED FULLY HEREIN.

1. **Term.** Subject to the other provisions herein contained, the term of this Lease Agreement shall be for forty (40) years, beginning on the _____ day of _____, 2024 and ending on the _____ day of _____, 2064.

2. **Annual Rent.** LESSEE covenants and agrees to pay as rent to LESSOR the sum of Nine Hundred Ninety Five Dollars (\$995.00) per year (with an adjustment every 10 years), on or before the anniversary of this lease each year, except that the payment of rent for the first year of this lease shall be due at the time of approval by the Board of Education for the Madison County School District. In the event of termination or cancellation, any rental payment made shall be non-refundable. Rents shall be readjusted periodically pursuant to the rent adjustment clause contained in Paragraph 3 of this Lease Agreement. In the event LESSEE is delinquent in the payment of rent, LESSEE shall pay a late charge equal to fifteen percent (15%) of the amount of rent past due for more than thirty (30) days and thereafter shall pay interest on any rent past due at an annual rate (the "Default Rate") equal to the maximum rate then allowed by law or, if there is no maximum rate, then a rate equal to five percent (5%) per annum above the discount rate, excluding any surcharge thereon, on ninety-day commercial paper in effect at the Federal Reserve Bank in the Federal Reserve district in which the LESSOR is located, calculated according to the actuarial method.

3. **Rent Adjustment.** The tenth (10th) and each subsequent tenth (10th) anniversary dates of the commencement of this Lease Agreement shall be the effective dates of rental adjustments, and on such dates, the amount of annual rental due and payable hereunder shall be adjusted in the manner hereafter described to reflect the current fair market rental value of the Subject Property.

(a) LESSOR shall use its best efforts to cause the Subject Property to be reappraised and a redetermination made of the annual fair market rental amount within six (6) months before any readjustment date. In the event the LESSOR shall fail to instigate reappraisal within the six (6) months preceding any rent adjustment date, LESSOR shall not be deemed to have waived this provision requiring rent adjustment, and in such event (at any time after a rent adjustment date), LESSOR may proceed to have the Subject Property reappraised and an adjusted rent determined for any such readjustment period. The adjusted rent shall be effective on the required adjustment date, and LESSEE shall pay any deficiency to LESSOR within thirty (30) days of the determination of the adjusted rent. The reappraisal shall be made pursuant to the Mississippi Code of 1972, § 29-3-69, or pursuant to the statute then in effect governing such leases and procedures for determining fair market rental value. The reappraisal shall establish the fair market value of the property unencumbered by this lease and shall reflect the market rate of return at the time but shall be no less than the minimum acceptable percentage provided by the statute in effect. Unless altered by the procedures described below, the amount of rent so determined as of each rental adjustment date shall be paid until the next rental adjustment date, or for the balance of the lease as the case may be. The appraisal process described in this subparagraph (a) may be referred to hereafter as the "Statutory Procedure." The cost of the reappraisal shall be borne by the LESSEE, using an appraiser selected by LESSOR.

(b) Should the Statutory Procedure result in an increase in rent over the amount previously due, LESSEE, by notice in writing given to the LESSOR within fifteen (15) days after receiving notice of the increase, shall have the right to elect an alternate method of determining the current fair market rental value of the Subject Property (the "Alternate Procedure") as follows:

(1) LESSEE may provide an appraisal by a Mississippi licensed appraiser having the qualifications hereafter described giving an opinion of current fair market annual rental value based on (I) the fair market value of the land unencumbered by this lease and (II) a reasonable percentage of return on comparable land investments as of the rental adjustment date. The written report of LESSEE'S appraiser shall be delivered to LESSOR within forty-five (45) days after the date on which LESSOR gave notice of an increase in rent under

the Statutory Procedure. UPON FAILURE TO PROVIDE AN ALTERNATE APPRAISAL WITHIN THE TIME ALLOWED, LESSEE SHALL FORFEIT THE RIGHT TO PURSUE THE ALTERNATE PROCEDURE, AND ANNUAL RENT DETERMINED UNDER THE STATUTORY PROCEDURE SHALL BECOME DUE AND PAYABLE.

