

**STATE OF MISSISSIPPI
COUNTY OF PEARL RIVER
CITY OF PICAYUNE**

Be It Remembered that the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi, met at City Hall, 815 North Beech Street, in said City, Tuesday, February 1, 2011, at 5:00 p.m. in regular session with the following officials present: Mayor Ed Pinero, Council Members Larry Watkins, Lynn Bumpers, Todd Lane, Larry Breland and Wayne Gouguet, City Manager Jim Luke and City Clerk Priscilla Daniel.

It Being Determined a quorum was present, the following proceedings were held.

Opening prayer was given by Council Member Larry Watkins, followed by the Pledge of Allegiance led by Mayor Ed Pinero.

ORDER TO APPROVE MINUTES

Motion was made by Council Member Watkins, seconded by Council Member Gouguet to approve the Minutes for the City of Picayune dated January 18, 2011.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

ORDER TO APPROVE DOCKET

Motion was made by Council Member Watkins, seconded by Council Member Lane to approve the docket for February 1, 2011 in the amount of \$871,928.69.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

MOTION TO TABLE REQUEST TO AMEND THE LAND SUBDIVISION ORDINANCE

Motion was made by Council Member Lane, seconded by Council Member Breland to table the request to amend the Land Subdivision Ordinance by creating a new section 912 under Article IX entitled "Natural Gas System".

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

ACKNOWLEDGE RECEIPT OF LETTER OF LEAVE OF ABSENCE FROM JIM LUKE

Motion was made by Council Member Lane, seconded by Council Member Watkins to acknowledge receipt of letter of Leave of Absence from the City of Picayune Police Department, without pay, from Jim Luke, while serving as Interim City Manager.



City of Picayune

815 N. Beech Street
Picayune, Mississippi 39466
(601) 798-9770 Fax (601) 798-0564
Email: picstaffast@bellsouth.net

MAYOR
Dr. Edward Pinero, Jr.

CITY MANAGER
Jim Luke

COUNCIL
Larry E. Breland, Sr.
Lynn Bumpers
Wayne Gouguet
Todd Lane
Larry Watkins

February 1, 2011

Dear Mayor, City Council, and City Manager:

"As the Chief of Police for the City of Picayune, I do hereby accept the position of being the Interim City Manager until such time the Mayor and Council fill the position of City Manager for the City of Picayune. In accepting these additional duties, I as the Police Chief for the City will at this time take a temporary leave of absence without pay. In my absence as Police Chief, my two (2) deputy chiefs will temporarily take over my job duties without any additional pay.

I am writing this letter to you to confirm in writing advising the Mayor and Council of job status until a City Manager is appointed by the Mayor and Council."

Sincerely,

Jim Luke

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

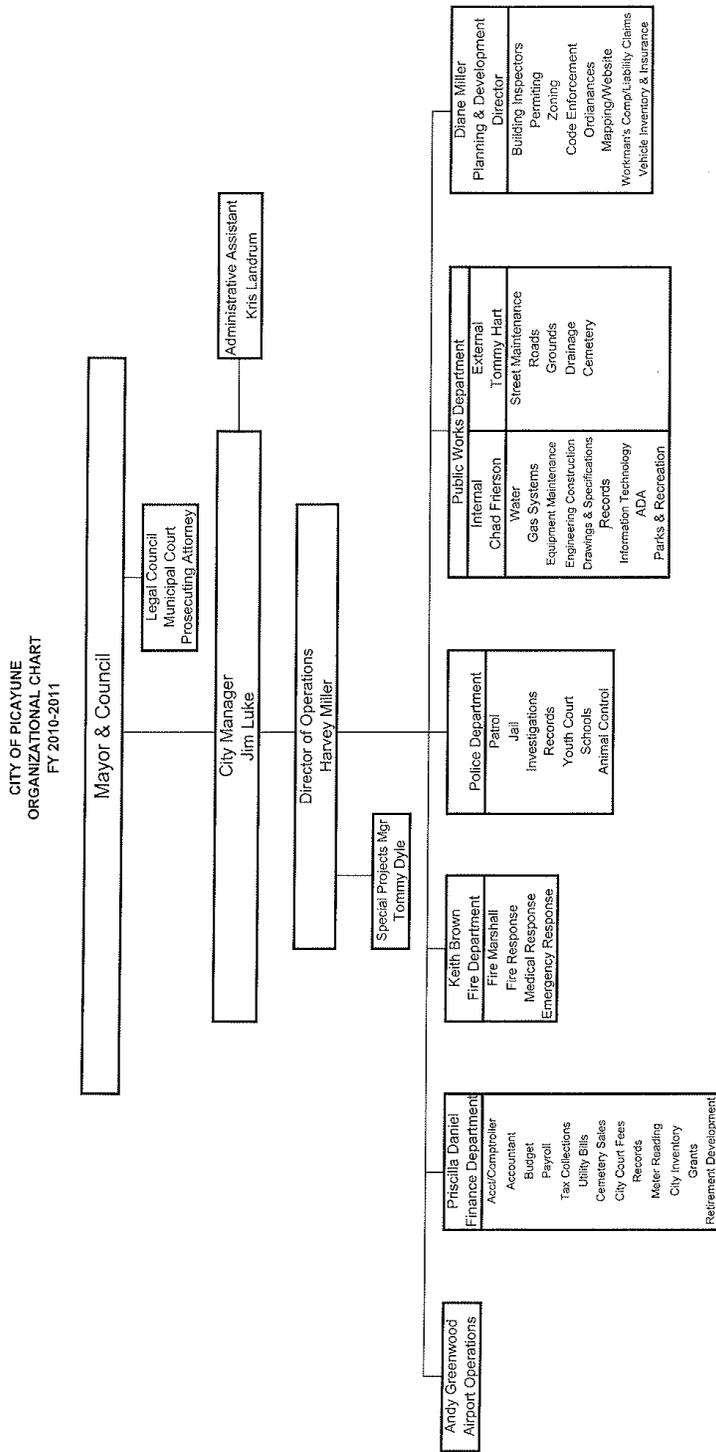
ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE NEW ORGANIZATIONAL CHART

