January 5, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, January 5, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, and City Attorney M.D. Tate, II.

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

Opening prayer was given by M.D. Tate, II, followed by the Pledge of Allegiance.

PREVIOUS MINUTES

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to approve the minutes of the Mayor and City Council dated December 1, 1998 and December 29, 1998. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

PUBLIC RECORDS REQUESTS REPORT

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to acknowledge receipt of the Public Records Requests Report dated December 1, 1998 as presented by the City Clerk. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

MINUTES – PRCDA

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to acknowledge receipt of the minutes of the Pearl River County Development Association dated October 26, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

MINUTES – PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to acknowledge receipt of the minutes of the Pearl River County Airport Board dated November 19, 1998 and December 10, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

MONTHLY PRIVILEGE LICENSE REPORT

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to acknowledge receipt of the monthly Privilege License Report for November 1998 as presented by the City Clerk. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

MONTHLY RETIREMENT DEVELOPMENT REPORT

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to acknowledge receipt of the monthly Retirement Development Report for November 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

MONTHLY BUDGET REPORTS

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to acknowledge receipt of the monthly budget reports for the month of November 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

APPROVAL OF MONTHLY CLAIMS DOCKET

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to approve the claims docket for the month of December 1998 in a total amount of $376,520.71. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

MANUAL CHECKS

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to approve the following manual checks:

COP General Fund	Utility Fund	$50,488.10
MS State Tax Comm.	Utility Fund	2,471.00
Barbara McGrew	General Fund	164.14
COP General Fund	Utility Fund	50,214.50

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

EMPLOYEE OF THE MONTH

Upon recommendation of Water and Gas Supervisor Billy McQueen, Bill West was declared Employee of the Month for January 1999. Mr. West was presented with a savings bond from Hancock Bank.

ADOPT RESOLUTION THANKING ART CLASS FOR CHRISTMAS BANNERS

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to adopt a resolution thanking Mrs. Carr's art class from Picayune High School for painting new Christmas banners to add to the City's collection. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

BUDGET AMENDMENT

Upon recommendation of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to adopt budget amendment #2 amending the following line items of the 1998-99 budget:

General Fund	Original	Amended
Public Safety-Police – Supplies	$ 130,113	$ 132,148
-Police – Capital Outlay	66,750	122,772
Public Safety-Fire – Supplies	44,100	46,878
-Fire – Other Services	46,500	48,366
Public Works – Other Services	583,125	584,307
– Capital Outlay	1,133,941	1,144,178
Utility Fund		
Administration – Supplies	$ 11,400	$ 12,141
Treatment Plant & Construction – Capital Outlay	1,122,150	1,133,843

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

ADOPT RESOLUTION FOR AIRPORT IMPROVEMENT LOAN FUNDS

After some discussion from Mr. Frank Egger stating protest to the proposed loan, upon recommendation of the City Planner, motion was made by Councilmember Guy, seconded by Councilmember McQueen, to adopt the following resolution relating to borrowing funds for Airport improvements.

NO PROTEST RESOLUTION

The City Clerk reported that pursuant to a resolution declaring the intention of the Mayor and City Council of the City of Picayune, Mississippi (the "City") to authorize and approve a loan (the "Loan") on behalf of the City from the Mississippi Department of Economic and Community Development (the "Department") in a maximum principal amount not to exceed two hundred forty-two thousand five hundred dollars ($242,500) for the purpose of making improvements to the Picayune Municipal Airport Facility thereby promoting commerce and economic growth, she did cause notice of intention to enter into such Loan to be published in the Picayune Item, a newspaper having a general circulation in the City on December 9, 16, 23, and 30, 1998, as evidenced by proof of publication on file in the office of the City Clerk. The City Clerk further reported that no written protest of any kind or character against the authorization and approval of such Loan had been filed in the City Clerk's office. Thereupon, Councilman Guy offered and moved the adoption of the following resolution:

A RESOLUTION DECLARING THE ABSENCE OF ANY PROTEST AGAINST AUTHORIZING AND APPROVING A LOAN ON BEHALF OF THE CITY OF PICAYUNE, MISSISSIPPI FROM THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT, IN THE PRINCIPAL AMOUNT NOT TO EXCEED TWO HUNDRED FORTY-TWO THOUSAND FIVE HUNDRED DOLLARS ($242,500).

Whereas, under the power and authority granted by the Laws of the state of Mississippi and particularly under Section 57-61-1, et seq. of the Mississippi Code of 1972, as amended, the Mayor and City Council (the "Governing Body") on December 1, 1998 did adopt a certain resolution entitled:

RESOLUTION DECLARING THE INTENTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI, TO AUTHORIZE AND APPROVE A LOAN ON BEHALF OF THE CITY FROM THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT IN A MAXIMUM PRINCIPAL AMOUNT NOT TO EXCEED TWO HUNDRED FORTY-TWO THOUSAND FIVE HUNDRED DOLLARS ($242,500) FOR THE PURPOSE OF MAKING IMPROVEMENTS TO THE PICAYUNE MUNICIPAL AIRPORT FACILITY THEREBY PROMOTING COMMERCE AND ECONOMIC GROWTH.

Whereas, as directed by the aforesaid resolution and as required by law, the entire text of said resolution was published once a week for at least four (4) consecutive weeks in the Picayune Item having a general circulation within the City, and was published in said newspaper on December 9, 16, 23, and 30, 1998, as evidenced by the publisher's proof of publication of the same heretofore presented to the Governing Body and filed with the City Clerk, the first publication of which was made not less than twenty-one (21) days prior to January 5, 1999, and the last publication having been made not more than seven (7) days prior thereto, said date being the date fixed in said resolution on or prior to which a written protest by qualified electors against authorizing and approving a Loan from the Department might be filed and on which the Governing Body would take further action to provide for the request of the Loan; and

Whereas, at or prior to the hour of 9:00 a.m. on January 5, 1999, no written protest of any kind or character was filed or presented by qualified electors against authorizing and approving a Loan from the Department.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY, AS FOLLOWS:

Section 1. That all of the findings of fact made and set forth in the preamble to this resolution shall be and the same are hereby found, declared and adjudicated to be true and correct.

Section 2. That the Mayor and City Council of the City of Picayune, Mississippi is now fully authorized and empowered under the provisions of Sections 57-61-1 et seq., of the Mississippi Code of 1972, as amended, to proceed with the execution of the Loan from the Department without an election on the question of authorizing and approving such Loan.

Section 3. That the Loan being an obligation of the City of Picayune, Mississippi, in the principal amount of two hundred forty-two thousand five hundred Dollars ($242,500) shall be and the same is hereby authorized to be executed for the purpose of making improvements to the Picayune Municipal Airport Facility thereby promoting commerce and economic growth and the Mayor and Clerk of the Board are hereby authorized and directed to execute any and all documents and certificates as may be necessary in order to consummate the transaction contemplated by the resolution and upon execution, each of the documents and certificates shall be legal, valid and binding obligations of the City enforceable in accordance to the terms of each.

Section 4. That the Loan shall be a general obligation of the City secured by the full faith, credit and taxing powers of the City and the City acknowledges and approves the provisions of Section 57-16-15(7) of the Act with respect to forfeiture of homestead exemption and sales tax allocations.

Councilman McQueen seconded the motion to adopt the foregoing resolution and after the same had been read and considered section by section and the vote thereupon was as follows:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion having received the foregoing vote of the Governing Body, the Mayor declared the motion carried and the Resolution adopted, on this the 5th day of January 1999.

CAPS LOAN FOR DRAINAGE IMPROVEMENTS

Upon recommendation of the City Planner and after receiving no public comment of opposition, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize and approve the Capital Improvement Loan (CAP) from the Mississippi Department of Economic and Community Development in an amount not to exceed one hundred sixty thousand dollars ($160,000) to be used to fund drainage improvements to the Mill Creek which will assist the efforts of the City to prevent and alleviate flooding and to authorize the Mayor to sign the loan program application. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

MINUTES – CONSOLIDATED BOARD OF ELECTRICAL AND PLUMBING REVIEW

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to accept the minutes of the Consolidated Board of Electrical and Plumbing Review dated July 16, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

MINUTES – CONSOLIDATED BOARD OF ELECTRICAL AND PLUMBING REVIEW

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Consolidated Board of Electrical and Plumbing Review dated November 19, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

ORDER TO ADOPT ORDINANCE NO. 718

Upon recommendation of the Consolidated Board of Electrical and Plumbing Review, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to adopt Ordinance No. 718, An Ordinance to Amend Ordinance No. 406, Section 12 and Ordinance No. 321, Section 7 to Change the Examination Process for Licensure of Electrical and Plumbing Contractors and to Add Licensure for Mechanical Contractors. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

ORDER TO ACCEPT PARTIAL PAYMENTS ON PROPERTY TAXES

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the Tax Department to collect partial payments on the 1998 property taxes pursuant to Section 27-41-3 of the Mississippi Code of 1972, as amended. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

REQUEST TO SURPLUS PROPERTY

Motion was made by Councilmember Roberson, seconded by Councilmember McQueen, to table the request of an adjoining property owner to surplus a piece of property that is 200' wide x 150' deep and located south of the south end of South Howard Avenue and approximately behind the property of Bobbie and Kenneth Magee at 316 South Loftin Avenue. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

APPROVAL OF CHANGE ORDER #1 TO GLENWOOD BOX CULVERT PROJECT CONTRACT

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to table any action on the proposed Change Order #1 to the contract with L.D. Mitchell for the Glenwood Box Culvert Project. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

ORDER TO DELETE CLAIM FROM DECEMBER 1998 DOCKET

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to remove a previously approved claim for $9.11 to L.D. Mitchell from the December 1998 monthly docket. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

CONSIDER BID AWARD FOR FIRE TRUCK

Upon recommendation of the Fire Chief, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to take the bids for the 1250 pumper fire truck under advisement and to authorize the Purchasing Agent to advertise bids for a 75' ladder truck. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

AUTHORIZE LEASE PURCHASE OF POLICE CARS

Upon request of the Assistant Police Chief and upon recommendation of the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember McQueen, to accept the low proposal from First Continental Leasing of 4.54% for the lease purchase of six police cars and to authorize the Mayor to sign the lease documents. The total amount financed will be $130,060.20. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

AUTHORIZATION TO PURCHASE POLICE CARS

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the purchase of six (6) 1999 Ford Crown Victoria Police cars from Dub Herring Ford at a price matching the State Contract price of $20,474.75 per unit. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

AGREEMENT WITH PICAYUNE HOUSING AUTHORITY FOR SUPPLEMENTAL POLICE PROTECTION

Upon recommendation of the Police Chief, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the City to enter an agreement with the Picayune Housing Authority for supplemental police protection and to authorize the Mayor to sign the contract documents. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

CONSIDER BID AWARD ON TELLY ROAD TRAFFIC SIGNAL

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember McQueen, to award the bid on the Telly Road Traffic Signal project to B & B Electric at a cost of $49,521.62. The bid award is contingent upon the approval of MDOT. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to enter closed session to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter involving the location of a business, two matters of potential litigation and two personnel matters.

At this time, Councilmember Thorman entered the meeting.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Guy, and unanimously carried, the Mayor reopened the meeting.

The Mayor stated that while in executive session the Council discussed a matter involving the location of a business, two matters of potential litigation, and two personnel matters and took no action.

CONSIDER BID AWARD ON CITY DEPOSITORIES

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to table awarding the bid for City depositories. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to recess until January 19, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

January 19, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, January 19, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, and Kelly McQueen, City Manager Kay Johnson, and City Attorney M.D. Tate, II.

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

Opening prayer was given by M.D. Tate, II, followed by the Pledge of Allegiance.

PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the minutes of the Mayor and City Council dated January 5, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

MONTHLY RETIREMENT DEVELOPMENT REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the monthly Retirement Development Report for December 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

MONTHLY PRIVILEGE LICENSE REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the monthly Privilege License Report for December 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

PUBLIC RECORDS REQUESTS REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the monthly Public Records Requests Report for December 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

MINUTES – PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated December 22, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

MINUTES – CEMETERY BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Cemetery Board dated November 17, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

REQUEST FOR PARADE PERMIT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to grant a parade permit to the Krewe of Roses to hold a Mardi Gras Parade on February 15, 1999 beginning at 6:00 p.m. The route will be as follows: Line up on Goodyear Boulevard heading east, turn south on Highway 11, turn right on Jackson Landing Road, turn right on South Main Street, turn left on West Canal Street, turn right on Kirkwood Drive, disband behind Picayune High School. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

PROCLAMATION – EXCELLENT SCHOOL ATTENDANCE & STUDENT ACHIEVEMENT MONTHS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to proclaim the months of January and February 1999 as "Excellent School Attendance/Student Achievement Months" in Picayune. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

AUTHORIZATION FOR BOY SCOUT PROJECT

Upon request of a Picayune Boy Scout Troop, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Boy Scouts to do a storm drain stenciling project and to thank the Boy Scouts for their help in the community. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

At this time, Councilmember Guy entered the meeting.

MINUTES – PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to accept the minutes of the Planning Commission dated November 24, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED JANUARY 19, 1999

MINUTES – PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Planning Commission dated January 7, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

APPROVAL OF SUBDIVISION PLAT

Motion was made by Councilmember Roberson, seconded by Councilmember Bates , to approve the subdivision plat for property at 4201 Highway 11 North and owned by Jimmy Stockstill. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

CONSIDER BID AWARD – AIRPORT ACCESS ROAD

Upon recommendation of the Grants Administrator and Charles Willis & Associates, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to award the bid for the new airport access road to Huey Stockstill, Inc. for $211,220.70 and to authorize the Mayor to sign the contract documents. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

AUTHORIZE MAYOR TO SIGN FAA GRANT APPLICATION

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Mayor to sign an FAA Grant Application seeking funds of $22,572.00 to acquire land for the new airport access road and to authorize the Mayor to sign the Grant Agreement if awarded. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

PARK COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to appoint Bob Ford and Ronald Woodson to the Park Commission for a three-year term to end January 2002. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

VETERANS MEMORIAL COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to appoint Charles Jones and Mildred Dossett to the Veterans Memorial Commission for a four-year term to end January 2003. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

CONTRACTORS BOARD

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to appoint the following members to the Contractors Board for a one-year term to end January 2000:

Homebuilder	Ruben Herrin	Alt: Eljie Bennett
Plumber	Tommy Anderson	Alt: Monte Fleming
Electrician	James Kinchen	Alt: Keith Giovengo
Business/Finance	Keith Robinson	Alt: Luann Watkins
Citizen	Alan Chavers	Alt: Edward Stubbs
Citizen	Edwin Merwin	Alt: Gary Harrison
Engineer	James Bowie	

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REQUEST TO REPURCHASE CEMETERY PLOTS

Upon request of the Cemetery Sexton, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the repurchase the following cemetery plots at Palestine Cemetery from Dixie Wagner for $490.00:

Lot 34, Plots 1, 2, 3, 5, 6, and 7, Block Q, Palestine Cemetery, Third Addition

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the issuance of a manual check to Dixie Wagner for $490.00 for the purchase of the cemetery plots. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REQUEST AUTHORIZATION TO BID

Upon request of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Purchasing Agent to advertise for bids for directional drilling equipment and for lease-purchase financing rates for the same. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REQUEST AUTHORIZATION TO BID

Upon request of the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Purchasing Agent to advertise for semi-annual bids for supplies. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REQUEST TO SURPLUS PROPERTY

Upon request of the Fire Chief, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to surplus 750' of 3-½ inch fire hose and authorize the sale of the hose at fair market value. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

AUTHORIZE MAYOR TO SIGN ENGINEERING CONTRACT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign a contract with Neel-Schaffer, Inc. to perform engineering services for a conceptual plan for the Highway 43 South project.

After some discussion, Councilmember Thorman amended his motion to authorize the Mayor to sign a contract with Neel-Schaffer, Inc. to perform engineering services for a conceptual plan for the Highway 43 South project in an amount not to exceed $20,500.00 and contingent upon the Public Works Director approving the scope of the work to be performed. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REQUEST TO INCLUDE OVERLAY OF MARTIN LUTHER KING, JR. BOULEVARD IN STP PROJECT LIST

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to include the overlay of Martin Luther King, Jr. Boulevard when the Council considers borrowing STP funds from other cities for completion of our STP projects. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO RENAME HIGHWAY 43 SOUTH

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table the request to rename Highway 43 South. The following roll call vote was taken:

VOTING YEA: Councilmember Guy

VOTING NAY: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

The motion was declared carried.

MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the issuance of the following manual checks:

Michelle Webb	General Fund	$ 50.00
Barbara McGrew	General Fund	157.85
Prior Energy	Utility Fund	17,747.50
Dynegy	Utility Fund	18,925.50
Koch Gateway Pipeline	Utility Fund	15,975.70
Utility Management Corp.	Utility Fund	1,390.60

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

BANK DEPOSITORIES

In finding that all bids were present at the regular January meeting, motion was made by Councilmember McQueen, seconded by Councilmember Guy, to accept all bids received as financial depositories for the City for the next two years as required in Section 27-105-305, Mississippi Code of 1972, as amended. The bids received were from BankPlus, Hancock Bank and Union Planters Bank. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REQUEST TO ACCEPT MONICA LANE AS A CITY STREET

Motion was made by Councilmember Thorman to accept Monica Lane as a City street contingent upon the former property owner's acceptance of the City's conditions of maintenance of the new street. Councilmember Thorman then withdrew his motion.

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to table this matter until the following meeting. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter of potential litigation.

RECESSED MEETING DATED JANUARY 19, 1999

At the conclusion of executive session, Councilmember Guy left the meeting.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember McQueen, seconded by Councilmember Bates , and unanimously carried, the Mayor reopened the meeting.

The Mayor stated that while in executive session the Council discussed a matter of potential litigation and took no action.

ORDER TO ADJOURN

Motion was made by Councilmember McQueen, seconded by Councilmember Bates, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

February 2, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, February 2, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, and City Manager Kay Johnson.

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

Opening prayer was given by Reverend Henry Dunn, followed by the Pledge of Allegiance.

PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the minutes of the Mayor and City Council dated January 19, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

MINUTES – PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the Picayune/Pearl River County Airport Board dated January 14, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

MONTHLY BUDGET REPORTS

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the monthly budget reports for December 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

APPROVAL OF BUDGET AMENDMENT

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the following changes to the budget for the Airport Fund for the year ending September 30, 1999 as presented by the City Clerk:

	Original	Amended
Federal Grants	$ 0	$1,352,722
State Grants	0	69,548
Transfers in	110,455	135,923
Capital Outlay	490,000	1,937,738

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

APPROVAL OF MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the monthly claims docket for February 1999 in a total amount of $880,437.75. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the issuance of the following manual checks:

City of Picayune General Fund	$50,034.62
MS State Tax Commission	3,780.00
MS State Dept. of Health	50.00
Harrison County Development Commission	60.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

EMPLOYEE OF THE MONTH

Upon recommendation of Bobby Kelly, Superintendent of Streets, Sanitation and Equipment Maintenance, Allen Bell was declared Employee of the Month for February 1999. Mr. Bell was presented with a savings bond from Union Planters Bank.

REQUEST TO PURCHASE ADVERTISEMENT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to promote the resources of the City by purchasing a ½-page advertisement in the cookbook for the Pearl River Junior College Development Foundation's 1999 River Extravaganza in the amount of $250.00 and authorize the issuance of a manual check for the same. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

GOODYEAR COMMUNITY AWARD

A "Making Mississippi Move Award" from the Mississippi Municipal Association was presented to residents of the Goodyear/Greenview community for work they have done in maintaining their parks, sponsoring recreation activities and keeping their area clean. The award was one of seven given in the state of Mississippi.

✓ **REQUEST TO COMBINE THE POSITIONS OF RETIREMENT DEVELOPMENT DIRECTOR AND CHAMBER OF COMMERCE DIRECTOR**

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to combine the positions of the Picayune Retirement Development Director, a City position, with the Picayune Chamber of Commerce Director and agree to transfer the funds budgeted for the Retirement Development department to the Chamber for the City's share of the new position. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

LIBRARY COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to appoint Dr. James Schrock to the City Library Commission for a five-year term expiring January 2004. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

PARKS COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to table any appointments to the Parks Commission. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO RENAME HIGHWAY 43 SOUTH

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to rename Highway 43 South to Hospitality Boulevard. After discussion of other possibilities, the motion and second were withdrawn.

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to table any action until the next meeting. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO SURPLUS PROPERTY LOCATED ON SOUTH HOWARD AVENUE

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to surplus and sell the 150' x 200' piece of property located south of the south end of South Howard Avenue and located directly behind the property of Bobbie and Kenneth Magee. After discussion including information from the Grants Administrator that the property was purchased with money obtain from the Bureau of Wildlife & Fisheries and could not be sold without proper authorization, the motion and second were withdrawn.

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to not surplus the property on the south end of South Howard Avenue. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSTAINING: Councilmember Guy

The motion was declared carried.

MINUTES – PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the minutes of the Planning Commission dated January 7, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

MINUTES – PLANNNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Planning Commission dated January 26, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT MONICA LANE AS A CITY STREET

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize that Monica Lane be placed on the City's zoning map for emergency purposes only with the understanding of the adjoining property owners that the City will not maintain the road by paving but will only maintain the road by spreading gravel. After further discussion, the motion and second were withdrawn.

ORDER TO REZONE PROPERTY LOCATED ON ADCOX ROAD

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to rezone the 1.55-acre property located on Adcox Road and owned by Mr. Erwin J. Smith from R-2 to PUD-R. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

APPROVAL OF PRELIMINARY PLAT/PLAN FOR PUD-R ON ADCOX ROAD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the preliminary plat/plan presented by Mr. Erwin J. Smith for a PUD-R on Adcox Road. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

AUTHORIZATION FOR MAYOR TO SIGN QUITCLAIM DEEDS

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following quitclaim deeds:

Assessed Name	Parcel #	Deed Name	Year(s)
Michael H. Stockstill	617-331-000-00-016	Michael H. Stockstill	1987,88,89
Wayne J. Leleux	616-307-000-00-025	Michael T. & Vicki Leleux	1995

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO SURPLUS PROPERTY

Upon request of the Pearl River County SPCA, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to declare the incinerator located in the yard at the Animal Shelter on Palestine Road as surplus. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

APPROVAL OF INTERLOCAL AGREEMENT WITH THE CROSBY ARBORETUM AND MISSISSIPPI STATE UNIVERSITY

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the interlocal agreement between the Crosby Arboretum, Mississippi State University and the City of Picayune to develop a trail/roadway on the grounds of the Arboretum contingent upon Pearl River County approving their interlocal agreement and contingent upon the amount of cash outlay and in-kind work to be split equally between the City and the County. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: Councilmember McQueen

The motion was declared carried.

CONSIDER BID AWARD ON FIRE TRUCK

After discussion involving the options on the purchase of the fire truck, motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to table any action until the next meeting. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ESTABLISH FAIR MARKET VALUE ON AVIGATION EASEMENT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to establish the fair market value of the avigation easement located on the property of the heirs of R.J. Williams at $2,500.00 based on the basis of the Appraiser's and Review Appraiser's reports. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

At this time, Councilmember Bates left the meeting.

AUTHORIZATION FOR MAYOR TO SIGN FEDERAL EQUITABLE SHARING AGREEMENT

Upon recommendation of the Assistant Police Chief, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign a "Federal Equitable Sharing Agreement" related to the City's participation of the sharing of Federally forfeited cash, property, proceeds, any interest earned thereon. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

At this time, Councilmember Bates reentered the meeting.

TRACKHOE

The Public Works Director discussed options involving the sale of the trackhoe, the repurchase option included in the original bid from the supplier, the possibility of the purchase of a new unit, and the need to have a $6,500 repair done on the unit if no sale is made. No official action was taken.

AUTHORIZATION FOR MAYOR TO SIGN LEASE AGREEMENT

Upon recommendation of the City Manager and the Police Chief, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign a lease agreement with Richard Smith to rent the property located at 321 North Curran Avenue to be used for office space for the investigators and to authorize the issuance of a manual check for $1,400.00 representing the damage deposit and one month's rent. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

DISCUSSION OF WILDWOOD STREET

Residents of the Elmwood Manor Apartments addressed the Council regarding the opening of Wildwood Street. The City Manager explained that Fishhook Lane was legally

closed but physically open, while Wildwood was legally open but physically closed. She further explained that she had been told by the City Attorney that a signature of the property owner was needed before the City could officially open Wildwood. Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to open Wildwood by moving the objects blocking the road. After further discussion involving the possible legal consequences, the motion and second were withdrawn.

The City Manager indicated that she would check again with the City Attorney and try to get all signatures needed on the official documents making the street open. No official action was taken.

APPROVAL OF PROPERTY MAINTENANCE ORDINANCE

Upon recommendation of the City Planner, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to adopt Ordinance No. 719, An Ordinance to Control Weeds in the City of Picayune, Mississippi and to Provide Penalties Therefore. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter of potential litigation and a personnel matter.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Roberson, and unanimously carried, the Mayor reopened the meeting.

The Mayor stated that while in executive session, the Council discussed a matter of potential litigation and a personnel matter and took no action.

ORDER TO ACCEPT MONICA LANE AS A CITY STREET

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize that Monica Lane be placed on the City's zoning map for emergency purposes only. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until February 11, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

February 11, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, September 1, 1998, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates and Mark Thorman, and City Manager Kay Johnson.

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

Opening prayer was given by Mayor Spiers, followed by the Pledge of Allegiance.

PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated February 2, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

MONTHLY PRIVILEGE LICENSE REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Privilege License Report for January 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

MINUTES – PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Pearl River County Development Association dated November 30, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

PUBLIC RECORDS REQUESTS REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Public Records Requests Report for January 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

MONTHLY RETIREMENT DEVELOPMENT REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Retirement Development Report for January 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

MINUTES – ARC/PRC

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the ARC/PRC dated December 8, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

PROCLAMATION – SCHOOL BOARD MEMBER RECOGNITION WEEK

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to proclaim February 21-27, 1999 as "School Board Member Recognition Week." The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

PARKS COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table any appointments to the Parks Commission. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

ARTS COUNCIL

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table any appointments to the Arts Council. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

At this time, Councilmember Guy entered the meeting.

ORDER TO RENAME HIGHWAY 43 SOUTH

Upon request of several members of the 138th Engineers Battalion of the Picayune National Guard Company that served in Korea, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to rename Highway 43 South (from Highway 11 to Interstate 59) 138th Engineer Memorial Boulevard. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

MINUTES – PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to accept the minutes of the Planning Commission dated January 26, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

MINUTES – PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Planning Commission dated February 8, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

APPROVAL OF FINAL PLAT FOR PUD-R ON ADCOX ROAD

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to approve the final plat presented by Mr. Erwin J. Smith for a PUD-R to be located at approximately 1609 Adcox Road. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

AUTHORIZE MAYOR TO SIGN CERTIFICATE OF ASSUMPTION FOR HEALTH INSURANCE

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the "Certificate of Assumption" presented by American Medical Security. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

VOID TAX SALE AND AUTHORIZE MAYOR TO SIGN QUITCLAIM DEED

Upon request of the Tax Department, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to void the 1993, 1994, 1995, 1996 and 1997 tax sales on parcel #517-833-000-00-001-15 assessed to Larry Haymond and authorize the Mayor to sign a quitclaim deed to Robert Vernon Bond for 1993, 1994 and 1995 taxes due to an assessment error by the Pearl River County Tax Collector. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

REQUEST TO BID FOR VIDEOING OF SEWER LINES

Upon request of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Purchasing Agent to advertise for bids for the video recording of certain City sewer lines. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the issuance of a manual check to Mardi Gras Imports for $720.00 from the General Fund. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN ENGINEERING CONTRACT

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign a contract with Brown & Mitchell Engineers in the amount of $8,400.00 for conceptual layout of the new Friendship Park facilities. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

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

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter of potential litigation and a personnel matter.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting.

The Mayor stated that while in executive session, the Council discussed a matter of potential litigation and a personnel matter and took no action.

ORDER TO APPOINT CITY ATTORNEY

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to appoint Gerald Cruthird as City Attorney. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO ADJOURN

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

March 2, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, March 2, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond, and Police Chief Brenda Smith.

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

Opening prayer was given by Mayor Spiers, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to approve the minutes of the Mayor and City Council dated February 11, 1999. Said minutes are found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MINUTES OF THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD DATED FEBRUARY 16, 1999

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated February 16, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MINUTES OF THE ARC/PRC DATED JANUARY 12, 1999

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the ARC/PRC dated January 12, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MINUTES OF THE CONTRACTOR'S BOARD DATED FEBRUARY 18, 1999

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Contractor's Board dated February 18, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE THE MONTHLY CLAIMS DOCKET FOR MARCH 1999

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to approve the monthly claims docket for March 1999 in a total amount of $312,397.04. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE ISSUANCE OF MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the issuance of the following manual checks:

COP General Fund	Utility Fund	$51,000.00 (NTE)
MS State Tax Commission	Utility Fund	4,000.00 (NTE)
US Postmaster	General Fund	200.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO RECOGNIZE EMPLOYEE OF THE MONTH

Upon recommendation of the Public Works Director, Reggie Penton was declared Employee of the Month for March 1999. Mr. Penton was presented with a savings bond from First National Bank.

ORDER TO APPROVE THE 1999 MULTIPLE SCLEROSIS WALK

Upon request of Crosby Memorial Hospital, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve the route for the 1999 Multiple Sclerosis Walk to be held on March 27, 1999 from 9:00 a.m. until 12:00 noon. The walk will begin on Goodyear Boulevard and continue through the west side of town. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

PRESENTATION OF AUDIT REPORT FOR YEAR ENDED SEPTEMBER 30, 1998

Moore & Powell CPAs, P.A. presented their audit report for the City for the year ended September 30, 1998. The opinion issued was an unqualified opinion. No official action was taken.

QUARTERLY PETITION FOR FUNDING FROM PRCDA

Mr. Bill Edwards addressed the Mayor and Council regarding the quarterly activities of the PRCDA. Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to approve the issuance of a manual check to the PRCDA for $750.00 from the Economic Development Fund representing the budgeted quarterly funding amount. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

DISCUSSION OF TRACKHOE OPTIONS

After discussion of options involving repairs to the trackhoe or the purchase of a new unit, motion was made by Councilmember Roberson, seconded by Councilmember Bates to authorize the Purchasing Agent to advertise for bids for a new and used trackhoe equal to the unit that we have now with 3, 4 and 5-year buy-out options. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO GRANT AD VALOREM TAX EXEMPTION TO RAMALLAH, INC.

The City Council next took up for consideration the matter of granting to Ramallah, Inc. (the "Applicant"), operator of a Free Port Warehouse within the City of Picayune, Mississippi,

an exemption from all ad valorem taxes to the full extent permitted by statute on all personal property held in the Applicant's Finished Goods Warehouse and in transit through this state and which either is moving in interstate commerce through or over the territory of the State of Mississippi or is consigned or transferred to the Applicant's Finished Goods Warehouse for storage in transit to a final destination outside the State of Mississippi, and the following Resolution, having first been reduced to writing, was introduced:

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI GRANTING EXEMPTION FROM AD VALOREM TAXES TO THE FULL EXTENT PERMITTED BY STATUTE TO RAMALLAH, INC., OPERATOR OF A FREE PORT WAREHOUSE, AS AUTHORIZED BY SECTIONS 27-31-51 THROUGH 61 OF THE MISSISSIPPI CODE OF 1972, AS AMENDED

WHEREAS, the Applicant is a California corporation, qualified to do business in the State of Mississippi, with a Finished Goods Warehouse located within the City of Picayune, Pearl River County, Mississippi, which is regularly engaged in the handling and storage of personal property in structures or places adapted for such handling and storage and to which personal property is consigned or transferred for storage and handling in transit to a final destination outside the State of Mississippi;

WHEREAS, the Applicant has negotiated in good faith with the Mayor and City Council as to the ad valorem tax exemption authorized by Code Sections 27-31-51 through 61;

WHEREAS, by its Resolution adopted on October 20, 1998 (appearing in the Minutes of the meetings of this Council at Book 26, Page 114), the City Council evidenced its intention and commitment to approve Applicant's request for an ad valorem tax exemption for the maximum term permitted by the statutes upon compliance with the terms therein;

WHEREAS, the Applicant has applied for a license to operate the Free Port Warehouse to be issued by the Mississippi State Tax Commission and has certified in the application for such license that Applicant ships personal property to a destination outside Mississippi each year and Applicant is qualified to apply for the free port warehouse ad valorem tax exemption;

WHEREAS, Applicant provides employment in the City of Picayune, Mississippi, for approximately fifteen (15) persons, with an approximate annual payroll of $265,000;

WHEREAS, Applicant is qualified to make application for exemption from ad valorem taxes pursuant to Sections 27-31-51 through 27-31-61 of the Mississippi Code of 1972, as amended, and

WHEREAS, this City Council of Picayune, Mississippi, acknowledges the Applicant's major contribution to the economic development of the City of Picayune, Mississippi, and believes that it should exercise its discretionary authority to exempt from all ad valorem taxes to the full extent permitted by statute all personal property held in the Applicant's Finished Goods Warehouse and in transit through this state and which either is moving in interstate commerce through or over the territory of the State of Mississippi or is consigned or transferred to the Applicant's Finished Goods Warehouse for storage in transit to a destination outside the State of Mississippi.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Picayune, Mississippi, as follows:

1. That the Applicant, Ramallah, Inc., operator of a Free Port Warehouse is hereby granted exemptions to the full extent permitted by statute beginning on December 31, 1998 from all ad valorem taxes on all personal property held in the Applicant's Finished Goods Warehouse and in transit through this state and which either is moving in interstate commerce through or over the territory of the State of Mississippi or is consigned or transferred to Applicant's Finished Goods Warehouse for storage in transit to a final destination outside the State of Mississippi, as

authorized by Sections 27-31-51 through 61 of the Mississippi Code of 1972, as amended.

2. That the City Clerk be, and she is hereby directed to spread a copy of this Resolution on the minutes of this City Council; and that said Clerk shall forward a certified copy of this Resolution to the Mississippi State Tax Commission and to the Pearl River County Tax Assessor.

After a full discussion of this matter, motion was made by Councilmember Guy, seconded by Councilmember McQueen, that the foregoing Resolution be adopted. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

WHEREUPON, the foregoing Resolution was declared carried and adopted at a regular meeting of the Mayor and City Council of Picayune, Mississippi, this the 2nd day of March, 1999.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

ORDER TO CONSIDER BID AWARD ON FIRE TRUCK

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to award the bid for the fire truck to Sunbelt Fire Apparatus, Inc. in the amount of $449,876.00 for a 75' ladder truck. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Guy

VOTING NAY: Councilmember McQueen

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MINUTES OF THE PLANNING COMMISSION DATED FEBRUARY 23, 1999

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Planning Commission dated February 23, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

REGULAR MEETING DATED MARCH 2, 1999

ORDER TO ACCEPT THE MINUTES OF THE PLANNING COMMISSION DATED FEBRUARY 8, 1999

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to accept the minutes of the Planning Commission dated February 8, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

REQUEST TO RENAME 138TH ENGINEER MEMORIAL BOULEVARD

Representatives from business located on 138th Engineer Memorial Boulevard addressed the Mayor and Council regarding the recent name change of their street. They expressed concerns about the combination of numbers at the beginning of the name and about the length of the new name, and they asked the Council to reconsider their decision. Representatives of the 138th Engineer group expressed support for the new name.

Motion was made by Councilmember Guy to rename 138th Engineer Memorial Boulevard to Veterans Boulevard. With no second, the motion died.

Motion was made by Councilmember Roberson to rename 138th Engineer Memorial Boulevard to 138 Engineer Boulevard. After further discussion, the motion was withdrawn.

No official action was taken.

ORDER TO REZONE PROPERTY ON COOPER ROAD

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to rezone 7.92 acres, parcel #616-306-000-00-005 located off Cooper Road and presently owned by Bailey Switch Development Co., Inc. from A-1 to PUD-R. The following roll call vote was taken:

VOTING YEA: Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSTAINING: ~~Councilmember Thorman~~ Mayor Spiers

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE THE PRELIMINARY PLAN FOR "THE GARDEN DISTRICT" SUBDIVISION

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to approve the preliminary plan for "The Garden District" subdivision located on 7.92 acres off Cooper Road and owned by Bailey Switch Development Co., Inc. The following roll call vote was taken:

VOTING YEA: Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSTAINING: Mayor Spiers

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE REQUEST FOR HOME OCCUPATION LICENSE

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the request of Patrick D. Johnson for a home occupation license at 1131 Parkwood Circle to operate a carpet and floor cleaning and repair service. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

At this time, Councilmember Roberson recused himself from the meeting.

ORDER TO APPROVE SUBDIVISON PLAT FOR PROPERTY ON 7TH STREET

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to approve the subdivision plat presented by Mr. Charles Roberson for property he owns on 7th Street between North Steele Avenue and Hershal Lane, but provide that no building permits be issued on lots 5 and 6 until the street and utilities are provided. The plat divides the existing four lots into six conforming lots. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Thorman

The motion was declared carried.

At this time, Councilmember Roberson entered the meeting.

ORDER TO APPROVE THE PLACEMENT OF A MOBILE HOME ON AUSBORN ROAD

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to deny the request of Steve Kennedy to place a mobile home on Ausborn Road behind 1119 South Beech Street. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

REGULAR MEETING DATED MARCH 2, 1999

CONSIDERATION OF ORDINANCE TO ABOLISH THE PICAYUNE HERITAGE MUSEUM BOARD

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to adopt the following ordinance:

ORDINANCE NO. 720
OF THE CITY OF PICAYUNE, MISSISSIPPI

AN ORDINANCE TO REPEAL ORDINANCE NO. 414, AN ORDINANCE CREATING AND ESTABLISHING THE PICAYUNE HERITAGE MUSEUM BOARD, DESIGNATING THE QUALIFICATIONS AND NUMBER OF MEMBERS THEREOF, AND SETTING FORTH THE POWERS AND DUTIES OF SAID BOARD, OF THE CODE OF ORDINANCES OF THE CITY OF PICAYUNE

Be It Ordained by the Mayor and City Council of the City of Picayune that Ordinance No. 414 of the Code of Ordinances of the City of Picayune is hereby repealed.