(2) The two appraisers shall make a good faith effort to reconcile their differences. If they have been unable to do so within ten (10) days after delivery of the report of LESSEE'S appraiser, the two appraisers, within such ten (10) day period, shall each submit the names of three appraisers having the qualifications hereafter described who practice in Mississippi to serve as a review appraiser, and they shall select the review appraiser from names in common on the two lists. If there is no name in common on the two lists, or if the person selected shall decline to serve, then each appraiser shall submit another list of three names of persons meeting the same criteria.

(3) The review appraiser shall review and analyze the two appraisal reports, and if needed, inspect the land, consult with the two appraisers, review their assumptions and source information, and request corrections, revisions, and additions to the appraisal reports. The review appraiser may also consider relevant information from his own files, conduct such independent investigation as he deems appropriate, and may consider comparable transactions which occurred after the rental adjustment date.

(4) The review appraiser shall report his opinion of annual fair market rent, and LESSOR and LESSEE shall accept such amount as the current fair market rental value of the Subject Property.

- (c) If LESSEE requests the Alternate Procedure, LESSEE shall pay all fees and expenses of the LESSEE'S appraiser, the review appraiser, and any additional charges of LESSOR'S appraiser. The review appraiser, however, shall perform his duties in an independent and impartial manner irrespective of the source of payment of his fees and expenses.
- (d) The annual rentals on any adjustment date shall not be reduced below the amount established upon the initial date of this lease, except upon determination by the Statutory Procedure.
- (e) The amount of rent determined in the above manner shall be remitted on or before the rental adjustment date or, if the rental adjustment procedures are concluded after such date, then promptly upon conclusion of such procedures effective as of the rental adjustment date.
- (f) The rent adjustment procedures will not delay the due date of rent at the existing annual rate and will not affect LESSOR'S right to declare a default, if such rent is not timely paid.
- (g) LESSEE'S appraiser and the review appraiser must be members of the same organization of appraisers as LESSOR'S appraiser, or an organization having higher requirements for admission, and must have the same or higher designation (such as, for example, Member Appraisal Institute). If LESSOR'S appraiser belongs to more than one organization, the other appraisers must belong to the organization having the highest standards and qualifications for membership. If the organization has multiple designations for appraisers, the review appraiser and LESSEE'S appraiser must hold the same or a higher designation as held by LESSOR'S appraiser.

4. Taxes. LESSEE covenants and agrees to pay any and all general and special taxes and assessments, if ever any there be, applicable to the above-described property and LESSEE'S interest therein; further, LESSEE covenants and agrees to pay any and all survey costs and recording fees in connection with this Lease Agreement or any other fees so determined by law. All payments for general and special taxes and assessments shall be made directly to the governmental authority responsible for collecting such taxes and assessments. During the final year of the lease term, LESSOR or the governmental authority responsible for collecting taxes and assessments may require payment of any such taxes or assessments in advance, or require that other security be given to insure that taxes will be paid when due. In the event it becomes necessary for the County Tax Collector or any other authority responsible for collecting general and special taxes or assessments to retain the services of attorneys to collect any taxes or assessments due from LESSEE under this lease, then LESSEE agrees to pay all costs and expenses of such actions or collections, including a reasonable attorneys' fee for the County Tax Collector or such other authority responsible for collecting said taxes or assessments.

5. Default. If either party breaches any of the provisions of this Lease Agreement and fails to cure the same after sixty (60) days written notice from the non-breaching party, then the breaching party, in addition to any other damages for which it may be responsible, shall pay the non-breaching party, or the Secretary of State as supervisory trustee in the event the Secretary of State institutes legal action as contemplated in Paragraph 31 below, its reasonable costs and expenses in enforcing the Lease Agreement, including but not limited to fees charged by attorneys, expert witnesses, surveyors, and appraisers.