Motion was made by Council Member Watkins, seconded by Council Member Lane to approve a new Organizational Chart.



The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouquet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE REQUEST TO SURPLUS VEHICLES

Motion was made by Council Member Lane, seconded by Council Member Gouguet to surplus the following vehicles and to authorize them to be sent to auction; 2007 Ford Expedition VIN # 1FMFK15517LA42163 and 2007 Ford Expedition VIN # 1FMFK155X7LA42162.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AUTHORIZE PAY REQUEST #1 FROM HRL CONTRACTING IN THE AMOUNT OF \$105,925.36

Motion was made by Council Member Watkins, seconded by Council Member Gouguet to authorize Pay Request #1 from HRL Contracting in the amount of \$105,925.36 on the installation of the 6" High Pressure Gas Line.

6" HIGH PRESSURE GAS LINE
 OWNER: CITY OF PICAYUNE, MS
 CONTRACTOR: HENSELY R. LEE CONTRACTING, INC.

ESTIMATE NO. 1
 ESTIMATE PERIOD: DECEMBER 15 THRU JANUARY 15

ITEM NO.	DESCRIPTION	CONTRACT AMOUNT		ESTIMATE #1		PERCENT COMPLETE
		QUANTITY	UNIT PRICE	QUANTITY	AMOUNT	
1	MOBILIZATION AND DEMOBILIZATION	1	L.S. 22,687.00	0	0	50.00%
2	AUDIO/ VIDEO SURVEY	1	L.S. 3,025.00	0	0	60.00%
3	FURNISH AND INSTALL 6" HDPE HIGH PRESSURE GAS LINE	10500	L.F. 27.83	0	0	14.78%
4	FIELD ENGINEERING	1	L.S. 43,560.00	0	0	0.00%
5	LANDSCAPING	1	L.S. 24,200.00	0	0	0.00%
6	UTILITY EXPLORATION	1	L.S. 20,328.00	0	0	15.00%
7	REMOVE AND REPLACE ASPHALT PAVEMENT	50	S.Y. 121.00	0	0	0.00%
8	REMOVE AND REPLACE CONCRETE CURBING	100	L.F. 30.25	0	0	0.00%
9	REMOVE AND REPLACE CONCRETE SIDEWALK	40	S.Y. 302.50	0	0	0.00%
10	TIE-IN TO EXISTING GAS LINES/ REGULATOR STATIONS	1	L.S. 58,891.00	0	0	0.00%
11	TRAFFIC CONTROL	1	L.S. 17,424.00	0	0	15.00%
TOTAL BASE BID						
			\$593,505.00		\$59,954.04	11.91%

- 1 ORIGINAL CONTRACT \$503,505.00
- 2 CHANGE ORDERS \$0.00
- 3 REVISED CONTRACT \$503,505.00
- 5 TOTAL MATERIAL STORED \$ 57,740.80
- 7 TOTAL WORK COMPLETED \$59,954.04
- 9 TOTAL WORK COMPLETED AND STORED \$117,694.84
- 11 RETAINAGE \$11,769.48
- 12 SUBTOTAL \$105,925.36
- 14 PREVIOUS PAYMENTS \$0.00
- 15 AMOUNT DUE \$105,925.36

MATERIAL ON HAND			
ITEM	DELIVERED	QUANTITY INSTALLED	QUANTITY STORED
6" GASLINE	10,500.00	0	9,022.00
		1478	1478
		TOTAL	TOTAL
		1478	1478

CONTRACTOR: 
 HENSELY R. LEE CONTRACTING, INC.
 DATE:

ENGINEER: 
 THOMAS W. MARES
 DUNGAN ENGINEERING
 DATE:




 William R. Bruck
 Notary
 Commission Expires 7-19-11

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouquet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

RE-APPOINT OLA MAE ROBINSON TO 5-YEAR TERM ON THE PEARL RIVER COUNTY LIBRARY SYSTEM BOARD OF TRUSTEES

Motion was made by Council Member Gouguet, seconded by Council Member Breland to re-appoint Ola Mae Robinson to another 5-year term on the Pearl River County Library System Board of Trustees.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE INVOICE #1 FOR THE PROFESSIONAL SERVICES OF DUNGAN ENGINEERING FOR THE HYDRAULIC ANALYSIS OF THE CITY'S WATER SYSTEM IN THE AMOUNT OF \$20,000

Motion was made by Council Member Watkins, seconded by Council Member Gouguet to approve invoice #1 for the Professional Services of Dungan Engineering from November 27-December 24, 2010 for the Hydraulic Analysis of the City's Water System in the amount of \$20,000.