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

This Ordinance shall become effective upon completion of the requirements specified in Section 21-13-11, Mississippi Code of 1972, as amended.

The Ordinance was thereupon declared carried and adopted on this the 2nd day of March, 1999.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

ORDER TO APPROVE QUITCLAIM DEEDS

Upon request of the Tax Department, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to authorize the Mayor to sign the following quitclaim deeds:

Parcel Number	Assessed to	Year(s)	Deed Name
518-614-000-00-003-00	Thomas Beasley	1995	Stuart Company
616-419-000-00-043-01	G. Howell Williams	1993, 94, 95	S. A. Morris

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN CONTRACT FOR TELLY ROAD TRAFFIC SIGNAL

Upon recommendation of the Public Works Director and upon obtaining approval from MDOT, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract with B & B Utility Contractors, Inc. for the Telly Road at 138th Engineer Memorial Boulevard traffic signal:

SECTION 902

CONTRACT

This Contract, made this the 2nd day of March, 1999, by and between the CITY OF PICAYUNE, MISSISSIPPI, a municipal corporation, hereinafter called "Owner" and B & B Utility Contractors, Inc. doing business as a corporation located in Brandon, Mississippi, hereinafter called the "Contractor".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. THE CONTRACTOR will commence and complete the construction of TRAFFIC SIGNAL IMPROVEMENTS said project being designated SURFACE TRANSPORTATION PROGRAM PROJECT NO. STP-9601(3) Mississippi Department of Transportation Number 99-9601-00-003-10, Pearl River County and being more completely described in the Contract Documents and on the Contract Drawings.

2. The Contractor will commence the work required by the CONTRACT DOCUMENTS on or before a date to be specified in a written NOTICE TO PROCEED by the OWNER and will complete the same as set out in the Contract Documents unless the period for completion is extended otherwise by the CONTRACT DOCUMENTS. The CONTRACTOR further agrees to pay, as liquidated damages as provided for in Section 907-108-1 (Urban) of the Special Provisions.

3. The term "CONTRACT DOCUMENTS" means and includes Advertisement for Bids, Instructions to Bidders, Contractor's Proposal, Bid Bond, Contract, Payment Bond, Performance Bond, Mississippi Standard Specifications for Road and Bridge Construction 1990, Special Provisions to the Standard Specifications, Contract Drawings, Notice of Award, Notice to Proceed, Addenda (if any), and all subsequent Change Orders, Supplemental Agreements and/or other modifications in the Contract.

4. The Contractor agrees to furnish all materials in place and to faithfully complete all of said work contemplated by this contract in good and workmanlike manner, strictly in accordance with said contract Documents, Contract Drawings and other requirements of the City, under the direct observation of and to the complete satisfaction of the Director, or his authorized representatives, and in accordance with the Laws of the State of Mississippi and the Ordinances of the City of Picayune, for which the City hereby agrees to pay and the Contractor agrees to accept a sum of money in current funds equal to the total value of the work complete in place, computed by multiplying the final quantities of each item of work by the Contract Unit prices therefor as stated in the Proposal, attached hereto and made a part hereof, plus the amount of any supplemental agreements and force accounts for extra work authorized and performed, which is estimated as being the sum of forty-nine thousand five hundred twenty-one dollars and 62 cents ($49,521.62) in full compensation for furnishing all materials, the doing of all work contemplated under the Contract, as well as all loss or damage, if any, arising out of the nature of the work, or the action of the weather, and any and all other unforeseen obstructions or difficulties that may be encountered in the prosecution of the same, the Contractor assuming all risks of every kind and description in the performance of this Contract.

5. The Contractor agrees and binds himself (itself) to indemnify and hold harmless and to defend any claims or suits against the City of Picayune and his authorized representatives, including the engineer, and its

employees and its agents by reason of any claims for damages arising from the performance of this Contract as a result of negligence on the part of the Contractor, or from any suit or claim brought against the City of Picayune by reason of alleged damages or the taking of property under Section 17 of the Mississippi Constitution of 1890, and particularly from the use of the streets being constructed or improved under this Contract.

6. The City of Picayune and his authorized representatives, including the engineer, are not responsible for the construction means, methods, techniques, sequences or procedures or for safety precautions or programs of the Contractor or his agents, including subcontractors.

7. It is further agreed that the work shall be completed to the satisfaction of the Department of Public Works of the City of Picayune or the authorized representatives; and subject to inspection at all times and approval by the Mississippi Department of Transportation and the Federal Highway Administration, or its agents as the case may be, or the agents of any other Agency whose funds are involved.

8. The Contractor agrees that all labor as outlined in the Special Provisions may be secured from list furnished by the Mississippi Employment Security Commission, Picayune, Mississippi.

9. It is agreed and understood that each and every provision of law and clause required by law to be inserted in this contract shall be deemed to be inserted herein and this Contract shall be read and enforced as though it were included herein, and, if through mere mistake or otherwise any such provision is not inserted, then upon the application of either party hereto, the Contract shall forthwith be physically amended to make such insertion. The Contractor agrees that he has read each and every clause of this Contract, and fully understands the meaning of same and that he will comply with all the terms, covenants and agreements therein set forth.

10. Attached hereto and made a part of this Contract is a Performance Bond, executed by a Surety Company doing business in the State of Mississippi in the sum of forty-nine thousand five hundred twenty-one dollars and 62 cents ($49,521.62).

11. Attached hereto and made a part of this Contract is a Payment Bond, executed by a Surety Company doing business in the State of Mississippi in the sum of forty-nine thousand five hundred twenty-one dollars and 62 cents ($49,521.62).

12. The Contractor agrees to allow the City, or any of their duly authorized representatives, access to any books, documents, papers and records of the Contractor which are directly pertinent to the project which is the subject of this Contract, for the purpose of making audits, examinations, excerpts and transcriptions, and Contractor agrees to insert an identical clause in any and all subcontracts.

13. The Owner will pay to the Contractor in the manner and as such times and amounts as set forth in the Contract Documents.

14. This Contract shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

IN WITNESS THEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Contract in ten (10) counterparts, each of which shall be deemed an original on the date first above written.

CITY OF PICAYUNE, MISSISSIPPI	B & B UTILITY CONTRACTORS, INC.
BY: Wally Quave	BY: /s/ Brien Blakeney
Mayor	Brien Blakeney – President
ATTEST: Patricia Diamond	ATTEST: /s/ Sam Wade
City Clerk	Sam Wade – Secretary

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE RENTAL AGREEMENTS WITH WOODSON BOXING AND EDDIE YOUNG GYMNASTICS FOR THE OLD ARMORY BUILDING

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to table the issue of approving the rental agreements with Woodson Boxing and Eddie Young Gymnastics for the old Armory building. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

ORDER TO APPROVE AIRPORT AGREEMENT AIP-0060-0799 WITH MDOT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to approve the following grant agreement #AIP-0060-0799 with the Mississippi Department of Transportation to provide funding of $1,254.00 for the purchase of the new airport access road:

AIRPORT DEVELOPMENT AGREEMENT
Project No. AIP-0060-0799

PICAYUNE MUNICIPAL AIRPORT

TO: The City of Picayune
(hereinafter referred to as the SPONSER)

FROM: The MISSISSIPPI TRANSPORTATION COMMISSION
(hereinafter referred to as the COMMISSION)

WHEREAS, Title 61 of the Mississippi Code of 1972, as amended, authorizes the COMMISSION, subject to the limitations and conditions stated therein, to render financial aid in the acquisition, development, operation or maintenance of airports and to aid in the establishment, development, and maintenance of the civil air patrol program; and,

WHEREAS, The SPONSOR submitted an Application for Federal Assistance (hereinafter referred to as Application) to the Federal Aviation Administration (hereinafter referred to as FAA) for federal financial assistance for development of the Picayune Municipal Airport (hereinafter referred to as Airport), and the FAA subsequently issued a Grant Offer of federal funds, dated February 9, 1999, for Airport Improvement Project No. 3-28-0060-0799 (hereinafter referred to as Project) consisting of the following:

"Acquire Land for New Access Road"

all as more particularly described in the plans and specifications for the Project which were approved by the FAA; and,

WHEREAS, the Application included a request to the COMMISSION for financial assistance in payment of the SPONSOR'S ten percent (10%) share of the Project costs;

NOW, THEREFORE, The COMMISSION HEREBY OFFERS AND AGREES to pay as the COMMISSION'S share, $1,254 eligible costs incurred in accomplishing the Project, subject to the following terms and conditions:

1. The maximum obligation of the COMMISSION payable under this offer shall be fifty percent (50%) of the SPONSOR'S share of the final eligible Project costs.

2. The SPONSOR shall expend an amount equal to, or greater than, five percent (5%) of the final Project costs.

3. Final payment will be made after final review and approval of the completed Project by the FAA and the COMMISSION and after all conditions relating to the Project have been satisfied.

4. The COMMISSION reserves the right to amend or withdraw this Offer at any time prior to its acceptance by the SPONSOR.

5. This Offer shall expire and the COMMISSION shall not be obligated to pay any part of the costs of the Project unless this Offer has been accepted by the SPONSOR on or before March 26, 1999, or such subsequent date as may be prescribed in writing by the COMMISSION.

6. The SPONSOR will make all financial records of the Project available to personnel of the COMMISSION upon request.

7. All terms, conditions, and assurances contained in the Grant are incorporated herein by reference.

8. Special Conditions: NONE

The SPONSOR'S acceptance of this Offer shall be evidenced by execution of this instrument by the SPONSOR and said offer and acceptance shall comprise an Airport Development Agreement, as provided by the COMMISSION constituting the obligations and rights of the COMMISSION and the SPONSOR with respect to the accomplishment of the Project. Such Airport Development Agreement shall become effective upon the SPONSOR'S acceptance of this Offer.

The COMMISSION executes all its orders and directives through the personnel of the MISSISSIPPI DEPARTMENT OF TRANSPORTATION. All notices and correspondence with or to the COMMISSION pursuant to the Project identified in this Agreement shall be directed to the Director, Aeronautics Division, Mississippi Department of Transportation.

This Agreement shall be governed by and construed under the laws of the State of Mississippi. Any term or provision or portion thereof which violated the laws of the State of Mississippi, shall be null and void.

Witness this my signature in execution hereof this the 12th day of February, 1999.

MISSISSIPPI TRANSPORTATION COMMISSION, BY
AND THROUGH THE DULY AUTHORIZED EXECUTIVE
DIRECTOR OF THE MISSISSIPPI DEPARTMENT OF
TRANSPORTATION

/s/ Kenneth I. Warren
Kenneth I. Warren

PART II – ACCEPTANCE

The City of Picayune does hereby accept said Offer and all terms and conditions contained therein.

Witness this my signature in execution hereof this the 2nd day of March, 1999.

The City of Picayune

Attest: Sabrina Diamond
City Clerk
(Title)

By: Wooten
Mayor
(Title)

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE LEASE PURCHASE OF COPY MACHINES

Upon recommendation of the City Clerk and the Purchasing Agent, motion was made by Councilmember Guy, seconded by Councilmember Bates, to approve the lease purchase of three copy machines from Xerox Corporation in monthly payment amounts that include maintenance agreement and supplies as follows:

DC220SS	7,500 copies/month	$402.06
DC220SS	4,100 copies/month	276.91
DC220SS	11,000 copies/month	468.60

The equipment was purchase below the state contract price. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT

Upon request of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve amending the following line items of the budget for the year ending September 30, 1999:

	Original	Amended
State Grant Revenue	$ 96,450	$ 126,635
Public Safety – Police		
Personal Services	1,209,119	1,222,604
Supplies	132,148	133,648
Capital Outlay	122,772	137,972

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

CONSIDER AWARD FOR LANDSCAPING PROPOSALS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to award the contract for landscaping services to Plants That Work, Inc. in the amount of $9,500.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson and Bates

VOTING NAY: Councilmembers Guy and McQueen

ABSENT AND NOT VOTING: Councilmember Thorman

The motion failed.

CONSIDER BID AWARD FOR DIRECTIONAL DRILLING EQUIPMENT

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table the issue of awarding the bid for the directional boring equipment. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO MAKE CHANGES TO ACCOUNTING FUNDS AND BANK ACCOUNTS

Upon request of the City Clerk, motion was made by Councilmember McQueen, seconded by Councilmember Bates, to approve the following changes to the accounting funds and bank accounts:

ACCOUNTING FUNDS

HOME Rehab Fund	Close fund and make residual equity transfer to the General Fund of $14,677.89
Federal Law Enforcement Block Grant I	Close fund and make residual equity transfer to the General Fund of $256.43
Special Capital Projects Fund	Close fund and make residual equity transfer to the General Fund of $65,115.24

BANK ACCOUNTS

Fire Protection #2009072 at BankPlus	Close account
HOME Rehab Grant #2011263 at BankPlus	Close account
Capital Projects #3000184 at BankPlus	Close account
Silver Savings Sewer Improvements #113312656 at BankPlus	Close account
Utility Revenue #041000136 at Hancock Bank	Close account
Utility Bond & Interest #41044613 at Hancock Bank	Close account

REGULAR MEETING DATED MARCH 2, 1999

The following roll call vote was taken:

VOTING YEA: Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: Mayor Spiers

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE AIRPORT LOAN FROM MDECD

Upon recommendation of the City Planner, motion was made by Councilmember Guy, seconded by Councilmember Bates, to approve the loan airport loan with the Mississippi Department of Economic and Community Development in the amount of $242,500 and authorize the Mayor to sign the following agreement:

MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT AIRPORT REVITALIZATION LOAN PROGRAM

LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of March 3, 1999 (this "Agreement") by and between the Mississippi Department of Economic and Community Development ("DECD") and the City of Picayune (the "Local Entity") set forth in Item 1 of Annex A.

WITNESSETH:

WHEREAS, the Mississippi Business Investment Act, constituting Sections 57-61-1 et seq., Mississippi Code of 1972, as amended (the "Act"), was enacted for the purpose of promoting business and economic development in the State of Mississippi (the "State") through job producing programs by providing loans and grants to municipalities to assist in securing investment by private companies locating in the State; and

WHEREAS, pursuant to Section 57-61-41 of the Act, DECD is authorized to make interest-bearing loans to state, county or municipal airport authorities for the purpose of making improvements to airport facilities thereby promoting commerce and economic growth; and

WHEREAS, the Local Entity has decided to improve airport facilities and has requested DECD to finance a portion of the cost associated with the development of said airport improvements, all as more particularly described in Item 2 of Annex A (the "Project"); and

WHEREAS, pursuant to the Act and the guidelines adopted by DECD under the Act (the "Guidelines"), the Local Entity has filed an application (the "Application") with DECD for a loan to be used for the development and operation of the Project; and

WHEREAS, based upon the Application and other relevant factors, DECD has agreed to provide the Local Entity with a loan under the Act in the amount set forth in Item 3 of Annex A (the "Loan") under the terms and conditions set forth in Item 4 of Annex A, in order to fund, in part, the establishment and development of the Project by the Local Entity; and

WHEREAS, to secure the payment of the Loan, the Local Entity has authorized, executed, and delivered the Note (as hereinafter defined) to DECD.

NOW, THEREFORE KNOW ALL MEN BY THESE PRESENTS, THIS LOAN AGREEMENT WITNESSETH:

That the parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, do hereby agree as follows:

SECTION *1. Loan.* Subject to and upon the terms and conditions set forth herein, DECD agrees to make the Loan to the Local Entity and the Local Entity agrees to borrow the proceeds of the Loan from DECD. The Loan will be evidenced by a promissory note payable to the order of DECD and dated as of the date hereof in substantially the form attached hereto as Exhibit A (the "Note"), which Note shall bear interest at the rate or rates per annum set forth in Item 4 of Annex A and as shown on the face of the Note. Subject to the provisions of this Agreement, the Act, the Application, and the Guidelines, and upon execution of this Agreement, the Note and any other documents required by DECD to secure the Local Entity's repayment of the Loan, DECD shall pay the proceeds of the Loan unto the Local Entity in order to finance, in part, the Project.

SECTION 2. ***Loan Payments and the Note.*** All payments payable by the Local Entity under this Agreement and the Note (the "Loan Payments") are due and payable at the times and in the amounts set forth in Item 4 of Annex A. DECD directs the Local Entity, and the Local Entity agrees to pay to DECD, at the address set forth in Section 9 hereinbelow, all payments payable by the Local Entity pursuant to this Agreement.

In the event the Local Entity shall not make or cause to be made any of the Loan Payments, the Loan Payments so in default shall continue as an obligation of the Local Entity until the amount in default shall have been fully paid, and the Local Entity will pay the same with interest thereon until paid at the rate or rates per annum borne by the Note.

The Local Entity shall execute the Note to evidence its obligation to make the Loan Payments and any other sums payable by the Local Entity hereunder.

It is understood and agreed that all Loan Payments by the Local Entity under this Agreement and the Note shall be absolute and unconditional and shall not be subject to any defense (other than payment) or any right of set-off, counterclaim or recoupment arising out of any breach by DECD, or the State of any obligation to the Local Entity, whether hereunder or otherwise, or out of any indebtedness or liability at anytime owing to the Local Entity by DECD or the State.

The Local Entity may, at its option, at any time and from time to time, upon not less than five (5) days written notice to the DECD, prepay the Loan without premium or penalty.

SECTION 3. ***Representations of DECD.*** DECD makes the following representations as the basis for the undertakings on the part of the Local Entity herein contained.

(a) DECD is an agency of the State and is authorized pursuant to the provisions of the Act and the Guidelines to enter into the transactions contemplated by this Agreement.

(b) DECD has full power and authority to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.

(c) DECD is not in default under any provisions of the laws of the State material to the performance of its obligations under this Agreement.

(d) DECD has been duly authorized to execute and deliver this Agreement and by proper action has duly authorized the execution and delivery hereof and as to DECD, this Agreement is valid and legally binding and enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited (1) by bankruptcy, reorganization, or similar laws limiting the enforceability of creditor's rights generally or (2) by the availability of any discretionary equitable remedies.

(e) The Loan for the acquisition, construction, installation, equipping, and/or rehabilitation of the Project by the Local Entity, as provided by this Agreement, will further the purposes of the Act, to wit: to assist state, county or municipal airport authorities for the purpose of improving airport facilities to promote commerce and economic growth.

SECTION 4. ***Representations of the Local Entity.*** The Local Entity makes the following representations as the basis for the Loan and the undertakings on the part of DECD herein contained:

(a) The Local Entity has all necessary power and authority to enter into and perform its duties under this Agreement and the Note and, when adopted or when executed and delivered by the respective parties hereto and thereto, this Agreement and the Note will constitute legal, valid, and binding obligations of the Local Entity enforceable in accordance with their respective terms except to the extent that the enforceability of the rights set forth herein and therein may be limited by bankruptcy, reorganization, insolvency, moratorium, or other laws affecting creditors' rights generally and except to the extent that the enforceability of the rights set forth herein and therein may be limited by the validity of any particular remedy. The execution and delivery of this Agreement and the Note and compliance with the provisions of each, will not conflict with, or constitute a breach of or default under, the Local Authority's duties under any law, administrative regulation, court decree, resolution, charter, by-laws, or other agreement to which the Local Entity is subject or by which it is bound.

(b) There is no consent, approval, authorization or other order of, filing with, or certification from any regulatory authority having jurisdiction over the Local Entity required for the execution and delivery or the consummation by the Local Entity of any of the transactions contemplated by this Agreement and the Note which have not already been obtained.

(c) There is no action, suit, proceeding, or investigation at law or in equity before or by any court, governmental agency or body pending or, to the best knowledge of the Local Entity, after reasonable investigation and due inquiry, threatened against the Local Entity to restrain or enjoin the execution or delivery of the Note, or the making of the loan payments contemplated by this Agreement and the Note, or in any way contesting or affecting the validity of this Agreement and the Note or contesting the powers of the Local Entity to adopt, enter into or perform its obligations under any of the foregoing or materially and adversely affecting the properties or conditions (financial or otherwise) or existence or powers of the Local Entity.

(d) It shall comply with the terms and provisions of this Agreement, the Note, the Act, and the Guidelines.

(e) It is not in default under any previous loans from DECD, the State, or the federal government.

(f) All information furnished by the Local Entity to DECD for the purpose of approving the Loan, including, but not limited to, the Application, is true, accurate, and complete as of the date hereof and thereof.

(g) The Project will be dedicated to the development of commerce and economic growth as more particularly described in Item 2 of Annex A.

(h) The Loan is being made to finance the Project and will not be used for any other purpose.

SECTION 5. ***Covenants of the Local Entity.*** The Local Entity covenants and agrees, until the Loan is repaid and satisfied in full according to the terms of this Agreement, as follows:

(a) The Local Entity agrees that so long as the loan is outstanding and the project is in operation it will operate the Project, or cause the Project to be operated, as in accordance with the Act, the Guidelines and the Application.

(b) The Local Entity will maintain, preserve and keep the Project or cause the Project to be maintained, preserved and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition and will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals.

(c) The Local Entity shall pay, or make provisions for payment of, all lawful taxes and assessments, including income, profits, property or excise taxes, if any, or other municipal or governmental charges, levied or assessed by the federal, state or any municipal government with respect to or upon the Project or any part thereof or upon any payments hereunder when the same shall become due.

(d) The Local Entity shall not, without the prior written consent of DECD, create, assume or otherwise suffer to exist any mortgage, pledge or other encumbrance upon the project.

(e) Throughout the term of this Agreement, the Local Entity shall keep the Project continuously insured against such risks as are customarily insured against by airports or like size and type, paying the same becomes due all premiums in respect thereto, including, but not limited to, casualty insurance against loss and/or damage to the Project.

(f) The Local Entity shall at all times keep proper books of account in a manner satisfactory to DECD and hereby authorizes DECD to make or cause to be made, at the Local Entity's expense and in such manner and at such times as DECD may require (i) inspections and audits of any books, records and papers in the custody or control of the Local Entity or others, relating to the financial or business conditions of the Project; (ii) inspection and appraisals of the Project. The Local Entity hereby authorizes all federal, state and municipal governments to furnish reports of examinations, records and other information relating to the conditions and affairs of the Project and any desired information from reports, returns, files and records of such authorities upon request thereof by DECD and to permit representatives of DECD to have full access from time to time, and make copies of and extracts from, any and all reports or returns by, or with respect to the Project, and all reports of examiners or other information concerning the Project contained in the files and records of such authorities.

(g) The Local Entity shall promptly give to DECD written notice of (i) any event of default as specified in Section 9 hereof or any event that, upon lapse of time or notice or both, would become an event of default; (ii) the sale or execution of a contract for sale of the Project, which notice shall be sufficiently in advance to permit DECD reasonable inquiry concerning such transactions; and (iii) the occurrence of any event or matter that has resulted or will result in a material adverse change in business, assets or operating or financial condition of the Project.

SECTION 6. ***Defaults and Remedies.*** The following shall be "events of default" under this Agreement, and the terms "event of default" or "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) failure by the Local Entity to pay or cause to be paid when due any payments required to be paid under Section 2 hereof and the Note;

(b) failure by the Local Entity to observe and perform in any material way any covenant, conditions or agreement on its part to be observed or performed as set forth herein, which failure shall not be cured to the satisfaction of DECD within the earlier of ten (10) days after actual knowledge thereof by the Local Entity or written notice, specifying such failure and requesting that it be remedied, is given to the Local Entity of DECD;

(c) any written representation or written warranty made by the Local Entity in or with respect to this Agreement shall prove to have been false in any material respect at the time of execution by the Local Entity of this Agreement;

(d) the Local Entity shall commence a voluntary case or other proceeding in bankruptcy or seeking liquidation, reorganization, arrangement, readjustment of its debts or for any other relief under the federal bankruptcy laws, as amended, or under any other insolvency act or law, state or federal, now or hereafter existing or shall take any other action indicating its consent to, approval of, or acquiescence in any such case or proceedings, and said proceeding is not dismissed within thirty (30) days after the commencement thereof; the Local Entity shall apply for, or consent to or acquiesce in the appointment of a receiver, liquidator, custodian, sequestrator or a trustee for all or a substantial part of its property; the Local Entity shall make an assignment for the benefit of its creditors; or the Local Entity shall fail or shall admit in writing its failure, to pay its debts generally as such debts become due;

(e) there shall be filed against the Local Entity an involuntary petition in bankruptcy or seeking liquidation, reorganization, arrangement, readjustment of its debts or any other relief under the federal bankruptcy laws, as amended, or under any other insolvency act or law, state or federal, now or hereafter existing, and such petitions is not set aside within thirty (30) days after such filing; or a receiver, liquidator, custodian, sequestrator or trustee of the Local Entity for all or a substantial part of its property shall be appointed without the consent or approval of the Local Entity or a warrant of attachment, execution or similar process against any substantial part of the property of the Local Entity is issued; and continuance of any such events for thirty (30) days undismissed or undischarged or within such thirty (30) days, the entering of an order for relief under the United States Bankruptcy Code; or

(f) there is a material adverse change in the financial condition of the Local Entity which would, in the opinion of DECD endanger DECD's ability to collect the Loan.

Whenever an event of default shall have occurred and be continuing, DECD may at any time thereafter, at their option, declare the Loan to be due and payable, whereupon the maturity of the then unpaid balance of the Loan shall be accelerated and the same shall forthwith become due and payable without presentment, demand, protest or notice of any kind, all or which are hereby expressly waived, anything contained herein or in the Note to the contrary notwithstanding, and DECD may take any action at law or in equity to enforce this Agreement to collect the payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Local Entity under this Agreement or the Note. No remedy conferred upon or reserved to DECD by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission or exercise any right or power occurring upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. If the Local Authority shall default under any of the provisions of this Agreement and DECD shall employ attorneys or incur other expenses for collection of the Loan payments or for the enforcement or performance or observance of any obligation or agreement on the part of the Local Entity contained in this Agreement or the Note, the Local Entity, will on demand therefore pay the reasonable fees and expenses of DECD and its attorneys as they are incurred including all fees of counsel incurred for negotiation, trial, appeals or ruling of any lower tribunals, administrative hearings, bankruptcy and creditors' reorganization proceedings.

Pursuant to Section 57-61-15 of the Act, if payment of any amount due on the Bond or under this Agreement is not made when the same becomes due and payable by the Local Entity, the Local Entity shall forfeit the right to receive its sales tax allocation and/or homestead exemption reimbursement in an amount sufficient to repay such obligations until such time as such obligations have been discharged or arrangements to discharge the same having been made which shall be satisfactory to DECD. Sales tax allocations and/or homestead exemption reimbursements forfeited shall, upon demand by DECD made in writing upon the State Tax Commission, be paid to the State and applied to the discharge of such obligations. If the Local Entity forfeits its sales tax allocation and/or homestead exemption reimbursement for twelve (12) months, it shall levy an ad valorem tax on the taxable property within its territorial jurisdiction for the purpose of meeting such obligations as required by the Act. The Local Entity joins in this Agreement to acknowledge its obligations under this Agreement and pursuant to Section 57-61-15 of the Act.

SECTION 7. ***Release and Indemnification of DECD and State.*** The Local Entity hereby releases DECD and the State from, and agrees that DECD, the State and their respective officers, directors, members, employees, attorney and agents shall not be liable for, and agrees to indemnify and hold DECD and the State and their respective officers, directors, members, employees, attorney and agents harmless against:

(a) any liability, cost or expense in the administration of this Agreement and the Note and the obligations imposed on DECD and the State hereby and thereby;

(b) any or all liability or loss, cost or expense, including reasonable attorney's fees, resulting from or arising out of any loss or damage to property or injury to or death of any person occurring on or about the Project or resulting from any defect in the fixtures, machinery, equipment or other property located on the Project or arising out of, pertaining to, or having any connection with the Project or the financing thereof (whether or not arising out of acts, omissions or negligence of the Local Entity); and

(c) any and all claims, damages, judgments, penalties, costs and expenses (including attorney's fees and court cost now or hereafter arising from the aforesaid enforcement of this paragraph) arising directly or indirectly from the activities of the Local Entity, its predecessors in interest, third parties with whom it has a contractual relationship or arising directly or indirectly from the violation of any environmental protection, health or safety law, whether such claims are asserted by any governmental authority or any other person which indemnity shall survive termination of this Agreement.

SECTION 8. ***Compliance with Environmental Laws.*** The Local Entity shall cause all business, operations, and activities at or upon the Project at all times during the term of this Agreement to be conducted in compliance with all applicable federal, state, or local laws, ordinances, rules or regulations concerning public health, safety or the environment. These include, but are not limited to, the following:

(a) The Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C., §§9601 *et seq.*;

(b) The Resource Conservation and Recovery Act, as amended, 42 U.S.C. §§6901 *et seq.*;

(c) The Clean Water Act, as amended, 33 U.S.C. §§ *1251 et seq.*;

(d) The Safe Drinking Water Act, as amended, 42 U.S.C. §§300(f) *et seq.*;

(e) The Toxic Substances Control Act, as amended, 15 U.S.C. §§2601 *et seq.*;

(f) The Clean Air Act, as amended, 42 U.S.C. §§7401 *et seq.*;

(g) The Emergency Planning and Community Right-to-Know Act of 1986, as amended, 42 U.S.C. §§11001 *et seq.*;

(h) The Occupational Health and Safety Act, as amended, 29 U.S.C. §§651 *et seq.*;

(i) The Mississippi Air and Water Pollution Control Law, as amended, Miss. Code Ann. §§49-17-1 *et seq.*;

(j) The Mississippi Solid Waste Disposal Law of 1974, as amended, Miss. Code Ann. §§17-17-1 *et seq.*;

(k) The Mississippi Underground Storage Tank Act of 1988, as amended, Miss. Code Ann. §§49-17-401 *et seq.*; and

(l) The Mississippi Conservation of Groundwater Law, as amended, Miss. Code Ann. §§51-4-1 *et seq.*

SECTION 9. ***Notice Addresses.*** All notices given pursuant to this Agreement shall be in writing signed by the party giving the notice and shall be given by (a) certified mail, postage prepaid, (b) prepaid overnight delivery, or (c) hand delivery. For the purposes of this Agreement, notices shall be sent to the parties at the addresses set forth in Item 5 of Annex A hereto or to such other addresses that the parties may designate in writing.

SECTION 10. ***Miscellaneous.***

(a) The paragraph headings in this Agreement are for convenience only and are not intended to limit or interpret the provisions of this Agreement.

(b) All Annexes and Exhibits which are referred in this Agreement are made a part of and are incorporated into this Agreement.

(c) This Agreement shall be governed as to validity, construction and performance by the laws of the State of Mississippi.

(d) This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one in the same instrument.

(e) No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

(f) If any clause, provision or section of this Agreement is held to be illegal or invalid by any court, the invalidity of such clause, provision, or section shall not effect any of the remaining clauses, provisions, or sections hereof and this Agreement shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written on the cover page hereof.

REGULAR MEETING DATED MARCH 2, 1999

(SEAL)

MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Attest

/s/ Bill Barry
Bill Barry, Director, Financial Resources

By /s/ James B. Heidel
James B. Heidel, Executive Director

(SEAL)

WOODY SPIERS, MAYOR
CITY OF PICAYUNE

Attest

L. Kay Johnson, City Manager

By

Annex A
To
Loan Agreement

Item 1 - Name of Local Authority: N/A

Name of Local Entity: City of Picayune

Item 2 - Description of Project: To construct fuel farm, hanger, well, septic tank, and parking area

Item 3 - Loan Amount: $242,500.00

Note: $242,500.00

Item 4 - Loan Terms and Conditions

The terms of the Note shall be for 10 years at 3% annual interest. Annual payments shall be made as evidenced by the attached loan amortization schedule, except interest shall be adjusted the first year to reflect the actual dates of disbursements. All funds shall be disbursed within one year of the date of this note.

Item 5 - Address Notice:

Department of Economic and Community Development
1300 Walter Sillers Building
Post Office Box 849
Jackson, Mississippi 39205
Attention: Financial Resources

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Guy

VOTING NAY: Councilmember McQueen

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO SET LOAN CLOSING DATE FOR AIRPORT LOAN FROM MDECD

REGULAR MEETING DATED MARCH 2, 1999

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to set the loan closing date for the airport loan from the Mississippi Department of Economic and Community Development as March 3, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Guy

VOTING NAY: Councilmember McQueen

ABSENT AND NOT VOTING: Councilmember Thorman

ADOPT RESOLUTION OPPOSING PROPOSED HANCOCK COUNTY LANDFILL

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the following resolution related to the proposed Hancock County landfill:

RESOLUTION OF THE CITY OF PICAYUNE

BE IT KNOWN on this 2nd day of March 1999, at a regular meeting of the City Council of the City of Picayune, on motion of Councilmember Roberson, seconded by Councilmember Bates, the following Resolution was offered.

WHEREAS, the City is aware of Hancock County's plan for a proposed solid waste site to be located in the buffer zone in Hancock County near the City of Picayune; and

WHEREAS, the City is aware of the balancing of the needs of the public to dispose of waste and of the impact of the waste, both on the public and on the environment; and

WHEREAS, the City is also aware of the rights of the public and citizens to be informed and made aware of significant economic effects on the City of Picayune and surrounding areas; and

WHEREAS, there has been no formal public discussion between the citizens of the City of Picayune and the Board of Supervisors of Hancock County relating to the proposed landfill to be located in Hancock County in the buffer zone near the City of Picayune; and

WHEREAS, the proposed site may have an adverse impact on the future economic development of the City of Picayune and the surrounding area.

BE IT RESOLVED, THEREFORE, that the Mayor and City Council of the City of Picayune officially oppose the proposed site and other sites in the buffer zone near the City of Picayune.

BE IT FURTHER RESOLVED, that the Mayor and City Council encourage the citizens of the City of Picayune to attend the meeting regarding the proposed landfill to be held at the Hancock County Civic Center on March 10, 1999.

ADOPTED this 2nd day of March, 1999.

Woody Spiers

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

ADOPT RESOLUTION ASKING FOR FEDERAL FUNDING FOR AN AIRPORT ACCESS ROAD

Motion was made by Councilmember McQueen, seconded by Councilmember Bates, to adopt the following resolution asking for Federal funding for an access road to the new airport:

RESOLUTION OF THE CITY OF PICAYUNE

BE IT KNOWN on this 2nd day of March 1999, at a regular meeting of the City Council of the City of Picayune, on motion of Councilmember McQueen, seconded by Councilmember Bates, the following Resolution was offered.

WHEREAS, an airport is an important asset to any city; and

WHEREAS, the Federal Aviation Administration (FAA) felt that an airport is vital to the economic development of the City of Picayune, Mississippi and the surrounding areas; and

WHEREAS, the Federal Aviation Administration (FAA) has provided funding to the City for construction of a new airport in excess of two million six hundred thousand dollars; and

WHEREAS, construction is nearing completion; and

WHEREAS, the success of this new airport is a priority to the Mayor and City Council of the City of Picayune.

BE IT RESOLVED, THEREFORE, by the Mayor and City Council of the City of Picayune to respectfully ask for help from Senators Trent Lott and Thad Cochran and Congressman Gene Taylor in securing Federal funding to provide an access road to the new airport.

ADOPTED this 2nd day of March 1999.

Woody Spiers

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a personnel matter and a matter of potential litigation.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Bates, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed a personnel matter and a matter of potential litigation and took no action.

ORDINANCE TO ADOPT AN ORDINANCE REGULATING SEXUALLY EXPLICIT BUSINESSES IN THE CITY OF PICAYUNE

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the following ordinance:

ORDINANCE NO. 721
OF THE CITY OF PICAYUNE

AN ORDINANCE REGULATING SEXUALLY ORIENTED BUSINESS WITHIN THE CITY OF PICAYUNE, MISSISSIPPI

Be It Ordained by the City Council of the City of Picayune, In Meeting Duly Assembled:

ARTICLE I - PURPOSE AND INTENT

The interest of the city council in adopting this ordinance regulating sexually oriented businesses is to establish reasonable and uniform regulations that will protect the health, safety and general welfare of the people of the City of Picayune. The provision of this ordinance, acting alone or together with other applicable city ordinances, have neither the purpose nor effect of imposing a limitation or restriction on the content of any communicative materials, including adult material. Similarly, it is not the intent of this ordinance to restrict or deny access by adults to adult materials or expression protected by the First Amendment, or to deny access by distributor and exhibitors of adult uses to their intended market.

ARTICLE II – DEFINITIONS

The following words, terms and phrases, when used in this article shall have the meaning prescribed to them in this section, except where the context clearly indicates a different meaning.

Adult arcade means any place to which the public is permitted or invited wherein coin-operated or slug-operated or electronically, or mechanically controlled still or motion picture machines, projectors, or other image-producing devices are maintained to show images to five or fewer persons per machine at any time, and where images so displayed are distinguished or characterized by the depicting or describing of specified sexual activities or specified anatomical areas.

Adult bookstore or adult video means a commercial establishment that, as one of its principal purposes, offers for sale or rental for any form of consideration any one or more of the following:

(1) Books, magazines, periodicals, or other printed matter, or photographs, films, motion pictures videocassettes, or video reproductions, slides or other visual representations which depict or describe specified sexual activities or specified anatomical areas; or

(2) Instruments, devices or paraphernalia that are designed for use in connection with specified sexual activities.

For purposes of this definition, the expression "principal business purposes" means the utilization of ten percent of the establishment's public floor space for display of the items noted in subsections (1) and (2) of this definition.

Adult cabaret means a nightclub, bar, restaurant, or similar establishment that regularly features persons who appear in a state of semi-nudity, including those providing live performances.

Adult motel means an establishment which includes the word "adult" in any name it uses or otherwise advertises the presentation of adult material offering public accommodation for any form of consideration, which patrons with closed-circuit televised transmissions, films, motion pictures, video cassettes, slides or other photographic reproductions which are characterized by an emphasis upon the depiction or description of "specified sexual activities" or "specified anatomical areas."

Alcohol beverage means any alcohol liquid, including wines of more than four percent (4%) alcohol by weight, capable of being consumed.