6. Remedies. In the event of any FORFEITURE, DEFAULT, OR CANCELLATION of this Lease Agreement or termination of the term therefore aforesaid, LESSEE shall quit, deliver up, and surrender possession of the Subject Property, and, if applicable, all LESSOR-owned structures and improvements thereon, at LESSOR'S sole risk, to the LESSOR, and thereupon, this Lease Agreement and all agreements and covenants on the LESSOR'S behalf to be performed and kept, shall cease, terminate, and be utterly void, the same as if the Lease Agreement had not been made. At LESSOR'S option delivered in writing within thirty (30) days of the FORFEITURE, DEFAULT, OR CANCELLATION of this Lease Agreement, LESSEE shall be required to remove all LESSEE-owned improvements. Any removal of property from the Subject Property shall be accomplished so as to leave the Subject Property in a condition satisfactory to LESSOR. LESSEE shall remove all of the LESSEE'S property within one hundred and eighty (180) days of LESSOR providing written notice of its option. LESSEE shall be subject to the accrual of rent during the said one hundred and eighty (180) day period. If after said one hundred and eighty (180) day period LESSEE'S property is not removed, LESSOR, at its sole option, may either (i) accept the Subject Property in its present condition or (ii) remove LESSEE'S property and seek reimbursement for its removal. In addition thereto, LESSOR shall be entitled to whatever remedies it may have at law or equity for the collection of any unpaid rental hereunder, or for any other sums, for damages or otherwise, that it may have sustained on account of the LESSEE'S nonfulfillment or nonperformance of the terms and conditions of this Lease Agreement, including costs for removing LESSEE-owned improvements.

7. Assignment. LESSEE shall have the full right and authority to lease, sell, assign, transfer, and/or convey to others this Lease Agreement in whole, or in part, and to encumber the same. However, any lease, assignment, transfer, or conveyance shall be subject to the prior written consent of LESSOR, which shall not be unreasonably withheld, and to the required consent and additional requirements, if any, of the Secretary of State of the State of Mississippi or other applicable government officials.

8. Burial of Line. LESSEE shall bury all Lines laid hereunder to a minimum depth of thirty-six inches (36") below ground level. The soil above buried pipes shall be refilled and compacted to bear the weight of a five thousand (5,000) pound vehicle without displacement of soil.

9. Surface Damages. LESSEE shall pay for all damages to LESSOR'S roads, fences, crops, timber, soils, ground water, surface water, and property or natural resources that may be suffered by LESSOR, by reason of the exercise by LESSEE of any of the rights and privileges hereby granted, but shall not be liable for keeping the Subject Property clear of trees, bushes, undergrowth, vegetation, and any other natural or manmade obstructions in the course of the maintenance and operation of its systems and appurtenances. LESSEE shall not pollute or otherwise contaminate the land, air, water, and resources of LESSOR and adjacent owners. LESSEE shall immediately remedy any pollution or contamination caused by LESSEE, should it occur.

10. Regulatory Compliance. LESSEE shall comply with all applicable laws, rules, and regulations concerning LESSEE'S use of the property and/or obligations under this Lease Agreement. This obligation shall include, but not be limited to, compliance with federal, state, and local environmental regulations concerning the air, water, and soil, endangered species, wetlands, and other laws, rules, and regulations that may presently exist or hereafter be adopted. In the event of contamination of the air, water, or soil arising out of any LESSEE use, LESSEE shall be responsible for all mandated remediation and monitoring with this obligation, to survive termination of this Lease Agreement.

11. Safety. Specific language concerning LESSEE complying with state and federal safety requirements for Lines is attached as Exhibit "B" hereto and incorporated by reference as if copied fully herein. If there are no additional safety requirements over and above those set out in Paragraph 10 above, then Exhibit "B" shall state "NONE."