Dungan Engineering, P.A.

P. O. Box 150
1574 Highway 98 East
Columbia, MS 39429

2010-12-24
Invoice Number: 1

Invoice

To: City of Picayune
815 North Beech Street
Picayune, MS 39466

Project: 1700C050

In Reference To: Engineering Services In Connection With:
Hydraulic Analysis of the City's Water System

Project Manager: Brooks Wallace
Professional Services for the Period:
2010-11-27 to 2010-12-24

Contract Amount:	\$40,000.00
Percent Complete:	50.00%
Fee Earned:	\$20,000.00
Prior Fee Billings:	0.00
Current Fee Total:	\$20,000.00

Project Totals:

*** Total Project Invoice Amount: \$20,000.00

BDW
1-13-11

1405-677-720.03

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouquet

VOTING NAY: None

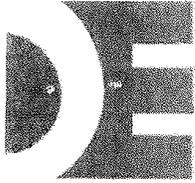
ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE INVOICE #3 FOR THE PROFESSIONAL SERVICES OF DUNGAN ENGINEERING FOR THE 2010 CITY WIDE PAVING PROJECT IN THE AMOUNT OF \$9,315.00

Motion was made by Council Member Watkins, seconded by Council Member Lane to approve Invoice #3 for the Professional Services of Dungan Engineering from November 27- December24, 2010 for the 2010 City Wide Paving Project in the amount of \$9,315.00.



Dungan Engineering, P.A.

P. O. Box 150
1574 Highway 98 East
Columbia, MS 39429

2010-12-24
Invoice Number: 3

Invoice

To: **City of Picayune**
815 North Beech Street
Picayune, MS 39466

Project: 1700C047

In Reference To: 2010 City Wide Paving Project

Project Manager: Brooks Wallace
Professional Services for the Period:
2010-11-27 to 2010-12-24

<u>Phase</u>	<u>Phase Fee</u>	<u>Percent of Total Fee</u>	<u>Total Project Amount</u>			<u>\$621,000.00</u>
			<u>Percent Complete</u>	<u>Fee Earned</u>	<u>Prior Billing</u>	<u>Current Fee</u>
Design Phase	276,000.00	44.44	100.00	276,000.00	276,000.00	0.00
Construction Phase	310,500.00	50.00	8.00	24,840.00	15,525.00	9,315.00
Materials Testing	34,500.00	5.56	0.00	0.00	0.00	0.00
Total Phases:						\$9,315.00
Phase Billing Totals:						\$9,315.00

Project Totals:

***** Total Project Invoice Amount: \$9,315.00**

BDW
1-13-11

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouquet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AUTHORIZE CITY CLERK TO ADVERTISE FOR THE 2011 ELEVATED WATER TANK IMPROVEMENTS

Motion was made by Council Member Lane, seconded by Council Member Watkins, to authorize City Clerk to advertise for the 2011 Elevated Water Tank Improvements to the Stemwood and Meadowgreen Water Tanks.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouquet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE PAY REQUEST #3 FROM HUEY STOCKSTILL, INC IN THE AMOUNT OF \$121,279.15 ON THE 2010 CITY WIDE PAVING PROJECT

Motion was made by Council Member Breland, seconded by Council Member Lane to approve Pay Request #3 from Huey Stockstill, Inc. in the amount of \$121,279.15 on the 2010 City Wide Paving Project.

Application and Certificate For Payment

To Owner: CITY OF PICAYUNE 815 N. BEECH ST PICAYUNE, MS 39466	Project: 2010 CITY OVERLAY PROJECT PICAYUNE, MS	Application No: 3 Date: 01/15/2011
From: (Contractor): HUEY STOCKSTILL INC P. O. BOX 758 130 HUEY STOCKSTILL ROAD PICAYUNE, MS 39466	Contractor Job Number: 10097 Via (Architect): Contract For:	Architect's Project No: Contract Date:
Phone: 601 798-2981		

Contractor's Application For Payment

Change Order Summary	Additions	Deductions
Change orders approved in previous months by owner		
Change orders approved this month	Number	Date Approved
Totals		
Net change by change orders		

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information, and belief the work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

Contractor:
 By: *[Signature]* Date: 1-19-11
 State of Mississippi, County of: *[Signature]*
 Subscribed and sworn to before me this *[Signature]* day of *[Signature]*
 2011 (Year). Notary public: *[Signature]*
 My commission expires *[Signature]*

Architect's Certificate for Payment

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the Amount Certified.