Beer and light wines means light wine and beer of an alcoholic content of not more than four percent (4%) by weight (regulated under Title 67, Chapter 3, Mississippi Code of 1972, as amended).

Commercial Establishments means a location and place of business where the sale or consumption of alcoholic beverages, light wine or beer may occur.

Employee means a person who works or performs, or provides services in connection with a commercial establishment irrespective of whether said person is paid a salary or wages, or is an independent contractor, provided such person has a substantial or consistent relationship with the business of, or entertainment/services provided by the commercial establishment. *Employee* includes, but is not limited to, performers, managers and assistant managers, stock persons, tellers, sales representatives, demonstrators and operators.

Specified anatomical areas means:

(1) Any of the following areas of the human body less than completely or opaquely covered:
   a) Human genitals or pubic region;
   b) The entire cleft of the male or female buttocks. Attire which is insufficient to comply with this requirement includes, but is not limited to G-strings, T-backs, and thongs; and
   c) That portion of the human female breast below a point immediately above the top of the areola. This definition

shall include the entire lower portion of the human female breast, bust shall not include any portion of the cleavage or the female breast exhibited by a dress, blouse, shirt, leotard, bathing suit, or other wearing apparel, provided the areola is not exposed; or

(2) Human male genitals in a discernible turgid state, even if completely and opaquely covered.

Specified sexual activities shall mean genitals in a state of sexual stimulation or arousal, acts of human masturbation, sexual intercourse, or sodomy; fondling or other erotic touching of human genitals, pubic regions, buttocks or female breasts; flagellation or torture in the context of a sexual relationship; masochism, erotic or sexually-oriented torture, beating or the infliction of physical pain; erotic touching, fondling or other such contact with an animal by a human being; or human excretion, urination, menstruation, vaginal or anal irrigation as a part of or in connection with any of the activities set forth in this ordinance.

Specified criminal activities are described as the following offenses and will not be permitted in any sexual oriented business:

prostitution or promotion of prostitution; dissemination of obscenity; sale, distribution or display of harmful material to a minor; sexual performance by a child; possession or distribution of child pornography; public lewdness; indecent exposure; indecency with a child; sexual assault; molestation of a child; or any similar sex-related offenses to those described above under the criminal or penal code of this State, other states or other countries.

Straddle dance, also known as *lap dance, table dance or face dance* shall mean any of the following acts:

(1) The use by an employee of any part of his or her body to touch the genital or pubic area of a person, excluding another employee, while at the commercial establishment, or touching the genital or pubic area of any employee by a person, including another employee, while at the commercial establishment in exchange for receiving a tip, donation, gratuity or anything of value. It shall be a straddle dance regardless of whether touch occurs while the employee is displaying or exposing any specific anatomical area. It shall also be a straddle dance regardless of whether the touch or touching is direct or through a medium; or

(2) The straddling of the legs of an employee over any part of the body of a person, other than another employee at the commercial establishment, regardless of whether there is a touch or touching.

Adult motion picture theater means a commercial establishment where, for any form of consideration, films, motion pictures, videocassette, slides, or similar photographic reproductions are regularly shown to six or more persons, which are characterized by the depiction of specified sexual activities or specified anatomical areas.

Adult theater means a theater, concert hall, auditorium, or similar commercial establishment which regularly features persons who appear in a state of nudity or live performances which are characterized by the exposure of specified anatomical areas or by specified sexual activities.

Escort means a person who, for consideration, agrees or offers to act as a companion, guide, or date for another person or who agrees to privately model lingerie or to privately perform a striptease for another person.

Escort agency means a person or business association who furnishes, offers to furnish, or advertises to furnish escorts as one of its primary business purposes for a fee, tip, or other consideration.

Establishment means and includes any of the following:

(1) the opening or commencement of any sexually oriented business as a new business;
(2) the conversion of an existing business, whether or not a sexually oriented business, to any sexually oriented business;
(3) the additions of any sexually oriented business to any other existing sexually oriented business; or
(4) the relocation of any sexually oriented business.

Licensed day care center means a facility licensed by the State of Mississippi, whether situated within the city or not, that provides care, training, education, custody, treatment or supervision for more than twelve (12) children under fourteen (14) years of age, where such children are not related by blood, marriage or adoption to the owner or operator of the facility, for less than twenty-four (24) hours a day, regardless of whether or not the facility is operated for a profit or charges for the services it offers.

Licensee means a person in whose name a license has been issued, as well as the individual listed as an applicant on the application for a license.

Premises means the real property upon which the sexually oriented business is located, and all appurtenances thereto and buildings thereon, including, but not limited to, the sexually oriented business, the grounds, private walkways, and parking lots and/or parking garages adjacent thereto, under the ownership, control, or supervision of the licensee, as described in the application for a business license in this ordinance.

Semi-nude/semi-nudity means the appearance of the female breast below a horizontal line across the top of the areola at its highest point. This definition shall include the entire lower portion of the human female breast, but shall not include any portion of the cleavage of the human female breast exhibited by address, blouse, skirt, leotard, bathing suit, or other wearing apparel provided the areola is not exposed in whole or in part.

Sexual encounter center means a business or commercial enterprise that, as one of its principal business purposes, offers for any form of consideration:

(1) physical contact in the form of wrestling or tumbling between persons of the opposite sex; or
(2) activities between male and female persons and/or persons of the same sex *when one or more of the persons is in a state of nudity or semi-nudity.*

Sexually oriented businesses means an adult arcade, adult bookstore or adult video store, adult cabaret, adult motel, adult motion picture theater, adult theater, escort agency, nude motel studio or sexual encounter center.

ARTICLE III – STANDARDS AND PROHIBITIONS

A. Location

A person commits an offense if he, or she or it operates or causes to be operated, regardless of the zone, a sexually oriented business:

(1) Within the locally zoned downtown district, which includes areas that may hereafter become so zoned by the city. Sexually oriented businesses are allowed only in a C-3 zone.
(2) Within 1000 feet of the boundary line of any church or place of worship, any public or private school, any educational institution, any licensed daycare facility, any building used by the United States, State or any unit of local government, any parks or playgrounds, any entertainment business that is oriented toward children or family entertainment, or within 250 feet of any preexisting sexually oriented business, and within 1000 feet of the boundary line of any residential zoned

district or any residential property, including areas zoned Open Space, or which may hereafter become so zoned by the city.

(3) For the purpose of this section, measurement shall be made in a straight line, without regard to intervening structures or objects, from the nearest portion of the building or structure used as a part of the building or structure used as a part of the premises where a sexually oriented business is conducted to the nearest property line of the premises of such uses as a church, public or private school, park, governmental building or residentially zoned area.

(4) For the purpose of this section, the distance between any two sexually oriented businesses shall be measured in a straight line, without regard to intervening structures or objects, from the closest boundary line of the premises on which each business is located.

B. Requirements for premises

A sexually oriented business that exhibits on the premises a film, videocassette, other video reproduction, or live performance that depicts actual or simulated specified sexual activities or specified anatomical areas shall comply with the following requirements:

(1) This business shall submit to the city's building and code enforcement department a professionally prepared blueprint or diagram of the premises showing the location of one or more manager's stations, the location of all overhead lighting fixtures, and that part of the premises where patrons are not permitted. A manager's station shall not exceed 32 square feet of floor area, and the relative dimensions of the floor area shall be such that the length is no more than twice the width. Each blueprint or diagram must be drawn to a designed scale with an accuracy of plus or minus six inches.

(2) No alteration of the interior of the premises may be made without submitting a new blueprint or diagram in compliance with subsection (1) of this section to the building and code enforcement department.

(3) The business shall have at least one employee situated in each manager's station at all times that a patron is present inside the premises.

(4) Each manager's station shall have an unobstructed view of every area of the premises to which a patron is permitted access for any purpose including, but not limited to, any viewing area, booth or cubicle, excluding restrooms. Restrooms may not contain video reproduction equipment or be used for live performances. The view required by this subsection shall be by directional line of sight from the manager's station.

(5) No viewing area, booth or cubicle, may be enclosed and the walls around any such viewing area, booth or cubicle must have a doorway, entrance, or other opening of at least one-quarter of the size of the perimeter or circumference of the walls.

(6) No viewing area, booth or cubicle may be occupied by more than one person at any time.

(7) The operator of the business and any agents, managers or employees present on the premises shall ensure that the view specified in subsection (4) of this section and the opening specified subsection (5) of this section remains unobstructed by any doors, walls, curtains, merchandise, display racks or other materials at all times and that no patron is permitted access to any part of the premises which has been designated as an area in which patrons are not permitted.

(8) The premises shall be equipped with overhead lighting fixtures of an intensity of at least 100 watts to illuminate every place to which patrons are permitted access. Such lighting fixtures shall be maintained and shall illuminate the premises during all business hours.

C. Alcohol and adult

(1) It shall be unlawful for the proprietor, manager or any employee to sell or allow the consumption of any alcoholic beverage, including beer and light wine on the premises of a sexually oriented business.

(2) It shall be unlawful for any person to consume an alcoholic beverage on the premises of a sexually oriented business.

(3) It shall be unlawful for the proprietor, manager or any employee of a sexually oriented business to knowingly, or with reason to know, permit, suffer or allow:
a) Admittance to the sexually oriented business of persons under twenty-one (21) years of age.
b) A person under twenty-one (21) years of age to purchase goods or services at the sexually oriented business.
c) A person to work at the sexually oriented business as an employee who is under twenty-one (21) years of age.

D. Display of material to persons under 21

(1) A person commits an offense in an establishment open to persons under the age of 21 years, if he or she displays a book, pamphlet, newspaper, magazine, film or videocassette, the cover of which depicts any of the following:
a) Human sexual intercourse, masturbation, sodomy;
b) Fondling or other erotic touching of human genitals, pubic region, buttocks, or female breasts;
c) Less than completely and opaquely covered human genitals, buttocks, or that portion of the female breast below the top of the areola; or
d) Human male genitals in a discernibly turgid state, whether covered or uncovered.

(2) In this section the word "display" means to locate an item in such a manner that, without obtaining assistance from an employee of the business establishment:
a) It is available to the general public for handling and inspection; or
b) The cover or outside packaging on the item is visible to members of the general public.

E. Substantial enlargement of premises

The floor area occupied by a sexually oriented business shall not be increased by more than 25 percent, as the floor area exists on the effective date of this ordinance.

F. Hours of operation

No sexually oriented business, except for an adult motel, may remain open at any time between the hours of eleven o'clock (11:00) p.m. and ten o'clock (10:00) a.m. on weekdays and Saturday. This type business will not be allowed to operate on Sunday.

ARTICLE IV – LICENSING PROVISIONS

It is unlawful for any person to maintain or operate a sexually oriented business without first having been issued an adult entertainment business license by the City of Picayune. Adult entertainment licenses as referred to in this section shall be licenses limited to the following classifications:

(1) Adult video store or adult theater, including arcade or booth;
(2) Adult dancing establishment including cabaret, bar, dance hall, lounge.

An adult entertainment business license for a particular adult entertainment business shall be limited to one (1) classification of license.

A. Administration

(1) The ultimate responsibility for the administration of this provision is vested in the City Clerk or his/her designated representative. Several departments have been delegated responsibility pursuant to the provisions outlined in this chapter.

(2) The City Clerk, within forty-five (45) days of receiving the application, shall issue, grant, deny, revoke, renew, suspend and/or cancel all adult entertainment business licenses for proposed or existing adult entertainment businesses in the

city. This decision will be based on reports from the departments identified below that requirements of this chapter have been met or violated.

a) The City Building Official is responsible for inspecting any proposed adult entertainment business for which a license is being applied in order to ascertain whether it complies with or is complying with all applicable building codes and regulations in effect in the city. The respective building official shall compare and certify that all aspects of the submitted floor plan, site plan, and survey accurately depict the actual structure and comply with the provisions of this chapter.

b) The City Fire Department is responsible for the inspection of licensed adult entertainment premises or any proposed or existing adult entertainment business to ascertain whether it complies with or is complying with all applicable fire codes, statutes, ordinances and regulations in effect in the city.

c) The City Planning Director is responsible for ascertaining whether a proposed adult entertainment business for which a license is being applied complies with all applicable zoning, statutes, ordinances and regulations in effect in the city.

d) The Pearl River County Health Department shall inspect the adult entertainment business for compliance with all ordinances and laws relating to health and sanitation.

e) The Chief of Police or other person as designated by the Chief of Police shall be responsible for confirming information supplied in the application.

B. Requirements; application

(1) A person commits an offense if he or she operates a sexually oriented business without a valid license issued by the City of Picayune for the particular type of business.

(2) An application for a license must be made on a form provided by the city. The application must be accompanied by a sketch or diagram showing the configuration of the premises, including a statement of total floor space occupied by the business. The sketch or diagram need not be professionally prepared but must be drawn to a designated scale or drawn with marked dimensions of the interior of the premises to an accuracy of plus or minus six inches.

(3) The persons to be licensed must be qualified according to the provisions of this section and the premises must also be inspected and found to be in compliance with all laws and regulations of the health department, fire department, and building officials; the building must conform to plumbing and electrical codes, Standard Building Code and other codes which are and will be adopted by the city.

(4) If the person who wishes to operate a sexually oriented business is a sole proprietor, he or she must sign the application for a license as the applicant. If a person who wishes to operate a sexually oriented business is other than a sole proprietor, each person who has a 20 percent or greater interest in the business must sign the application for a license as an applicant. Each applicant must sign the application. For example, two persons who are partners, each owning 50 percent of the business, must both sign the application. Each shareholder of a corporation who holds issued and outstanding stock must sign the application, and any person required to sign an application must be qualified under Item C - Issuance of this section, and each applicant shall be considered a licensee if a license is granted.

C. Issuance of license

(1) All inspections must be completed and the City Clerk must approve the issuance of a license within 30 days after receipt of an application unless he or she finds one or more of the following to be true:

a) An applicant is under 21 years of age.
b) An applicant or an applicant's spouse is delinquent in his or her payment to the city of taxes, fees, fines, or penalties assessed against him or her or imposed upon him or her in relation to a sexually oriented business.
c) An applicant has failed to provide information reasonably necessary for issuance of the license or has falsely answered a question or request for information on the application form.
d) The premises to be used for the sexually oriented business has not been approved by the health department, fire department or the appropriate building official as being in compliance with applicable laws and ordinances.
e) The license fee required by this article has not been paid.
f) An applicant or the proposed establishment is in violation of or is not in compliance with all sections of this ordinance.

D. License fee

(1) The annual license fee for a sexually oriented business is $1,000.00 per license.

(2) The annual license fees collected under this article are declared to be regulatory fees that are collected for the purpose of examination and periodic inspection of the business by the appropriate departments or authorities, in order to make sure the environment in the premises is sanitary. These regulatory fees are in addition to and not in lieu of any taxes or fees imposed by the city, county or the State.

(3) The fee schedule may be revised pursuant to a resolution adopted by the mayor and council when necessary to ensure the fees cover the costs of administering and enforcing this ordinance.

E. Transferability of license

A licensee shall not transfer his or her license to another, nor shall a license operate a sexually oriented business under the authority of a license at any place other than the address designated in the application.

F. Expiration of license

At the expiration date of the license, renewal may be applied for only by making application for the renewal. The application is the same as when license was first applied for and renewal should be made at least 30 days before the expiration date. When renewal application is made before the expiration date, the expiration of the license will not be affected.

G. Suspension

The City Clerk may suspend a license for any period not to exceed 30 days if the licensee or an employee of a licensee violates any provision of this ordinance.

H. Administrative hearing procedure

(1) *Complaint; filing.* Any citizen may file a written complaint to the City Clerk alleging violations of this chapter or other applicable state laws. This procedure will be used in suspension and revocation matters.

a) *Detailing violations.* The complaint will detail the violations and attest the truth of the allegations.

b) *Supporting documentation.* The complaint will consist of enough supporting documentation to allow the City Clerk to have a reasonable belief that the violations have occurred.

(2) *Notification of licensee.* The City Clerk will notify the licensee, by certified mail, return receipt, or by notice served and attested by a police officer, that a complaint has been received.

a) *Contents.* The notification will state the violation, the complainant's identity, a summary of the alleged violation and the fact the City Clerk finds that there is reason to believe the violation occurred.
b) *Time and place of hearing.* The notification will set a time and date for an administrative hearing.
c) *Notification of licensee of legal opportunities.* The notice will notify the licensee of the opportunity to present evidence, witnesses, question witnesses and be represented by an attorney or other representative.

(3) *Suspension or revocation by City Clerk by standard of substantial evidence.* If substantial evidence is presented to the City Clerk that the violation did occur, the City Clerk can suspend the license for any period not to exceed 30 days or revoke the license. Under the substantial evidence standard, all evidence is competent and may be considered, regardless of its source and nature, if it is the kind of evidence that a reasonable mind might accept as adequate to support a conclusion.

(4) *Notification of licensee of City Clerk's decision.* The licensee will be notified of the City Clerk's decision by certified mail, return receipt, or by notice served and attested by a police officer within three working days of the conclusion of the hearing, as follows:

a) If the City Clerk's decision is for suspension, the notice will notify the licensee of the dates and times of the suspension.

(4) *Closing premises.* Nothing in this section will restrain the Chief of Police or his or her designee from closing the premises if there are immediate public safety concerns.

a) The Chief of Police of his or her designee can use criminal, civil or administrative methods to alleviate persistent public safety concerns.
b) If the concerns are administrative, the procedure of subsection (4)(a) of this section will be followed; if the concerns are criminal or civil, applicable procedures will be followed.

I. Revocation

(1) The City Clerk shall revoke a license if a cause of suspension in Section G occurs and the license has been suspended within the preceding12 months.

(2) The City Clerk may revoke a license if he or she determines that:
a) A licensee gave false or misleading information in the material submitted to the City Clerk during the application process.
b) A licensee or an employee has knowingly allowed possession, use or sale of controlled substances on the premises.
c) A licensee or an employee has knowingly allowed prostitution on the premises.
d) A licensee or an employee knowingly operated the sexually oriented business during a period of time when the licensee's license was suspended.
e) A licensee or an employee has knowingly allowed any act of sexual intercourse, sodomy, oral copulation, or masturbation to occur in or on the licensed premises.
f) In the event of one (1) or more convictions of any rule, regulation or law cited above during a period of suspension, the license shall be revoked.

g) In the event there are a combination of five (5) or more convictions of manager, operator or employees for violations of any of the rules or regulations of this ordinance within a two-year period, the license shall be revoked.

h) In the event there are a combination of three (3) felony convictions of management, operator or employees for violation of the ordinances of the city or the laws of the State within a two-year period, the license shall be revoked.

i) In the event of more than ten police calls to the site in a period of twelve (12) months because of violence or disturbance or issuance of a citation for violation of any ordinance or the laws of the State, the license may be revoked.

j) In the event the owner or operator of the licensed establishment knowingly allowed a person under twenty-one (21) years of age to enter an establishment the license shall be revoked.

k) In the event there was a change of ownership or operator for which a new application was not timely filed, the license shall be revoked.

l) If the license is revoked, the licensee shall not be allowed to obtain another license for a period of two (2) years and no license shall be issued during the time period to any other person for the location of premises upon which the business was situated.

J. APPEAL

(1) If the City Clerk denies the issuance of a license, or suspends or revokes a license, he or she shall send to the applicant or licensee, by certified mail, return receipt requested, or served and attested by a police officer, written notice of his or her action and the right to an appeal. The aggrieved party may appeal the decision to the City Council. The filing of an appeal stays the action of the City Clerk in suspending or revoking a license until the permit and license appeal is final.

(2) The aggrieved party must file and perfect his, her or its written notice of appeal within ten days from the receipt of notice of action from the City Clerk. If notice of appeal is not given within ten days, any suspension or revocation shall take effect at the end of the ten-day period.

(3) The appeal will be set for a hearing set before the Mayor and Council at its next regularly scheduled meeting, and a final decision shall be rendered at that time. The decision of the City council may be appealed to the Circuit Court of Pearl River County, Mississippi.

ARTICLE V - SIGNAGE

Notwithstanding any other city ordinance, code, or regulation to the contrary, it shall be unlawful for the owner or operator of any adult entertainment establishment or any other person to erect, construct or maintain any sign for the adult entertainment establishment other than one (1) primary sign and one (1) secondary sign as provided herein.

(1) *Primary signs.* Primary signs shall have no more than two (2) display surfaces. Each surface shall:

a) Not contain flashing lights.

b) Be a flat plane, rectangular in shape.

c) Not exceed 75 square feet in area, and

d) Not exceed 10 feet in height or 10 feet in length. Primarily (primary) signs shall contain no photographs, silhouettes, drawings or pictorial representations in any manner and may contain only the name of the enterprise. Each letter forming a word on a primary sign shall be solid color and each letter shall be the same print-type, size and color. The background behind such lettering on the display surface of a primary sign shall be of a uniform and solid color.

(2) *Secondary signs.* Secondary signs shall have only one (1) display surface. Such display surface shall:

a) Be a flat plane, rectangular in shape;
b) Not exceed 20 square feet in area
c) Not exceed 5 feet in height and 4 feet in width; and
d) Be affixed or attached to any wall or door of the enterprise. Secondary signs shall contain no photographs, silhouettes, drawings or pictorial representations in any manner and may contain only the name of the enterprise. Each letter forming a word on a secondary sign shall be of solid color and each letter shall be the same print-type and color. The background behind such lettering on the display surface of a secondary sign shall be of a uniform and solid color.

ARTICLE VI – NON-CONFORMING ESTABLISHMENTS

One (1) or more commercial establishments featuring adult entertainment may be in operation in the city on the effective date hereto in a manner that does not conform to the requirements for legal operation when applying this article. For any such non-conforming establishments conducting such business as of the effective date hereto, the effective date of application of the provision of this article to such non-conforming establishments shall be extended ninety (90) calendar days, after which this article shall be in full force and effect as to such nonconforming establishments. This provision shall not be a defense or an excuse for any act or omission by any person that is or shall be charged with violation of any other laws or ordinances. Further, the extension of time to conform provided by this section shall not apply to any establishment where such beverages are sold or consumed and where, at the time of passage hereof, said establishments acts or omissions of a non-conforming nature were not regularly being performed.

ARTICLE VII - PENALTIES

Any person, partnership or corporation who is found to have violated any section of this ordinance shall be fined a sum not exceeding one thousand dollars($1,000.00) for each violation, or by imprisonment in the Picayune city jail not exceeding ninety (90) days or both. Each violation of this ordinance shall be considered a separate offense and any violation continuing more than one (1) day shall constitute a separate offense.

A person, partnership, or corporation who operates or causes to be operated an adult entertainment establishment without a valid license or otherwise violates this ordinance is subject to a suit for injunction as well as prosecution for criminal violations.

ARTICLE VIII – CONFLICTING ORDINANCES REPEALED

That any ordinance or section of any ordinance in conflict herewith is hereby repealed.

ARTICLE IX – EFFECTIVE DATE

Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety and because the opening of commercial establishments featuring adult entertainment in conjunction with the sale or consumption of alcoholic beverages, light wine and beer is a threat to public peace, health, safety and established community moral standards, this article shall be effective immediately.

ADOPTED this the 2nd day of March, 1999.

Woody Spiers

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and Guy

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until March 16, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and Guy

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

March 16, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, March 16, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Rev. Henry Dunn, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated March 2, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE PUBLIC RECORDS REQUEST REPORT FOR FEBRUARY 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Public Records Requests Report for February 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE PRIVILEGE LICENSE REPORT FOR FEBRUARY 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly privilege license report for February 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MARCH 16, 1999

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY BUDGET REPORTS FOR FEBRUARY 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly budget reports for February 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT STREET CLOSURE

Upon request of Main Street, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the closure of West Canal Street from Herman Street to North Main Street and the closure of East Canal Street from North Steele Avenue to Highway 11 on March 27 and 28, 1999 for the annual Street Fair. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

CERTIFICATE OF APPRECIATION PRESENTED BY TOYS FOR TYKES

Tony Taber, a representative of Toys for Tykes, presented the Mayor, City Manager and the Police Chief with certificates of appreciation for the City's participation in the annual Toys for Tykes event.

REQUEST FOR USE OF OLD ARMORY FACILITIES

Jeff Brady addressed the Council regarding a request to use the old National Guard Armory facilities at no charge for an antique tractor and farm equipment show in the month of May. Motion was made by Councilmember Guy to approve the request. After further discussion, the motion was withdrawn. Mr. Brady was instructed to coordinate an agreement with the City Manager and come back before the Council for approval. No official action was taken.

ORDER TO GRANT STREET CLOSURE

Upon request of Crosby Memorial Hospital, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the closure of Magnolia Street between Goodyear Boulevard and Sixth Avenue on May 1, 1999 from 8:00 a.m. until 3:00 p.m. for the 1999 Crosby Memorial Hospital Health & Safety Fair. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MARCH 16, 1999

PRESENTATION OF PLAQUE TO RONALD JACKSON

Mayor Spiers presented a plaque to Ronald Jackson to show the City's appreciation for Mr. Jackson's contributions to his community and for the leadership that he provides in the Goodyear community.

ORDER TO GRANT STREET CLOSURE

Upon request of Tracey Bilbrey of Pages Bookstore, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the closure of West Canal Street from Rester Street to Quince Street on March 22, 1999 from 12:00 noon until 1:00 p.m. for the entrance of the "Sweet Potato Queens" to Pages Bookstore. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER BID AWARD ON DIRECTIONAL DRILLING EQUIPMENT

After viewing a presentation from the vendor on the directional drilling equipment and after discussion with the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates to table any action on awarding the bid on the equipment. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

At this time, Councilmember McQueen left the meeting.

ORDER TO APPROVE RENTAL AGREEMENTS WITH WOODSON BOXING FOR THE OLD ARMORY BUILDING

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the following agreement with Woodson Boxing for rental of the old Armory building contingent upon Mr. Woodson providing the documentation required in the agreement:

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF PICAYUNE AND WOODSON BOXING

The City of Picayune and Woodson Boxing agree to the following conditions pertaining to the use of a portion of the City-owned former Armory Building for boxing activities:

That portion of the City Owned Former Armory Building, including the three side rooms. Woodson Boxing will share the bathroom facilities with Eddie Young Gymnastics.

The CITY agrees to provide or permit the following on the premises of the former Armory Building:

1. Mr. Woodson may place equipment within the Armory only for the purpose of boxing activities. Mr. Woodson must receive written approval from the City Manager to place equipment on site that is not related to boxing. Batting cages, storage of household

equipment, and equipment not related to boxing activities will not be allowed to be stored on this site by Mr. Woodson.

2. Mr. Woodson shall use the armory only for activities related to boxing activities. Mr. Woodson must receive written approval from the City Manager to organize activities other than boxing activities on this site.
3. The City will provide water, sewer, gas and electricity to the Armory building for use by the tenants.
4. The City shall be responsible for all repairs to the facility over $500.
5. The City will make regularly scheduled monthly inspections of the premises to insure safety and compliance with building codes and compliance with this agreement.
6. The City will have the authority to make unscheduled inspections of the premises.
7. The City will maintain the plumbing and electrical fixtures within the building.
8. The City will maintain the air conditioning and heating for the facility.
9. The City will maintain the roof, walls, foundations, windows, doors, heating and cooling equipment.

Woodson's Boxing will:

1. Furnish a schedule of the use of the facility that includes dates and times of boxing activities.
2. Maintain the building to standard building codes, informing the City of regular maintenance and a regular cleaning schedule, and will notify the City of any maintenance problems.
3. Maintain bathrooms and keep the entire building clean.
4. Provide keys to all locks within the building. Mr. Woodson must have written permission from the City Manager to change locks located within the facility.
5. Provide proof of insurance for contents and liability within the building.
6. Provide proof of non-profit status.
7. Perform such work on the building at no cost to the City as may be agreed upon by the parties. Such repair will include, but may not be limited to:
   A. Paint as needed
   B. Within restrooms
      1. Replace light bulbs
      2. Paint
      3. Purchase and install door signs
      4. Keep doors in working and lockable condition
8. Mr. Woodson will be responsible for all maintenance items which cost under the amount of $500.
9. Mr. Woodson shall not have access to the kitchen area or the rear yard.
10. Mr. Woodson shall not have access to the main hall being used by Mr. Young for gymnastics activities, except for students and invitees to enter and exit.
11. Mr. Woodson will be responsible for the repair of vandalism within the area which he has access to. Repairs will be made according to City specifications.
12. Mr. Woodson must provide adequate supervision at all times when the facilities are in use.
13. When requested by the City, render to the City all accounting of all sums received and disbursed in connection with projects undertaken.
14. Mr. Woodson will not sublease any portion of the said premises.
15. Rent in the amount of $27 per month for this facility will be provided to the City through in-kind services provided by Mr. Woodson and his students. Their time is valued at $5.35 per hour. Tasks will be assigned monthly by the Public Works Director.

Mr. Woodson shall be solely responsible and answerable for damages, any and all accidents or injuries to persons (including death) and to property. Mr. Woodson, as part of the consideration for leasing or otherwise using the former Armory Building, agrees to assume full responsibility and liability, and shall indemnify and hold harmless the City of Picayune against and from any and all claims, demands, actions, rights of action, liabilities, losses, judgements, costs, expenses, and attorney fees which shall or may arise by virtue of anything done or omitted to be done by Mr. Woodson, including through or by its agents, employees, guests, invitees, or other representatives arising out of, claimed on account of, or any manner predicted upon the use of said facility. Mr. Woodson further agrees to assume full responsibility and liability for, and to indemnify the City of Picayune against and from any and all risk of loss of theft, vandalism, destruction, or otherwise, of any and all items of personal property belonging to the organization, group of members thereof, or any third party which in and about said facility, regardless of whether or not said loss relates to, or arises out of, the use of said facility and, in addition, said organization or group agrees to indemnify and hold the City of Picayune, its agents and servants, and employees harmless from and against all claims and expenses for same, including attorney fees.

Mr. Woodson hereby agrees to comply strictly with all ordinances of the City of Picayune, Mississippi and the laws of the State of Mississippi while performing under the terms of this contract. Mr. Woodson agrees that upon violation of any covenants and agreements herein contained, on account of any act of omission of commission of Mr. Woodson, the City may, at its option, terminate and/or cancel this contract.

Mr. Woodson agrees to comply with the Title of the Civil Rights Act of 1964, assuring that no person will be excluded from participation in or be denied benefits of referral services under the terms of this

contract or otherwise subjected to discrimination on the ground of race, sex, color, national origin or handicap.

Notwithstanding any of the other provisions contained in this contract, the City of Picayune shall maintain the right to terminate this contract upon proper notice which shall be in writing and shall be provided to Mr. Woodson at least thirty (30) days prior to the intended date of cancellation.

This lease will be in effect from April 1, 1999 to March 31, 2000.

Signed and dated_____

For Woodson Boxing

_____

For the City of Picayune

_____

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO APPROVE RENTAL AGREEMENT WITH EDDIE YOUNG GYMNASTICS FOR THE OLD ARMORY BUILDING

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the following agreement with Eddie Young Gymnastics for rental of the old Armory building contingent upon Mr. Young providing the documentation required in the agreement:

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF PICAYUNE AND EDDIE YOUNG GYMNASTICS

The City of Picayune and Eddie Young agree to the following conditions pertaining to the use of a portion of the City-owned former Armory Building for gymnastics activities:

That portion of the City Owned Former Armory Building including the main center hall area. Eddie Young Gymnastics will share the bathroom facilities with Woodson Boxing.

The CITY agrees to provide or permit the following on the premises of the former Armory Building:

1. Eddie Young may place equipment within the Armory only for the purpose of gymnastic activities. Mr. Young must receive written approval from the City Manager to place equipment on site that is not related to gymnastics. Batting cages, storage of household equipment, and equipment not related to gymnastics activities will not be allowed to be stored on this site by Mr. Young.
2. Eddie Young shall use the armory only for activities related to gymnastics activities. Mr. Young must receive written approval from the City Manager to organize activities other than gymnastics activities on this site.
3. The City will provide water, sewer, gas and electricity to the Armory building for use by the tenants.
4. The City shall be responsible for all repairs to the facility over $500.
5. The City will make regularly scheduled monthly inspections of the premises to insure safety and compliance with building codes and compliance with this agreement.
6. The City will have the authority to make unscheduled inspections of the premises.
7. The City will maintain the plumbing and electrical fixtures within the building.
8. The City will maintain the air conditioning and heating for the facility.
9. The City will maintain the roof, walls, foundations, windows, doors, heating and cooling equipment.

RECESSED MEETING DATED MARCH 16, 1999

Eddie Young Gymnastics will:

1. Furnish a schedule of the use of the facility which includes dates and times of gymnastics activities.
2. Maintain the building to standard building codes, informing the City of regular maintenance problems and a regular cleaning schedule, and will notify the City of any maintenance problems.
3. Maintain bathrooms and keep the entire building clean.
4. Provide keys to all locks within the building. Mr. Young must have written permission from the City Manager to change locks located within the facility.
5. Provide proof of insurance for contents and liability within the building.
6. Provide proof of non-profit status.
7. Perform such work on the building at no cost to the City as may be agreed upon by the parties. Such repair will include, but may not be limited to:
   - A. Paint as needed
   - B. Within restrooms
     1. Replace light bulbs
     2. Paint
     3. Purchase and install door signs
     4. Keep doors in working and lockable condition
8. Mr. Young will be responsible for all maintenance items which cost under the amount of $500.
9. Mr. Young shall not have access to the kitchen area or the rear yard.
10. Mr. Young shall not have access to the three side rooms being used by Mr. Woodson for boxing activities.
11. Mr. Young will be responsible for maintaining the parking area in front of the facility.
12. Mr. Young will be responsible for the repair of vandalism within the area that he has access to. Repairs will be made according to City specifications.
13. Mr. Young must provide adequate supervision at all times when the facilities are in use.
14. When requested by the City, render to the City all accounting of all sums received and disbursed in connection with projects undertaken.
15. Mr. Young will not sublease any portion of the said premises.
16. Rent in the amount of $213 per month for this facility will be due on the fifth of each month.

Mr. Young shall be solely responsible and answerable for damages, any and all accidents or injuries to persons (including death) and to property. Mr. Young, as part of the consideration for leasing or otherwise using the former Armory Building, agrees to assume full responsibility and liability, and shall indemnify and hold harmless the City of Picayune against and from any and all claims, demands, actions, rights of action, liabilities, losses, judgements, costs, expenses, and attorney fees which shall or may arise by virtue of anything done or omitted to be done by Mr. Young, including through or by his agents, employees, guests, invitees, or other representatives arising out of, claimed on account of, or any manner predicted upon the use of said facility. Mr. Young further agrees to assume full responsibility and liability for, and to indemnify the City of Picayune against and from any and all risk of loss of theft, vandalism, destruction, or otherwise, of any and all items of personal property belonging to the organization, group of members thereof, or any third party which in and about said facility, regardless of whether or not said loss relates to, or arises out of, the use of said facility and, in addition, said organization or group agrees to indemnify and hold the City of Picayune, its agents and servants, and employees harmless from and against all claims and expenses for same, including attorney fees.

Mr. Young hereby agrees to comply strictly with all ordinances of the City of Picayune, Mississippi and the laws of the State of Mississippi while performing under the terms of this contract. Mr. Young agrees that upon violation of any covenants and agreements herein contained, on account of any act of omission of commission of Mr. Young, the City may, at its option, terminate and/or cancel this contract.

Mr. Young agrees to comply with the Title of the Civil Rights Act of 1964, assuring that no person will be excluded from participation in or be denied benefits of referral services under the terms of this contract or otherwise subjected to discrimination on the ground of race, sex, color, national origin or handicap.

Notwithstanding any of the other provisions contained in this contract, the City of Picayune shall maintain the right to terminate this contract upon proper notice which shall be in writing and shall be provided to Mr. Young at least thirty (30) days prior to the intended date of cancellation.

This lease will be in effect from April 1, 1999 to March 31, 2000.