12. Environmental Accidents. LESSEE shall immediately furnish written notice of all spills, leaks, accidents, or similar matters on the Subject Property to LESSOR at the address provided in Paragraph 15 of this Lease Agreement. LESSEE shall also furnish LESSOR a copy of all filings, including but not limited to, concerning environmental issues, required bylaws, rules, or regulations arising out of any spills, leaks, accidents, or other matters arising out of the use and occupation of the Subject Property by LESSEE. Nothing in this Paragraph 12 shall place any duty of cleanup or remediation of property upon LESSOR, with those duties being exclusively LESSEE'S. LESSEE, its employees, agents, contractors, and invitee's use of any herbicides shall follow all federal, state and local government regulations and all applications of said herbicides shall follow application

directions and warnings on the label directions.

13. Insurance. LESSEE shall maintain contractual and comprehensive general liability insurance with a company acceptable to LESSOR, or self-insure, with a minimum combined single limit of liability of One Million Dollars (\$1,000,000.00) (and the members of LESSEE shall collectively maintain a similar policy or self-insure for an excess limit of liability of One Million Dollars (\$1,000,000.00)) for personal injuries or death of persons or destruction of property arising out of any pipelines or electric transmission Lines that are subject to this Lease Agreement. LESSEE shall furnish proof of insurance (or self-insurance for LESSEE'S members, if applicable) to LESSOR, shall keep this insurance (or self-insurance for LESSEE'S members, if applicable) in full force and effect, and shall furnish LESSOR notice if the coverage is placed with another insurance company (or if the self-insurance for LESSEE'S members is managed by another company, if applicable). The amount of this insurance shall be adjusted every ten (10) years on each tenth (10th) anniversary of this Lease Agreement for inflation, according to the procedures then set forth by the Office of the Secretary of State of Mississippi.

14. Surface Elevation. LESSOR shall not make any, nor allow to be made, changes to the present surface elevation of the Subject Property.

15. Notices. All notices specified by this Lease Agreement shall be in writing and sent by registered or certified mail, postage prepaid at the following addresses or hand-delivered in person, by facsimile, or otherwise to the following persons. By written notice, either party may change the persons or addresses.

To LESSOR:

Madison County School District
Attn: Ashley Browning, 16th Section Land Manager
4746 Highland Colony Parkway
Ridgeland, MS 39157
(601) 499-0800 _____

To LESSEE:

Bear Creek Water Association, Inc.
Attn: Nolan Williamson, P.E.
301 Distribution Drive
Madison, MS 39110
(601) 856-5969

16. Use. LESSEE, its successors, and assigns are entitled to use the Subject Property for public water utility purposes, including placement, construction, installation, replacement, repair, maintenance, relocation, removal, and operation of Public Water Pipelines and related appurtenances, or making connections thereto (hereinafter collectively "Facilities"). The Subject Property shall also be used for the purpose of providing access for the operation, repair, maintenance, replacement and expansion of the Facilities. LESSEE shall have the right from the effective date of this Lease Agreement and into the future to lay additional pipelines within the Subject Property for the same purposes as set out herein, so long as such placement complies with the requirements, regulations and ordinances of the entities having jurisdiction over water services and pipelines and does not interfere with LESSOR'S timber management activities (collectively, the "Lines"); together with all rights and privileges necessary or convenient for the full enjoyment or use of the Subject Property for the purposes above described, including (i) the right of ingress and egress to and from the Subject Property across LESSOR'S property adjacent to the Subject Property, as more fully outlined in Paragraph 20 below; (ii) the right to cut and keep clear all trees, bushes, undergrowth, and vegetation now or hereafter growing on the Subject Property, as more fully outlined in Paragraph 17 below; (iii) and the right to cut or trim any and all trees ("Danger Trees") now or hereafter growing on LESSOR'S property adjacent to the Subject Property, any part of which tree or trees would, if it fell directly toward any part of the Lines, strike or come within ten (10) feet of any part of the Lines; provided, however, LESSEE shall pay to LESSOR the fair market value of the merchantable timber so cut as appraised by the Mississippi Forestry Commission.