Amount Certified: \$ 121,279.15

Original contract sum	6,358,885.45
Net change by change orders	0.00
Contract sum to date	6,358,885.45
Total completed and stored to date	634,027.21
Retainage	
5.0% of completed work	31,701.36
0.0% of stored material	0.00
Total retainage	31,701.36
Total earned less retainage	602,325.85
Less previous certificates of payment	481,046.70
Current sales tax	
0.000% of taxable amount	0.00
APPLY 3.5% TAX TO GROSS RECPTS	
Current sales tax	0.00
Current payment due	121,279.15
Balance to finish, including retainage	5,756,559.60

Architect:
 By: *[Signature]* Date: 1-20-11

This Certification is not negotiable. The Amount Certified is payable only to the Contractor named herein. Issuance, payment, and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gougnet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AUTHORIZE MAYOR TO EXECUTE A LETTER OF ENGAGEMENT WITH THE FIRM OF BUTLER, SNOW, O'MARA, STEVENS AND CANNADA, PLLC

Motion was made by Council Member Breland, seconded by Council Member Watkins to authorize Mayor to execute a Letter of Engagement with the firm of Butler, Snow, O'Mara, Stevens and Cannada, PLLC to act as Governmental Relations Legal Council for the City of Picayune.

BUTLER SNOW

January 19, 2011

VIA E-MAIL (preplanning@yahoo.com)

Mayor Ed Pinero
City of Picayune
815 N. Beech Street
Picayune, Mississippi 39466

Re: City of Picayune
Governmental Relations Legal Counsel

Dear Mayor Pinero:

On behalf of the firm, I want to thank the City of Picayune ("City") for considering Butler, Snow, O'Mara, Stevens & Cannada, PLLC to act as its counsel. We are honored to serve in this capacity.

Attached is our proposal from Butler Snow to provide Governmental Relations counseling in Washington D.C. on behalf of the City. We will serve as counsel to the City and will provide legal representation as directed by the City and its staff. This agreement will be effective for a one-year period beginning February 1, 2011 through January 31, 2012.

We will bill you for our services rendered each month in the amount of \$1,500 plus expenses. Bills are payable upon receipt, but in no event later than the last day of each month in which the statement is rendered. If there are ever any questions or comments regarding our monthly statements, please call me, and I will be glad to discuss them.

You have the right to discharge us, and we have the right to withdraw, for any reason at any time upon reasonable notice. If we elect to withdraw, you will take all steps necessary to free us of any obligation to perform further, including the execution of any documents necessary to complete our withdrawal.

In the event of our withdrawal or discharge, we will be entitled to retain any fees for services provided before the date of our withdrawal or discharge, as well as to compensation for the reasonable value of our services actually rendered. We also will be entitled to reimbursement of any costs and expenses paid or incurred on your behalf up to the effective date of withdrawal or discharge.

Post Office Box 6010
Ridgeland, MS 39158-6010

MICHAEL D. CAPLES
601.985.4412
michael.caples@butlersnow.com

State 1400
1020 Highland Colony Parkway
Ridgeland, MS 39157

T 601.948.5711 • F 601.985.4500 • www.butlersnow.com

BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC

REGULAR MEETING FEBRUARY 1, 2011

Mayor Ed Pinero
January 19, 2011
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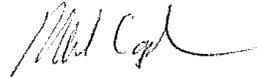
In the event any dispute arising out of or relating to this agreement cannot be resolved amicably between the parties, the parties shall endeavor first to resolve any such disputes by mediation under the Mediation Procedure of the CPR Institute for Dispute Resolution. Unless the parties agree otherwise, the mediator will be selected from the CPR Panels of Distinguished Neutrals. Any controversy or claim arising out of or relating to this contract or the breach, termination or validity thereof, which remains unresolved 45 days after appointment of a mediator, shall be finally resolved by arbitration by a sole arbitrator in accordance with the CPR Rules for Non-Administered Arbitration, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof.

I believe this letter and accompanying proposal accurately reflects our understanding as to both the scope and the terms and conditions of our representation. If you are in agreement with these terms, please have the Board approve it at the next meeting, sign at the bottom of this letter and return it to us as soon as possible. If it does not, please advise me in writing as soon as possible.

On behalf of the firm, I want to thank the City of Picayune again for selecting us to serve as its legal counsel.

Sincerely,

BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC



Michael Caples

MDC:cmh
Enclosure

I agree to the terms outlined above:

Ed Pinero, Mayor
City of Picayune

Jackson 6010208v1

CITY OF PICAYUNE PROPOSAL

I. Firm Information

Butler Snow is the largest Mississippi-based law firm in the state with almost 150 lawyers and four offices spanning the state from the Gulf Coast of Mississippi to the capitol city of Jackson and north to Hernando and then Memphis, Tennessee. Butler Snow's practice areas include the full range of business, governmental law and litigation services. Our team approach means we call on resources from across the firm to match legal experience with your needs. As a result, clients benefit from our strategic counsel, efficient execution and innovative solutions to complex challenges.