Signed and dated_____

For Eddie Young

_____

For the City of Picayune

_____

RECESSED MEETING DATED MARCH 16, 1999

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MINUTES OF THE PLANNING COMMISSION DATED MARCH 9, 1999

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Planning Commission dated March 9, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO ACCEPT THE MINUTES OF THE PLANNING COMMISSION DATED FEBRUARY 23, 1999

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to accept the minutes of the Planning Commission dated February 23, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO APPROVE SUBDIVISION PLAT

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the re-subdivision of six (6) lots , Lots 15 – 20 , Block C, Thigpen Second Addition, located on Adcox Road, into four (4) conforming lots. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

RECESSED MEETING DATED MARCH 16, 1999

ORDER TO APPROVE USE OF FRIENDSHIP PARK FACILITIES FOR GIRL SCOUTS

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table the request by the Girl Scouts to use the Friendship Park Facilities for no charge or at a reduced rate until a representative of the group was present. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

ORDER TO AWARD SEMI-ANNUAL BIDS

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to award the following semi-annual bids:

Diesel Oil #2 Series, 30W 12 qts/case	$11.88	APG, Inc.
Diesel Oil #2 Series, 30W 55 gallon	198.74	APG, Inc.
Diesel Oil 15W-40 55 gallon	198.74	APG, Inc.
Transmission Fluid Dextron II 12 qts/case	12.26	APG, Inc.
Transmission Fluid Type F 12 qts/case	12.26	APG, Inc.
Motor Oil 10W-30 HD 12qts/case	11.83	APG, Inc.
Motor Oil 10W-30 HD 55 gallon	198.74	APG, Inc.
Motor Oil 10W-40 12 qts/case	11.83	APG, Inc.
Motor Oil 10W-40 55 gallon	198.74	APG, Inc.
Motor Oil 30W ND 12 qts/case	9.28	APG, Inc.
Motor Oil 30W ND 55 gallon	118.64	APG, Inc.
Gear Oil 90wt. 55 gallon	220.17	APG, Inc.
Chassis Grease tube per ctn	3.95	APG, Inc.
Chassis Grease bulk 5 gallon	22.20	Allison Oil Co.
Hydraulic Fluid TDH 5 gallon	15.31	APG, Inc.
Hydraulic Fluid TDH 55 gallon	155.63	APG, Inc.
Hydraulic Oil 68 55 gallon	135.93	APG, Inc.
Chlorine in 150 lb cylinder, including Delivery to sewerage treatment plant	57.00	Industrial Chemicals & South Mississippi Chemical
30x36 Trash Bags, 1.5 Mill, black or brown, 52 per box or roll	2.21	Dynapak
Concrete Pipe		
12" reinforced	10.45	Choctaw
15" reinforced	10.45	Choctaw
18" reinforced	12.07	Choctaw
21" reinforced	16.04	Choctaw
24" reinforced	19.11	Choctaw
27" reinforced	22.08	Choctaw
30" reinforced	26.60	Choctaw
36" reinforced	37.70	Choctaw
42" reinforced	46.80	Choctaw
48" reinforced	60.50	Choctaw
54" reinforced	72.40	Choctaw
60" reinforced	88.60	Choctaw
18" x 11" reinforced arch pipe	17.00	Choctaw
22" x 13" reinforced arch pipe	18.00	Choctaw
29" x 18" reinforced arch pipe	26.72	Choctaw
36" x 23" reinforced arch pipe	32.44	Choctaw
44" x 27" reinforced arch pipe	44.62	Choctaw
58" x 36" reinforced arch pipe	73.29	Choctaw

65" x 40" reinforced arch pipe	89.88	Choctaw
73" x 45" reinforced arch pipe	110.88	Choctaw
88" x 54" reinforced arch pipe	154.98	Choctaw
51" x 31" reinforced arch pipe	57.80	Choctaw
Concrete per yard 2,500-lb mix	57.00	Gulf Concrete
Concrete per yard 3,000-lb mix	59.00	Gulf Concrete
Concrete Manholes		
48" x 36" precast cone section	54.00	Choctaw
48" precast riser section	54.00	Choctaw
70" diam x 6" thick precast bottom	110.00	Choctaw
48" precast concrete flat slab top	95.00	Choctaw
4" concrete adjusting ring	15.00	Choctaw
6" concrete adjusting ring	30.00	Choctaw
4" flexible coupling	30.00	Choctaw
6" flexible coupling	33.00	Choctaw
8" flexible coupling	37.00	Choctaw
10" flexible coupling	40.00	Choctaw
12" flexible coupling	44.00	Choctaw
Cast iron manhole ring and cover	158.00	Choctaw
Polyethylene Culvert Pipe		
8" diam smooth interior pipe	1.45	Hancor
10" diam smooth interior pipe	1.87	Hancor
12" diam smooth interior pipe	2.20	Hancor
15" diam smooth interior pipe	3.11	Hancor
18" diam smooth interior pipe	4.49	Hancor
24" diam smooth interior pipe	7.75	Hancor
30" diam smooth interior pipe	12.69	Hancor
36" diam smooth interior pipe	15.24	Park Supply
42" diam smooth interior pipe	23.01	Hancor
48" diam smooth interior pipe	32.62	Hancor

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

At this time, Councilmember McQueen entered the meeting.

ORDER TO APPROVE SOLE SOURCE PURCHASE

Upon request of the Purchasing Agent, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to approve the sole source purchase of two (2) combined camera and mount systems (Complete-Cam 3-color XL) for police vehicles at a total cost of $10,100.00 from Law Enforcement Specialty Products, Inc. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MARCH 16, 1999

ORDER TO APPROVE VEHCILE PURCHASE FROM GOVERNMENT AUCTION

Upon request of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Purchasing Agent to attend a government auction to purchase a truck for the sewer department at a cost not to exceed $10,000 and to authorize the issuance of a manual check for the purchase. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table the appointment to the Planning Commission to fill the remaining term of Gerald Cruthird expiring in September, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE CHANGE ORDER #1 TO THE GLENWOOD BOX CULVERT PROJECT CONTRACT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve Change Order #1 to the Glenwood Box Culvert Project Contract with L. D. Mitchell reducing the contract amount by $208.00. The final contract price is $46,776.63. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT THE GLENWOOD BOX CULVERT PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to accept the Glenwood Box Culvert Project as complete. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MARCH 16, 1999

ORDER TO AUTHORIZE THE MAYOR TO SIGN TEA 21 GRANT APPLICATION

Upon recommendation of the Planning Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table any action on the authorization for the Mayor to sign the TEA 21 grant application with the Mississippi Department of Transportation to apply for funds to build a series of parks and intermodal traffic connectors on the west side of Highway 11. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN SOLID WASTE ASSISTANCE GRANT APPLICATION

Upon recommendation of the Planning Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign a Solid Waste Assistance grant application with the Mississippi Department of Environmental Quality to apply for funds to clean-up unauthorized dumps within the City. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO PROVIDE MATCHING FUNDS FOR SOLID WASTE ASSISTANCE GRANT

Upon recommendation of the Planning Director, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize a match of $900 in City funds for asbestos testing and $1,515 in in-kind services as match for the Solid Waste Assistance Grant from the Mississippi Department of Environmental Quality. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

At this time, Councilmember Roberson left the meeting.

ORDER TO APPROVE MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the issuance of the following manual checks:

Johnny L. Ingram	General Fund	$ 402.00
Prior Energy	Utility Fund	13,860.00
Dynegy	Utility Fund	49,072.80
Koch Gateway Pipeline	Utility Fund	12,660.82

Utility Management Co.	*Utility Fund*	1,115.48

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

At this time, Councilmember Roberson entered the meeting.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter of potential litigation.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Roberson, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed a matter of potential litigation and took no action.

At this time, Councilmember McQueen left the meeting.

ORDER TO RECONSIDER THE NAMING OF 138TH ENGINEER MEMORIAL BOULEVARD

City Attorney Cruthird addressed the Council regarding their recent action to name 138th Engineer Memorial Boulevard. Mr. Cruthird stated that the naming and renaming streets is covered by the City's land subdivision ordinances. The matter should have been directed to the Planning Commission in the beginning, and the Planning Commission should have voted and made a recommendation on the name to the City Council. Upon recommendation of the City Attorney, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to rescind the action taken at the February 11, 1999 meeting to officially name Highway 43 South from Interstate 59 to Highway 11. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to refer the matter of the naming the road formerly referred to as Highway 43 South to the Planning Commission. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

At this time, Councilmember McQueen entered the meeting.

ORDER TO ADJOURN

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

April 6, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, April 6, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Mayor Spiers, followed by the Pledge of Allegiance.

ORDER TO APPROVE MINUTES DATED MARCH 16, 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the minutes of the Mayor and Council dated March 16, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PEARL RIVER COUNTY LIBRARY SYSTEM

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Pearl River County Library System dated September 1997 through February 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE ARC/PRC

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the ARC/PRC dated February 9, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated March 16, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY ACTIVITY REPORT FOR THE RETIREMENT DEVELOPMENT DEPARTMENT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly activity report of the Retirement Development department for February 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE THE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the monthly claims docket for April 1999 in the total amount of $348,313.34. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE MANUAL CHECKS

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to approve the issuance of the following manual checks:

Ann A. Brock	General Fund	$ 100.00
MS State Tax Commission	Utility Fund	2,860.00
COP General Fund	Utility Fund	50,200.30

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO RECOGNIZE JONATHAN BENDER

Ambroshia Jefferson-Smith addressed the Council regarding plans to honor Jonathan Bender for his accomplishments as a basketball player and as a role model for the youth in Picayune. Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to adopt an order declaring either April 23 or April 30, 1999 as "Jonathan Bender Day" in Picayune. Ms. Jefferson-Smith was instructed to coordinate the date and a reception with the City Manager's office. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

EMPLOYEE OF THE MONTH

Upon recommendation of the Public Works Director, Doris Buckley was declared Employee of the Month for April 1999. Mrs. Buckley was presented with a savings bond from BankPlus.

ORDER TO APPOINT MEMBER TO THE PARK COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to table any appointments to the Park Commission at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE ARTS COUNCIL

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table any appointments to the Arts Council at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table the appointment to the Planning Commission to fill the remaining term of Gerald Cruthird that will expire September 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE USE OF FRIENDSHIP PARK FACILITIES FOR GIRL SCOUTS

Francis Kelly from the Pearl River Service Unit of the Girl Scouts addressed the Council regarding their "Girl Scout Summer Fun Day" and asked the Council for use of the Friendship Park facilities at a reduced fee or at no charge. Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the use of the Friendship Park facilities at no charge by the Girl Scouts on June 8, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT MINUTES OF THE CEMETERY BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept the minutes of the Cemetery Board dated January 19, 1999 and March 23, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO SET FEE FOR PREPARATION OF CEMETERY DEED

Upon recommendation of the Cemetery Board, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to table the issue of setting a fee of twenty-five dollars ($25.00) for preparation of a cemetery deed to transfer plots between family members as recommended by the Cemetery Board. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN A GAS SALES AGREEMENT

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Mayor to sign the following Gas Sales Agreement with Sonat Marketing Company, L.P.:

GAS SALES AGREEMENT

THIS AGREEMENT is made and entered into as of the first day of April, 1999 by and between **CITY OF PICAYUNE, MISSISSIPPI** (hereinafter referred to as "Buyer") and **SONAT MARKETING COMPANY L.P.**, a Delaware limited partnership (hereinafter referred to as "Seller").

WITNESSETH:

WHEREAS, Buyer desires to purchase supplies of natural gas; and

WHEREAS, Seller has supplies of gas available for sale and delivery to Buyer; and

WHEREAS, Buyer and Seller desire to enter into an agreement providing for the sale and purchase of gas on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements herein contained, Buyer and Seller hereby agree as follows:

ARTICLE I
(Definitions)

1.1 Unless the context requires another meaning, the following terms shall have the meanings hereinbelow set forth under this Agreement:

a. "Btu" - A British thermal unit measured at an absolute pressure of 14.73 psia at 60°F on a dry basis.

b. "business day" - A day commencing on Monday through Friday of any week of the year, excluding holidays recognized by either party's transporter.

c. "day" - A period commencing at 9:00 a.m. Central Time and extending until 9:00 a.m. Central Time on the following day or any other twenty-four hour period mutually agreeable to the parties. The date of a day shall be that of its beginning.

d. "FERC" - Federal Energy Regulatory Commission

e. "gas" - Natural gas consisting primarily of methane and conforming to the quality specifications as provided for in this Agreement.

f. "Koch" - Koch Gateway Pipeline Company

g. "MMBtu" - One million (1 000,000) British thermal units.

h. "month" - A period of time commencing at 9:00 a.m. Central Time on the first day of a calendar month and ending at 9:00 a.m. Central Time on the first day of the next calendar month.

i. "NYMEX" - New York Mercantile Exchange

ARTICLE II
(Quantity and Nominations)

2.1 Subject to the terms and conditions hereinafter set forth, Seller agrees to sell and deliver, and Buyer agrees to purchase and receive each day Buyer's full citygate requirements of gas.

2.2 On or before three (3) business days prior to the last day of trading of the NYMEX natural gas futures contract each month, the parties will determine the daily quantity of gas required for the following month ("Monthly Quantity"). During any month, Buyer shall advise Seller of any change in its Monthly Quantity as soon as reasonably practicable but in any event prior to the day on which such change is to be effective. Seller will deliver any quantities of gas in addition to the Monthly Quantity to meet Buyer's peak day requirements ("Swing Quantity") if Buyer notifies Seller of such Swing Quantity at least one (1) day prior to transporter's nomination deadline for such change. The sum of the Monthly Quantity and the Swing Quantity, if any, for any day shall be considered the "Maximum Daily Quantity".

2.3 Seller and Buyer agree to deliver and receive gas at an approximately constant rate of flow. It is the intent of the parties hereto that the daily quantity shall be the actual quantity delivered and received each day. Buyer and Seller recognize, however, the inherent inaccuracies in the measurement and allocation of as. Such inaccuracies may at times occur through no fault of Buyer or Seller, and may result in failure to deliver or receive the daily quantity. Buyer and Seller agree that to the extent they learn of such inaccuracies after the period of deliveries, any under or over balance will be corrected as soon as practicable.

2.4 In the event the quantity of gas actually delivered by Seller on any day is less than the Maximum Daily Quantity, and such failure to deliver is not otherwise excused under this Agreement, then Seller shall pay Buyer an amount equal to the product of (a) the difference between the Maximum Daily Quantity and the quantity of gas actually delivered and (b) the difference between the applicable Contract Price and the price at which Buyer is able to obtain replacement supplies using commercially reasonable efforts.

2.5 In the event the quantity of gas received by Buyer on any day is less than the Maximum Daily Quantity and such failure to receive is not otherwise excused under this Agreement, then Buyer shall pay Seller an amount equal to the product of (a) the difference between the Maximum Daily Quantity and the quantity of gas

actually taken by Buyer and (b) the difference between the price at which Seller is able to resell the gas using commercially reasonable efforts and the applicable Contract Price.

ARTICLE III
(Point(s) of Delivery)

3.1 The point(s) of delivery for the sale and purchase of gas under this Agreement shall be any Koch Zone 2 pool as agreed upon each month by the parties. As between the parties hereto, Seller shall be in exclusive control and possession of the gas until the gas has been made available at each point of delivery and when the gas is in the custody of Seller or the operator of a processing plant for processing or other purposes, and Buyer shall be in exclusive control and possession of the gas after it has been made available at each point of delivery. The party deemed to be in exclusive control and possession of the gas shall be responsible for any and all losses, damages, injuries, claims and liabilities arising from or while the gas is deemed to be in its control and possession.

ARTICLE IV
(Price)

4.1 The price payable by Buyer for each MMBtu of gas sold and purchased hereunder ("Contract Price") shall be:

(a) For Monthly Quantities, the price per MMBtu will be the first of the month index price for each month of delivery as published in *Inside F. E. R. C. Gas Market Report for* Koch Gateway Pipeline Co., Louisiana.

(b) For Swing Quantities, the price per Mt will be the Midpoint price for the day of delivery as posted in *Gas Daily* under the "Daily Price Survey" for Louisiana Onshore South, Koch Gateway Index (Zones 2 and 4).

4.2 In addition to the price payable above, if applicable, Buyer agrees to reimburse Seller for any sales, use, utility, city license, transportation or similar tax imposed by any taxing authority upon the sale, use or transportation of the gas sold pursuant to this Agreement. In the event that Buyer is exempt from the payment of any such tax, Buyer shall, upon Seller's request, provide evidence of such exemption in a form satisfactory to Seller. Absent such documentation, Buyer shall be responsible for such tax as set forth herein.

4.3 In the event during the term of this Agreement a federal energy tax and/or Btu tax is proposed to be applicable to gas sold and purchased hereunder, on or before thirty (30) days prior to the effective date of such proposed federal tax, either party may, in its sole discretion, request the renegotiation of any price(s) payable hereunder and/or an amendment of the above Section 4.2. The parties shall promptly, acting reasonably and in good faith, enter into negotiations to determine a new price(s) and or the party to be responsible for such tax. If the parties are unable to reach an agreement on such price(s) or tax responsibility, either party may terminate this Agreement effective as of the effective date of such federal tax.

ARTICLE V
(Term)

5.1 This agreement shall become effective on the date hereinabove first written, and subject to the provisions of this Agreement, shall remain in full force and effect for one (1) year.

5.2 The termination of this Agreement shall not relieve Buyer's obligation to pay for gas purchased hereunder prior to the effective dated of such termination or either party's obligation to pay any other amounts due hereunder.

ARTICLE VI
(Measurement)

6.1 The gas sold hereunder shall be measured in accordance with commonly used and accepted industry standards and procedures through the measurement facilities of Buyer or Seller or Buyer's or Seller's transporter.

ARTICLE VII
(Quality)

7.1 All gas delivered by Seller shall be merchantable and shall upon delivery conform to the quality specifications and heating value generally acceptable to Seller and Buyer, or the party receiving the gas on Buyer's behalf. The specifications and heating value of the gas shall be determined by a standard method in use in the natural gas pipeline industry. Buyer shall have the right to refuse to accept at a point of delivery any gas which fails to conform to the quality specifications and heating value set forth above.

ARTICLE VIII
(Pressure)

8.1 All gas delivered for sale hereunder shall be made available to Buyer at the pressures available to Seller, from time to time, at each point of delivery.

ARTICLE IX
(Processing)

9.1 Seller shall have the right at its sole cost and expense to process or to permit processing of the gas hereunder for the extraction of liquefiable hydrocarbons and any other gas constituents prior to delivery.

ARTICLE X
(Transportation)

10.1 Seller shall make arrangements for all transportation services (and, subject to the provisions of Section 4.2, shall bear all costs and expenses thereof) required to effect the delivery of gas at the point(s) of delivery hereunder. Buyer shall make arrangements for all transportation services (and shall bear all costs and expenses thereof) required to effect the receipt and measurement of all gas purchased hereunder. The parties shall cooperate to ensure that nominations are timely made to the respective party's transporter and that actual deliveries and receipts comply with such transporters' FERC Gas Tariffs and other operational procedures, if any.

10.2 Each party shall immediately notify the other party of any notice received from its transporter that indicates the existence of any imbalance or other circumstances which may give rise to a penalty in connection with gas deliveries hereunder. The parties agree to cooperate in taking such action as may be necessary to ensure that penalties are avoided or minimized as much as possible.

10.3 Seller shall be liable for and remit payment to Buyer within ten (1O) days of presentation of invoice for any scheduling, imbalance or other transportation related penalties, cashout costs, fees, forfeitures or charges imposed by Buyer's transporter as a result of Seller's actions or omissions to act, including Seller's failure to deliver the quantities of gas nominated by Buyer hereunder.

Buyer shall be liable for and remit payment to Seller in accordance with Article XIII (Billing and Payment) of this Agreement for any scheduling, imbalance or other transportation related penalties, cashout costs, fees, forfeitures or charges calculated by Seller (in the same manner as Seller's transporter) and attributable to Buyer's actions or omissions to act, including Buyer's failure to accept and receive the quantities of gas nominated by Buyer and delivered by Seller hereunder.

ARTICLE XI
(Warranty of Title and Indemnification)

11.1 Seller warrants the title to all gas delivered hereunder. Seller shall pay or cause to be paid any royalty payments, severance or other taxes due or levied on the production of the gas prior to the delivery point and shall indemnify and hold Buyer harmless from any liability or obligation for the payment of same.

11.2 Seller further represents and warrants that it will pay and satisfy, or make provision for the payment and satisfaction of, any and all claims of every nature whatsoever in, to or in respect of the title of gas delivered hereunder; and Seller hereby agrees to defend at its cost, and when notified by Buyer to indemnify Buyer against, all suits, judgments, claims, demands, causes of action, costs, damages and expenses arising out of or in any way connected with any claims to the gas delivered hereunder.

ARTICLE XII
(Force Majeure)

12.1 In the event of either party hereto being rendered unable, wholly or in part, by force majeure to carry out its obligations under this Agreement, other than to make payments due hereunder, it is agreed that the obligations of such party, so far as they are affected by such force majeure, shall be suspended during the continuation of any inability so caused but for no longer period; and such cause shall as far as possible be remedied with all reasonable dispatch, provided, however, that no party hereto shall be required against its will to adjust any labor dispute. It is agreed that such party shall give notice and full particulars of such force majeure event in writing, telecopied to the other party as soon as reasonably possible after the occurrence of such event.

12.2 The term "force majeure" shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, the necessity for maintenance of or making repairs or alterations to machinery or lines of pipe, freezing of wells or lines of pipe, partial or entire failure of wells, curtailment, interruption or other unavailability of transportation, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome; such terms shall likewise include the inability of either party to acquire, or delays on the part of such party in acquiring at reasonable cost and by the exercise of reasonable diligence, servitudes, rights of way grants, permits, permissions, licenses, materials or supplies which are required to enable such party to fulfill its obligations hereunder. Notwithstanding anything to the contrary contained herein,

force majeure shall also include interruption or cessation of deliveries of gas by third parties to Seller resulting solely from equipment failure or mechanical difficulties.

12.3 Notwithstanding the above Section 12.2, the loss, interruption, curtailment or other unavailability of interruptible transportation is specifically excluded as an event of force majeure unless the same event also curtails firm transportation on the affected pipeline segment.

ARTICLE XIII
(Billing and Payment)

13.1 On or before the twenty-fifth (25th) day of each calendar month or within ten (IO) days after the date of a billing statement from Seller, whichever is the later, Buyer shall make payment of the amount due for all gas delivered during the preceding calendar month up to the quantity nominated for such month, as well as cashout payments or transportation penalty reimbursement pursuant to Article X hereof. The billing statement shall be based on Buyer's nominations, which shall be subject to adjustments by Seller on subsequent billing statements, if necessary.

13.2 Should either party fail to pay an amount when due, interest thereon shall accrue at an annual rate of interest equal to the lesser of (i) two percent (2%) above the prime interest rate set by The Chase Manhattan Bank, or (ii) the maximum rate allowed by the applicable law, from the date when due until paid. The provisions herein for accrual of interest, however, shall not apply if such party's failure to pay is the result of a bona fide dispute, provided that such party has, within the period provided for payment, notified the other party of the existence of and basis for such dispute and has paid all amounts under the Agreement not in dispute. Should it be necessary for Seller to bring legal action to enforce its right to payment, Buyer shall pay all expenses and costs thereof including court costs and attorney fees. Any claim for interest or for an interest rate other than that provided for in this Section 13.2 is expressly and mutually waived by the parties.

13.3 Each party shall have the right at reasonable hours to examine the charts, if any, measurement data, books and records of the other party to the extent necessary to verify the accuracy of any statements, charge or computation hereunder. If such examination reveals an error or inaccuracy, the necessary adjustment shall be promptly made; provided, however that all such statements, charges and computations shall be deemed correct unless objected to within two (2) years after the date of such statements, charges, and computations.

13.4 Notwithstanding anything to the contrary contained herein, the parties to this Agreement recognize that there may be mutual obligations between the parties arising from this Agreement and from independent agreements that the parties may enter into from time to time. In addition to the rights of recoupment and setoff (offset) existing at law and equity, the parties hereto expressly agree and provide that the rights of recoupment and setoff (offset) are, by the terms of this Agreement, available to each party hereto.

ARTICLE XIV
(Financial Responsibility)

14.1 Should the creditworthiness or financial responsibility of either party become unsatisfactory to the other party at any time during which this Agreement is in effect, satisfactory security may be required before further deliveries or receipts are made. In the event either party shall (i) make an assignment or any general arrangement for the benefit of creditors; (ii) default in the payment or performance of any obligation to the other party under this Agreement; (iii) file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; (iv) otherwise become bankrupt or insolvent (however evidenced); (v) be unable to pay its debts as they fall due; or (vi) fail to give adequate security for or assurance of its ability to perform its further obligations under this Agreement within seventy- two (72) hours of a reasonable request by the other party, then the other party shall, upon written notice, have the right to withhold or suspend deliveries or receipts or terminate this Agreement upon three (3) days from the date of such notice, or the beginning of the next month, whichever is earlier, in addition to any and all other remedies available hereunder or pursuant to law.

ARTICLE XV
(Miscellaneous)

15.1 This Agreement shall be subject to all present and future applicable laws, rules, orders and regulations of any federal, state, or local governmental authority having jurisdiction over the parties, their facilities, or the transactions contemplated. If at any time, any such governmental authority shall take any action as to any party whereby the delivery, receipt, or use of gas, as contemplated under this Agreement, shall be subjected to terms, conditions or restraints that in the sole judgment of the party affected are unduly burdensome or unacceptable, such party, upon written notice to the other party, may cancel and terminate this Agreement effective one day prior to the effective date of such governmental action or, alternatively, may suggest amended terms and conditions under which it would be willing to perform under this Agreement.

15.2 No waiver by either party of any default of the other party under this Agreement shall operate as a waiver of any future default, whether of like or different character or nature.

15.3 The headings throughout this Agreement are inserted for reference purposes only and shall not be construed or considered in interpreting the terms and provisions of any Article.

15.4 **THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ALABAMA (INCLUDING,**

WITHOUT LIMITATION, THE ALABAMA UNIFORM COMMERCIAL CODE), EXCLUDING CONFLICTS OF LAW PRINCIPLES WHICH WOULD REFER TO THE LAWS OF ANOTHER JURISDICTION.

15.5 Any notice, request, demand or statement provided for in this Agreement shall be in writing and deemed given when delivered by hand, telecopy, overnight courier or deposited in the U.S. mail postage prepaid directed to the following post office address:

Buyer: **Notices and Billing:**

City of Picayune, Mississippi
c/o Utility Management Corp.
188 E. Capitol St., Suite 200
Jackson, Mississippi 39201
Telephone: (601) 948-2360
Telecopier: (601) 352-0521

Seller: **Notices:**

(Mail)
Sonat Marketing Company L.P.
Post Office Box 1513
Houston, Texas 77251-1513

(Physical Delivery)
Sonat Marketing Company L.P.
4 Greenway Plaza
Houston, Texas 77046
Telephone: (713) 693-6001
Telecopier: (713) 693-6006

Payment:

(Lockbox)
Sonat Marketing Company L.P.
Post Office Box 102976
Atlanta, Georgia 30368-0976

or at such other address as either party may, from time to time, designate; provided, however, any dispatching notice of the quantities of gas to be delivered and purchased hereunder shall be given by telephone and confirmed in writing within twenty-four (24) hours.

15.6 The terms and conditions of this Agreement shall remain confidential and neither party shall disclose such terms and conditions to any third party absent the express written permission of the other party except where necessary to comply with regulatory reporting requirements.

15.7 This Agreement constitutes the entire agreement between Buyer and Seller with respect to the sale, delivery, and purchase of natural gas provided for herein, and supersedes all prior negotiations, representations, understandings, or agreements, whether oral or written, and no modification, alteration, amendment, construction, or interpretation of this Agreement shall be binding upon either party unless reduced to writing and executed by each party.

15.8 This Agreement shall not be construed to create any third party beneficiary relationship in favor of anyone not a party to this Agreement. In addition, the parties waive and disclaim any third party beneficiary status as to any of the contracts of the other party.

15.9 This Agreement shall be binding upon and inure to the benefit of, and be enforceable by, the parties hereto and their respective representatives, successors, and assigns; provided, however, that this Agreement may not be assigned in whole or in part, by either party without the prior written consent of the other party, which shall not be unreasonably withheld.

15.10 All computations related to prices and indices performed under this Agreement shall be rounded to four significant decimal places ($0.0000).

15.11 Exhibit A attached hereto constitutes part of this Agreement.

15.12 Sonat Marketing Company L.P. routinely records all conversations between its employees (or agents) and the employees (or agents) of the other party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate originals as of the date hereinabove first written.

Buyer:

CITY OF PICAYUNE, MISSISSIPPI

By _____

Its _____

Seller:

SONAT MARKETING COMPANY L.P.
By Sonat Marketing Company, its Managing General Partner

By /s/ Duncan Rhodes

Its Director Market Origination

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to accept the minutes of the Planning Commission dated March 9, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Planning Commission dated March 23, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO REZONE PROPERTY

Motion was made by Councilmember Bates, seconded by Councilmember McQueen, to rezone an approximately 10-acre parcel located north of BankPlus on Highway 43 South, west of Blanks Street and east of Joseph Street from R-1 to C-3. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ABANDON STREET RIGHT-OF-WAY

Upon request of Mr. Ted LaMunyon, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to abandon a street right-of-way of 0.245 acres on Glenwood Street in front of Mr. LaMunyon's property. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE THE DEVELOPMENT PLAN FOR AVERY SUBDIVISION PHASE II

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, table the order to approve the Development Plan for Avery Subdivision Phase II for a 78-lot subdivision to be located on Neal Road until the next meeting. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

At this time, Councilmember Roberson left the meeting.

ORDER TO ACCEPT THE FINAL SUBDIVISION PLAT FOR AVERY SUBDIVISION PHASE I

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to accept the final plat of Avery Subdivision Phase I located on Neal Road. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

ORDER TO RESCIND PRIOR ACTION ON SALE OF PROPERTY IN ROSA STREET REDEVELOPMENT AREA

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to rescind the action taken at the

April 7, 1998 meeting to sell Lots 98 and 99 in the Rosa Street Redevelopment Area to Christopher and Valorie Jones due to non-action on the part of the buyer. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN OPTION TO PURCHASE AND DEED OF SALE FOR PROPERTY IN ROSA STREET REDEVELOPMENT AREA

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the sale of Lots 98 and 99 in the Rosa Street Redevelopment area to Tammy Cooper for $6,902.00 and to authorize the Mayor to sign the Option to Purchase and the deed of sale for the property. The lots were appraised by three appraisers and valued at $2,900 for Lot 98 and $4,000 for Lot 99. The property is not needed for municipal purposes, the sale of the property is not necessary for the financial welfare of the City, and the use of the property for which it will be sold will promote and foster the development and improvement of the community in which it is located. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

ORDER TO AUTHORIZE ADVERTISEMENT FOR BIDS FOR CDBG DRAINAGE PROJECT

Upon recommendation of the Grants Administrator and the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Purchasing Agent to advertise for bids for contractors and pipe materials for the CDBG Drainage Improvement Project. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

ORDER TO APPROVE CHANGE ORDER #4 TO THE CONTRACT FOR AIRPORT PAVING AND LIGHTING

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve Change Order #4 to Huey Stockstill, Inc.'s contract for airfield pavements, airfield lighting, navigational aids and miscellaneous drainage/grading. The Change Order is for a decrease of $1,920.00, leaving a contract amount of $1,074,372.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

ORDER TO ADOPT RESOLUTION AUTHORIZING AND APPROVING EXECUTION OF AN EQUIPMENT LEASE-PURCHASE FOR POLICE CARS

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

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

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with First Continental Leasing, a division of BancorpSouth Bank (the "Lessor") for the purpose of presently purchasing the equipment as described therein for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval;

2. The Lessee is authorized pursuant to Section 31-7-13(e) of the Mississippi Code of 1972, as amended, to acquire equipment and furniture by Lease-Purchase agreement and pay interest thereon by contract for a term not to exceed 5 years;

3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and

4. It is necessary for the Lessee to approve and authorize the Agreement.

5. The Lessee desires to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

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

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

Section 2. The Agreement is being issued in calendar year 1999.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

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

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

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

Section 7. In calendar year 1999, Lessee has designated $372,375.58 of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than $10,000,000 of obligations issued during calendar year 1999 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 1999 will not exceed $10,000,000.

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

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

Following the reading of the foregoing resolution, Councilmember Thorman moved that the foregoing resolution be adopted, and Councilmember Guy seconded the motion for its adoption. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Roberson

The motion having received the affirmative vote of all members present, the Mayor declared the motion carried and the resolution adopted this the 6th day of April, 1999.

ORDER TO CONSIDER SPEED LIMIT CHANGE ON CHARLOTTE DRIVE

Councilmember Thorman presented the Council with a petition signed by the residents of Charlotte Drive requesting that the City change the speed limit on Charlotte Drive from 25 miles per hour to 20 miles per hour. The consensus of the Council was to refer the matter to the Public Works Director and the Police Chief to make a recommendation to the Council. No official action was taken.

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

Upon request of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss two items of potential litigation, one item regarding the location of a business, and two items involving the prospective purchase of lands.

At this time, Councilmember McQueen left the meeting.

ORDER TO ESTABLISH THE FAIR MARKET VALUE OF PROPERTY NEEDED FOR DRAINAGE EASEMENTS FOR THE CDBG DRAINAGE PROJECT

While in executive session, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to set the fair market values as follows for property needed for drainage easements for the CDBG drainage project:

Carmen Carbonette Farmer	0.11 acres	$ 220.00
A.E. & Helen Sanders	0.11 acres	$ 330.00
B.J. Breland	0.004 acres	$ 91.00
Aaron Ethridge Jr. & Percival Ethridge	0.067 acres	$4,000.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and McQueen

The motion was declared carried.

Also while in executive session, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the City Manager and the Grants Administrator to negotiate up to the following maximum amounts for the property needed for drainage easements for the CDBG drainage project:

Carmen Carbonette Farmer	0.11 acres	$1,000.00
A.E. & Helen Sanders	0.11 acres	$1,000.00
B.J. Breland	0.004 acres	$ 750.00
Aaron Ethridge, Jr. & Percival Ethridge	0.067 acre	$6,000.00

The increases over the fair market values for the property are based on the estimated cost of litigation if the property owners would not sign the easements. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and McQueen

The motion was declared carried.

ORDER TO RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed two items of potential litigation, one item regarding the location of a business, and two items involving the prospective purchase of lands and took action only on one item involving the prospective purchase of lands.

At this time, Councilmember Roberson entered the meeting.

ORDER TO RECESS

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to recess until April 20, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

April 20, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, April 20, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Mayor Spiers, followed by the Pledge of Allegiance.

ORDER TO APPROVE MINUTES DATED APRIL 6, 1999

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to approve the minutes of the Mayor and Council dated April 6, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PEARL RIVER COUNTY LIBRARY SYSTEM

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Pearl River County Library System dated March 1998 through September 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AKNOWLEDGE RECEIPT OF THE AUDIT REPORT OF THE PEARL RIVER COUNTY LIBRARY SYSTEM

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to acknowledge receipt of the audit report of the Pearl River County Library System for the year ended September 30, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED APRIL 20, 1999

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated April 8, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE PRIVILEGE LICENSE REPORT FOR MARCH 1999

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to acknowledge receipt of the monthly privilege license report for March 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE PUBLIC RECORDS REQUESTS REPORT FOR MARCH 1999

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to acknowledge receipt of the monthly Public Records Request Report for March 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Pearl River County Development Association dated February 22, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED APRIL 20, 1999

ORDER TO ACKNOWLEDGE CERTIFICATE OF ATTENDANCE FOR COURT CLERK

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to acknowledge receipt of the Certificate of Attendance from the Municipal Court Clerks Spring Seminar of the University of Mississippi Law Center for Charlotte Penton, Court Clerk. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY ACTIVITY REPORT FOR THE RETIREMENT DEVELOPMENT DEPARTMENT

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to acknowledge receipt of the monthly activity report of the Retirement Development department for March 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE CONTRACTORS BOARD

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Contractors Board dated April 15, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT STREET CLOSURE

Upon request of Rob Davidson of First Presbyterian Church, motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to authorize the use of Jack Reed Park and the closure of Goodyear Boulevard beginning at 6:00 p.m. on May 6, 1999 for the National Day of Prayer. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED APRIL 20, 1999

ORDER TO ADOPT RESOLUTION OF SUPPORT FOR THE HOUSING AUTHORITY OF THE CITY OF PICAYUNE

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adopt a resolution of support for the Housing Authority of the City of Picayune in their effort to obtain an Economic Development and Supportive Services (EDSS) program grant and to pledge financial support to the Housing Authority in the amount of four thousand six hundred sixty seven and 70/100 dollars ($4,667.70). The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO PROCLAIM CRIME VICTIMS' RIGHTS WEEK

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to adopt the following proclamation related to Crime Victims' Rights Week:

PROCLAMATION

WHEREAS, every individual, family and community in American have the right to live free from fear and harm; and

WHEREAS, while most crimes continued to decrease in our nation in 1997, U.S. residents still experienced nearly 35 million criminal victimizations, including nearly nine million violent crimes; and

WHEREAS, the victims' rights discipline and countless individual victims have worked over a quarter of a century to ensure that victims' voices are heard throughout our justice system and in communities concerned with safety; and

WHEREAS, over 30,000 federal and state laws have been passed that define and protect the rights of crime victims, with over 10,000 national, state and local agencies today providing support and services to victims of crime; and

WHEREAS, during 1999 National Crime Victims' Rights Week, the powerful voices of victims and those who serve them will be commemorated with the theme "Victims Voices:_Silent No More"; and

WHEREAS, the voices of victims offer us important insights into the personal pain and loss that victims endure, and are voices that deserve our nation's attention and respect;

THEREFORE BE IT RESOLVED, that the Picayune City Council proclaims the week of April 25,1999 to May 1, 1999 to be **PICAYUNE CRIME VICTIMS' RIGHTS WEEK;** and

BE IT FURTHER RESOLVED, that we recognize the valuable contributions made this year, and every year, by crime victims and advocates who diligently promote justice for all, and offer strong voices for personal and public protection and safety.

ADOPTED this 20th day of April, 1999.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

At this time, Councilmember McQueen left the meeting.

ORDER TO APPOINT MEMBERS TO THE PARK COMMISSION, ARTS COUNCIL AND PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to table any appointments to the Park Commission, Arts Council or Planning Commission at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

At this time, Councilmember McQueen entered the meeting.

ORDER TO SET FEE FOR PREPARATION OF CEMETERY DEED

Upon recommendation of the Cemetery Board, motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to set a fee of twenty-five dollars ($25.00) for preparation of a cemetery deed to transfer plots between family members. The new fee will be in addition to the seven dollar ($7.00) recording fee that is already collected. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: Councilmember Guy

The motion was declared carried.

ORDER TO GRANT AUTHORIZATION TO BID FOR HOLLY STREET/GOODYEAR BOULEVARD BOX CULVERT REPLACEMENT

Upon recommendation of the Public Works Director, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for bids to remove and replace the box culvert at Holly Street and Goodyear Boulevard. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED APRIL 20, 1999

ORDER TO GRANT AUTHORIZATION TO BID CARROLL STREET SEWER REHAB

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Purchasing Agent to advertise for bids to rehab the sanitary sewer system on Carroll Street. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

CONSIDER BID AWARD ON SSES SEWER VIDEO WORK

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to award the bid for the SSES Project sewer video work to Video Industrial Services in the amount of $30,347.20. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

CONSIDER BID AWARD ON TRACKHOE

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to award the bid on the trackhoe to State Machinery for one hundred eight thousand dollars ($108,000) and authorize the Purchasing Agent to obtain quotes on the lease-purchase of the equipment. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE A SOLE SOURCE PURCHASE OF AERATION UNITS

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the sole-source purchase of two aeration units, Air Jammers, from Greer Environmental Services, Inc. at a cost of $5,000.00 each. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED APRIL 20, 1999

ORDER TO AUTHORIZE THE PURCHASING AGENT TO ATTEND A VEHICLE AUCTION

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table action on the issue of authorization for the Purchasing Agent to attend a vehicle auction to purchase a vehicle for the investigations division. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN GRANT APPLICATION

Upon recommendation of the City Planner, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the grant application for a COPS grant for "School Based Partnership." There is no match required for these funds. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE CHANGE ORDER TO HOLLY BRANCH & MILLSWOOD DRAINAGE PROJECT CONTRACT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve Change Order #1 to the contract with IGC, Inc. for the Holly Branch and Millswood drainage project for an increase of $14,908.21 and a 50-day increase in the contract period. The new contract amount is $135,173.43, and the new completion date is April 26, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: Councilmember Guy

The motion was declared carried.