16.1 Workmanlike Manner. At any time Lines are laid or related Facilities are installed within the Subject Property, LESSEE expressly covenants and agrees:

(a) to construct and install the Lines and Facilities in a good and workmanlike manner, and to maintain and operate its Lines and Facilities and maintain the easement granted herein in a prudent manner with due care for the uses of the Subject Property by LESSOR.

(b) that its use of the Subject Property and its operations shall at all times comply with all applicable legal requirements, laws and regulations and that the Lines and Facilities shall at all times be installed, maintained, operated and used in compliance with all applicable federal, state, county and municipal laws, regulations development codes, and engineering guidelines and ordinances.

(c) that during the period of initial construction/installation of any Lines or related Facilities, and during the period of any subsequent alteration, repair, replacement or removal of such lines or Facilities, Grantee shall leave or arrange for reasonable crossings over and across said Subject Property for any vehicles or equipment of Grantor, its tenants, lessees, successors, or assigns.

(d) that following any construction, repair, removal or other operations within the Subject Property, Grantee will backfill, pack and level any ditch or trench opened and fill, grade and restore the surface of the Subject Property as near as practicable to its original level

17. Timber. The parties recognize that the Subject Property must be cleared of all timber for LESSEE to use the Subject Property for its purposes. LESSEE is entitled to cut and keep clear all trees, bushes, undergrowth, and vegetation now or hereafter growing on the Subject Property. Following the initial cutting, LESSEE shall pay to LESSOR the fair market value of the merchantable timber so cut in the amount of Five Thousand Eight Hundred Seventy and 00/100 Dollars (\$5,870.00). After said initial cutting, LESSEE shall have the continuing right, exercisable at any time, and from time to time, to cut and keep the Subject Property clear of all trees, bushes, undergrowth, vegetation, and any other natural or manmade obstruction that may injure or endanger any of the above-described facilities without further compensation other than the annual rental payments specified herein ("ROW Maintenance"). LESSEE shall exercise reasonable care and act as a prudent operator for all ROW Maintenance activities on the Subject Property. Except as provided in Paragraph 16 hereof, neither LESSEE nor its employees, agents, contractors, or invitees shall cut, damage or destroy any timber outside of the Subject Property and in the event this occurs, shall report the same to LESSOR promptly. LESSEE, its employees, agents, contractors, or invitees shall not use aerial herbicide applications on the Subject Property.

18. Indemnification. LESSEE shall protect, indemnify, defend save, and hold harmless the State of Mississippi and LESSOR, its officers, board members, employees, and agents, from and against all claims, demands, liabilities, suits, injuries, and any and all losses or damages and costs of every kind and nature whatsoever ("loss"), including but not limited to all court costs and attorney's fees and all personal injury or death and/or damage to any person or entity including, but not limited to, LESSOR and its property or other loss arising out of any alleged noncompliance with laws or caused by LESSEE'S exercise of its rights under this Lease Agreement and/or resulting from the actions or omissions of LESSEE in connection with its presence on or any use of the Subject Property by it, its officers, agents, subcontractors, employees, or invitees. However, it is understood that the indemnity provided by LESSEE as described in this Paragraph 18 shall not extend to intentional or negligent acts of LESSOR, its officers, or agents. In the event the intentional or negligent acts of LESSOR, its officers, or agents are not the direct and sole proximate cause for one hundred percent (100%) of the loss of claim, LESSEE shall be responsible to fulfill its obligations under this Paragraph 18 for the percentage of liability not attributable to LESSOR, its officers, or agents.

19. Waste. Subject to Paragraph 17 above, LESSEE shall be responsible for any damage that may be caused to LESSOR'S property by the activities of the LESSEE, its employees, agents, contractors, and invitees under this Lease Agreement, and shall exercise reasonable care and act as a prudent operator in the protection of all improvements, timber, and other property of LESSOR, which may be located on the Subject Property, or in the vicinity whereon, against fire or damage from any and all other causes, except natural causes. LESSEE, its employees, agents, contractors, and invitees shall exercise reasonable care in conducting the activities described above and shall not, in any event, commit waste or allow waste to be committed.