In an increasingly sophisticated business and government environment, clients are looking for law firms that have the experience and depth to handle significant matters. Our attorneys come from diverse legal, business and governmental backgrounds, bringing real-world experience and practical knowledge to each client they represent.

Chambers USA: America's Leading Lawyers for Business describes Butler Snow as having "enormous power and presence" with a team of attorneys who have achieved national prominence because of "sheer, unambiguous quality." According to Chambers, our clients refer to the firm as "well-known for being successful" and our attorneys as "real deal-makers." Chambers also noted the firm's ability to deliver to the client "the whole package – intelligence, presence and trial experience."

The attorneys of Butler, Snow, O'Mara, Stevens & Cannada, PLLC are ready to meet your legal needs in the area of governmental relations. When you choose Butler Snow, you choose a partner who supports your goals with service and results.

Governmental Relations Ability at the Federal Level

Butler Snow's lawyers have first-hand knowledge and experience with the federal legislative process due to their relationships and their experience working on Capitol Hill. Over the years, Nick Manley has developed strong relationships with key members of the legislative staffs of U.S. Senators Cochran and Wicker. Nick has had great success with obtaining federal appropriations for governmental clients. In particular, obtaining one of the largest federal appropriations for any Mississippi governmental entity in 2007.

Another Butler Snow attorney, Michael Caples has developed key relationships with key staff and governmental officials across the State of Mississippi and Washington D.C. Michael has been instrumental in assisting counties in Mississippi with their infrastructure and funding needs. Michael also has great expertise in environmental issues as they relate to governmental funding and oversight.

In any federal legislative effort, a bi-partisan approach is always preferable for achieving maximum results. In this regard, Sidney Allen, a former legislative staff member to U.S. Senator Thad Cochran, knows the landscape in our nation's Capitol and understands how to assist the City of Picayune with its special legislative needs. Recognized by *The Best Lawyers in America* in

1 BUTLER | SNOW

the area of Government Relations, Tommie Cardin, Chair of the firm's Governmental Group, is available to provide coordination and direction for government relations efforts for the City of Picayune if needed. All in all, Butler Snow has a bipartisan team of lawyers with the know-how to work within the halls of Congress for Picayune.

II. Rates

Butler Snow proposes to bill the City of Picayune \$1,500 per month plus all expense February 1, 2011 through January 31, 2012. We anticipate that the bulk of the government relations work will be performed by Nick Manley and Michael Caples, and, as needed, utilize Sidney Allen, a non-attorney in the firm's Jackson office.

III. Conclusion

Butler Snow has a team of lawyers with the knowledge and expertise to effectively represent the City of Picayune on its legislative needs in Washington, D.C. We look forward to the opportunity to work with the City in achieving its federal legislative goals.

Jackson 6010276v1

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AUTHORIZE BUTLER SNOW TO PREPARE AND SUBMIT THE CITY'S CONTINUING DISCLOURE AGREEMENT AS REQUIRED BY THE SECURITIES AND EXCHANGE COMMISSION

Motion was made by Council Member Lane, seconded by Council Member Breland to authorize Butler Snow to prepare and submit the City's Continuing Disclosure Agreement as required by the Securities and Exchange Commission (SEC) Rule 15c2-12(b)(5) for the 2004 Special Obligation Bonds and the 2010 General Obligation Bonds and to authorize the Mayor and City Clerk to Execute the Continuing Disclosure Information Statement.

BUTLER | SNOW

January 18, 2011

VIA E-MAIL AT PICCITYCLERK@BELLSOUTH.NET

Mayor Ed Pinero
Mrs. Priscilla C. Daniel, City Clerk
City of Picayune
815 North Beech St.
Picayune, Mississippi 39466

RE: \$3,500,000 Mississippi Development Bank Special Obligation Bonds, Series 2004
(Picayune, Mississippi Public Improvement Project);
\$7,700,000 City of Picayune, Mississippi, General Obligation Street Bonds, Series 2010
(collectively, the "Bonds")

Dear Mayor Pinero and Mrs. Daniel:

We served as Bond Counsel in connection with the Bonds. This past fiscal year, the City retained our firm to prepare and submit the City's Continuing Disclosure Information Statement in connection with the Bonds. It is once again time to prepare the current year's annual disclosure.

As you may recall, pursuant to each Continuing Disclosure Agreement executed in connection with the issuance of the Bonds, the City is required to provide on an annual basis certain financial information and operating data to several nationally recognized municipal securities information repositories. This continuing disclosure requirement is set forth in Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule") and requires such updated data be filed with the repositories no later than 180 days after the end of each fiscal year. **This year's filing is due on or before March 1, 2011.** Failure to file timely and to comply with the Rule could result in an Enforcement Action by the Securities and Exchange Commission ("SEC") where the SEC may attempt to require performance and may allege penalties are owed. Additionally, the City's failure to disclose timely may adversely impact bondholders of the Bonds and could adversely affect the sale of future bonds issued by the City.