ORDER TO SURPLUS PROPERTY

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to surplus Lot 101 in the Rosa Street Redevelopment area and to authorize the Grants Administrator and the Purchasing Agent to advertise for bids on the lot. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED APRIL 20, 1999

At this time, Councilmember McQueen left the meeting.

ORDER TO APPROVE MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the issuance of the following manual checks:

Dale Smith	General Fund	$ 450.00
Brenda Smith	General Fund	450.00
Noram Energy	Utility Fund	13,694.40
Dynegy	Utility Fund	31,443.84
Koch Gateway Pipeline Co.	Utility Fund	28.03
Utility Management Corp.	Utility Fund	304.32
Brent's Body Shop	General Fund	3,278.38

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

At this time, Councilmember Roberson left the meeting.

ORDER TO ADOPT RESOLUTION SUPPORTING THE PICAYUNE PRIDE CONTEST

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to adopt the following resolution related to the Picayune Pride Contest:

RESOLUTION OF THE CITY OF PICAYUNE

BE IT KNOWN on this 20th day of April 1999, at a regular meeting of the City Council of the City of Picayune, on motion of Councilmember Thorman, seconded by Councilmember Bates, the following Resolution was offered.

WHEREAS, the Mayor and City Council recognize that Picayune is a beautiful city; and

WHEREAS, the pride in our homes, businesses, churches and schools is important to our community; and

WHEREAS, the citizens of Picayune care about making Picayune "Picture Pretty and Perfect – The Best Place to Live in the State of Mississippi"; and

WHEREAS, the Mayor and City Council would like to show support to the citizens who continue to make improvements in their communities.

BE IT RESOLVED, THEREFORE, by the Mayor and City Council of the City of Picayune to proclaim April 26 through May 20, 1999 as the time to "Clean Up, Fix Up, Paint Up" in Picayune.

BE IT FURTHER RESOLVED, that the Mayor and Council fully support the Picayune Pride Contest and encourage all citizens to participate.

ADOPTED this 20th day of April 1999.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

RECESSED MEETING DATED APRIL 20, 1999

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and McQueen

At this time, Councilmembers Roberson and McQueen entered the meeting.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss two matters of pending litigation, one matter of prospective litigation, and one matter involving the purchase or sale of property.

ORDER TO RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Bates, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed two matters of pending litigation, one matter of prospective litigation and one matter involving the purchase or sale of property and took no action.

ORDER TO ADJOURN

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

May 4, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, May 4, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Assistant Police Chief David Ervin.

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

Opening prayer was given by Councilmember Guy, followed by the Pledge of Allegiance.

ORDER TO APPROVE MINUTES DATED APRIL 20, 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the minutes of the Mayor and City Council dated April 20, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY BUDGET REPORT FOR MARCH 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the monthly budget report for March 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Pearl River County Development Association dated March 29, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REGULAR MEETING DATED MAY 4, 1999

ORDER TO APPROVE MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the issuance of the following manual checks:

City of Picayune General Fund	Utility Fund	$50,382.25
MS State Tax Commission	Utility Fund	2,585.00
Hattie Mae Smith	General Fund	170.73
MS Municipal Association	General Fund	2,126.00
Phelps Dunbar, LLP	General Fund	1,967.42
Joseph Fricke	General Fund	400.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE THE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the monthly claims docket for May 1999 in a total amount of $394,146.5. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

EMPLOYEE OF THE MONTH

Upon recommendation of Fire Chief Jackie Mitchell, Keith Brown was declared Employee of the Month for May 1999. Mr. Brown was presented with a savings bond from Hancock Bank.

ORDER TO APPROVE PARADE PERMIT

Upon request of the Main Street Board of Directors, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve an Old Fashion Day Parade to be held May 15, 1999 at 9:00 a.m. in connection with the Main Street Program's support of National Preservation Week The parade will begin on Goodyear Boulevard, cross Highway 11 to Second Street, right on Haugh Avenue, right on East Canal, cross Highway 11, down West Canal, and disband on Goodyear Boulevard at the Crosby Memorial Library. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO PROCLAIM "KNIGHTS OF COLUMBUS DAYS TO HELP RETARDED CITIZENS"

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to adopt the following proclamation related to the "Knights of Columbus Days to Help Retarded Citizens":

PROCLAMATION

Whereas, since inception, the Knights of Columbus has been dedicated to charity, fraternity, and patriotism; and

Whereas, the Picayune, Mississippi Knights of Columbus have adopted Mental Retardation as a project for special concern and assistance; and

Whereas, in furtherance of this endeavor, other Councils will join in an annual Tootsie Roll Sale; and

Whereas, the proceeds resulting from this sale will be donated to community non-profit agencies serving the mentally retarded citizens in the City of Picayune and Mississippi.

Now, Therefore, be it proclaimed by the Mayor and City Council of the City of Picayune that the week of May 10th through May 16th, 1999 be known as

KNIGHTS OF COLUMBUS DAYS TO HELP RETARDED CITIZENS

in Picayune, and urge all citizens to take cognizance of this special week and participate in the purchase of Tootsie Rolls to aid this most worthy cause.

Adopted this 4th day of May 1999.

_____
Woody Spiers, Mayor

ATTEST:

_____
Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBER TO THE PARK COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to table the appointment to the Park Commission at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE ARTS COUNCIL

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table any appointments to the Arts Council at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table the appointment to the Planning Commission to fill the remaining term of Mr. Bill Parks which expires September 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT

Upon request of the City Clerk and the Assistant Police Chief, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve a budget amendment to the Special Police Drug Fund as follows:

Restitution for drugs	$10,000
Forfeitures and seizures	2,500
Other income	2,000
Other services and charges	$ 6,600
Capital outlay	12,000

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE PURCHASING AGENT TO ATTEND VEHICLE AUCTION

Upon request of the Assistant Police Chief, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Purchasing Agent to attend vehicle auctions to purchase a vehicle for the Investigations Division of the Police Department at a price not to exceed $12,000 and authorize the issuance of a manual check for the same. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ADOPT RESOLUTION REQUESTING FEDERAL EPA GRANTS FOR USE ON THE WASTEWATER COLLECTION SYSTEM

Upon recommendation of the Public Works Director, on motion of Councilmember Thorman, seconded by Councilmember Guy, the following resolution was offered.

A RESOLUTION REQUESTING THE UNITED STATES LEGISLATIVE DELEGATION TO ASSIST THE CITY OF PICAYUNE, MISSISSIPPI IN OBTAINING FEDERAL E.P.A. GRANTS IN THE 2000 FISCAL YEAR BUDGET TO FUND A CITY-WIDE INFILTRATION/INFLOW (I/I) MANAGEMENT PROGRAM TO ADDRESS PROBLEMS OCCURRING IN THE CITY'S WASTEWATER COLLECTION SYSTEM

WHEREAS, the City's soil conditions and climate continue to contribute to the degradation of the wastewater collection system causing Inflow and Infiltration into the City's wastewater collection system; and

WHEREAS, theses natural and unique destructive forces caused by water and soil conditions have forced the City to expand manpower and revenues to meet Federally mandated regulatory laws related to the clean water act; and

WHEREAS, the City of Picayune rainfall records show a strong correlation between extreme wet weather patterns and E.P.A. sewerage clean water act permit violations; and

WHEREAS, while the City of Picayune, Mississippi, has made a major financial investment in improving its sewage collection and treatment system, during heavy rainfall events, leaks within the system result in substantial amounts of rain water (Infiltration and Inflow) entering and overloading the system. The result is overflows and bypasses of untreated sewage into a scenic waterway bounding a Federal wildlife management area; and

WHEREAS, Hartman Engineering, Inc. can provide the United States Legislative Delegation the necessary support documentation to demonstrate the extent of the I/I problems and assist in the funding process.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Picayune, Mississippi, acting as governing authority of said City that the United States Legislative Delegation be requested to assist the City of Picayune in obtaining Federal E.P.A. grant monies in the 2000 Fiscal Year Federal Budget to fund a City-wide Infiltration/Inflow Management Program to address problems occurring in the City's Wastewater Collection System.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion and resolution were declared to be adopted on this the 4th day of May 1999.

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT FOR ENGINEERING SERVICES IN CONNECTION WITH OBTAINING FEDERAL FUNDING FOR THE WASTEWATER TREATMENT SYSTEM

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the following contract with Hartman Engineering, Inc. for engineering services in connection with obtaining Federal funding for use in upgrading the wastewater treatment system:

REGULAR MEETING DATED MAY 4, 1999

Agreement to Furnish Professional
Engineering Services By and Between
The City of Picayune, Mississippi (OWNER) and
Hartman Engineering, Inc. (ENGINEER)

Section 1: Scope of Services

The ENGINEER is to provide professional engineering services in connection with obtaining federal funding relative to an infiltration and inflow program for the OWNER. All required technical information and data shall be provided by the ENGINEER for assistance in complying with the pre-application or application process as required by relevant federally funded program for the sewerage rehabilitation process. This work shall include but not be limited to the following items:

1. Attendance at public/administrative meetings, as required for this process;
2. Preparation of pertinent information required to comply with pre-application/applications processes;
3. Coordination of all efforts in connection with local/state/federal agencies relative to obtaining federal funds.
4. Miscellaneous tasks in connection with the grant/loan process as required.

The ENGINEER shall perform services at the direction of the CITY ENGINEER who shall represent the OWNER.

Section 2: Preliminary Phase

All preliminary design work required to implement an Infiltration/Inflow (I/I) program predicated by federal funding availability, shall be performed by the ENGINEER and the fee to be negotiated with the OWNER upon an agreed upon Scope of Services between the OWNER and the ENGINEER.

Section 3: Design Phase

All design phase work required to implement an I/I program based on approved preliminary phase work shall be performed by the ENGINEER upon approval of the to be negotiated fee for these services from the OWNER.

Section 4: Bidding, Construction Administration and As-Built Phases

These phases to be negotiated with the OWNER at a later date.

Section 5: Documents

The ENGINEER shall furnish to the CITY ENGINEER sufficient sets of drawings, specifications and contract documents for checking and approval at each review stage of the PROJECT and eight (8) sets for the OWNER's records after receipt of bids. The ENGINEER shall also furnish sufficient sets of plans, specifications and contract documents for the receipt of competitive bids and the construction of the project. All Data collected by the ENGINEER and all documents, notes, drawings, tracings and files shall remain the property of the ENGINEER except as otherwise provided in SECTION 10 of this Agreement. The ENGINEER shall furnish to the CITY ENGINEER copies of any project documents requested by the CITY ENGINEER. The OWNER shall furnish without charge all standard plans and specifications and any other information which the OWNER now has in its files which may be of use to the ENGINEER.

Section 6: Supplementary Services

The ENGINEER shall provide, when requested in writing by the CITY ENGINEER, supplementary services not included in the basic services. Such supplementary services shall included, but not be limited to the following:

A. Soils investigations.
B. Laboratory inspection of materials and equipment.
C. Right-of-way, easement and property acquisition surveys, plats, maps and documents.
D. Any major revisions, for which the ENGINEER is not responsible, that are authorized by the OWNER after the completion and approval of either preliminary or final plans and specifications.
E. Services concerning replacement of any work damaged by fire or other causes during construction.
F. Services made necessary by the default of the contractor in the performance of the construction contract.
G. Serving as an expert witness in connection with court proceedings.
H. Traffic Engineering.
I. Topographic Survey.

J. Preparation of Environmental Assessment documents and/or Environmental Permits.
K. If all or part of the work is to be financed by a Federal and State Grant, the ENGINEER shall assist the OWNER in the preparation of the Grant application and with the Grant Administration.

The compensation to the ENGINEER for the above supplemental services, when performed by the ENGINEER'S staff shall be in the form of a lump sum which is mutually agreeable to the OWNER and to the ENGINEER. If the parties hereto are unable to agree on the basis of such additional work, the ENGINEER shall be paid on the basis of their certified and itemized salary costs plus a fee to cover overhead costs and profit in accordance with the rate schedule established and agreed to by the OWNER and the ENGINEER. In each case, the work is to be initiated only upon receipt of written work order from the CITY ENGINEER which must include a scope of work and the mutually agreed upon fee.

L. Resident Inspection. If resident inspection is required to be furnished by the ENGINEER, the CITY ENGINEER shall so direct him in writing. The ENGINEER shall assign personnel, acceptable to the CITY ENGINEER, at a fee acceptable to the OWNER. The fee shall be on the basis of the actual time of personnel used at the then currently approved hourly rates. The resident inspection may be discontinued at any time upon thirty days notice by the CITY ENGINEER to the ENGINEER, in writing.

All invoices submitted covering services rendered on an hourly basis shall include time sheets showing actual hours worked by each individual, their classifications and a brief description of the work performed. All other supplemental services shall be invoiced monthly according to percentage of work completed. Payments to the ENGINEER for Supplementary Services shall be made monthly upon presentation of the invoice for work performed during the preceding month.

Section 7: Compensation

For services rendered as described in Section 1 above only the OWNER shall pay the ENGINEER a lump sum fee of $5,000.00. The Lump Sum fee does not include other supplemental services as outlined in Section 6.

Section 8: Authorization

This agreement is effective and the ENGINEER is authorized to begin work as of the date of execution of this agreement. IN WITNESS THEREOF, the parties hereto each herewith subscribe the same in triplicate. The contract shall expire one year from the date of execution unless extended in writing and agreed to by both parties.

FOR THE CITY OF PICAYUNE, MISSISSIPPI

By: _____
Woody Spiers
Mayor

Attested By: _____

Dated this _____ day of _____, 1999

For HARTMAN ENGINEERING, INC.

By: _____
Janet L. Evans, P.E.
President

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE SELECTION OF FIRM FOR ENGINEERING SERVICES FOR TRAFFIC SIGNAL AT THE JERUSALEM AVENUE/BLANKS AVENUE AND HIGHWAY 43 SOUTH INTERSECTION

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the selection of Neel-Schaffer Inc. as the engineering firm for design and construction engineering services for the installation of a traffic signal at the Jerusalem Avenue/Blanks Avenue and Highway 43 South intersection and authorize the Mayor to sign the following contract:

AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
CITY OF PICAYUNE
AND
NEEL-SCHAFFER, INC.

THIS IS AN AGREEMENT made on May 4, 1999, between the **CITY OF PICAYUNE**, 203 Goodyear Boulevard, Picayune, Mississippi 39466-2524, **(OWNER)**, and **NEEL-SCHAFFER, INC.**, Post Office Box 982, Picayune, Mississippi 39403 **(ENGINEER).**

OWNER intends to construct a traffic signal installation at the intersection of Jerusalem/Blanks Avenue and Memorial Boulevard (formerly Local Route Highway 43 between Interstate 59 and State Route Highway 11), which is described in more detail in **Exhibit A, "Project Description,"** and hereinafter called the **Project.**

OWNER and **ENGINEER**, in consideration of the mutual covenants herein, agree with respect to the performance of professional engineering services by **ENGINEER** with respect to the **Project** and the payment for these services by **OWNER** as set forth herein.

SECTION 1 - BASIC SERVICES OF ENGINEER

1.1 **ENGINEER** shall provide for **OWNER** professional engineering services for all phases of the **Project** to which this **Agreement** applies as hereinafter provided. These services will include serving as **OWNER**'s professional engineering representative for the **Project**, providing consultation and advice and furnishing customary engineering services.

1.2 By execution of this **Agreement, OWNER** authorizes **ENGINEER** to provide Basic Services for the Preliminary Design Phase of the **Project** in accordance with **Exhibit B, "Scope of Design Phase Services."**

1.3 When authorized in writing by **OWNER, ENGINEER** shall provide Basic Services for the Final Design Phase of the Project in accordance with **Exhibit B, "Scope of Design Phase Services."**

SECTION 2 - ADDITIONAL SERVICES OF ENGINEER

2.1 If authorized in writing by **OWNER, ENGINEER** shall provide, or obtain from other qualified persons or firms, Additional Services which are not included as part of the Basic Services specified in Section 1. Additional Services (in conjunction with those listed in Exhibit A) shall include, but are not limited to, the following:

2.1.1 Services resulting from significant changes in the general scope, extent or character of the **Project** designed or specified by **ENGINEER** or its design including, but not limited to, changes in size, complexity, **OWNER**'s schedule, character of construction or method of financing; and revising previously accepted studies, reports, design documents or Contract Documents when such revisions are required by changes in laws, rules, regulations, ordinances, codes or orders enacted subsequent to the preparation of such studies, reports or documents, or are due to any other causes beyond **ENGINEER**'s control,

2.1.2 Preparing documents for alternate bids requested by **OWNER** for Contractor's work which is not executed or documents for out-of-sequence work.

2.1.3 Services resulting from the award of more than one separate prime contract for construction, materials or equipment for the **Project** unless multiple awards were contemplated and included as part of Basic Services in Section 1.

2.1.4 Assistance in connection with rebidding or renegotiating contracts for construction which involve modifying the Contract Documents to revise the **Project**'s general

scope, extent or character as necessary to reduce or increase the Construction Cost to bring it within the cost limit.

2.1.5 Preparing to serve or serving as a consultant or witness for **OWNER** in any litigation, arbitration or other legal or administrative proceeding involving the **Project**.

2.1.6 Services in making revisions to Contract Documents occasioned by the acceptance of substitutions proposed by Contractor; and services after the award of the construction contract in evaluating and determining the acceptability of an unreasonable or excessive number of substitutions proposed by Contractor.

2.1.7 Services resulting from significant delays in Project schedule which occurred through no fault of **ENGINEER.**

2.1.8 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction; (2) a significant amount of defective, neglected or delayed work of Contractor or supplier; (3) protracted or extensive assistance in the startup or utilization of any equipment or system; (4) acceleration of the progress schedule involving services beyond normal working hours; and (5) default or bankruptcy by Contractor.

2.1.9 Evaluating an unreasonable claim or an excessive number of claims submitted by Contractor or others in connection with the **Project**.

2.1.10 Services during out-of-town travel required of **ENGINEER** other than visits to the **Project** site of **OWNER**'s office.

2.1.11 Additional Services in connection with the **Project**, including services which are to be furnished by **OWNER** in accordance with Section 3 and services not otherwise provided for in Basic Services as specified in Section of this **Agreement.**

SECTION 3 - OWNER'S RESPONSIBILITIES

OWNER shall do the following (in conjunction with those items listed in Exhibit A) in a timely manner so as not to delay the services of **ENGINEER** and bear all costs incident thereto:

3.1 Designate in writing a person to act as **OWNER**'s representative with respect to the services to be rendered under this **Agreement**. Such person shall have complete authority to transmit instructions, receive information, and interpret and define **OWNER**'s policies and decisions with respect to **ENGINEER**'s services for the **Project**.

3.2 Provide all criteria and full information as to **OWNER**'s requirements for the **Project**, including design objectives and constraints; space, capacity and performance requirements; and flexibility expendability, and any budgetary limitations. Also furnish copies of design and construction standards which **OWNER** will require to be included in the Contract Documents.

3.3 Assist **ENGINEER** by placing at **ENGINEER**'s disposal available information pertinent to the **Project** including previous reports; geotechnical information; utility locations; property descriptions, zoning, deed and other land use restrictions; and any other data relative to design or construction of the **Project**. **ENGINEER** shall not be liable for any claims for injury or loss arising from errors, omissions or inaccuracies in documents or other information provided by the **OWNER.**

3.4 Arrange for access to and make all provisions for **ENGINEER** to enter upon public and private property as required for **ENGINEER** to perform services under this **Agreement**.

3.5 Examine studies, reports, sketches, drawings, specifications, proposals and other documents presented by **ENGINEER** and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of **ENGINEER**.

3.6 Acquire property for easements and rights-of-way required for construction of the **Project**.

3.7 Give prompt written notice to **ENGINEER** whenever **OWNER** observes or otherwise becomes aware of any development that affects the scope or timing of **ENGINEER**'s services, or any defect or nonconformance in the work of the **ENGINEER** or of any Contractor.

SECTION 4 - PERIOD OF SERVICE

4.1 The provisions of this Section 4 and the various rates of compensation for **ENGINEER**'s services provided for elsewhere in this **Agreement** have been agreed to in anticipation of the orderly and continuous progress of the **Project** through completion of all

phases to which this **Agreement** applies. Specific periods of time and/or completion dates for rendering services are set forth in **Exhibit E, "Project Schedule."**

4.2 If **OWNER** requests modifications or changes in the scope, extent or character of the **Project**, or if periods of time and/or completion dates are exceeded through no fault of **ENGINEER**, the period of service and amount of compensation for **ENGINEER**'s services shall be adjusted equitably.

4.3 In the event that the work designed or specified by **ENGINEER** is to be performed under more than one prime construction contract, the period of service and/or amount of compensation for **ENGINEER**'s services shall be adjusted equitably unless multiple awards were contemplated and included as part of Basic Services in Section 1.

SECTION 5 - PAYMENTS TO ENGINEER

5.1 **Methods of Payment**. **OWNER** shall pay **ENGINEER** for Basic Services rendered under Section 1 and Additional Services rendered under Section 2 in accordance with the provisions of **Exhibit D, "Payments to Engineer."**

5.2 **Times of Payment**. **ENGINEER** shall submit monthly statements for Basic and Additional Services rendered. For lump sum and percentage methods of payment, statements will be based upon **ENGINEER**'s estimate of the proportion of the total services actually completed at the time of billing. For cost-plus-fixed-fee method of payment, the amount of fixed fee billed will be based on the proportion of the costs incurred at the time of billing to the maximum allowable costs established for this **Agreement**. **OWNER** shall make prompt monthly payments in response to **ENGINEER**'s monthly statements.

5.3 **Delinquent Payments**. The **OWNER** recognizes time is critical with respect to payment of the **ENGINEER**'s statements, and that timely payment is a material part of the consideration of this **Agreement**. **ENGINEER**'s statements shall be due and payable within 30 calendar days of statement date. If **OWNER** objects to all or any portion of an invoice, **OWNER** shall notify the **ENGINEER** within 14 calendar days of the invoice date, identify the cause of the disagreement and pay when due that portion of the statement not in dispute. If **OWNER** fails to make any payment due **ENGINEER** for services and expenses, excepting any portion of the statement in dispute, within 60 calendar days after receipt of **ENGINEER**'s statement, the amounts due **ENGINEER** shall include a charge at the rate of one percent per month from the 60th day unless special arrangements have been previously made and agreed to by both parties in writing. Payment will be credited first to interest and then to principal. In the event of a disputed or contested billing, only that portion so contested may be withheld from payment, and the undisputed portion will be paid.

5.4 **Termination Payment**. In the event of termination by **OWNER** or **ENGINEER** under Paragraph 6.2, **OWNER** shall pay **ENGINEER** for services and expenses provided to date of termination in accordance with the methods of payment specified in Paragraph 5.1.

5.5 **Records of Costs**. Records of costs pertinent to **ENGINEER**'s compensation will be kept in accordance with generally accepted accounting principals. **ENGINEER** is only obligated to maintain these records for a period of three years following date of final payment for services rendered under this **Agreement**.

SECTION 6 - GENERAL TERMS AND CONDITIONS

6.1 **Construction Cost**

6.1.1 **Opinions of Cost**. Since **ENGINEER** has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor's methods of determining prices, or over competitive bidding or market conditions, **ENGINEER**'s opinions of probable Construction Cost provided for herein are to be made on the basis of experience and qualifications and represent **ENGINEER**'s best judgment as an experienced and qualified professional, generally familiar with the construction industry; but **ENGINEER** cannot and does not guarantee that proposals, bids or actual Construction Cost will not vary from opinions of probable cost prepared by **ENGINEER**.

6.1.2 **Construction Cost Budget**. If a Construction Cost budget is established by written agreement between **OWNER** and **ENGINEER** and specifically set forth in this **Agreement** as a condition thereto, the following will apply:

6.1.2.1 The acceptance by **OWNER** at any time during the- provision of services under this **Agreement** of a revised opinion of probable Construction Cost in excess of the then established budget will constitute a corresponding revision in the Construction Cost budget to the extent indicated in such revised opinion.

6.1.2.2 Any Construction Cost budget so established will include a contingency of 10 percent unless another amount is agreed upon in writing.

6.1.2.3 **ENGINEER** will be permitted to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents and to make reasonable adjustments in the extent of the Project to bring it within the budget.

6.1.2.4 If proposals or bids have not been obtained within six months after completion of the Design Phase, the established Construction Cost budget will not be binding on **ENGINEER**, and **OWNER** shall consent to an adjustment in such cost limit commensurate with any applicable change in the general level of prices in the construction industry between the date of completion of the Design Phase and the date on which proposals or bids are sought.

6.1.2.5 Use of an estimated or actual Construction Cost of the project as a basis of payment to the **ENGINEER** shall not be construed to mean that a Construction Cost budget has been established for the **Project**.

6.2 **Termination.** The obligation to provide further services under this **Agreement** may be terminated by either party upon 30 calendar days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.

6.3 **Suspension.** Upon 14 calendar days' written notice to the **ENGINEER**, the **OWNER** may suspend the **ENGINEER**'s work. Suspension for any reason exceeding 60 calendar days shall, at the **ENGINEER**'s option, make this **Agreement** subject to re-negotiation or termination as provided for elsewhere in this **Agreement**. Any suspension shall extend the period of service in a manner that is satisfactory to both the **OWNER** and the **ENGINEER**.

6.4 **Ownership and Reuse of Documents.**

6.4.1 Contract Documents and reports prepared by **ENGINEER** pursuant to this **Agreement** shall be the property of the **OWNER**. **ENGINEER** shall have the right to retain copies of all documents for his files.

6.4.2 Contract Documents prepared or furnished by **ENGINEER** and **ENGINEER**'s independent professional associates and consultants, pursuant to this **Agreement** are instruments of service with respect to the **Project**. These documents are not intended or represented to be suitable for reuse by **OWNER** or others on extensions of the **Project** or on any other project. Any reuse without written verification or adaptation by **ENGINEER** for the specific purpose intended will be at **OWNER**'s sole risk and without liability or legal exposure to **ENGINEER**, or to **ENGINEER**'s independent professional associates or consultants. **OWNER** shall indemnify and hold harmless **ENGINEER** and **ENGINEER**'s independent professional associates and consultants from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle **ENGINEER** to further compensation at rates to be agreed upon by **OWNER** and **ENGINEER**.

6.5 **Insurance.**

6.5.1 The **ENGINEER** maintains workmen's compensation and unemployment compensation of a form and in an amount as required by state law; comprehensive general liability with maximum limits of $500,000 / $1,000,000; automotive liability with maximum limits of $500,000 / $500,000; and professional liability insurance with a minimum annual limit of $500,000.

6.5.2 **OWNER** recognizes that the insurance market can be erratic and **ENGINEER** cannot guarantee to maintain the coverages identified above. **ENGINEER** will endeavor to do so, within the context of prudent business practices, and will notify the **OWNER** of any change in coverage no later than 10 calendar days after **ENGINEER** becomes aware of such change. If coverage is withdrawn or if replacement policy will afford inadequate protection and/or will require a significantly increased premium when compared to prior coverage, the **ENGINEER** and the **OWNER** shall confer as to alternatives available, if any, and shall bargain in good faith in an attempt to achieve conditions acceptable to both.

6.6 **Personnel and Facilities.** The **ENGINEER** has, or will secure at his own expense, personnel, equipment and other materials and supplies required to perform the services under this **Agreement** within the period of service set forth in Section 4. **ENGINEER** may subcontract a portion of these services, but these Subcontractors shall be subject to written approval by the **OWNER**. Such personnel shall not be employees of nor have contractual relationship with the **OWNER**.

6.7 **Accounting System.** The **ENGINEER** shall maintain an accounting system which accounts for costs in accordance with generally accepted accounting principles. The **OWNER** reserves the right to audit the **ENGINEER**'s accounts which relate to services provided under this **Agreement**.

6.8 **Successors and Assigns.** Neither **OWNER** nor **ENGINEER** shall assign any interest in this **Agreement** without the prior written consent of the other and in no case shall assignment relieve assignor from liability under this **Agreement**. This **Agreement** shall bind the successors and legal representatives of both parties. Nothing in this **Agreement** shall give any rights or benefits to anyone other than **OWNER** and **ENGINEER**.

6.9 **Relationship.** The **OWNER** has retained **ENGINEER** to provide professional services. These parties have not entered into any joint venture or partnership with the other. The **ENGINEER** is not to be considered the agent of the **OWNER**.

6.10 **Standard of Care.** The **ENGINEER** will strive to perform services under this Agreement in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. No other representation, express or implied, and no warranty or guarantee is included or intended in this Agreement, or in any report, opinion, document or otherwise.

6.11 **Indemnification.**

6.11.1 To the fullest extent permitted by law, the **ENGINEER** agrees to hold harmless and indemnify **OWNER** from and against liability arising out of **ENGINEER**'s negligent performance of professional services under this **Agreement**. It is specifically understood and agreed that in no case shall the **ENGINEER** be required to pay an amount disproportional to **ENGINEER**'s culpability, or any share of any amount levied to recognize more than actual economic damages.

6.11.2 To the fullest extent provided by law, the **OWNER** agrees to hold harmless and indemnify **ENGINEER** from and against liability arising out of **OWNER**'s negligence. It is specifically understood and agreed that in no case shall the **OWNER** be required to pay an amount disproportional to **OWNER**'s culpability, or any share of any amount levied to recognize more than actual economic damages.

6.11.3 In the event of joint or concurrent negligence of **ENGINEER** and **OWNER**, each shall bear that portion of the loss or expense that its share of the joint or concurrent negligence bears to the total negligency (including that of third parties) which caused the personal injury or property damage.

6.11.4 The **OWNER** shall not be liable to the **ENGINEER** and the **ENGINEER** shall not be liable to the **OWNER** for any special, incidental or consequential damages, including, but not limited to, loss of use and loss of profit, incurred by either party due to the fault of the other, regardless of the nature of this fault, or whether it was committed by the **OWNER**, or the **ENGINEER** or their employees, agents or subcontractors.

6.12 **Recovery of Dispute Resolution Costs.** In the event that legal action is brought by either party against the other, the prevailing party shall be reimbursed by the other for the prevailing party's legal costs, in addition to whatever other judgments or settlement amounts, if any, may be due.

6.13 **Compliance with Codes and Standards.** The **ENGINEER**'s professional services shall incorporate those publicly announced federal, state and local laws, regulations, codes and standards that are applicable at the time the services are rendered. In the event of a change in a law, regulation, et al., the **ENGINEER** shall assess its impact. If, in the **ENGINEER**'s professional opinion, the impact is such to significantly affect the **ENGINEER**'s compensation or the period of service, then the compensation and/or period of service can be renegotiated.

6.14 **Force Majeure.** Neither **OWNER** nor **ENGINEER** shall be liable for faults or delays caused by any contingency beyond his control, including, but not limited to, acts of God, wars, strikes, walkouts, fires, natural calamities, or demands or requirements of governmental agencies.

6.15 **Separate Provisions.** If any provisions of this **Agreement** are held to be invalid or unenforceable, the remaining provisions shall be valid and binding.

6.16 **Risk Allocation.** The **OWNER** recognizes that **ENGINEER**'s fee includes allowance for funding a variety of risks which affect the **ENGINEER** by virtue of his agreeing to perform services on the **OWNER**'s behalf. One of these risks stems from the **ENGINEER**'s potential for human error. In order for the **OWNER** to obtain the benefits of a fee which includes a lesser allowance for risk funding the **OWNER** agrees to limit the **ENGINEER**'s liability to the **OWNER** and all contractors arising from the **ENGINEER**'s professional acts, errors or omissions, such that the total aggregate liability of the **ENGINEER** to all those named shall not exceed $50,000 or the **ENGINEER**'s total fee for services rendered on this project, whichever is greater.

6.17 **Period of Repose.** Any applicable statute of limitations shall commence to run and any alleged course of action shall be deemed to have accrued not later than the completion of services to be performed by **ENGINEER**.

6.18 **Conflicts.** In the event of a conflict between the main text of this **Agreement** and any appendix thereof, provisions of the main text shall govern.

6.19 **Third Party Exclusion.** This **Agreement** shall not create any rights or benefits to parties other than the **OWNER** and **ENGINEER** except other such rights as may be specifically called for herein.

6.20 **Hazardous Materials**

6.20.1 When hazardous materials are known, assumed or suspected to exist at a project site, **ENGINEER** is required to take appropriate precautions to protect the health and safety of his personnel, to comply with the applicable laws and regulations and to follow procedures deemed prudent to minimize physical risks to employees and the public. **OWNER** hereby warrants that, if he knows or has any reason to assume or suspect that hazardous materials may exist at the project site, he will inform **ENGINEER** in writing prior to initiation of services under this **Agreement.**

6.20.2 Hazardous materials may exist at a site where there is no reason to believe they could or should be present. **OWNER** agrees that the discovery of unanticipated hazardous materials constitutes a changed condition mandating a renegotiation of the scope of work or termination of services. **ENGINEER** agrees to notify **OWNER** as soon as practically possible should unanticipated hazardous materials or suspected hazardous materials be encountered. **OWNER** waives any claim against **ENGINEER** and agrees to indemnify, defend and hold **ENGINEER** harmless from any claim or liability for injury or loss arising from **ENGINEER**'s encountering unanticipated hazardous materials or suspected hazardous materials. **OWNER** also agrees to compensate **ENGINEER** for any time spent and expenses incurred by **ENGINEER** in defense of any such claim.

6.21 **Anticipated Change Orders.** **OWNER** recognizes and expects that a certain amount of imprecision and incompleteness is to be expected in Contract Documents; that all details of a completed project are not intended to be covered in the Contract Documents; that a certain amount of errors, omissions, ambiguities and inconsistencies are to be expected in Contract Documents; that contractors are expected to furnish and perform work, materials and equipment that may reasonably be inferred from the Contract Documents or from the prevailing custom or trade usage as being required to produce the intended result whether or not specifically called for; and that a certain amount of Change Orders are to be expected. As long as **ENGINEER** provides services within professional standards and the standard of care of **ENGINEER**'s profession in accordance with paragraph 6. 10, **OWNER** agrees not to make any claim against **ENGINEER** for cost of these Change Orders unless these costs become a significant part of the construction contract amount. In no case will **OWNER** make claim against **ENGINEER** for costs incurred if the Change Order work is a necessary part of the **Project** for which **OWNER** would have incurred costs if work had been included originally in the Contract Documents unless **OWNER** can demonstrate that such costs were higher through issuance of the Change Order than they would have been if originally included in the Contract Documents in which case any claim of **OWNER** against **ENGINEER** will be limited to the cost increase and not the entire cost of the Change Order.

6.22 **Governing Law.** The laws of the State of Mississippi will govern the validity of this **Agreement**, its interpretations and performance, and remedies for any claims related to this **Agreement**.

6.23 The **ENGINEER** authorizes Charles H. Hill, Registered Professional Engineer No. 1087 in the State of Mississippi to act on his behalf for this **Project**.

SECTION 7 - DEFINITIONS

As used herein, the following words and phrases have the meanings indicated, unless otherwise specified in various sections of this **Agreement**:

7.1 **Addenda.** Written or graphic instruments issued prior to the opening of bids which clarify, correct or change the bidding documents or the Contract Documents.

7.2 **Agreement.** This contract including all exhibits and documents included by reference.

7.3 **Application for Payment.** The form accepted by **ENGINEER** which is to be used by Contractor in requesting progress or final payments and which is to include such supporting documentation as is required by the Contract Documents.

7.4 **Bid**. The offer or proposal of the bidder submitted on the prescribed form setting forth the prices for the construction work to be performed.

7.5 **Change Order**. A document recommended by **ENGINEER** which is signed by Contractor and **OWNER** and authorizes an addition, deletion or revision in the construction work, or an adjustment in the contract price or the contract time, issued on or after the effective date of the construction contract.

7.6 **Contract Documents**. The drawings and specifications, addenda, and other documents required to obtain bids from contractors for construction of the **Project**.

7.7 **Contractor**. The person, firm or corporation with whom **OWNER** has entered into a contract for construction of the **Project**.

7.8 **Construction Cost**. Total cost of entire **Project** to **OWNER** not including **ENGINEER**'s compensation and expenses, cost of land and rights-of-way, or compensation for or damages to properties, unless this **Agreement** so specifies; nor will it include **OWNER**'s legal, accounting, insurance counseling or auditing services, or interest and financing charges incurred in connection with the **Project** or the cost of services to be provided by others to **OWNER** pursuant to Section 3 of this **Agreement**.

7.9 **Direct Labor Costs**. Salaries and wages paid to **ENGINEER**'s personnel engaged directly on the **Project**, including engineers, draftsmen, technicians, designers, surveyors, resident project representatives and other technical and administrative personnel; but does not include indirect payroll related costs or fringe benefits.

7.10 **Drawings**. The drawings which show the character and scope of the **Project** and which have been prepared or approved by **ENGINEER** and are referred to in the Contract Documents.

7.11 **Reimbursable Expenses**. Actual expenses incurred by **ENGINEER** directly in connection with providing services for the **Project**. These include, but are not limited to, transportation and subsistence; reproduction and printing; communications; postage and express mail; equipment rental; and expense of computers and other specialized equipment.

7.12 **Resident Project Representative**. The authorized representative of **ENGINEER** who is assigned to the construction site or any part thereof for the purpose of observing the performance of the work of the Contractor.

7.13 **Shop Drawing**. All drawings, diagrams, illustrations, schedules and other data which are specifically prepared by or for Contractor to illustrate some portion of the work and all illustrations, brochures, standard schedules and other information prepared by a Supplier and submitted by Contractor to illustrate material or equipment for some portion of the **Project**.