20. Access. LESSEE is entitled to, without limitation, the right of convenient ingress and egress over and across the adjoining land of LESSOR, including, but not limited to, by the use of existing public roads, whether presently existing or hereafter publicly constructed and maintained, and the use thereof, reasonably necessary in connection with the construction, maintenance, operation, repair, renewal, replacement, or removal of the above-described Facilities on the Subject Property. LESSEE shall repair any damage to the roadways or LESSOR's property caused by LESSEE, its employees, agents, contractors, and invitees, within fifteen (15) days of prior receipt of written notice by LESSOR. Such road access shall be limited to public roadways in existence at the time access is needed. LESSOR reserves the right to close or relocate roadways without notice to the LESSEE. LESSOR shall not be responsible for maintenance or improvement of any access roads used by LESSEE.

21. Curing Default. Notwithstanding any provisions of this Lease Agreement containing a DEFAULT provision, any present or future holder of a mortgage or deed of trust securing money loaned on these facilities shall have the right of a thirty (30) day notice of default within which to cure any DEFAULT which may be cured by the payment of money. In addition, for any other DEFAULT for which a forfeiture of said Lease Agreement may be invoked, such holder of such mortgage or deed of trust shall be entitled to a notice in writing of the claimed DEFAULT and shall have a reasonable time, which shall not be less than sixty (60) days, to either require the correction of such DEFAULT or in lieu thereof to protect itself through the exercise of a power

**16th SECTION PUBLIC SCHOOL TRUST LANDS
LEASE**

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of sale and thereby acquire a leasehold in the Subject Property and correct such DEFAULT. LESSEE hereby covenants and agrees to notify LESSOR of the existence of all such mortgages, deeds of trust, and other secured encumbrances and that, in the absence of such notice, LESSOR has no obligation whatsoever to notify any such holder of said encumbrance.

22. Quiet Possession. LESSEE shall have quiet and peaceful possession of the Subject Property as long as LESSEE is in compliance with the terms of this Lease Agreement.

23. Execution. LESSEE hereby covenants and agrees that if an execution or process is levied upon the Subject Property or if a petition of bankruptcy be filed by or against the LESSEE in any court of competent jurisdiction, then LESSOR shall have the right at its option, to terminate this Lease Agreement, except that LESSEE, its lenders, or a bankruptcy trustee on behalf of LESSEE, as applicable, shall have a period of one hundred and eighty (180) days to cure following such execution, process, or petition through (i) monthly payments of the rent required to be paid hereunder during such one hundred and eighty (180) day period and (ii) at the end of such one hundred and eighty (180) day period, payment of the remaining amount of annual rent due hereunder. This Lease Agreement shall terminate if (a) an execution or process is levied upon the Subject Property or if a petition of bankruptcy be filed by or against the LESSEE in any court of competent jurisdiction, and (b) following such execution, process, or petition, this Lease Agreement is rejected by LESSEE or a bankruptcy trustee, on behalf of LESSEE, as applicable.

24. Reservations. LESSOR reserves title to all oil or gas, coal, lignite or other minerals in, on, or under the Subject Property, together with the right to enter and remove the same, but not in a manner which interferes with LESSEE'S operations on the Subject Property.

LESSOR reserves the right to lease the Subject Property for any other purpose not inconsistent with this Lease Agreement (i.e., any such lease shall not interfere in any manner with LESSEE'S rights hereunder) pursuant to applicable laws, rules, and regulations concerning sixteenth section lands in effect at the time, including but not limited to agricultural, hunting, or otherwise make use of the Subject Property for purposes and in a manner which will not interfere with the enjoyment or use of the rights and estate granted herein, but LESSOR shall not construct, nor permit to be constructed, any new roads, houses, buildings, dams, wells, levees, lakes, ponds, structures, or any similar or dissimilar obstructions on or over the Subject Property, or any part thereof, as surveyed or finally determined hereunder, without the prior written consent of LESSEE. Any use of the Subject Property shall not authorize LESSOR to plant or otherwise grow or manage trees or timber upon the Subject Property and shall be subject to LESSEE'S right to clear the Subject Property, including, but not limited to, danger trees, without the payment of additional consideration.