If you would like for our firm to again prepare the Continuing Disclosure Information Statement, we will charge legal fees in an amount not to exceed \$1,500.00 (which includes expenses) to compile the necessary information, with the assistance of the City, and submit the same to the repositories.

If our firm is retained to handle this matter, we will also render an opinion to the effect that you have complied with the SEC continuing disclosure requirement.

Post Office Box 6010
Ridgeland, MS 39158-6010

JAMES L. MOFFETT III
601.985.4531
james.moffett@butlersnow.com

Suite 1400
1020 Highland Colony Parkway
Ridgeland, MS 39157

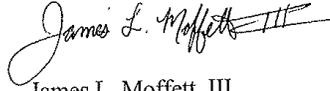
T 601.948.5711 • F 601.985.4500 • www.butlersnow.com
BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC

REGULAR MEETING FEBRUARY 1, 2011

If you would like for us to handle this matter for you, please have this proposal **and** the form of the Continuing Disclosure Statement, attached hereto as **Exhibit A**, approved and return a signed copy of this letter and the Continuing Disclosure Statement to us at your earliest convenience. Alternatively, if you do not wish for us to handle this matter for you, please sign the portion of this letter indicating same, and return it to us. If you have any questions or wish to discuss this matter further, please do not hesitate to contact me.

Very truly yours,

BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC



James L. Moffett, III

APPROVED BY:

Name: _____

Title: _____

We do not wish to retain Butler, Snow, O'Mara, Stevens & Cannada, PLLC, to prepare the Continuing Disclosure Information Statement for the City of Picayune.

Name: _____

Title: _____

Date: _____

cc: Nathan S. Farmer, Esquire (via e-mail at nathansfarmer@bellsouth.net)
Amber H. Hinton, Financial Department Supervisor (via e-mail at picaccounting1@bellsouth.net)

EXHIBIT A

Jackson 5977249v1

**CONTINUING DISCLOSURE INFORMATION STATEMENT
BY THE CITY OF PICAYUNE, MISSISSIPPI
AND
THE MISSISSIPPI DEVELOPMENT BANK**

Dated as of January 1, 2011

Pursuant to the Continuing Disclosure Agreement ("Disclosure Agreement") executed by the City of Picayune, Mississippi (the "City") and the Mississippi Development Bank (the "Bank"), in connection with the following bond issue:

1. \$3,500,000 Mississippi Development Bank Special Obligation Bonds, Series 2004 (Picayune, Mississippi Public Improvement Project) (CUSIP Number 60534P XH1);
2. \$7,700,000 City of Picayune, Mississippi, General Obligation Street Bonds, Series 2010 (CUSIP Number 719525 BA4) (collectively, the "Bonds")

the City and the Bank hereby provides the information described in such Disclosure Agreement.

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

"Accompanying Information" means any identifying information or other information then required to accompany the applicable filing pursuant to the Rule.

"Annual Report" shall mean any Annual Report provided by the County pursuant to, and as described in the Continuing Disclosure Agreement.

"EMMA" means MSRB's Electronic Municipal Market Access system on the MSRB Website.

"Listed Events" shall mean any events listed in the Continuing Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established under the 1933 Securities Act, as amended, or any successor thereto.

"MSRB Website" shall mean www.emma.msrb.org.

"National Repository" means (a) MSRB's EMMA, and (b) in the future, any successor repository or repositories prescribed by the SEC for the purpose of serving as repository under the Rule.

"Repository" shall mean each National Repository and each State Repository.

"Required Electronic Format" means the electronic format then prescribed by the SEC or the MSRB pursuant to the Rule.

"State" shall mean the State of Mississippi.

"State Repository" shall mean any public or private repository or entity designated by the State as a State repository for the purposes of the Rule. As of the date of this Continuing Disclosure Agreement, there is no State Repository.

Section 2. Annual Reports.

A. The County hereby provides, to each Repository all annual financial information and operation data regarding the County, together with any Accompanying Information, commencing with information and data for the fiscal year ending September 30, 2010, as follows:

(i) Updated financial information and operating data of the type contained in the applicable Official Statements under the headings "ECONOMIC AND DEMOGRAPHIC INFORMATION," "TAX INFORMATION," and "DEBT INFORMATION"; attached hereto as **APPENDIX A**;

(ii) Updated financial statements¹, which include information on the City's general fund, capital project funds and special revenue funds, prepared in accordance with state law which utilizes the generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time, contained in the applicable Official Statements; attached hereto as **APPENDIX B**;

(iii) Updated budgeted or estimated revenues and expenditures of the City's general fund; attached hereto as **APPENDIX C**.