7.14 **Specifications**. Those portions of the Contract Documents consisting of written technical descriptions of materials, equipment, construction systems, standards and workmanship as applied to the Project and certain administrative details applicable thereto.

7.15 **Subcontractor**. An individual, firm or corporation having a direct contract with Contractor or with any other subcontractor for the performance of a part of the **Project** at the site.

7.16 **Supplier**. A manufacturer, fabricator, supplier, distributor, materialman or vendor of products or equipment used in construction of the project.

SECTION 8 - SPECIAL PROVISIONS AND EXHIBITS

8.1 This **Agreement** is subject to the following Special Provisions:

8.2 The following Exhibits are attached to and made a part of this **Agreement**:

8.2.1 Exhibit A, "Project Description."

8.2.2 Exhibit B, "Scope of Design Phase Services."

8.2.3 Exhibit C, "Project Schedule."

8.2.4 Exhibit D, "Payments to Engineer."

8.3 This **Agreement**, consisting of Pages 1 to 17 inclusive, together with the Exhibits identified above, constitute the entire agreement between **OWNER** and **ENGINEER** and supersede all prior written and oral understandings. This **Agreement** and said Exhibits may only be amended, supplemented, modified or canceled through a duly executed written instrument.

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

OWNER: CITY OF PICAYUNE	**ENGINEER: NEEL-SHAFFER, INC.**
_____	_____
_____	_____
WITNESS:_____	**WITNESS:**_____

EXHIBIT A

PROJECT DESCRIPTION

The work included in the Scope of Services of this **Agreement** consists of providing professional engineering and technical services in connection with the design of a traffic signal installation along Memorial Boulevard from Interstate 59 to State Route Highway 11 as a Federal Aid STP Project, more specifically described as follows:

1.1 Traffic Signal Installation

1.1.1 The project will consist of the preliminary design and final construction plans and documents to install a fully actuated traffic signal system at the intersection of Memorial Boulevard and Jerusalem/Blanks Avenue. The signal system will include a fully actuated traffic signal controller in a cabinet, steel strain poles to mount the signals and imbedded loop detector wiring in the pavement to detect vehicle presence. The design and contract documents will meet MDOT and FHWA design criteria.

1.1.2 The **ENGINEER** will provide basic traffic signal timings.

EXHIBIT B

SCOPE OF DESIGN PHASE SERVICES

1.0 BASIC SERVICES

1.1 **Preliminary Design Phase** - The work in the Preliminary Engineering Phase will be initiated upon receipt of the Notice to Proceed and shall be completed in the following steps:

1.1.1 Consult with the **OWNER** to clarify and define the **OWNER**'s requirements for the **Project**.

1.1.2 Assemble and review owner provided data which may be pertinent to the **Project**.

1.1.3 Make design surveys needed for design of the **Project**, including locating utilities which are visually apparent. Establish horizontal and vertical control as necessary for construction of the **Project**.

1.1.4 Prepare preliminary plan-profile sheets, platting pertinent topography and ground survey data or, in lieu thereof, add the leading dimensions and supplementary ground survey data to photogrammatric base maps.

1.1.5 Develop criteria for rights-of-way, working easements and permanent easements. Indicate preliminary rights-of-way and easement requirements on drawings. Determine apparent ownership of property where easements are required.

1.1.6 Locate telephone, electric power, gas, water, sewer and any other utility lines, including their component structures, from record drawings and design surveys. Identify the **OWNER** of each utility.

1.1.7 Perform detailed design and prepare construction drawings, signalization, and striping. Determine all earthwork requirements for the project. Prepare report covering pavement design and earthwork requirements and submit to **OWNER**.

1.1.8 Prepare recap of quantities and preliminary construction cost estimate.

1.1.9 Submit preliminary plans to MDOT Roadway Design and the **OWNER** for review and comments.

1.1.10 Modify plan sheets as necessary to reflect MDOT, Federal Highway Administration (FHWA), and **OWNER'S** comments.

1.1.11 Participate in a plan-in-hand inspection with representatives of the MDOT, FHWA, and the **OWNER** at the project site.

1.2 **Final Design Phase**. After receiving written authorization to proceed with the Final Design Phase, the **ENGINEER** shall:

1.2.1 On the basis of the approved preliminary design documents, prepare final construction drawings, specifications and contract documents for approval by the **OWNER**.

1.2.2 Modify preliminary design documents as necessary to reflect comments from field review and participate in an office review with representatives of the MDOT, FHWA, and **OWNER** at the office of the **ENGINEER**.

1.2.3 Contact the utility companies whose facilities or rights-of-way will be affected by the proposed construction. Make on-site inspections with the utility companies' representatives to determine the feasibility of the construction as proposed.

1.2.4 Prepare a notebook containing copies of all design calculations, equipment and component data sheets, manufacturer's catalog cuts, survey books/notes, correspondence, and other memoranda. The notebook shall be indexed.

1.2.5 Prepare final maintenance of traffic and property access plan for inclusion into the construction plans and contract documents.

1.2.6 Revise the Preliminary Construction Cost Estimate.

1.2.7 Submit PS&E package to the MDOT and the **OWNER** for review and comments.

1.2.8 Participate in an office review of the PS&E package with representatives of the MDOT, FHWA, and the **OWNER**.

1.2.9 Modify the PS&E package as necessary to reflect MDOT, FHWA, and the **OWNER**'s comments.

1.2.10 Prepare the final changes to the PS&E package.

1.2.11 Submit the final PS&E contract documents to the MDOT for project authorization.

1.3 Advertising and Bidding.

1.3.1 Once authorization has been received, prepare and issue Contract Documents to prospective bidders and keep a record of their issuance.

1.3.2 Prepare and issue Addenda (where required and after approval by the **OWNER**, MDOT AND FHWA) to each known procurer of the Contract Documents.

1.3.3 Provide non-binding type information on the general scope, unusual conditions and desired sequence of the construction as requested by procurers of Contract Documents.

1.3.4 Conduct a pre-bid conference if requested by the **OWNER**. Attend the opening and reading of bids. Verify extensions and totals. Review the bids and make recommendations to the **OWNER** regarding the award of the Contract.

2.0 REPORTING

2.1 The **ENGINEER** shall submit a progress report each month. The progress report shall include, but not be limited to a summary of the work tasks completed the previous month, a discussion of any major problems encountered and the status of resolution of same, and a discussion of tasks to be accomplished during the upcoming month.

3.0 ADDITIONAL SERVICES

3.1 The following will be considered additional services and the Scope will be defined upon the determination of any right of way and design requirements should the services become necessary:

3.1.1 Environmental assessment above and beyond a categorical exclusion type project determination;

3.1.2 Geotechnical Investigations;

3.1.3 Noise Studies;

3.1.4 Underground Storage Tank testing relative to Department of Environmental Quality procedures;

3.1.5 Perform boundary surveys, research county land records, prepare right-of-way/easements, plats and descriptions or other legal instruments; and

3.1.6 Assist in right-of-way acquisition, discussions with property owners, right-of-way staking, modifications to plans for right-of-way negotiated changes or other related right-of-way services.

3.1.7 Splitting the project into two or more sets of plans and contract documents, i.e., two or more distinct projects.

3.2 The Owner Is To Provide the Following Information

3.2.1 Twelve hour turning movement counts.

3.2.2 Traffic accident reports along the project area for 1996, 1997 and 1998;

3.2.3 Proposed Design criteria;

3.2.4 Approved MDOT Project Activation Request (PAR), RWD 700 forms and ENV-160, including signal justification and design criteria.

3.2.5 Any existing plans or other pertinent information relative to the intersection upgrades including existing city owned utilities;

3.2.6 Property appraisals; and

3.2.7 Property acquisition and associated legal services.

3.3 Construction Engineering Services

A separate construction engineering services agreement will be submitted at a later date. This agreement must meet MDOT and FHWA requirements. The **ENGINEER** anticipates that the fee for the construction engineering services should not exceed the 15 percent cap set for providing matching funds for Federal Aid projects.

Exhibit C

JERUSALEM/BLANKS AVENUE AT MEMORIAL BOULEVARD

Preliminary

ID	Nam	WEEK 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Predesign																
2	Surveys	(1)															
[illegible]	reliminary Plans																
4	Plan-in-Hand Review - Prefinal																
5	Office Review																
6	Final Design																
7	Submit PS&E Package, MDOT Approval Authority to																
8	Advertise and																

* Schedule is dependent on timely reviews by government agencies and in orderly purchase and acquisition of right-

(1) OWNER supplies approved PAR, RWD 700 forms and ENV-

EXHIBIT D

PAYMENTS TO ENGINEER

1.1 **Basic Service**. OWNER shall pay **ENGINEER** for Basic Services rendered under Section 1, as supplemented by **Exhibit B, "Scope of Design Phase Services,"** the following fees:

1.1.1 Design Phase Services - A fixed fee of $12,000.00.

1.2 **Additional Services**. **OWNER** shall pay **ENGINEER** for Additional Services rendered under Section 2 on the basis of **ENGINEER'S** Direct Labor Cost times a factor of 2.8 plus Reimbursable Expenses. Subconsultants will be billed at actual cost times a factor of 1.1.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT AUTHORIZATION TO BID SEWER WORK ON HIGHWAY 11 NORTH

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to grant authorization for the Purchasing Agent to advertise for bids for the sewer work on Highway 11 North near Mickey's Quik Stop #2. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT AUTHORIZATION TO BID PAINTING PROJECT FOR CITY HALL BUILDING

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to grant authorization for the Purchasing Agent to advertise for bids for the painting of the exterior of City Hall. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

CONSIDER BID AWARD ON DIRECTIONAL DRILLING EQUIPMENT

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to reject all bids on the directional drilling equipment and authorize the Purchasing Agent to advertise for bids to do gas line repair work at the following locations:

Highway 11 North at Sycamore Road crossing	130 feet
Highway 11 North at Carroll Street crossing	120 feet
Highway 43 North at Highway 11 crossing	100 feet
Railroad crossing at Poplar Street	75 feet
Railroad crossing at Sycamore Road	75 feet

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO SURPLUS PROPERTY

Upon recommendation of the Public Works Director, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to surplus the Caterpillar Trackhoe model 320L purchase in June of 1995. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE SALE OF TRACKHOE

Upon recommendation of the Public Works Director, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to execute the buy-back agreement with Puckett Machinery and sell the Caterpillar Trackhoe model 320L to them at the bid price of $69,100.00, the estimated fair market value. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT LEASE PURCHASE AGREEMENT ON NEW TRACKHOE

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to accept the quote of Hancock Leasing at 4.54% for the lease-purchase financing of the new trackhoe in an amount not to exceed $40,000.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Planning Commission dated April 29, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to accept the minutes of the Planning Commission dated March 23, 1999 and April 27, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT HOME OCCUPATION LICENSE

Upon recommendation of the Planning Commission, motion was made by Councilmember Guy, seconded by Councilmember Bates, to grant a home occupation license to Ms. Cindy Chila, 709 Charlotte Drive, R-1 zone, to operate an errand/courier service from her home. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

At this time, Councilmember McQueen left the meeting.

ORDER TO APPROVE AMENDED WOODS VI PLAT

Upon recommendation of the Planning Commission, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the amended plat for Woods VI Subdivision, submitted by Cooper Company, that reflects the change of lot sizes due to a survey error. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

At this time, Councilmember McQueen entered the meeting.

ORDER TO REZONE PROPERTY ON HIGHWAY 43 NORTH AND READ ROAD

Mr. Bowden "Skip" Wyatt, architect for the Gulf South Campus, gave a presentation of the proposed healthcare complex. Upon recommendation of the Planning Commission, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the rezoning of property located at the corner of Read Road and Highway 43 North from R-1 to PUD-C in accordance with the application submitted by Gulf South Campus to build a medical campus. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE PRELIMINARY PLAN FOR THE GULF SOUTH CAMPUS PROJECT

After the presentation of Mr. Wyatt and upon recommendation of the Planning Commission, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the preliminary plan for the Gulf South Campus project to be located at the corner of Read Road and Highway 43 North. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO RENAME HIGHWAY 43 SOUTH

Upon recommendation of the Planning Commission, motion was made by Councilmember Thorman to officially name the portion of old Highway 43 South from Interstate 59 to Highway 11 as Veterans Boulevard. The motion died for lack of a second.

After some discussion, motion was made by Councilmember Guy, seconded by Councilmember Bates, to officially name the portion of old Highway 43 South from Interstate 59 to Highway 11 as Memorial Boulevard. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO DIRECT CITY MANAGER TO INVESTIGATE THE PLACEMENT OF A MEMORIAL TO HONOR THE 138TH ENGINEER BATTALION

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to direct the City Manager to investigate the possibility of the City funding and/or placing a memorial to honor the men of the 138th Engineer Battalion of the Picayune National Guard Unit that went to Korea. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN GRANT APPLICATION

Upon recommendation of the Police Chief and the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the grant application with the Bureau of Justice Assistance for a 50-50 grant for bulletproof vests for the police officers. The amount of the grant requested is $7,000.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MATCHING FUNDS FOR GRANT

Upon request of the Police Chief and the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize matching funds of $7,000.00 in accordance with the grant application with the Bureau of Justice Assistance for bulletproof vests. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN GRANT APPLICATION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table action on the grant application with Wal-Mart Stores, Inc. for a grant for the Fire Department. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN RENTAL AGREEMENT

Upon request of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign a rental agreement with Acton Mobile Industries, Inc. for rental of a mobile office unit to be used at the new airport. The monthly rental fee will be $170.00 per month. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE CHANGE ORDER TO AIRPORT CONTRACT FOR THE ACCESS ROAD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve Change Order #1 to the contract with Huey Stockstill, Inc. to construct the new airport access road. The change order is for $1,964.80, increasing the total contract amount to $213,185.50. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE PURCHASE OF CEMETERY PLOTS

Upon request of the Cemetery Sexton, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the repurchase of the following cemetery plots from Sara Isaac at a cost of $200.00 and authorize the issuance of a manual check for the same:

The E ½ of Lot 1 (Plots 5, 6, 7 and 8), Block 1, Palestine Cemetery 2nd Addition, Pearl River County, Mississippi

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT AUTHORIZATION TO BID PAVING PROJECT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for bids on the 98-99 paving project on the following streets:

Street	From	To
Cooper Road	Millbrook	dead end
By-pass intersection	Palestine @ North Beech	
Adcox Road	Highway 43 North	first 300 feet
South Haugh Avenue	Telly Road	home/auto business
Jerusalem Avenue	Highway 43 South	dead end
Holly Street	Goodyear Boulevard	dead end
Friendship Park Road	South Haugh	Highway 11
South Haugh Avenue	Friendship Park	dead end
Martin Luther King, Jr. Blvd.	Jackson Landing Road	railroad crossing
Sixth Avenue	Norwood Street	Kirkwood Street
Griffing Lane	Williams Avenue	Sixth Avenue
Union School Road (chip seal)	Palestine Road	baseball field
Laird Street	Adcox Road	Highway 11
North Jackson Avenue	East Canal Street	Eighth Street
Wittauer Drive	MLK, Jr. Blvd.	Bruce Street
Mills Street	dead end	Rowland Street
Grace Drive	South Monroe Avenue	dead end
Cecile Street	Grace Drive	South Monroe
Cooper Road	Highway 43 North	Millbrook
East Canal Street	Highway 11	Green Avenue
Goodyear Boulevard	North Main Street	North Beech Road
Shady Lane	Highland Drive	dead end
Sheppard Boulevard	Highway 43 North	end
Millbrook Parkway	Cooper Road	Country Club Drive
Stemwood Drive	Highway 11 North	Millswood Road
South Abrams Avenue	East Canal Street	dead end

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ADOPT RESOLUTION OF INTENT TO BORROW FUNDS FOR STREET CONSTRUCTION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the following resolution of intent to borrow funds to be used for street construction and paving.

RESOLUTION OF THE CITY OF PICAYUNE

BE IT KNOWN on this 4th day of May 1999, at a regular meeting of the Mayor and City Council of the City of Picayune, on motion of Councilmember Roberson, seconded by Councilmember Bates, the following Resolution was offered.

WHEREAS, the City of Picayune would like to complete street paving projects in excess of the amount normally budgeted and completed within each fiscal year; and

WHEREAS, the City finds it necessary to borrow funds to complete these street paving projects; and

WHEREAS, Sections 17-21-51 and 17-21-53 of the Mississippi Code of 1972, as amended, authorize the City to borrow up to the greater of one percent (1%) of the assessed value of all taxable property located within the City according to the last completed assessment for taxation or two hundred fifty thousand dollars ($250,000) for any purpose which the City is otherwise authorized by law to issue bonds; and

WHEREAS, the amount of four hundred twenty-five thousand dollars ($425,000) is less than one percent (1%) of the assessed value of all taxable property located within the City according to the last completed assessment for taxation dated September 1998; and

WHEREAS, Section 21-33-301(f) of the Mississippi Code of 1972, as amended, allows bond proceeds to be used for street construction.

BE IT RESOLVED, THEREFORE, by the Mayor and City Council of the City of Picayune that the City intends to borrow a total of four hundred twenty-five thousand dollars ($425,000) to be used for street construction and paving. The funds shall be repaid over a period of five (5) years, with the first principal payment being made one year after the issuance of the debt.

BE IT FURTHER RESOLVED that, in accordance with Section 17-21-53 of the Mississippi Code of 1972, as amended, the sale of the debt shall be made to the bidder offering the lowest rate of interest or whose bid represents the lowest net cost to the City. The advertisement for bids will be advertised for ten (10) days in the local newspaper and bids will be accepted at a time approximately five (5) days after the last day of advertisement. The full faith, credit and resources of the City are pledged for the payment of this debt.

ADOPTED this 4th day of May 1999.

_____
Woody Spiers, Mayor

ATTEST:

_____
Sabrina Diamond, City Clerk

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter involving the acquisition of property.

ORDER TO RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed a matter involving the acquisition of property and took no action.

REGULAR MEETING DATED MAY 4, 1999

At this time, Councilmember Bates left the meeting.

ORDER TO ACQUIRE PROPERTY FROM CARMEN CARBONETTE FARMER

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to acknowledge that the City of Picayune will, in consideration for Mrs. Carmen Carbonette Farmer's execution of the drainage easement on property located southwest of Jackson Landing Road and needed for the CDBG Drainage Project in the Mill Creek drainage basin, take action necessary to trade one (1.0) acre of Palestine Cemetery land located in a parcel of over 50 acres obtained from Ray M. Smith in exchange for a one point two (1.2) acre parcel that is owned by Carmen Carbonette Farmer, located southwest of Jackson Landing Road and includes the easement area. Further, in connection with the conveyance by Carmen Carbonette Farmer of both the drainage easement and the title to the 1.2 acre parcel as above described, that the City of Picayune will hold harmless and indemnify Carmen Carbonette Farmer and her heirs and assigns against any damages or future liability asserted against them or her lands adjacent to the 1.2 acre parcel arising out of the City's usage of such easement and lands for drainage purposes. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to recess until May 18, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

May 18, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, May 18, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Mayor Spiers, followed by the Pledge of Allegiance.

ORDER TO APPROVE MINUTES DATED MAY 4, 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the minutes of the Mayor and City Council dated May 4, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY BUDGET REPORT FOR APRIL 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the monthly budget report for April 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY PRIVILEGE LICENSE REPORT FOR APRIL 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the monthly Privilege License Report for April 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MAY 18, 1999

ORDER TO ACKNOWLEDGE RECEIPT OF THE PUBLIC RECORDS REQUESTS REPORT FOR APRIL 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the monthly Public Records Requests Report for April 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF ARC/PRC

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the ARC/PRC dated March 16, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE A SOLE SOURCE PURCHASE

Upon request of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the sole source purchase of a 509 Allen Bradley starter size 3 with a 110 volt coil for $1,525.00 and six W-75 heaters for $52.32 from Stuart C. Irby, Inc., the franchise dealer for Allen Bradley parts in Mississippi. The starter and heaters are needed for the installation of the air jammers at the Treatment Plant. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT FOR SANITARY SEWER TV WORK

Upon request of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the following contract for the Sanitary Sewer TV work with Video Industrial Services:

CONTRACT FORM

FOR

SANITARY SEWER LINE CLEANING FY 99

PICAYUNE JOB NO. 300-5

THIS AGREEMENT, made this 18th day of May, 1999 at the City of Picayune, Pearl River County, State of Mississippi by and between the Mayor and City Council of the City of Picayune,

RECESSED MEETING DATED MAY 18, 1999

Pearl River County, State of Mississippi, hereinafter called "Owner" and **Video Industrial Services** hereinafter called the "Contractor."

WITNESSETH THAT, the Owner and Contractor do mutually agree as follows:

1. In consideration of the price for the work herein specified in the bid proposal to be paid by the Owner to the Contractor at the time and in a manner hereinafter provided, the Contractor does hereby agree to construct complete in every detail as follows:

SANITARY SEWER LINE CLEANING FY 99

CITY OF PICAYUNE, MISSISSIPPI

PICAYUNE JOB NO. 300-5

in compliance with the Advertisement of Bids, Proposal Form, Contract, Performance Bond, General Conditions, Specifications, Plans, and such Addenda thereto as may be issued prior to execution of this Contract, all in a thorough and workmanlike manner.

2. This price shall include the cost and expense to furnish all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, transportation, and other accessories and services necessary to complete this project, in accordance with the Contract Document.

3. The Contractor shall commence work under this Contract within ten (10) days from the date of the written "Order to Proceed" issued by the Owner. The Contractor shall complete all work under the Contract within Sixty (60) calendar days from the date of the "Order to Proceed." The Owner has determined, and the Contractor agrees, that the liquidated damages for a delay in completion of this Contract will be One Hundred Fifty Dollars ($150.00) per calendar day in excess of the stated time of completion.

4. The Owner agrees to pay the Contractor for the performance of the Contract as provided in the Specifications, and to make monthly payments on account thereof provided in the General Conditions. The contract amount, as presented in bid by Contractor, is **$30,347.20.**

5. IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in three (3) original counterparts on the day and year first hereinabove written.

WITNESSES:

/s/ Susan King

/s/ Dawn English

Video Industrial Services
Contractor

/s/ John. S. Kulbikleas
Signature

President
Title

WITNESSES:

_____

_____

CITY OF PICAYUNE
Owner

_____
Signature

Mayor
Title

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MAY 18, 1999

ORDER TO ADVERTISE RESOURCES OF THE CITY

Upon request of Miss Hospitality Kristin Wood, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to purchase a full-page advertisement in the program for the Mississippi Miss Hospitality pageant in the amount of three hundred dollars ($300.00) to advertise the resources of the City and to authorize the issuance of a manual check for the same. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE USTA TO PROVIDE TENNIS LESSONS

Upon request of the United States Tennis Association's (USTA) representative, Camille Soulier, and based on the lack of ongoing programs in the area of tennis in the City, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the USTA to provide a program offering free tennis lessons to the citizens of Picayune at a clinic to be held at the Friendship Park tennis facilities beginning May 28, 1999 contingent upon the group providing the City with a certificate of liability insurance that covers the events. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBER TO THE PARK COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to appoint Susan Wilson to the Park Commission for a three-year term to expire January 2002. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE ARTS COUNCIL

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to table any appointments to the Arts Council at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MAY 18, 1999

ORDER TO APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table the appointment to the Planning Commission to fill the remaining term of Mr. Bill Parks which expires September 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN GRANT APPLICATION FROM WAL-MART STORES, INC.

Upon recommendation of the Fire Chief and the City Planner, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign a grant application with Wal-Mart Stores, Inc. for a grant for the Fire Department. The terms of the grant require that the Fire Department undertake a fundraiser and that Wal-Mart Stores, Inc. provide matching funds to the City. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN GRANT APPLICATION

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to authorize the Mayor to sign a grant application with the Mississippi Forestry Commission to apply for a $20,000 grant. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO PROVIDE MATCHING FUNDS FOR FORESTRY GRANT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve a local match of funds of up to $10,000 for the forestry grant with the Mississippi Forestry Commission. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MAY 18, 1999

ORDER TO AUTHORIZE THE MAYOR TO SIGN RENTAL AGREEMENT WITH THE JUNIOR AUXILIARY OF PICAYUNE

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following rental agreement with the Junior Auxiliary of Picayune:

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF PICAYUNE AND THE JUNIOR AUXILIARY OF PICAYUNE

The City of Picayune and the Junior Auxiliary of Picayune agree to the following conditions pertaining to the use of a portion of the City-owned former Armory Building for their SON Room:

That portion of the City Owned Former Armory Building to be used for the SON Room is the detached room located behind the main building.

The CITY agrees to provide or permit the following on the premises of the former Armory Building:

1. Junior Auxiliary may place equipment within the Armory only for the purpose of storage of the donated articles of clothing and/or shoes, etc. Junior Auxiliary must receive written approval from the City Manager to place any items on site that are not related to the SON Room.
2. Junior Auxiliary shall use the armory only for activities related to the SON Room. Junior Auxiliary must receive written approval from the City Manager to organize activities other than the SON Room on this site.
3. The City will provide water, sewer, gas and electricity to the Armory building for use by the tenants.
4. The City shall be responsible for all repairs to the facility other than routine maintenance related to the organization's project.
5. The City will make regularly scheduled monthly inspections of the premises to insure safety and compliance with building codes and compliance with this agreement.
6. The City will have the authority to make unscheduled inspections of the premises.
7. The City will maintain the plumbing and electrical fixtures within the building.
8. The City will maintain the air conditioning and heating for the facility.
9. The City will maintain the roof, walls, foundations, windows, doors, heating and cooling equipment.

JUNIOR AUXILIARY OF PICAYUNE will:

1. Use the facility only for the SON Room project.
2. Maintain the building to standard building codes, informing the City of regular maintenance and a regular cleaning schedule, and will notify the City of any maintenance problems.
3. Keep the area used by the organization clean.
4. Provide keys to all locks within the building. Junior Auxiliary must have written permission from the City Manager to change locks located within the facility.
5. Provide proof of insurance for contents and liability within the building.
6. Provide proof of non-profit status.
7. Provide adequate supervision at all times when the facilities are in use.
8. When requested by the City, render to the City all accounting of all sums received and disbursed in connection with projects undertaken.
9. Not sublease any portion of the said premises.
10. Give services to the citizens of Picayune and Pearl River County relating to providing clothing, shoes, toiletries, etc. to needy individuals and families. These services shall constitute rental payments equal to the rental value of the rooms used by Junior Auxiliary.

Junior Auxiliary shall be solely responsible and answerable for damages, any and all accidents or injuries to persons (including death) and to property. Junior Auxiliary, as part of the consideration for leasing or otherwise using the former Armory Building, agrees to assume full responsibility and liability, and shall indemnify and hold harmless the City of Picayune against and from any and all claims, demands, actions, rights of action, liabilities, losses, judgements, costs, expenses, and attorney fees which shall or may arise by virtue of anything done or omitted to be done by Junior Auxiliary, including through or by its agents, employees, guests, invitees, or other representatives arising out of, claimed on account of, or any manner predicted upon the use of said facility. Junior Auxiliary further agrees to assume full responsibility and liability for, and to indemnify the City of Picayune against and from any and all risk of loss of theft, vandalism, destruction, or otherwise, of any and all items of personal property belonging to the organization, group of members thereof, or any third party which in and about said facility, regardless of whether or not said loss relates to, or arises out of, the use of said facility and, in addition, said organization or group agrees to

indemnify and hold the City of Picayune, its agents and servants, and employees harmless from and against all claims and expenses for same, including attorney fees.

Junior Auxiliary hereby agrees to comply strictly with all ordinances of the City of Picayune, Mississippi and the laws of the State of Mississippi while performing under the terms of this contract. Junior Auxiliary agrees that upon violation of any covenants and agreements herein contained, on account of any act of omission of commission of Junior Auxiliary, the City may, at its option, terminate and/or cancel this contract.

Junior Auxiliary agrees to comply with the Title of the Civil Rights Act of 1964, assuring that no person will be excluded from participation in or be denied benefits of referral services under the terms of this contract or otherwise subjected to discrimination on the ground of race, sex, color, national origin or handicap.

Notwithstanding any of the other provisions contained in this contract, the City of Picayune shall maintain the right to terminate this contract upon proper notice which shall be in writing and shall be provided to Junior Auxiliary at least thirty (30) days prior to the intended date of cancellation.

This lease will be in effect from June 1, 1999 to May 31, 2000.

Signed and dated May 18, 1999.

Junior Auxiliary of Picayune	For the City of Picayune
_____	_____
Wynn Hemeter, President	Woody Spiers, Mayor

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN RENTAL AGREEMENT WITH THE CIVIC WOMAN'S CLUB OF PICAYUNE

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following rental agreement with the Civic Woman's Club of Picayune:

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
CITY OF PICAYUNE AND CIVIC WOMAN'S CLUB OF PICAYUNE

The City of Picayune and Civic Woman's Club of Picayune agree to the following conditions pertaining to the use of a portion of the City-owned former Armory Building for Cinderella's Closet:

That portion of the City Owned Former Armory Building to be used for Cinderella's Closet is the room on the left when you enter the front of the building.

The CITY agrees to provide or permit the following on the premises of the former Armory Building:

1. Civic Woman's Club of Picayune may place equipment within the Armory only for the purpose of storage of the donated articles of clothing and/or shoes, etc. Civic Woman's Club of Picayune must receive written approval from the City Manager to place any items on site that are not related to Cinderella's Closet.
2. Civic Woman's Club of Picayune shall use the armory only for activities related to Cinderella's Closet. Civic Woman's Club of Picayune must receive written approval from the City Manager to organize activities other than Cinderella's Closet on this site.
3. The City will provide water, sewer, gas and electricity to the Armory building for use by the tenants.

RECESSED MEETING DATED MAY 18, 1999

4. The City shall be responsible for all repairs to the facility other than routine maintenance related to the organization's project.
5. The City will make regularly scheduled monthly inspections of the premises to insure safety and compliance with building codes and compliance with this agreement.
6. The City will have the authority to make unscheduled inspections of the premises.
7. The City will maintain the plumbing and electrical fixtures within the building.
8. The City will maintain the air conditioning and heating for the facility.
9. The City will maintain the roof, walls, foundations, windows, doors, heating and cooling equipment.

CIVIC WOMAN'S CLUB OF PICAYUNE will:

1. Use the facility only for the Cinderella's Closet project.
2. Maintain the building to standard building codes, informing the City of regular maintenance and a regular cleaning schedule, and will notify the City of any maintenance problems.
3. Keep the area used by the organization cleaned.
4. Provide keys to all locks within the building. Civic Woman's Club must have written permission from the City Manager to change locks located within the facility.
5. Provide proof of insurance for contents and liability within the building.
6. Provide proof of non-profit status.
7. Not have access to the main hall being used by Mr. Young for gymnastics activities, except for members and guests.
8. Provide adequate supervision at all times when the facilities are in use.
9. When requested by the City, render to the City all accounting of all sums received and disbursed in connection with projects undertaken.
10. Not sublease any portion of the said premises.
11. Give services to the citizens of Picayune and Pearl River County relating to providing clothing, shoes, toiletries, etc. to needy individuals and families. These services shall constitute rental payments equal to the rental value of the rooms used by Civic Woman's Club of Picayune.

Civic Woman's Club of Picayune shall be solely responsible and answerable for damages, any and all accidents or injuries to persons (including death) and to property. Civic Woman's Club of Picayune, as part of the consideration for leasing or otherwise using the former Armory Building, agrees to assume full responsibility and liability, and shall indemnify and hold harmless the City of Picayune against and from any and all claims, demands, actions, rights of action, liabilities, losses, judgements, costs, expenses, and attorney fees which shall or may arise by virtue of anything done or omitted to be done by Civic Woman's Club of Picayune, including through or by its agents, employees, guests, invitees, or other representatives arising out of, claimed on account of, or any manner predicted upon the use of said facility. Civic Woman's Club of Picayune further agrees to assume full responsibility and liability for, and to indemnify the City of Picayune against and from any and all risk of loss of theft, vandalism, destruction, or otherwise, of any and all items of personal property belonging to the organization, group of members thereof, or any third party which in and about said facility, regardless of whether or not said loss relates to, or arises out of, the use of said facility and, in addition, said organization or group agrees to indemnify and hold the City of Picayune, its agents and servants, and employees harmless from and against all claims and expenses for same, including attorney fees.

Civic Woman's Club of Picayune hereby agrees to comply strictly with all ordinances of the City of Picayune, Mississippi and the laws of the State of Mississippi while performing under the terms of this contract. Civic Woman's Club of Picayune agrees that upon violation of any covenants and agreements herein contained, on account of any act of omission of commission of Civic Woman's Club of Picayune, the City may, at its option, terminate and/or cancel this contract.

Civic Woman's Club agrees to comply with the Title of the Civil Rights Act of 1964, assuring that no person will be excluded from participation in or be denied benefits of referral services under the terms of this contract or otherwise subjected to discrimination on the ground of race, sex, color, national origin or handicap.

Notwithstanding any of the other provisions contained in this contract, the City of Picayune shall maintain the right to terminate this contract upon proper notice which shall be in writing and shall be provided to Civic Woman's Club of Picayune at least thirty (30) days prior to the intended date of cancellation.

This lease will be in effect from June 1, 1999 to May 31, 2000.

Signed and dated May 18, 1999.

Civic Woman's Club of Picayune	For the City of Picayune
Carolyn Huey, President	Woody Spiers, Mayor

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER AUTHORIZATION FOR MAYOR TO SIGN RENTAL AGREEMENT WITH ALWEST ADVERTISING COMPANY

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to table action on authorization for the Mayor to sign the proposed contract with Alwest Advertising Company for placement of benches within the City. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT AUTHORIZATION TO ADVERTISE FOR PROPOSALS FOR CONSTRUCTION ENGINEER ON THE CDBG DRAINAGE PROJECT

Upon recommendation of the Public Works Director and the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Purchasing Agent to advertise for proposals for construction engineering services on the CDBG Drainage Project. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT AUTHORIZATION TO BID ON INSTALLATION OF WATER LINE ON MEMORIAL BOULEVARD

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Purchasing Agent to advertise for bids for the installation of water lines on Memorial Boulevard to loop the line from the water tower at the Wal-Mart store to East Canal Street. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MAY 18, 1999

ORDER TO CONSIDER BID AWARD ON MATERIALS FOR CDBG DRAINAGE PROJECT

The following bids were received for materials for the CDBG Drainage project:

Concrete pipe	Choctaw	$50,622.40
Rip rap	Northeast Miss. Limestone, Inc.	$ 3,536.50
HDPE plastic pipe	ADS	3,591.00
	Park Supply	3,465.00

Upon recommendation of the Purchasing Agent and the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to award the bids for materials for the CDBG Drainage Project as follows:

Concrete Pipe	44 x 27 rcap, 51 x 31, rcap	$50,622.40	Choctaw, Inc.
Rip rap	100 lb class stone rip rap	3,536.50	Northeast Mississippi Limestone, Inc.
HDPE	plastic pipe	3,465.00	Park Supply

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER BID AWARD ON CONSTRUCTION FOR CDBG DRAINAGE PROJECT

The following bids were received on the construction for the CDBG Drainage project:

IGC, Inc.	$ 641,889.47
McDonald Construction, Inc.	1,079,232.00
R.D. Herring Contracting Company, Inc.	711,368.00
Twin L Construction, Inc.	729,576.00

Upon recommendation of the Purchasing Agent and the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Bates, to award the bid for construction for the CDBG Drainage Project to IGC, Inc. in the amount of $641,889.47 contingent upon receiving a certificate of eligibility from CDBG and to authorize the Mayor to sign the following contract:

STANDARD FORM OF AGREEMENT

BETWEEN OWNER AND CONTRACTOR

THIS AGREEMENT made as of the 21st day May of in the year 1999 by and between the

CITY OF PICAYUNE, MISSISSIPPI
(hereinafter called the OWNER) and

IGC, INC.
(hereinafter called CONTRACTOR)

WITNESSETH that OWNER and CONTRACTOR in consideration of the mutual covenants hereinafter set forth, agree as follows:

RECESSED MEETING DATED MAY 18, 1999

ARTICLE 1 WORK

CONTRACTOR shall perform all work as specified or indicated in the Contract Documents for the completion of the Project generally described as follows:

Mill Creek and Alligator Branch West Drainage Improvements
CDBG PROJECT NO. 97-297-PF-01
CITY OF PICAYUNE PROJECT NO. 100-9
BCM Project No. 05-3546-01

ARTICLE 2 ENGINEER

The Project has been designed by BCM Engineers, (15465 Oak Lane Suite 200 I, Gulfport, MS 39503), who is hereinafter called ENGINEER and who will assume all duties and responsibilities and have the rights and authority assigned to ENGINEER in accordance with the Contract Documents.

ARTICLE 3 CONTRACT TIME

The work herein described shall be completed within one hundred eighty (180) calendar days following the date the Contract Time commences. The completion date is proposed from the date when the Contract Time begins following the issuing of a Notice to Proceed order.

ARTICLE 4 CONTRACT PRICE

OWNER shall pay CONTRACTOR for performance of the work in accordance with the Contract Documents in current funds at the lump sum or unit prices presented in the Schedule of Values attached to this Agreement.

ARTICLE 5 APPLICATION FOR PAYMENT

OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR'S Application for Payment as recommended by ENGINEER during the course of this Agreement. All progress payments will be on the basis of the progress of the work completed and stored to date.

ARTICLE 6 PROGRESS AND FINAL PAYMENTS

OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR's Application for payment as approved by ENGINEER. All progress payments will be on the basis of the progress of the work measured by the Schedule of Values.

6.1 *Progress Payments.* Prior to substantial completion, OWNER shall make progress payments in an amount equal to: 90% of the work completed, and 90% of material and equipment not incorporated in the work but delivered and suitably stored, less than each case the aggregate of payments previously made.

6.2 *Retainage.* Upon substantial completion, OWNER shall pay an amount sufficient to increase total payments of CONTRACTOR to 95% of the Contract Price, less retainage as the ENGINEER shall determine.