25. Rights-of-Way. LESSOR shall not grant or sell rights-of-way across the Subject Property for roads, highways, railroads, fiber optic cables, public utility lines, or any other purposes, without written notice to LESSEE; provided, however, any such rights-of-way shall be subject to this Lease Agreement and shall not interfere with LESSEE'S rights hereunder.

26. Successors. To the extent assignment of this Lease Agreement is allowed by other provisions in this Lease Agreement, this Lease Agreement shall be binding upon the LESSEE'S successors and assigns.

27. Recording. LESSOR shall deliver this Lease Agreement to the Chancery Clerk of Madison County, Mississippi for recording, and LESSEE has herewith delivered to LESSOR a check in the sum of Thirty Seven and 00/100 Dollars (\$37.00) payable to such Chancery Clerk as recording fees.

28. Immunity. No provision of this Lease Agreement, whether requiring LESSEE to maintain insurance or to indemnify LESSOR or otherwise, shall be construed as a waiver by LESSOR of any provision of law related to governmental immunity.

29. Interpretation. LESSOR and LESSEE acknowledge that this Lease Agreement has been drafted by both parties, and any ambiguities will not be construed against a single party.

30. Secretary of State. By virtue of the signature below, the Secretary of State of the State of Mississippi has approved this Lease Agreement in accordance with the Secretary's authority for general supervision of Sixteenth Section Public School Trust Land. Approval of this Lease Agreement by the Secretary of State indicates that the Board of Education for the Madison County School District has exercised the care and skill of an ordinary prudent person to protect the beneficiaries of the Sixteenth Section Public School Trust Land.

31. Supervisory Right. The Secretary of State, as supervisory trustee, shall have the right to institute any action to enforce the terms of this Lease Agreement in the event LESSOR fails to do so in a timely manner. In the event the Secretary of State institutes legal action to enforce the terms of this Lease Agreement, the Secretary of State shall have all rights as are conferred to LESSOR.

32. Governing Law. This Lease Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Mississippi, and jurisdiction and venue for any actions arising from this Lease Agreement and any amendments hereto shall rest exclusively in the Chancery Court of Madison County, Mississippi.

33. Additional Provisions. This Lease Agreement contains an Exhibit "C." Any additional or special provisions to this Lease Agreement are set forth in Exhibit "C" and incorporated by reference as if copied fully herein. If there are no additional or special provisions, then Exhibit "C" shall state "NONE."

34. Entire Agreement. This Lease Agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this Lease Agreement shall not be binding upon either party except to the extent incorporated in this agreement. This Lease Agreement contains Exhibits "A," "B," and "C." If Exhibits "A," "B," and "C" are not attached to this Lease Agreement, then this Lease Agreement shall be null and void.

35. Counterparts. This Lease Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, but all of which shall collectively constitute one and the same instrument. Each party executing a counterpart shall be bound thereby with the same force and effect as if all parties executed the same instrument.

Signature Pages to follow.

IN WITNESS WHEREOF, the undersigned have executed this instrument by authority duly given and effective as of the date first above written.

LESSOR:

MADISON COUNTY, MISSISSIPPI,
BOARD OF EDUCATION

By: Samuel C. Kelly
Samuel C. Kelly, President of the
Board Of Education

By: Charlotte A. Seals
Charlotte A. Seals, Superintendent Of
Education

STATE OF MISSISSIPPI
COUNTY OF MADISON

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said county and state, on this 6 day of May, 2024, within my jurisdiction, the within named Samuel C. Kelly and Charlotte A. Seals who acknowledged to me that they are President of the Madison County Board of Education and Superintendent of Education, respectively, of the Madison County School District, and that for and on behalf of the said Madison County School District, and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized so to do.