The City certifies that none of the following events have occurred:

- (a) principal and interest payment delinquencies on the Certificates
- (b) non-payment related defaults on the Certificates.
- (c) unscheduled draws on the Reserve Fund (as defined in the Official Statement) reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions or events affecting the tax-exempt status of the Certificates;
- (g) amendment of or modifications to the rights of the Certificate holders;
- (h) optional, mandatory or special redemptions of Certificates;
- (i) defeasance of the Certificates;

¹ If audited financial statements are not available as of the date of this disclosure, the City will provide unaudited financial statements with this submission and audited financial statements when the audit report becomes available.

- (j) release, substitution, or sale of property securing repayment of the Certificates; or
- (k) rating changes on the Certificates.

B. The Bank hereby provides, to each NRMSIR and EMMA, a brief narrative discussion of the results of operations and financial condition of the Bank, and information relating to the following sections contained in the applicable Official Statements, under the headings "THE MISSISSIPPI DEVELOPMENT BANK", attached hereto as **EXHIBIT D**.

The Bank certifies that none of the following events have occurred:

- (a) principal and interest payment delinquencies on the Certificates
- (b) non-payment related defaults on the Certificates
- (c) unscheduled draws on the Reserve Fund (as defined in the Official Statement) reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions or events affecting the tax-exempt status of the Certificates;
- (g) amendment of or modifications to the rights of the Certificate holders;
- (h) optional, mandatory or special redemptions of Certificates;
- (i) defeasance of the Certificates;
- (j) release, substitution, or sale of property securing repayment of the Certificates; or
- (k) rating changes on the Certificates.

Section 3. Certification.

We, the undersigned officers of the City and the Bank, hereby certify as follows:

That the information, representations and warranties of the City and the Bank contained herein are true and correct in all material respects on and as of the date of this Continuing Disclosure Information Statement. Further, this Continuing Disclosure Information Statement does not contain any untrue statements of material fact or omit to state any material fact necessary in order to make the statements made herein in light of the circumstances under which they were made, not misleading.

(Remainder of page left blank intentionally.)

IN WITNESS WHEREOF, the City has caused this Continuing Disclosure Information Statement to be executed in its name by its undersigned officer, duly authorized, all as of the date first above written.

CITY OF PICAYUNE, MISSISSIPPI

By: _____
MAYOR

(SEAL)

ATTESTED:

By: _____
CITY CLERK

IN WITNESS WHEREOF, the Bank has caused this Continuing Disclosure Information Statement to be executed in its name by its undersigned officer, duly authorized, all as of the date first above written.

MISSISSIPPI DEVELOPMENT BANK

By: _____
Executive Director

(SEAL)

ATTESTED:

By: _____
Secretary

Signature page for the Continuing Disclosure Information Statement by the City of Picayune, Mississippi and the Mississippi Development Bank.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AUTHORIZE MAYOR TO EXECUTE THE REQUEST FOR PAYMENT FOR SAMPLE, HICKS & ASSOCIATES IN THE AMOUNT OF \$7,500 FOR THE ADMINISTRATION OF THE CDBG PUBLIC FACILITIES PROJECT # 1125-08-297-PF-01

Motion was made by Council Member Watkins, seconded by Council Member Lane to authorize Mayor to execute the request for payment for Sample, Hicks, & Associates in the amount of \$7,500 for the administration of the CDBG Public Facilities Project # 1125-08-297-PF-01.

REGULAR MEETING FEBRUARY 1, 2011

01/26/2011 WED 8:29 FAX 6019320237 Sample, Hicks & Associates

002/005

City of Picayune

CDBG REQUISITION FORM

REQUISITION NUMBER: 1

PROJECT NUMBER: 1125-08-297-PF-01

DATE: February 1, 2011

BANK ACCOUNT NO: _____

PAYABLE TO:	AMOUNT:
Sample, Hicks & Associates	\$7,500.00 (CDBG)

APPROVED:

BY: _____
Mayor

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AT THIS TIME THE MAYOR CALLED FOR QUESTIONS OR CONCERNS FOR THE MDA CAP LOAN OF THE AUTOMATED METER PROJECT IN THE AMOUNT OF \$1.3 MILLION.

AUTHORIZE CITY CLERK TO MOVE FORWARD WITH THE CAP LOAN APPLICATION

Motion was made by Council Member Lane, seconded by Council Member Gouguet to authorize City Clerk to move forward with the Cap Loan Application.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AUTHORIZE PAYMENT TO LEATHER & ASSOCIATES FOR PROFESSIONAL SERVICES AND TRAVEL EXPENSE ON THE PENNIES FOR YOUR PARK II PROJECT

Motion was made by Council Member Gouguet, seconded by Council Member Watkins to authorize payment to Leather & Associates for Professional Services and Travel Expense on the Pennies for Your Park II Project.



Picayune, MS Creative Play Area 2810

UNIQUE PLAYGROUNDS. IMAGINED BY CHILDREN. BUILT BY COMMUNITY.

Invoice for Professional Services

INVOICE #

7278

Invoice Date: 1/25/2011

Payment Due: 2/9/2011

Bill To:

City of Picayune
815 North Beech Street
Picayune, MS 39466

Description:	Price:
Organization Day	1,400.00
Travel Expenses	1,155.80
Total	\$2,555.80

ORGANIZER'S ITINERARY

Organization Day: February 10, 2011

Organizer: Larry Mattingly

Arrival: Wednesday, February 9th: Larry flies into New Orleans at 2:48 pm on Continental flight #516 from Newark.