6.3 *Final Acceptance and Payment.* Upon final completion of the work and settlement of all claims, the CONTRACTOR may request a final inspection and may make a final Application for Payment upon the OWNER'S certificate of final acceptance.

The CONTRACTOR shall furnish the OWNER a notarized affidavit certifying that all claims, liens and other outstanding obligations incurred by him and his subcontractors in the performance of the work have been paid and settled at the submission of the Application for Final Payment.

ARTICLE 7 CONTRACT DOCUMENTS

The Contract Documents which comprise the contract between the OWNER and CONTRACTOR consist of the following documents, which are made a part of this agreement as fully as if disclosed and written at length and made a part thereof:

7.1 Agreement (pages AG-1 to AG-6, inclusive) and exhibits to this agreement,

7.2 Contractor's Bid Bond,

7.3 Instructions to Bidders, (pages IB-1 to IB-5, inclusive),

7.4 General Conditions,

7.5 Contractor's Proposal (pages P-1 to P-3, inclusive),

7.6 Technical Specifications

7.7 Construction Drawings

7.8 Any modifications, including Change Orders, duly delivered after execution of this agreement,

7.9 Notice to Proceed.

ARTICLE 8 MISCELLANEOUS

8.1 Terms used in this Agreement which are defined in Section I of the General Conditions shall have the meanings indicated in the General Conditions.

8.2 Neither the OWNER nor CONTRACTOR shall, without prior written consent of the other, assign or sublet in whole or in part his/her interest under any of the Contract Document; and specifically, CONTRACTOR shall not assign any moneys due or to become due without prior written consent of OWNER.

8.3 OWNER and CONTRACTOR each binds himself/herself, his/her partners, successors, assigns and legal representatives to the other party hereto in respect to all covenants, agreements and obligations contained in the Contract Documents.

8.4 The Contract Documents constitute the entire agreement between OWNER and CONTRACTOR and may be only altered, amended or repealed by a duly executed written instrument.

8.5 CONTRACTOR shall guarantee all work for one (1) full year after the final inspection as defined in Section 5.16 of the General Conditions.

8.6 CONTRACTOR shall pay liquidated damages in the amount of THREE HUNDRED FIFTY DOLLARS ($350.00) per calendar day for each calendar day over the contract time.

8.7 Insurance requirements: CONTRACTOR shall carry commercial general liability insurance coverage with combined single limits for bodily injury and property damage in an amount no less than $1,000,000. CONTRACTOR further indemnifies and saves OWNER harmless from and against any loss, damage and liabilities occasioned by, growing out of, or resulting from any default hereunder, relating to the execution of this agreement. OWNER shall be named on said policy as an additional insured. CONTRACTOR will be required to present OWNER with a copy of this policy naming OWNER as an additional insured.

ARTICLE 9 OTHER PROVISIONS

9.1 OWNER will monitor the performance of CONTRACTOR against goals and performance standards required herein. Substandard performance as determined by OWNER will constitute non-compliance with this agreement. If action to correct such substandard performance is not taken by CONTRACTOR within a reasonable period of time after being notified by OWNER, contract suspension or termination procedures will be initiated.

9.2 OWNER may terminate this contract at any time by giving written notice to CONTRACTOR of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial terminations of the technical specifications or Proposal Documents may only be undertaken with the prior approval of OWNER. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by CONTRACTOR under this agreement shall, at the option of the OWNER, become the property of OWNER, and CONTRACTOR shall be entitled to receive just and equitable compensation for any satisfactory work completed (by unit price) on such documents or materials prior to the termination. Upon termination for convenience, the payment made to CONTRACTOR will be based upon units completed or the total of all costs plus 20% of the total costs, whichever is greater. OWNER may also suspend or terminate this Agreement, in whole or in part, if CONTRACTOR materially fails to comply with any term of this Agreement, or with any of the rules, regulations or provisions referred to herein; and OWNER may declare CONTRACTOR ineligible for any further participation in OWNER contracts, in addition to other remedies as provided

by law. In the event there is probable cause to believe CONTRACTOR is in noncompliance with any applicable rules or regulations, OWNER may withhold up to fifteen (15) percent of said contract funds until such time as CONTRACTOR is found to be in compliance by OWNER, or is otherwise adjudicated to be in compliance.

9.3 CONTRACTOR shall retain all records pertinent to expenditures incurred under this contract for a period of three (3) years after the termination of all activities funded under this agreement, or after the resolution of all activities funded under this agreement, or after the resolution of all Federal Audit Findings, which ever occurs later.

9.4 CONTRACTOR agrees to comply with the Title VI of the Civil Rights Act of 1964 as amended, Title VII of the Civil Rights Act of 1968 as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11375 and 12086.

9.5 CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital status, or status with regard to public assistance. CONTRACTOR will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: *hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff,* termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

9.6 CONTRACTOR agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours, the Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S. C. 76, 327-333) and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract. CONTRACTOR shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to OWNER for review upon request.

9.7 Where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, they shall not be required or permitted to work, be trained, or receive services in buildings or surroundings or under working conditions which are unsanitary, hazardous or dangerous to the participants' health or safety.

9.8 Participants employed or trained for inherently dangerous occupations, shall be assigned to work in accordance with reasonable safety practices.

9.9 If this contract results in any copyrightable or patentable material, OWNER and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work for government purposes.

9.10 *All CONTRACTOR records with respect to any matters covered by this agreement shall* be made available to OWNER, grantor agency, the Comptroller General of the United States, their designees or the federal Government, at any time during normal business hours, as often as OWNER or grantor agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by CONTRACTOR within 30 days after receipt by CONTRACTOR. Failure of CONTRACTOR to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments.

9.11 CONTRACTOR shall retain all records pertinent to subcontractors incurred under this contract for a period of three (3) years after the termination of all activities funded under this agreement, or after the resolution of all Federal audit findings, which ever occurs later. Records for non-expendable property acquired with funds under this contract shall be retained for three (3) years after final disposition of such property.

9.12 CONTRACTOR agrees to comply with the following regulations insofar as they apply to the performance of this contract (applies to contracts or subcontracts in excess of $100,000):

- Clean Air Act, 42 U.S.C., 1857, et seq. (Amended to 42 U.S.C., 7602, et. seq.)

- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended 1368 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

- Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R., Part 15, as amended.

9.13 CONTRACTOR agrees to procure SUBCONTRACTORS in a fair and nondiscriminatory manner.

9.14 CONTRACTOR shall ensure that each SUBCONTRACT includes all the providing of this contract. CONTRACTOR is responsible for monitoring all SUBCONTRACTORS to ensure compliance with the provisions contained herein. CONTRACTOR shall not enter into any SUBCONTRACT without the written approval of OWNER.

IN WITNESSETH WHEREOF, the parties have executed this Agreement the day and year first above written.

OWNER: _____ **CONTRACTOR:** _____

BY: _____ **BY:** _____

(Corporate Seal)

ATTEST: _____ **ATTEST:** _____

SCHEDULE OF VALUES

ITEM NO.	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL
	SITE "A" - ROSA/DAVIS STREET				
201-A	CLEARING AND GRUBBING	L.S.	1	1,500.00	1,500.00
	(APPROXIMATELY 0.25 ACRES)				
202-A	REMOVAL OF OBSTRUCTIONS	L.S.	1	3,500.00	3,500.00
203-A	UNCLASSIFIED EXCAVATION (LVM)	C.Y.	1,280	5.80	7,424.00
209-A	GEOTEXTILE FABRIC STABILIZATION (TYPE V) (NON-WOVEN)	S.Y.	160	2.50	400.00
214-A	SEEDING	ACRE	0.25	600.00	150.00
907-215-A	MULCHING	ACRE	0.25	600.00	150.00
403-C	HOT BITUMINOUS PAVEMENT, SURFACE COURSE (TYPE SC-1)	TON	40	52.00	2,080.00
907-575-A	PAVEMENT REPAIR	S.Y.	187	17.00	3,179.00
601-A	CLASS "B" STRUCTURAL CONCRETE	C.Y.	33	450.00	14,850.00
601-B	CLASS "B" STRUCTURAL CONCRETE, MINOR STRUCTURES	C.Y.	3	450.00	1,350.00
602-A	REINFORCING STEEL	LB.	5,220	0.75	3,915.00
603-C-A	15" REINFORCED CONCRETE PIPE, CL. 3	L.F.	24	35.00	840.00

RECESSED MEETING DATED MAY 18, 1999

603-P-A	10'x6' PRECAST CONCRETE BOX CULVERT	L.F.	216	800.00	172,800.00
603-P-B	10'x6' PRECAST CONCRETE BOX CULVERT END SECTION	EA.	2	7,762.00	15,524.00
603-S-B	15" BRANCH CONNECTIONS	EA.	2	1,500.00	3,000.00
604-A	CASTINGS	LB.	155	4.75	736.[redacted]
604-B	GRATINGS	LB.	120	3.75	450.00
606-B	GUARD RAIL	L.F.	75	32.50	2,437.50
606-C	GUARD RAIL CABLE ANCHORAGE (TYPE I), COMPLETE-IN-PLACE	EACH	2	2,000.00	4,000.00
611-A	BRICK MASONRY	M	0.5	600.00	300.00
618-A	MAINTENANCE OF TRAFFIC	L.S.	1	5,000.00	5,000.00
620-A	MOBILIZATION	L.S.	1	5,000.00	5,000.00
815-A	LOOSE RIPRAP, (100 LBS)	TON	40	37.75	1,510.00
	SUBTOTAL FOR SITE "A":				**250,095.75**
	SITE "B" - BEECH STREET				
202-A	REMOVAL OF OBSTRUCTIONS	L.S.	1	5,000.00	5,000.00
203-A	UNCLASSIFIED EXCAVATION (LVM)	C.Y.	380	5.80	2,204.00
214-A	SEEDING	ACRE	0.2	600.00	120.00
907-215-A	MULCHING	ACRE	0.2	600.00	120.00
403-C	HOT BITUMINOUS PAVEMENT, SURFACE COURSE (TYPE SC-1)	TON	9	52.00	468.00
907-505-A	GUNITE SLOPE TREATMENT	S.Y.	340	22.77	7,741.[redacted]
907-575-A	PAVEMENT REPAIR	S.Y.	26	17.00	442.00
601-A	CLASS "B" STRUCTURAL CONCRETE	C.Y.	17	450.00	7,650.00
602-A	REINFORCING STEEL	LB.	2,050	0.75	1,537.50

RECESSED MEETING DATED MAY 18, 1999

603-C-A	15" REINFORCED CONCRETE PIPE, CL. III	L.F.	96	35.00	3,360.00
603-P-A	6'x5' PRECAST CONCRETE BOX CULVERT	L.F.	40	519.60	20,784.00
603-S-B	15" BRANCH CONNECTIONS	EA.	1	1,500.00	1,500.00
606-B	GUARD RAIL	L.F.	178	32.50	5,785.00
606-C	GUARD RAIL CABLE ANCHORAGE (TYPE I), COMPLETE-IN-PLACE	EACH	3	2,000.00	6,000.00
618-A	MAINTENANCE OF TRAFFIC	L.S.	1	5,000.00	5,000.00
620-A	MOBILIZATION	L.S.	1	5,000.00	5,000.00
	SUBTOTAL FOR SITE "B":				**72,712.30**
	SITE "C" - BEECHWOOD APARTMENTS				
202-A	REMOVAL OF OBSTRUCTIONS	L.S.	1	5,000.00	5,000.00
203-A	UNCLASSIFIED EXCAVATION (LVM)	C.Y.	410	5.80	2,378.00
214-A	SEEDING	ACRE	0.2	600.00	120.00
907-215-A	MULCHING	ACRE	0.2	600.00	120.00
221-A	PORTLAND CEMENT CONCRETE PAVED DITCH (4" THICKNESS)	C.Y.	0.4	100.00	40.00
403-C	HOT BITUMINOUS PAVEMENT, SURFACE COURSE (TYPE SC-1)	TON	143	52.00	7,436.00
907-505-A	GUNITE SLOPE TREATMENT	S.Y.	196	22.77	4,462.92
907-575-A	PAVEMENT REPAIR	S.Y.	85	17.00	1,445.00
601-A	CLASS "B" STRUCTURAL CONCRETE	C.Y.	5.5	450.00	2,475.00
602-A	REINFORCING STEEL	LB.	650	0.75	487.50
603-P-A	10'x5' PRECAST CONCRETE BOX CULVERT	L.F.	44	725.00	31,900.00
607-A	72" TYPE "A" WOVEN WIRE FENCE	L.F.	156	25.00	3,900.00
609-D	COMBINATION CONCRETE CURB AND GUTTER	L.F.	64	15.00	960.00

RECESSED MEETING DATED MAY 18, 1999

618-A	MAINTENANCE OF TRAFFIC	L.S.	1	5,000.00	5,000.00
620-A	MOBILIZATION	L.S.	1	5,000.00	5,000.00
	SUBTOTAL FOR SITE "C":				**70,724.42**
	SITE "D" - JACKSON LANDING ROAD				
202-A	REMOVAL OF OBSTRUCTIONS	L.S.	1	10,000.00	10,000.00
203-A	UNCLASSIFIED EXCAVATION (LVM)	C.Y.	785	5.80	4,553.00
209-A	GEOTEXTILE FABRIC STABILIZATION (TYPE V) (NON-WOVEN)	S.Y.	325	2.50	812.50
214-A	SEEDING	ACRE	0.5	600.00	300.00
907-215-A	MULCHING	ACRE	0.5	600.00	300.00
403-C	HOT BITUMINOUS PAVEMENT, SURFACE COURSE (TYPE SC-1)	TON	90	52.00	4,680.00
907-575-A	PAVEMENT REPAIR	S.Y.	1,085	17.00	18,445.[redacted]
601-A	CLASS "B" STRUCTURAL CONCRETE	C.Y.	198	350.00	69,300.00
602-A	REINFORCING STEEL	LB.	20,000	0.75	15,000.00
606-B	GUARD RAIL	L.F.	250	32.50	8,125.00
606-C	GUARD RAIL CABLE ANCHORAGE (TYPE I), COMPLETE-IN-PLACE	EACH	4	2,000.00	8,000.00
609-D	COMBINATION CONCRETE CURB AND GUTTER	L.F.	64	15.00	960.00
618-A	MAINTENANCE OF TRAFFIC	L.S.	1	5,000.00	5,000.00
620-A	MOBILIZATION	L.S.	1	5,000.00	5,000.00
815-A	LOOSE RIPRAP, (100 LBS)	TON	230	37.75	8,682.[redacted]
	SUBTOTAL FOR SITE "D":				**159,158.00**

RECESSED MEETING DATED MAY 18, 1999

	SITE "E" - KINGSWAY DRIVE				
201-A	CLEARING AND GRUBBING (APPROXIMATELY 0.4 ACRES)	L.S.	1	4,000.00	4,000.00
202-A	REMOVAL OF OBSTRUCTIONS	L.S.	1	1,000.00	1,000.00
907-205-B	HAUL OF BORROW EXCAVATION (LVM)	1/2 Mi.	2	N/A	N/A
618-A	MAINTENANCE OF TRAFFIC	L.S.	1	3,000.00	3,000.00
620-A	MOBILIZATION	L.S.	1	5,000.00	5,000.00
	SUBTOTAL FOR SITE "E":				**13,000.00**
	SITE "F" - KINGSWAY DRIVE				
201-A	CLEARING AND GRUBBING (APPROXIMATELY 0.1 ACRES)	L.S.	1	3,500.00	3,500.00
403-C	HOT BITUMINOUS PAVEMENT, SURFACE COURSE (TYPE SC-1)	TON	35	52.00	1,820.00
618-A	MAINTENANCE OF TRAFFIC	L.S.	1	3,000.00	3,000.00
620-A	MOBILIZATION	L.S.	1	5,000.00	5,000.00
	SUBTOTAL FOR SITE "F":				**13,320.00**
	SITE "G" - FERN AVENUE				
201-A	CLEARING AND GRUBBING (APPROXIMATELY 0.15 ACRES)	L.S.	1	4,000.00	4,000.00
403-C	HOT BITUMINOUS PAVEMENT, SURFACE COURSE (TYPE SC-1)	TON	32	52.00	1,664.00
618-A	MAINTENANCE OF TRAFFIC	L.S.	1	2,500.00	2,500.00
620-A	MOBILIZATION	L.S.	1	5,000.00	5,000.00
	SUBTOTAL FOR SITE "G":				**13,164.00**
	SITE "H" - PINEWOOD DRIVE				
201-A	CLEARING AND GRUBBING (APPROXIMATELY 0.15 ACRES)	L.S.	1	3,500.00	3,500.00

RECESSED MEETING DATED MAY 18, 1999

403-C	HOT BITUMINOUS PAVEMENT, SURFACE COURSE (TYPE SC-1)	TON	23	52.00	1,196.00
618-A	MAINTENANCE OF TRAFFIC	L.S.	1	3,000.00	3,000.00
620-A	MOBILIZATION	L.S.	1	3,000.00	3,000.00
	SUBTOTAL FOR SITE "H":				**10,696.[illegible]**
	SITE "I" - INDUSTRIAL DRIVE				
203-A	UNCLASSIFIED EXCAVATION (LVM)	C.Y.	235	5.80	1,363.00
214-A	SEEDING	ACRE	0.25	600.00	150.00
907-215-A	MULCHING	ACRE	0.25	600.00	150.00
403-C	HOT BITUMINOUS PAVEMENT, SURFACE COURSE (TYPE SC-1)	TON	28	52.00	1,456.00
907-575-A	PAVEMENT REPAIR	S.Y.	50	17.00	850.00
601-A	CLASS "B" STRUCTURAL CONCRETE	C.Y.	8.5	450.00	3,825.00
602-A	REINFORCING STEEL	LB.	1,100	0.75	825.00
603-P-A	6'x4' PRECAST CONCRETE BOX CULVERT	L.F.	52	450.00	23,400.00
618-A	MAINTENANCE OF TRAFFIC	L.S.	1	2,000.00	2,000.00
620-A	MOBILIZATION	L.S.	1	5,000.00	5,000.00
	SUBTOTAL FOR SITE "I":				**39,019.00**
	TOTAL CONSTRUCTION COST (ALL SITES):				**641,889.47**

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MAY 18, 1999

ORDER TO ADOPT RESOLUTION ASKING PEARL RIVER COUNTY BOARD OF SUPERVISORS TO FUND A PORTION OF THE BRIDGE AT JACKSON LANDING ROAD

RESOLUTION OF THE CITY OF PICAYUNE

BE IT KNOWN on this 18th day of May 1999, at a recessed meeting of the Mayor and City Council of the City of Picayune, on motion of Councilmember Guy, seconded by Councilmember Bates, the following Resolution was offered.

WHEREAS, the City of Picayune is in the process of completing a drainage project in the southwest section of the City at Mill Creek and West Alligator that will benefit a large number of citizens of Picayune and Pearl River County; and

WHEREAS, the City finds it necessary to borrow funds to complete the project to supplement the grant funds obtained for the project; and

WHEREAS, the Board of Supervisors of Pearl River County had agreed to participate in the project at an earlier date by providing funding; and

WHEREAS, the citizens of Picayune support Pearl River County with road and bridge tax annually.

BE IT RESOLVED, THEREFORE, by the Mayor and City Council of the City of Picayune that Mayor and Council use this time to officially make request to the Pearl River County Board of Supervisors to fund an amount equal to one-half of the amount needed to complete the replacement of the bridge at Jackson Landing Road and Mill Creek, estimated at eighty thousand dollars ($80,000.00); and

BE IT FURTHER RESOLVED, that the Mayor and Council ask the Board of Supervisors to consider borrowing the funds needed for the bridge if the amount cannot be funded in the current budget; and

BE IT FURTHER RESOLVED, that the Mayor and Council ask the Board of Supervisors to complete the work of clearing and desnagging the Mill Creek channel downstream of the Jackson Landing Road crossing and to complete the widening of the West Alligator channel south of the Picayune Industrial Park area in a timely manner.

ADOPTED this 18th day of May 1999.

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE PRIDE STEERING COMMITTEE

Motion was made by Councilmember Thorman, seconded by Councilmember Guy to appoint the following members to the PRIDE Steering Committee for a three-year term that will expire May 2002:

Kathy Baum
Diane Seal
Yolanda Dunn

RECESSED MEETING DATED MAY 18, 1999

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT

Upon request of the City Manager and the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the changes to the following line items of the budget for the year ending September 30, 1999:

CBDG Westside Redevelopment Fund	
Beginning cash	$11,309
Other services and charges	8,500
Law Enforcement Block Grant #2	
Beginning cash	$33,849
Capital outlay	33,849
UDAG Majestic Inn Fund	
Beginning cash	$277,302
Rental payments	28,219
Economic Development Fund	
Beginning cash	$34,894
Walmart Bond Fund	
Beginning cash	$81,230
Cemetery Fund	
Beginning cash	$302,893
Transfers in – Cemetery Board	0

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE FUNDING FOR PICAYUNE INDUSTRIES

Upon request of representatives of Picayune Industries, motion was made by Councilmember McQueen, seconded by Councilmember Guy, to approve funding of two thousand five hundred dollars ($2,500.00) for Picayune Industries to be used to develop a horticultural project and to approve the issuance of a manual check for the same. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED MAY 18, 1999

ORDER TO APPROVE MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the issuance of the following manual checks:

U.S. Postmaster	General Fund	$ 700.00
Sylvia Cavett	General Fund	125.00
Canary Washington	General Fund	125.00
MS State Tax Commission	Utility Fund	638.01
Noram Energy	Utility Fund	9,180.00
Sonat Marketing	Utility Fund	21,120.00
Koch Gateway Pipeline	Utility Fund	8,794.15
Utility Management Corp.	Utility Fund	694.88
Percy Ethridge	CDBG Drainage Fund	4,000.00
Mitchell Breland	CDBG Drainage Fund	750.00
A.E. Sanders	CDBG Drainage Fund	330.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter of potential litigation and a matter involving the location of a business.

ORDER TO RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed a matter of potential litigation and a matter involving the location of a business and took no action.

ORDER TO ACKNOWLEDGE INTENT TO ACCEPT IMPROVEMENTS IN TWELVE OAKS SUBDIVISION

Based upon the recommendation of the Public Works Director and based on the condition that all other improvements are made to meet or exceed City of Picayune building code requirements, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge the Council's intent to accept the improvements of curbing in Twelve Oaks

Subdivision when the development in complete. The developer shall post a $20,000, five-year surety bond stating that the curbing will meet the requirements of the building code and be adequate to serve its intended purpose and function. The bond is callable at any time the Public Works Director determines that the curb is defective. If the Public Works Director determines that any part of the curb is defective or if a section fails, the developer must replace all of the curbing in the development. The following roll call vote was taken:

VOTING YEA: Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: Councilmember Roberson

ABSTAINING: Mayor Spiers

The motion was declared carried.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until May 20, 1999 at 6:30 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

May 20, 1999

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 in the Council Chambers of City Hall in said City, Thursday, May 20, 1999, at 6:00 p.m. in recessed session.

It Being Determined a quorum was not present, no official action was taken.

June 1, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, June 1, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Mark Thorman, and Leavern Guy, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Mayor Spiers, followed by the Pledge of Allegiance.

ORDER TO ADOPT RESOLUTION REGARDING LAMAR MCQUEEN

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to adopt the following resolution regarding the recent death of Mr. L. Lamar McQueen:

RESOLUTION OF THE CITY OF PICAYUNE

BE IT KNOWN on this 1st day of June 1999, at a regular meeting of the Mayor and City Council of the City of Picayune, on motion of Councilmember Roberson, seconded by Councilmember Thorman, the following Resolution was offered.

WHEREAS, Mr. L. Lamar McQueen was an asset to the City of Picayune and was appreciated for his accomplishments; and

WHEREAS, the Mayor and City Council wishes to convey to his family their appreciation and respect for Mr. McQueen; and

WHEREAS, the loss of Mr. McQueen is a great loss for the City as well as his beloved family.

BE IT RESOLVED, THEREFORE, that the Mayor and City Council of the City of Picayune officially offers its sincere condolences and sympathy to the entire family of Mr. L. Lamar McQueen.

ADOPTED this 1st day of June 1999.

_____
Woody Spiers, Mayor

_____
Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

REGULAR MEETING DATED JUNE 1, 1999

ORDER TO APPROVE MINUTES DATED MAY 18, 1999 AND MAY 20, 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated May 18, 1999 and May 20, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE RETIREMENT DEVELOPMENT ACTIVITY REPORT FOR APRIL 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Retirement Development Activity Report for April 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD DATED MAY 13, 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated May 13, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE CONTRACTORS BOARD DATED MAY 20, 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Contractors Board dated May 20, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

REGULAR MEETING DATED JUNE 1, 1999

ORDER TO APPROVE THE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the monthly claims docket for June 1999 in a total amount of $278,563.74. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO APPROVE MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the issuance of the following manual checks:

Compton Engineering	Utility Fund	$ 1,350.00	
COP General Fund	Utility Fund	52,000.00	(Not to exceed)
Miss. State Tax Commission	Utility Fund	4,000.00	(Not to exceed)

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

EMPLOYEE OF THE MONTH

Upon recommendation of the Police Chief, Officer Ron Addington was declared Employee of the Month for June 1999. Officer Addington was presented with a savings bond from Union Planters Bank.

ORDER TO RECOGNIZE PICAYUNE PRIDE CLEAN-UP ESSAY CONTEST WINNERS

Chamber of Commerce Director Randy Scheel presented the winners of the Picayune Pride Essay Contest winners from the area schools. The essay contest was sponsored by the Chamber and held in conjunction with the Picayune Pride Contest sponsored by the City. The winners were awarded a $25 cash prize from the Chamber:

Picayune Memorial High School	Ashlie Smith
Picayune Junior High School	Kim Breaux
South Side Upper Elementary School	Kelli Marble
Pearl River Central High School	Amanda Leigh Jackson
Pearl River Central Middle School	Jessica Lange
Home School Elementary	Hannah Waltman

ORDER TO ADOPT RESOLUTION REGARDING GARDEN WEEK

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to adopt the following resolution regarding Garden Week:

REGULAR MEETING DATED JUNE 1, 1999

RESOLUTION OF THE CITY OF PICAYUNE

WHEREAS, the members of the National Council of State Garden Clubs, Inc., The Garden Clubs of Mississippi, Inc., The Garden Club of Picayune, and other gardeners observe the first full week of June with educational activities and projects that stress the benefits of gardening and acquaint others with the activities of garden clubs; and

WHEREAS, gardening instills in our people a respect and care of our environment and our natural resources; and

WHEREAS, gardening furnishes a challenging and productive activity for a large number of our citizens; and

WHEREAS, our gardens also yield herbs, foliage and flowers which add beauty, fragrance, and nutrition to our lives, and

WHEREAS, the gardeners of the United States produce the food which feeds our people and those of other countries.

BE IT RESOLVED, THEREFORE, by the Mayor and City Council of the City of Picayune that the week of June 6-12, 1999 be designated GARDEN WEEK in Picayune to encourage our citizens to join in the efforts and contributions of other gardeners throughout the country in this observance.

ADOPTED this 1st day of June 1999.

_____
Woody Spiers, Mayor

ATTEST:

_____
Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

PRESENTATION OF THE CITY FLAG

Representatives of the Main Street Program and the Downtowners Association presented the Mayor and City Council a new flag with the Picayune - New South, Old Charm logo. Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the flag and declare it as the official flag of the City of Picayune. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

ORDER TO AUTHORIZE MAYOR AND POLICE CHIEF TO SIGN DOCUMENT FOR PICAYUNE HOUSING AUTHORITY GRANT

Upon request of Mary Davis, Director of the Picayune Housing Authority, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor and the Police Chief to sign the "Certification by Law Enforcement Representative and

Chief Executive Officer" required in the Housing Authority's grant application with the U.S. Department of Housing and Urban Development. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

ORDER TO APPOINT MEMBERS TO THE ARTS COUNCIL

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to table any appointments to the Arts Council. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table the appointment to the Planning Commission to fill the remaining term of Bill Parks that expires September 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ACCEPT HOLLY BRANCH/MILLSWOOD DRAINAGE PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept the Holly Branch/Millswood Drainage Project as complete. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO APPOINT HAZARD MITIGATION COUNCIL

Upon request of the City Planner, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to appoint the following members to the Hazard Mitigation Council:

Planning Commission Members:

Earl Bourgeois	Mary Ellen Bright	Mark Drummond

Nancy Durham	Billie Edwards	Steven Gordon
Melvin Hicks	Richard Reynolds	

Emergency Service Providers:

Chief Jackie Mitchell	Chief Brenda Smith	Captain David Ervin
Stan Polivick	J.D. Wheat	Maria Beverage

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the minutes of the Planning Commission dated April 29, 1999 and May 25, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER SPECIAL PERMIT FOR CELLULAR TOWER ON SOUTH MAIN STREET

Upon recommendation of the Planning Commission, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to extend the time review period listed in Ordinance No. 704 for thirty (30) days so that Cellular One may search for another location for their proposed cellular tower. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ADOPT ORDINANCE TO AMEND ORDINANCE NO. 489, AN ORDINANCE ESTABLISHING COMPREHENSIVE ZONING REGULATIONS FOR THE CITY OF PICAYUNE, MISSISSIPPI AND PROVIDING FOR THE ADMINISTRATION, ENFORCEMENT AND AMENDMENT THEREOF, IN ACCORDANCE WITH THE PROVISIONS OF SECTIONS 3590, 3591, 3592, 3593, 3594, 3595, 3596, AND 3597, MISSISSIPPI CODE OF 1972, AS AMENDED, AND THE REPEAL OF ORDINANCE NUMBERS 187, 211, 237, 269, AND 358

Upon recommendation of the Planning Commission, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to adopt the following ordinance:

ORDINANCE NO. 722

AN ORDINANCE AMENDING ORDINANCE NO. 489, AN ORDINANCE ESTABLISHING COMPREHENSIVE ZONING REGULATIONS FOR THE CITY OF PICAYUNE, MISSISSIPPI AND PROVIDING FOR THE ADMINISTRATION, ENFORCEMENT AND AMENDMENT THEREOF, SECTION 812, MP – MEDICAL SERVICE/OFFICE PROFESSIONAL DISTRICT TO SECTION 812, OFFICE/PROFESSIONAL DISTRICT.

Be It Ordained by the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi, In Meeting Duly Assembled:

Article I. That the MP – Medical Service/Office Professional District, Ordinance No. 489, Section 812 shall be amended as the Office/Professional District as follows:

SECTION 812 OFFICE / PROFESSIONAL DISTRICT

812.1 Intent of District: The intent of this district is to provide location for office related services and reserved for business, office, specified public or semi-public uses and residential purposes. Regulations are designed to encourage the formation and continuance of a quiet, compatible and uncongested environment for office type business or professional firms intermingled with dwellings and certain public or semi-public uses; and to discourage any encroachment of unrestricted retail and/or wholesale business establishments, industrial concerns and other uses capable of adversely affecting the specialized office professional and housing character of the district

812.2 Permitted Uses:

(a) Any use permitted in R-2 district
(b) Apartments as an accessory use to a permitted use
(c) Accessory structure located on the same lot
(d) Book store
(e) Church
(f) Clinic, medical or dental; hospitals, medical supplies, optician, offices medical or dental, nursing home; apothecary limited to the sale of pharmaceuticals and medical supplies, opticians, nursing home
(g) Floral shop, gift shop, music store, hobby shop, art gallery, tailor shop, apparel and accessories, day spa, beauty shop and barber shop
(h) Offices, professional and service, business or organizations, but not including automobile shops, garages or retail products
(i) Studio for professional work teaching the fine arts, photography, drama and speech
(j) Restaurants, not drive-ins or restaurants specializing in take-out foods.

812.3 Lot, Yard and Accessory Requirements:

(a) Front yard – setback of a minimum of 25 feet or equal to an average of the adjacent lot setbacks.
(b) Side yard – on interior lots, there shall be a side yard on each side of the building having a width of not less than five (5) feet.
(c) Rear yard – setback a minimum of twenty (20) feet measured from the rear main building line.
(d) Corner lots – on corner lots, the side yard regulation shall be ten (10) feet except in the case if reversed frontage where the corner lot rears on the side of a lot facing the other intersecting street, in which case there shall be a side yard on the corner lot not less than fifty (50) percent of the front yard required on the lot abutting the rear of the corner lot or lot separated only by an alley. No accessory building on said corner lot shall project beyond the front yard line of the lots in the rear, nor shall any building be erected, reconstructed, altered, or enlarged, closer than five (5) feet to the line of the abutting lot to the rear.
(e) Accessory structures – unattached accessory structures may not be located within five (5) feet of a rear lot line, to five (5) feet of a side lot line, and shall not be located closer than sixty (60) feet to the front lot line.

Roof overhangs or appurtenances not at grade may project from outside walls of residence no more than three (3) feet in the required setback, and are not considered as part of the setback.

Outside air conditioning units or similar installations shall be setback a minimum of five (5) feet from any property line.

Where this district abuts an agriculture district or residential district, buffer requirements will be met, see Section 308 of the Zoning Ordinance.

812.4 Height, Width, Driveway and Coverage Requirements:

(a) Minimum width: 50 (50) feet
(b) Minimum Sq. Ft.: One family – 7,500
Two family – 10,000
Other uses – 10,000
(c) Building site: Maximum building site coverage shall be 45%. Only 75% of the lot may be coverage by the building site and other impervious surfaces.
(d) Building height limitations: No structure shall exceed 35 feet in height.
(e) Driveways: No driveway or automobile access laid out in the district shall be greater in width than twenty (20) feet and no property shall be provided with more than two street access.

Article II. All ordinances or parts of Ordinances in conflict with the provisions of this ordinance are hereby repealed.

Article III. This ordinance shall be in effect and in force thirty (30) days after its adoption by the City Council of the City of Picayune, Pearl River County, Mississippi.

ADOPTED this 1st day of June, 1999.

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO REZONE PROPERTY LOCATED ON FRONTAGE ROAD AND RIDGE ROAD

Upon application submitted by Shelter Builders and upon recommendation of the Planning Commission, motion was made by Councilmember Thorman, seconded by Councilmember Thorman, to rezone an 18-acre portion of Frontage Road and Ridge Road south of Wal-Mart to north of Crosby Arboretum from A-1, Agriculture District, to C-3, Highway Commerical District and R-3, Multi-Family Residential District as follows:

2-acre parcel	Absolute Auto Group	C-3
2.5-acre parcel	Rainbow Vans	C-3
3.1-acre parcel	undeveloped land	C-3
1.4-acre parcel	undeveloped land	C-3
4.27-acre parcel	ABC Homes	C-3
2.23-acre parcel	Shelton Builders	C-3
2.5-acre parcel	Shelton Builders	R-3

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR PARKING VARIANCE FOR ARBOR GATE APARTMENTS

Upon request of the architect for Arbor Gate Apartments and upon recommendation of the Planning Commission, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to approve a parking variance for the Arbor Gate Apartments to be located on Bales Avenue for spaces of 9' x 18' rather than the required 10' x 20'. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR LOT SUBDIVISON IN CHATEAUGUAY SUBDIVISION

Upon request of Mark Gibson and upon recommendation of the Planning Commission, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to approve the subdivision of lots 55, 56, and 57 in Chateauguay Subdivision, Unit 2 into two conforming lots, 55A and 57A. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR LOT SUBDIVISION IN CHATEAUGUAY SUBDIVISION

Upon request of Preston Spiers and upon recommendation of the Planning Commission, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the subdivision of lots 74, 75 and 76 in Chateauguay Subdivision, Unit 2 into two conforming lots, 74A and 76A. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER FINAL PLAT APPROVAL FOR THE GARDEN DISTRICT SUBDIVISION

Upon request of the developer and upon recommendation of the Planning Commission, motion was made by Councilmember Roberson, seconded by Councilmember Guy, table any

action on the approval of the final plat of The Garden District subdivision to be located on Cooper Road. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Planning Commission dated May 27, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR CONDITIONAL USE

Upon request of the prospective property owner, Frances A. Hauser, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve a conditional use for the property located at 601 Goodyear Boulevard as an "up-scale" antique and gift shop. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR HOME OCCUPATION LICENSE

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the issuance of a home occupation license to Jon and Barbara Oren, 1109 Parkwood Circle, R-1 zone, to operate a home office for their business, Sterling & Associates, which is a private investigative service performing most functions within the State of Louisiana. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

REGULAR MEETING DATED JUNE 1, 1999

ORDER TO CONSIDER REQUEST TO HOLD TENT REVIVAL

Upon request by Steven Stockstill of Compassion Ministries, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the placement of a tent for revival services on South Beech Street at Palestine Road on the south side of the RoadRunner business contingent upon: (1) the services being concluded by 9:30 p.m. each evening, and (2) the services being cancelled if there are any complaints or noise. The dates for the services are not set at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN MEMORANDUM OF AGREEMENT RELATED TO DRAINAGE EASEMENT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the following agreement with Percival B. Ethridge related to the proposed drainage easement on the CDBG Drainage Project:

MEMORANDUM OF AGREEMENT

June 1, 1999

It is agreed by the City of Picayune, Mississippi that in consideration of obtaining a drainage easement from Percival B. Ethridge, property owner, the City of Picayune Public Works Department will:

1. Transplant a plum tree located within the easement right of way to an area designated by the property owner. The City does not guarantee that the tree will survive the transplant.
2. Notify the owner two weeks prior to construction on his property.
3. Notify Mr. Ethridge's tenant at least one day in advance of days she will not have access to the driveway.