My Commission Expires

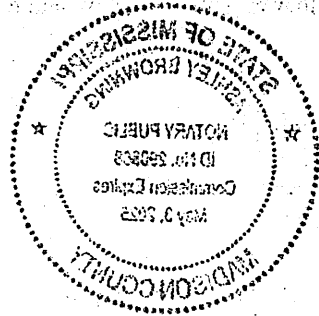
[SEAL]



Ashley Browning
NOTARY PUBLIC

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**16th SECTION PUBLIC SCHOOL TRUST LANDS
LEASE**

PAGE 10

Reviewed and approved by the Madison County Board of Supervisors, this the ____ day of _____, 2024.

By: _____
Gerald Steen, President of the
Board of Supervisors

ATTEST:

Ronny Lott, Clerk

STATE OF MISSISSIPPI
COUNTY OF MADISON

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said county and state, on this ____ day of _____, 2024, within my jurisdiction, the within named Gerald Steen, who acknowledged to me that he is President of the Madison County Board of Supervisors, and that for and on behalf of the said Madison County Board of Supervisors, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized so to do.

NOTARY PUBLIC

My Commission Expires:

IN WITNESS WHEREOF, the undersigned have executed this instrument by authority duly given and effective as of the date first above written.

LESSEE:

Bear Creek Water Association, Inc.,
a Mississippi corporation

Acting by and through:

Nolan Williamson GENERAL MANAGER
Nolan Williamson, P.E.
General Manager

STATE OF MISSISSIPPI
COUNTY OF Madison

PERSONALLY, APPEARED BEFORE ME, the undersigned authority in and for the said County and State, within my jurisdiction, the within named Nolan Williamson, P.E., who acknowledged that he is the General Manager of Bear Creek Water Association, Inc., a Mississippi corporation, and that for and on behalf of said corporation, and as its act and deed, he signed, sealed, and delivered the above and foregoing instrument for the purposes mentioned on the day and year therein mentioned, after first having been duly authorized by said corporation so to do.

Given under my hand and official seal this the 29th day of April, 2024.

Debra A. Fox
NOTARY PUBLIC

[SEAL]

My Commission Expires: ID # 116991

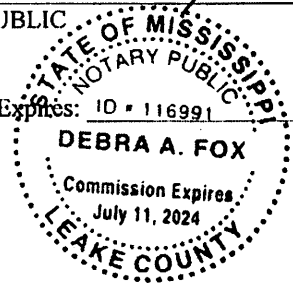


EXHIBIT "A"
DESCRIPTION OF PROPERTY

A utility easement lying within Section 16, Township 7 North, Range 1 East, Madison County, Mississippi

A utility easement 15 feet in width, and 6755 feet in length, lying adjacent to, parallel with, and easterly of, the east right-of-way margin of Lake Cavalier Road as it is now located. Said easement shall begin at the northerly line of said Section 16 (south line of Section 9) and run southerly, along the easterly right-of-way margin of Lake Cavalier Road, for a distance of 6755 feet to the intersection of Lake Cavalier Road with North Livingston Road. Said easement contains 101,325 square feet (2.326 acres)

AND ALSO:

A utility easement lying within Section 16, Township 7 North, Range 1 East, Madison County, Mississippi

A utility easement 15 feet in width, and 4795 feet in length, lying adjacent to, parallel with, and northwesterly of, the northwest right-of-way margin of North Livingston Road as it is now located. Said easement shall begin at the easterly line of said Section 16 (west line of Section 15) and run southerly and westerly, along the northwesterly right-of-way margin of North Livingston Road, for a distance of 4795 feet to the intersection of Lake Cavalier Road with North Livingston Road. Said easement contains 71,925 square feet (1.651 acres)

EXHIBIT "B"
SAFETY REQUIREMENTS

NONE

EXHIBIT "C"
ADDITIONAL PROVISIONS

NONE