Departure: Friday, February 11th: Larry flies out of New Orleans at 2:10 pm on USAir flight #3166 to Charlotte.

Add'l Info: Larry will need a hotel/motel for 2 nights. Please check your Project Manager Website for the Organization Day sample forms.

NOTE: A finance charge of 1.5% per month is added to any outstanding balance after due date.

18 Eastlake Road Ithaca, NY 14850 PHONE 607 277 5646 FAX 607 277 1433

www.leathersassociates.com

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

SET A DATE FOR A PUBLIC HEARING FOR PROPERTY CLEAN UP

Motion was made by Council Member Gouguet, seconded by Council Member Lane to set a date for a public hearing to be held on March 1, 2011 for property clean up

on the following properties: 900 Cayten St. and Griffing Lane parcel 617-515-001-03-017-00.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

OPEN PUBLIC HEARING FOR PROPERTY CLEAN UP

Motion was made by Council Member Lane, seconded by Council Member Watkins to open a public hearing to determine if the following properties should be declared public nuisances: 221 Clark Street, 211 South Gray, Corner of Dixie & Hickman, Juniper Street parcel 517-515-002-08-008-00 and 1106 Jackson Landing Road.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

MOTION TO DECLARE PROPERTY AT 221 CLARK ST A PUBLIC NUISANCE

Motion was made by Council Member Lane, seconded by Council Member Watkins to declare property at 221 Clark St. a public nuisance.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

MOTION TO DECLARE PROPERTY AT 211 SOUTH GRAY A PUBLIC NUISANCE

Motion was made by Council Member Watkins, seconded by Council Member Lane to declare property at 211 South Gray a public nuisance.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

MOTION TO DECLARE PROPERTY AT CORNER OF HICKMAN & DIXIE A PUBLIC NUISANCE

Motion was made by Council Member Watkins, seconded by Council Member Lane to declare property at corner of Hickman and Dixie a public nuisance.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

MOTION TO GRANT A 60 DAY EXTENSION TO THE OWNERS OF PROPERTY ON JUNIPER ST PARCEL 617-515-002-08-008-00

Motion was made by Council Member Breland, seconded by Council Member Gouguet to grant a 60 day extension to the owners of property on Juniper parcel 617-515-002-08-008-00 a public nuisance.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

MOTION TO DECLARE PROPERTY AT 1106 JACKSON LANDING ROAD A PUBLIC NUISANCE

Motion was made by Council Member Lane, seconded by Council Member Watkins to declare property at 1106 Jackson Landing Road a public nuisance.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

MOTION TO AMEND THE AGENDA TO AUTHORIZE DUNGAN ENGINEERS TO GET QUOTES FOR WATER REPAIRS

Motion was made by Council Member Lane, seconded by Council Member Breland to amend the agenda to request authorization for Dungan Engineers to get quotes for water repairs not to exceed \$50,000.00.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AUTHORIZE DUNGAN ENGINEERS TO GET QUOTES FOR WATER REPAIRS NOT TO EXCEED \$50,000

Motion was made by Council Member Lane, seconded by Council Member Breland to authorize Dungan Engineers to get quotes for water repairs not to exceed \$50,000.00.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AUTHORIZE TRAVEL FOR BRENDA SMITH TO BETHESDA, MARYLAND TO ATTEND CALEA ASSESSOR REFRESHER TRAINING

Motion was made by Council Member Gouguet, seconded by Council Member Breland to authorize Brenda Smith to travel to Bethesda, Maryland to attend CALEA Assessor Refresher Training at the CALEA conference March 23-25, 2011 in order to keep her Assessor status.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE TRAVEL FOR NARCOTICS DETECTIVES THOMAS CLARK AND MIKE ODOM TO TRAVEL TO DALLAS, TX TO ATTEND ROCIC NARCOTICS CONFERENCE

Motion was made by Council Member Breland, seconded by Council Member Lane to approve request for Narcotics Detectives Thomas Clark and Mike Odom to travel to Dallas, TX to attend the ROCIC Narcotics Conference March 20-23, 2011 in order to maintain compliance with the mandatory training hours required by the state of Mississippi.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

ORDER TO ENTER CLOSED SESSION TO DETERMINE THE NEED FOR AN EXECUTIVE SESSION

Motion was made by Council Member Watkins, seconded by Council Member Gouguet to enter closed session to determine the need for an executive session.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

RETURN TO REGULAR SESSION

Motion was made by Council Member Breland, seconded by Council Member Watkins to return to regular session.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

MOTION TO RECESS

Motion was made by Council Member Breland, seconded by Council Member Watkins to recess until Tuesday, February 15, 2011 at 5:00 pm.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members Watkins, Bumpers, Lane, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

Ed Pinero, Mayor

ATTEST:

Priscilla Daniel, City Clerk