The City of Picayune

_____
Woody Spiers, Mayor

_____
Percival B. Ethridge, Owner

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER ACTION ON CONTRACT FOR WIRELESS COMMUNICATIONS CONSULTING AND MARKETING SERVICES

Upon recommendation of the City Planner, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table any action on the proposed contract with

Metrosite Management to provide wireless communications consulting and marketing services to the City. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN ENGINEERING AGREEMENT FOR AIRPORT FUEL FARM

Upon recommendation of the City Planner, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the following engineering agreement with Neel-Schaffer, Inc. for design and construction engineering services for the fuel farm at the new airport:

CONTRACT FOR PROFESSIONAL SERVICES
BETWEEN
OWNER AND ENGINEER

This Agreement made and entered into this the 1st day of June 1999, by and between the City of Picayune, 203 Goodyear Boulevard, Picayune, Mississippi 39466, hereinafter referred to as the **OWNER** and Neel-Schaffer, Inc., Post Office Box 22625, Jackson, Mississippi 39225-2625, hereinafter referred to as the **ENGINEER**; WITNESSETH

THAT WHEREAS, the **OWNER** contemplates development of a fuel farm for a new airport, located in Picayune, Mississippi; and is in need of professional engineering services; and

WHEREAS, the **ENGINEER** is desirous of providing professional engineering services on behalf of the Owner;

NOW THEREFORE, for and in consideration of their mutual benefit, the parties hereto agree as follows:

The **ENGINEER** shall furnish and perform basic engineering services, project development phase, design phase and construction phase, as described in the General Provisions attached hereto and made a part hereof for the project described, plus other work authorized by the OWNER.

The **OWNER** shall pay the **ENGINEER** for engineering services in accordance with the attached General Provisions and the schedule of fees described below:

SCHEDULE OF FEES

		LUMP SUM
A.	**BASIC SERVICES**	
	Design Phase	$ 15,000.00
	Construction Phase	$ 2,500.00
	Total	$ 17,500.00

B. SPECIAL SERVICES

Classification	Hourly Rate* Regular Time	Overtime
Office Engineering Personnel		
Engineer Manager	99.00	
Project Engineer	94.00	
Senior Civil Engineer	94.00	
Civil Engineer	78.00	
Engineer Intern (EI)	62.00	
Designer	71.00	
Drafting Technician	44.00	66.00
Clerical	31.00	46.50
Field Engineering Personnel:		
Resident Project Representative	50.00	75.00
2 Member Survey Party	73.00	109.50
3 Member Survey Party	88.00	132.50

* Note: The hourly rate shown above includes salaries, payroll costs, additives, overhead and profit. These rates shall remain valid for a period of one year from the date of execution of this Agreement. Work required at a later date will be subject to renegotiation of the hourly rates. The hourly rate does not include travel and subsistence which will be billed at cost.

Total compensation for the following special services will not exceed the amounts indicated unless this contract is modified in writing:

Special Services	Maximum Compensation
Resident Inspection	None to be Provided
Testing	None to be Provided

Resident inspection and/or testing can be provided if desired at a later date through a written amendment to this contract.

INSURANCE

In carrying out the work herein proposed, the ENGINEER will maintain, as a minimum, the following insurance coverage:

a. The ENGINEER will, at its expense, carry public liability and contractor's protection liability insurance, each with maximum limits of $1,000,000/$1,000,000 for bodily injury and $1,000,000/$1,000,000 for property damage, and Workers Compensation Insurance.

b. The ENGINEER shall comply, at its expense, with all applicable provisions of the Worker's Compensation, unemployment compensation, sickness and disability and Social Security laws, and all other local, state and federal laws or regulations relating to employment.

c. The ENGINEER shall have in force professional liability insurance in an amount not less $500,000. This liability insurance shall remain in force from the contract date until the end of the contract.

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

ENGINEER: Neel-Schaffer, Inc.

Attest: /s/ _____
/s/ _____

By:

J. Gorman Schaffer, Jr. P.E.
Title: Executive Vice President

Title: Vice President

OWNER: City of Picayune

Attest: _____
_____

By:

Woody Spiers
Title: Mayor

Title: _____

GENERAL PROVISIONS

These General Provisions are attached and made a part of the Agreement dated the 1st day of June 1999, between the City of Picayune *(Owner)* and Neel-Schaffer, Inc. *(Engineer)*.

For the scope of work described in the referenced Agreement, the *Engineer* shall perform professional services as hereinafter described, which shall include customary civil, structural, mechanical and electrical engineering services and customary architectural services incidental thereto. These services when performed in accordance with acceptable engineering practice shall be the limits of the *Engineer's* responsibility under the Agreement.

SECTION I - BASIC SERVICES

A. Project Development Phase: After written authorization to proceed the *Engineer* shall:

1. Consult with *Owner* and state and federal government agencies as necessary to clarify and define the requirements for the project and review available data.
2. Advise *Owner* as to the necessity of *Owner's* providing or obtaining from others data or services of the types described in Section II and act as *Owner's* representative in connection with such services. Assist the *Owner* in contracting for such services.

3. Prepare preliminary designs necessary to determine the type, size, and scope of the improvement project based upon projected aviation activity and current airport standards.
4. Prepare preliminary cost estimates for the project.
5. Make minor revisions to the airport layout plan as necessary to reflect the details of the project.
6. Prepare preapplications for federal and/or state assistance grants for funding of the project.
7. Furnish five (5) copies of drawings, sketches, forms, and reports as appropriate to the *Owner* for submission to government agencies.

B. Design Phase: After written authorization to proceed the *Engineer* shall:

1. In consultation with the *Owner* and other government agencies through conferences, meetings, or submission of preliminary reports as appropriate, determine the extent of the project and the design criteria to be used in final design.
2. Prepare an engineer's report in accordance with FAA criteria which shall include but not necessarily be limited to:
   a. An analysis and reasons for the design choices;
   b. An analysis of the airport pavement design;
   c. An analysis of the manner that the work will be accomplished; and
   g. A project cost estimate based upon the final design.
3. Advise the *Owner* of needed special services and assist the *Owner* in the evaluation and selection of other professionals to provide special services, such as soil borings, laboratory tests and surveys.
4. Prepare final design, detailed contract drawings, specifications and contract documents.
5. Submit appropriate documents to state and federal agencies for necessary approvals and permits.
6. Furnish to the *Owner* five (5) copies of completed drawings, specifications, reports, estimates and contract documents.

C. Construction Phase:

During the Construction Phase, the *Engineer* shall provide the following services:

1. Assistance to the *Owner* in securing bids, tabulation and analysis of bid results, and furnishing recommendations in connection with the award of construction contracts.
2. Assistance in preparation of application for federal assistance.
3. Assistance in preparation of formal contract documents for the award of construction contracts.
4. Consult with and advise the *Owner* and act as his representative as provided in the approved construction specifications and contract documents.
5. Make visits to the site at intervals appropriate to the various stages of construction to observe as an experienced and qualified design professional the progress and quality of the executed work of contractor(s) and to determine in general if such work is proceeding in accordance with the contract documents and provide reports as necessary to the *Owner*. *Engineer* shall not be required by this provision to make exhaustive or continuous on site inspections to check the quality or quantity of the construction work.
6. Check shop drawings and other submissions of the contractor for compliance with the design concepts and specification requirements.
7. Review laboratory, shop and mil test reports and prepare a tabulation or summary of laboratory test results to assist in monitoring the quality of construction.
8. Recommend to *Owner* change orders and/or supplemental agreements to the construction contract incidental to existing field conditions or improvements in the project design. Prepare estimate of cost or savings from proposed order, prepare change order along with basis for recommendation, obtain unit price quotations from construction contractor for change order work, make recommendations to *Owner* regarding contractor unit prices for change order work and assist the *Owner* in negotiating with the contractor to arrive, if possible, at an appropriate compensation resulting from the proposed revisions. The *Engineer is* not required by this provision to accomplish extensive design revisions and drawings resulting from a change in project scope initiated by the *Owner* or major changes in design concept previously accepted by the Owner where changes are due to causes beyond the *Engineer's* control.
9. Advise the *Owner* of needed special services and assist the Owner in the acquisition of such services as appropriate.
10. Check and certify the accuracy of partial and final payments due to contractors based upon the completed work.

11. Prepare *Owner's* applications for partial and final payments for submission to government agencies.
12. From information provided by the resident inspector and surveys made under special services or by others, compute final quantities of work completed by contractors on the project.
13. Make a final inspection with *Owner* and government representatives of the completed work and provide a report of *Engineer's* recommendation regarding contractor's final earnings.
14. Prepare final project report explaining significant features of the project, such as large variances in quantities, construction time, recommendations regarding liquidated damages, etc.
15. Prepare "Record Drawings" based upon information provided by the resident inspector. Furnish three (3) copies of the "Record Drawings" to the *Owner*.
16. The *Engineer* shall not be responsible for the acts or omissions of any contractor, or subcontractor, or any of the contractor(s)' or subcontractor(s)' agents or employees or any other persons (except *Engineer's* own employees and agents) at the site or otherwise performing any of the contractor(s)' work; however, nothing contained herein shall be construed to release the *Engineer* from liability for failure to perform properly duties undertaken by the *Engineer* under this Agreement.

SECTION II - SPECIAL SERVICES

At the written request of the *Owner*, the *Engineer* shall accomplish such special services as required by the Owner to complete the project. At the option of the Owner, special services may be provided by the Owner through contracts with other professionals or may be provided by the Engineer. When the *Engineer* is requested to provide special services, such services may be provided by Engineer's own forces or through subcontracts with other professionals. However, contracts with other professionals for special services must have the written approval of the Owner before the work is initiated. Special services which may be requested may include, but are not necessarily limited to the following:

A. Land Surveys as necessary to establish property boundaries required for property acquisition purposes or preparation of property maps.
B. Soils and Material Investigations including test borings, laboratory testing of soils and materials, related analyses and recommendations.
C. Engineering Surveys (for design and construction) to include topographic surveys, base line surveys, cross section surveys, etc., as required and approved by the *Owner*.
D. Technical Inspection of construction by full time resident project representative, as required and approved by the *Owner*. When authorized by the *Owner* the duties, responsibilities and limitations of authority shall be as described in Section IV.
E. Reproduction of additional copies of reports, contract documents and specifications above the specified number furnished in Basic Services.
F. Assistance to the Owner as expert witness in litigation arising from development or construction of the project.
G. The accomplishment of special surveys and investigations, and the preparation of special reports and drawings as may be requested or authorized in writing by the *Owner* in connection with the project.
H. Extra Work Created by Design Changes, after approval of plans and specifications by the *Owner* and FAA, and beyond the control of the Engineer, that may be requested or authorized in writing by the Owner in connection with the project.
I. Extra Work Required to Revise Contract Documents, Plans and Specifications to facilitate the award of more than one construction contract, in the event the *Owner* adopts such a construction program.

SECTION III - RESPONSIBILITY OF THE OWNER

As a party to this Agreement, the *Owner* shall:

A. Make available for Engineer's use all record drawings, maps, soil data, etc. that are readily available to the Owner.
B. Designate a person to act with authority on Owner's behalf and respond in a timely manner to submissions by Engineer providing approvals and authorizations as appropriate so that work may continue at a normal pace.
C. Pay all costs associated with special services authorized by the Owner, and all costs associated with obtaining bids from contractors.

SECTION IV - DUTIES, RESPONSIBILITIES AND LIMITATIONS OF AUTHORITY OF RESIDENT PROJECT REPRESENTATIVE

A. General

Resident project representative is Engineer's agent, will act as directed by and under the supervision of Engineer, and will confer with Engineer regarding his actions. Resident project representative's dealings in matters pertaining to the on-site work shall in general be only with Engineer and contractor, and dealings with subcontractors shall only be through or with the full knowledge of contractor. Written communication with Owner will be only through or as directed by Engineer.

B. Duties and Responsibilities

Resident project representative will:

1. Schedules: Review the progress schedule, schedule of shop drawing submissions and schedule of values prepared by contractor and consult with Engineer concerning their acceptability.
2. Conferences: Attend preconstruction conferences. Arrange a schedule of progress meetings and other job conferences as required in consultation with Engineer and notify those expected to attend in advance. Attend meetings, and maintain and circulate copies of minutes thereof.
3. Liaison:
   a. Serve as Engineer's liaison with contractor, working principally through Contractor's superintendent and assist him in understanding the intent of the contract documents. Assist Engineer in serving as Owner's liaison with contractor when contractor's operations affect Owner's on-site operations.
   b. As requested by Engineer, assist in obtaining from Owner additional details or information, when required at the job site for proper execution of the work.
4. Shop Drawings and Samples:
   a. Receive and record date of receipt of shop drawings and samples, receive samples which are furnished at the site by contractor, and notify Engineer of their availability for examination.
   b. Advise Engineer and contractor or its superintendent immediately of the commencement of any work requiring a shop drawing or sample submission if the submission has not been approved by Engineer.
5. Review of Work, Rejection of Defective Work, Inspections and Tests:
   a. Conduct on-site observations of the work in progress to assist Engineer in determining if the work is proceeding in accordance with the contract documents and that completed work will conform to the contract documents.
   b. Report to Engineer whenever he believes that any work is unsatisfactory, faulty or defective or does not conform to the contract documents, or does not meet the requirements of any inspections, tests or approval required to be made or has been damaged prior to final payment; and advise Engineer when he believes work should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection or approval.
   c. Verify that tests, equipment and systems startups and operating and maintenance instructions are conducted as required by the contract documents and in presence of the required personnel, and that contractor maintains adequate records thereof-, observe, record and report to Engineer appropriate details relative to test procedures and startups.
   d. Accompany visiting inspectors representing public or other agencies having jurisdiction over the project, record the outcome of these inspections and report to Engineer.
6. Interpretation of Contract Documents: Transmit to contractor Engineer's clarifications and interpretations of the contract documents.
7. Modifications: Consider and evaluate contractor's suggestions for modifications in drawings or specifications and report them with recommendations to Engineer.
8. Records:
   a. Maintain at the job site orderly files for correspondence, reports of job conferences, shop drawings and samples submissions, reproductions of original contract documents including all addenda, change orders, field orders, additional drawings issued subsequent to the execution of the contract, *Engineer's* clarifications and interpretations of the contract

documents, progress reports, test reports and other project related documents.

b. Keep a diary or log book, recording hours on the job site, weather conditions, data relative to questions of extras or deductions, quantities of material installed on the project, list of visiting officials and representatives of manufacturers, fabricators, suppliers and distributors, daily activities, decisions, observations in general and specific observations in more detail as in the case of observing test procedures. Send copies to Engineer.

c. Record names, addresses and telephone numbers of all contractors, subcontractors and major suppliers of materials and equipment.

9. Reports:

a. Furnish Engineer periodic reports as required of progress of the work and contractors compliance with the approved progress schedule and schedule of shop drawing submissions.

b. Consult with Engineer in advance of scheduled major tests, inspections or start of important phases of the work.

c. Report immediately to Engineer upon the occurrence of any accident.

10. Payment Requisitions: Review applications for payment with contractor for compliance with the established procedure for their submission and forward them with recommendations to Engineer, noting particularly their relation to the schedule of values, work completed and materials and equipment delivered at the site but not incorporated in the work.

11. Certificates, Maintenance and Operation Manuals: During the course of the work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by contractor are applicable to the items actually installed; and deliver this material to Engineer for his review and forwarding to Owner prior to final acceptance of the work.

12. Completion:

a. Before Engineer issues a Certificate of Substantial Completion, submit to contractor a list of observed items requiring completion or correction.

b. Conduct final inspection in the company of Engineer, Owner and contractor and prepare a final list of items to be completed or corrected.

c. Verify that all items on final list have been completed or corrected and make recommendations to Engineer concerning acceptance.

C. Limitations of Authority

Except upon written instructions of *Engineer*, resident project representative:

1. Shall not authorize any deviation from the contract documents or approve any substitute materials or equipment.
2. Shall not exceed limitations on *Engineer's* authority as set forth in the contract documents.
3. Shall not undertake any of the responsibilities of contractor, subcontractors or contractor's superintendent, or expedite the work.
4. Shall not advise on or issue directions relative to any aspect of the means, methods, techniques, sequences or procedures of construction unless such is specifically called for in the contract documents.
5. Shall not advise on or issue directions as to safety precautions and programs in connection with the work.
6. Shall not authorize *Owner* to occupy the project in whole or in part.
7. Shall not participate in specialized field or laboratory tests.

SECTION V - METHOD OF PAYMENT

The *Engineer's* compensation for the work described herein shall be based upon the schedule of fees described in the basic agreement.

A. Basic Services

1. Partial payments for basic services in connection with the project development phase and/or the design phase shall be made monthly to the *Engineer* by the *Owner* upon receipt of invoices which shall be based upon percentages of completion on the date of invoicing.
2. Partial payments for basic services in connection with the construction phase shall be made monthly to the *Engineer* by the *Owner* upon receipt-of invoices which shall be based upon the percentage of

construction work completed by the construction contractor(s) at the time of invoicing.

B. Special Services

1. Basis of Compensation:

a. The *Owner* will pay the *Engineer* for special services performed by personnel of the *Engineer* at the rates established in the basic agreement, plus the actual cost of reimbursable expenses as defined hereinafter.

b. The *Owner will pay* the *Engineer* for special services performed by others at the actual invoice amount plus an 10% Administrative Fee.

c. Reimbursable expenses are defined as follows:

1) Travel and subsistence cost incurred by office engineering personnel engaged in the work when traveling in connection with the project.

2) Identifiable reproduction cost and communication expenses applicable to the work.

3) Travel by office engineering personnel in personal or company-owned vehicle at the rate of $0.31 per mile.

4) Amounts set forth in the Schedule of hourly Rates for Field Engineering Personnel include vehicle, conventional equipment, instruments and subsistence. No reimbursement will be made for expenses of field engineering personnel.

2. Terms and Conditions: The basis of compensation described above is based upon the following conditions:

a. Time charged to the project by office engineering personnel will include the time that the applicable employees are engaged in actual work on the project at the Engineer's office, at the site of the project, or in travel status in connection with the project.

b. Only the personnel needed and required to accomplish the services in keeping with the prescribed schedule shall be assigned to the project.

c. Charges will not be made to the project during periods of sickness, vacation or at any other times when personnel are not gainfully employed on the work.

d. Charges will be made to the project for resident inspection services only when the contractor is working and making reasonable progress toward completion of pay items in the contract.

3. Payment Schedule:

a. Invoices shall be submitted at monthly intervals to the Owner with certified copies of payrolls and receipts if requested.

b. Payments shall be due and payable within 30 days after the date of invoice.

SECTION VI - MISCELLANEOUS PROVISIONS

A. Estimates: Since the Engineer has no control over the cost of labor and materials or over competitive bidding and market conditions, the estimates of construction cost provided for herein are to be made on the basis of his experience and qualifications, but the Engineer does not guarantee the accuracy of such estimates as compared to the contractor's bids or the project construction cost.

B. Extra work: It is mutually understood and agreed that the Owner will compensate the Engineer for services resulting from significant changes in general scope of the project or its design, but not necessarily limited-to, changes in size, complexity, project schedules, character of construction, revisions to previously accepted studies, reports, design documents or contract documents and for preparation of documents for separate bids, when such revisions are due to causes beyond the Engineer's control and when requested or authorized by the Owner. Compensation for such extra work when authorized by the Owner shall be in accordance with Section II – Special Services.

C. Reuse of Documents All documents including drawings and specifications prepared by *Engineer* pursuant to this Agreement are instruments of service in respect of the project. They are not intended or represented to be suitable for reuse by Owner or others on extensions of the project or on any other project. Any reuse without written verification or adaptation by Engineer for the specific purposes intended will be at Owner's sole risk and without liability or legal exposure to Engineer; and Owner shall indemnify and hold harmless Engineer from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle

Engineer to further compensation at rates to be agreed upon by Owner and Engineer. Notwithstanding these provisions the Owner shall be provided upon request a reproducible copy of any drawing produced under this Agreement at the cost of reproduction.

D. Responsibility of the Engineer

1. The Engineer shall be responsible for the professional quality, technical accuracy, timely completion, and the coordination of all designs, drawings, specifications, reports, and other services furnished by the Engineer under this agreement. The Engineer shall, without additional compensation, correct or revise any errors, omissions or other deficiencies in his designs, drawings, specifications, reports and other services.
2. Approval by the Owner or the FAA of drawings, designs, specifications, reports, and incidental engineering work or materials furnished hereunder shall not in any way relieve the Engineer of his responsibility for the technical adequacy of his work.
3. The Engineer shall be and remain liable in accordance with applicable law for all damages to the Owner caused by the Engineer's negligent performance of any of the services furnished under this Agreement, except for errors, omissions or other deficiencies to the extent attributable to the Owner, Owner- furnished data or any third party. The Engineer shall not be responsible for any time delays in the project caused by circumstances beyond the Engineer's control.

E. Termination

1. This Agreement may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party provided that no such termination may be effected unless the other party is given:
   a. Not less than ten (10) calendar days written notice of intent to terminate; and
   b. An opportunity for consultation with the terminating party prior to termination.
2. This Agreement may be terminated in whole or in part in writing by the Owner for its convenience provided that such termination is for good cause (such as for legal or financial reasons) or major changes in the work or program requirements and that the Engineer is given:
   a. Not less than ten (10) calendar days written notice of intent to terminate; and
   b. An opportunity for consultation with the terminating party prior to termination.
3. Upon receipt of a termination notice, the Engineer shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to the Owner all data, drawings, specifications, reports/estimates, summaries, and such other information and materials as may have been accumulated by the Engineer in performing this Agreement, whether completed or in process.
4. If this Agreement is terminated by either party, the Engineer shall be paid for services rendered and expenses incurred prior to the termination in addition to termination settlement costs reasonably incurred by the Engineer relating to commitments which had become firm prior to the termination. If termination of the Agreement occurs at the conclusion of one phase and prior to authorization of the Owner to begin the next phase, payment by the Owner of the completed phase shall be considered full compensation due the Engineer. If the, Agreement is terminated by the Owner for default of the Engineer the amount due the Engineer may be adjusted to the extent of any additional costs incurred by the Owner as a result of the Engineer's default.

F. Remedies

Except as may be otherwise provided in this Agreement, all claims, counterclaims, disputes and other matters in question between the Owner and the Engineer arising out of or relating to this Agreement or the breach thereof will be decided by mediation if the parties hereto mutually agree, or in a court of competent jurisdiction within the state in which the Owner is located.

G. Audit: Access to Records

1. The Engineer shall maintain books, records, documents and other evidence directly pertinent to the work under this Agreement in accordance with generally accepted accounting principles and practices. The Owner, the Federal Aviation Administration, the Comptroller General of the United States or any of their duly authorized representatives shall have access to any books, documents, papers, records and other evidence for the purpose of examination, audit, excerpts and transcriptions.
2. Records described above shall be maintained and made available during the performance under this Agreement and for a period of three years after the *Owner* makes final payment and all other pending matters are closed.

H. Civil Rights Assurances

During the performance of this contract, the *Engineer*, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. Compliance with Regulations. The contractor shall comply with the Regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this contract.
2. Nondiscrimination. The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including practices when the contract covers a program set forth in Appendix B of the Regulations.
3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. Information and Reports. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the *Owner* or the Federal Aviation Administration to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the *Owner* or the Federal Aviation Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
5. Sanctions for Noncompliance. In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the *Owner* shall impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
   a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
   b. Cancellation, termination, or suspension of the contract, in whole or in part.
6. Incorporation of Provisions. The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the *Owner* or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the *Owner* to enter into such litigation to protect the interests of the *Owner* and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

I. *DISADVANTAGED BUSINESS ENTERPRISE (DBE) ASSURANCES*

1. Policy. It is the policy of the DOT that disadvantaged business enterprises as defined in 49 CFR Part 23 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds under this Agreement. Consequently, the DBE requirements of 49 CFR Part 23 apply to this Agreement.
2. DBE Obligation. The contractor agrees to ensure that disadvantaged business enterprises as defined in 49 CFR Part 23 have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds provided under this Agreement. In this regard, all contractors shall take all necessary and reasonable steps in accordance with 49 CFR Part 23 to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform contracts. Contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of DOT- assisted contracts.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN LEASE PURCHASE AGREEMENT ON THE TRACKHOE

Upon recommendation of the Purchasing Agent and the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following lease agreement with Hancock Bank to purchase the new trackhoe:

MUNICIPAL LEASE AND OPTION AGREEMENT

Lessor: **HANCOCK BANK**
P.O. BOX 4019
GULFPORT MS 39502

Lessee: **CITY OF PICAYUNE**
203 GOODYEAR BLVD
PICAYUNE MS 39466

This MUNICIPAL LEASE AND OPTION AGREEMENT (the "Agreement") entered into between Hancock Bank, a corporation duly organized and existing under the laws of the State of Mississippi ("Lessor"), and CITY OF PICAYUNE (Lessee), a body, corporate and politic, duly organized and existing under the laws of the State of Mississippi ("State").

WITNESSETH

WHEREAS, Lessor desires to lease the Equipment, as hereinafter defined, to Lessee, and Lessee desires to lease the Equipment from Lessor, subject to the terms and conditions of, and for the purposes set forth in, this Agreement; and

WHEREAS, Lessee is authorized under the Constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Covenants of Lessee. Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:

(a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.

(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(c) Lessee is authorized under the Constitution and laws of the state to enter into this Agreement and the transaction contemplated hereby, and to perform all of its obligations hereunder.

(d) Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, attached hereto as Exhibit "A", or by other appropriate official approval, and further represents, covenants and warrants that all requirements have been met, and procedures have occurred in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. Lessee shall cause to be executed an opinion of its counsel substantially in the form attached hereto as Exhibit "B".

(e) During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.

(f) During the period this Agreement is in force, Lessee will provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be reasonably requested by Lessor or its assignee.

(g) The Equipment will have a useful life in the hands of the Lessee that is substantially in excess of the Original Term and all Renewal Terms.

(h) The Equipment is, and shall remain during the period this Agreement is in force, personal property and when subject to use by Lessee under this Agreement, will not be or become fixtures.

ARTICLE II

Definitions: The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" - means this Municipal Lease and Option Agreement, including the Exhibits attached hereto, as the same may be supplemented or amended from time to time in accordance with the terms hereof.

"Commencement Date" - is the date when the term of this Agreement begins and Lessee's obligation to pay rent accrues, which date shall be the date on which the Equipment is accepted by Lessee as indicated on the Certificate of Acceptance attached hereto as Exhibit "F".

"Equipment" - means the property described in Exhibit "D" and which is the subject of this Agreement.

"Lease Term" - means the Original Term and all Renewal Terms provided for in this Agreement under Section 4.01, but in no event longer than the number of months set forth in Exhibit "E" of the Agreement.

"Lessee" - means the entity which is described in the first paragraph of this Agreement and which is leasing the Equipment from Lessor under the provisions of this Agreement.

"Lessor" - means (i) Hancock Bank, a corporation, acting as Lessor hereunder; (ii) Any surviving, resulting or transferee corporation; and (iii) Except where the context requires otherwise, any assignee(s) of Lessor.

"Original Term" - means that period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.

"Purchase Price" - means the amount which Lessee may, in its discretion, pay to Lessor in order to purchase the Equipment, as set forth in Exhibit "E" hereto.

"Renewal Term(s)" - means the automatic renewal terms of this Agreement as provided for in Article IV of this Agreement, each having a duration of one (1) year and a term co-extensive with the Lessee's fiscal year except the last of such automatic renewal terms which shall end on the anniversary of the Commencement Date therein.

"Rental Payments" - means the basic rental payments payable by Lessee pursuant to the provisions of this Agreement during the Lease Term, payable in consideration of the right of Lessee to use the Equipment during the then current portion of the Lease Term. Rental Payments shall be payable by Lessee to the Lessor or its assignee in the amounts and at the times during the Lease Term as set forth in Exhibit "E" of this Agreement.

"Vendor" - means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment.

ARTICLE III

Lease of Equipment. Lessor hereby demises, leases and lets to Lessee, the Lessee rents, leases and hires from Lessor, the Equipment, in accordance with the provisions of this Agreement, to have and to hold for the Lease Term.

ARTICLE IV

LEASE TERM

Section 4.01 Commencement of Lease Term

The original Term of this Agreement shall commence on the Commencement Date as indicated in Exhibit "F" and shall terminate the last day of Lessee's current fiscal year.

The Lease Term will be automatically renewed at the end of the Original Term or any Renewal Term for an additional one (1) year, unless the Lessee gives written notice to Lessor not less than sixty (60) days prior to the end of the Original Term or Renewal Term then in effect, or such greater notice as may be provided in Article VI, of Lessee's intention to terminate this Agreement at the end of the Original Term or the then current Renewal Term pursuant to Article XI or Article VI, as the case may be. The terms and conditions during the Original Term, except that the Rental Payments shall be as provided in Exhibit "E" of this Agreement.

Section 4.02 Termination of Lease Term.

The Lease Term will terminate upon the earliest of any of the following events:

(a) The expiration of the Original Term or any Renewal Term of this Agreement and the non-renewal of this Agreement in the event of non appropriation of funds pursuant to Section 6.06;

(b) The exercise by Lessee of the option to purchase the Equipment granted under the provisions of Articles IX or XI of this Agreement;

(c) A default by Lessee and Lessor's election to terminate this Agreement under Article XIII; or

(d) The payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder.

ARTICLE V

Enjoyment of Equipment. Lessor hereby covenants to provide Lessee during the Lease Term with quiet use and enjoyment of the Equipment, and Lessee shall during the Lease Term peaceably and quietly have and hold and enjoy the Equipment, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement.

Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

ARTICLE VI

Rental Payments

Section 6.01 Rental Payments to Constitute a Current Expenses of Lessee.

Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

Section 6.02 Payment of Rental Payments.

Lessee shall pay Rental Payments, exclusively from legally available funds, in lawful money of the United States of America to Lessor, or in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in Exhibit "E" hereto. Rental Payments shall be 'in consideration for Lessee's use of the Equipment during the applicable year in which such payments are due.

Section 6.03 Interest and Principal Component.

A portion of each Lease Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal. Exhibit "E" hereto sets forth the interest component and the principal component of each Rental Payment during the Lease Term.

Section 6.04 Rental Payments to be Unconditional.

The obligations of Lessee to make payment of the Rental Payments required under this Article VI and other sections hereof, and to perform and observe the covenants and agreements contained herein, shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, and Vendor or any other person, Lessee shall make all payments of Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of setoff or counterclaim against its obligation to make such payments required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or the then current Renewal Term shall not be abated through accident or unforeseen circumstances.

Section 6.05 Continuation of Lease Term by Lessee.

Lessee intends, subject to the provisions of Section 6.06 to continue the Lease Term through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds of an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. Lessee further intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each bi-annual or annual budget submitted and adopted in accordance with applicable provisions of state law, to have such portion of the budget approved.

Section 6.06 Nonappropriation.

In the event sufficient funds shall not be appropriated for the payment of the Rental Payments required to be paid in the next occurring Renewal Term, and if Lessee has no funds legally available for Rental Payments from other sources, then Lessee may terminate this Agreement at the end of the then current Original Term or Renewal Term, and Lessee shall not be obligated to make payment of the Rental Payments provided for in this Agreement beyond the then current original or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at Least sixty (60) days prior to the end of the then current Original or Renewal Term. If this Agreement is terminated under this Section 6.06, Lessee agrees, at Lessee's cost and expense, peaceably to deliver the Equipment to Lessor at the location specified by Lessor. To the extent lawful, Lessee shall not, until the date on which the next occurring Renewal Term would have ended, expend any funds for the purchase or use of Equipment similar to the Equipment subject to this Agreement.

ARTICLE VII

TITLE TO EQUIPMENT; SECURITY INTEREST

Section 7.01 Title To The Equipment

During the Term of this Agreement, title to the Equipment any and all additions, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement. In the event of default as set forth in Section 13.02 or nonappropriation as set forth in Section 6.06, Title to the Equipment shall immediately vest in Lessor, and Lessee will reasonably surrender possession of the Equipment to Lessor. Lessee, irrevocably, hereby designates, makes, constitutes and appoints Lessor (and all persons designated by Lessor) as Lessee's true and lawful attorney (and agent-in-fact) with power, at such time of default or nonappropriation or times thereafter as Lessor in its sole and absolute discretion may determine, in Lessee's or Lessor's name, to endorse the name of Lessee upon any Bill of Sale, document, instrument, invoice, freight bill, bill of lading or similar document relating to the Equipment in order to vest title in Lessor and transfer possession to Lessor.

Section 7.02 Security Interest.

To secure the payment of all Lessee's obligations under this Agreement, Lessee grants to Lessor a security interest constituting a first lien on the Equipment and on all additions, attachments, accessions and substitutions thereto, and on any proceeds therefrom. Lessee agrees to execute such additional documents, including financing statements, certificates of title, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest, and upon assignment, the security of any assignee of Lessor, in the Equipment.

ARTICLE VIII

Maintenance; modification taxes, insurance and other charges.

Section 8.01 Maintenance of Equipment by Lessee.

Lessee agrees that at all times during the Lease Term, Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition,

and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. Lessor shall have no responsibility in any of these matters or for the making of improvements or additions to the Equipment. The Lessee may from time to time add further parts or accessories to any item of leased Equipment, provided such addition does not affect or impair the value or utility of such item of Equipment. Any part or accessory so added, if not required as a replacement hereunder, shall remain the property of the Lessee and may be removed at any time prior to the expiration of the lease term of such item, provided such removal does not affect or impair the value or utility of such item of Equipment. Any parts of accessories not so removed shall become the property of the Lessor.

Section 8.02 Taxes, Other Governmental Charges and Utility Charges.

The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay during the Lease Term, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any Equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or modification, improvement or addition to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and all other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as have accrued during the time this Agreement is in effect.

Section 8.03 Provisions Regarding Insurance.

At its own expense, Lessee shall cause casualty, public liability and property damage insurance to be carried and maintained sufficient to protect the Full Insurable Value (as that term is hereinafter defined) of the Equipment, and to protect Lessor from liability in all events. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. Lessee shall furnish to Lessor Certificates evidencing such coverage throughout the Lease Term.

Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies which cover not only the Equipment, but other properties.

The term "Full Insurable Value" as used herein shall mean the full replacement value of the Equipment or the then applicable Purchase Price, whichever is greater.

Any insurance policy pursuant to this Section 8.03 shall be written with Hancock Bank as an additional insured. The Net Proceeds (as defined in Section 9.01) of the insurance required in this Section 8.03 shall be applied as provided in Article IX hereof. Each insurance policy provided for in this Section 8.03 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of Lessor without first giving written notice thereof to Lessor at least ten (10) days in advance of such cancellation.

Section 8.04 Advances.

In the event Lessee shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Equipment in good repair and operating condition or shall fail to pay any such taxes or charges referenced in Section 8.02, Lessor may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements which are necessary and provide for payment thereof or may pay any such taxes or charges referenced in Section 8.02; and all amounts so advance therefore by Lessor shall become additional rent for the then current Original Term or Renewal Term which amounts Lessee agrees to pay on demand, together with interest thereon at the rate of twelve (12%) per cent per annum. or the highest rate permitted by applicable law, whichever is less. The obligation of Lessee to pay additional rent together with interest, including, but not limited to, circumstances wherein Lessor pays, subsequent to termination of this Agreement, any such taxes or charges referenced in Section 8.02 accrued during the time in which this Agreement is in effect, shall survive the termination of this Agreement.

ARTICLE IX

DAMAGES, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS

Section 9.01 Damages Destruction and Condemnation.

Unless Lessee shall have exercised its option to purchase the Equipment by making payment of the Purchase Price as provided herein, if prior to the termination of the Lease Term; (A) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty; or (B) title to, or the temporary use of, the Equipment of any part thereof or the estate of Lessee or Lessor in the Equipment or any part thereof shall be taken under the exercise of the

power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to Lessee's obligations pursuant to Section 9.02 hereof.

For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award deducting all expenses (including attorney's fees) incurred in the collection of such claim or award.

Section 9.02 Insufficiency of Net Proceeds.

Provided, the Equipment is not deemed to be a total loss, Lessee shall if Lessee is not in default hereunder, cause the repair, replacement or restoration of the Property and pay the cost thereof.

In the event of total destruction or damage to the Equipment, whether or not Lessee is in default, at Lessor's option, Lessee shall pay to Lessor on the rent payment due date next succeeding the date of such loss ("Rent Payment Due Date") the amount of the Purchase Price applicable to such Rent Payment Due Date, plus the Rental Payment due on such date, plus any other amounts payable by Lessee hereunder, and, upon such payment, the Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate as provided in Article XI of this Agreement. The amount of the Net Proceeds in excess of the then applicable Purchase Price, if any, may be retained by Lessee. Lessee agrees that if the Net proceeds are insufficient to pay in full Lessee's obligations hereunder, Lessee shall make such payments to the extent of any such deficiency. Lessee shall not be entitled to any reimbursement therefore from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article VI hereof.

ARTICLE X

DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE EQUIPMENT

Section 10.01 Disclaimer of Warranties.

Except as made in Section 14.01, Lessor makes no warranty or representation whatsoever, either express or implied. Without limiting the generality of the foregoing, Lessor makes no warranty or representation and specifically disclaims any warranty or representation as to the value, design, condition, mechanism, fitness for particular purposes, fitness for use of the Equipment, Year 2000 compliance, readiness or certification or use in a Year 2000 environment. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item or products or services provided for in this Agreement.

Section 10.02 Vendor's Warranties.

Lessor hereby agrees to assign to Lessee solely for the purpose of making and prosecuting any such claim against Vendor, all of the rights which Lessor has against Vendor for breach of warranty or other representation respecting the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against the Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive fully and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 10.03 Use of the Equipment.

Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdiction in which its operations involving any item of Equipment may extend and any legislative, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

ARTICLE XI

Option to Purchase. At the request of Lessee, Lessor's security interest in the Equipment will be terminated and this Agreement shall terminate:

(a) At the end of the Lease Term (including Renewal Terms), upon payment in full Rental Payments and other amounts payable by Lessee hereunder; or
(b) At the end of the Original Term or any Renewal Term upon payment by Lessee of the then applicable Purchase Price; or
(c) If the Lease Term is terminated pursuant to Article IX of this Agreement.

ARTICLE XII

ASSIGNMENT: SUBLEASING: INDEMNIFICATION: MORTGAGING AND SELLING

Section 12.01 Assignment by Lessor.

This Agreement, and the obligations of Lessee to make payments hereunder, may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor at any time subsequent to its execution, without the necessity of obtaining the consent of Lessee. Lessor agrees to give notice of assignment to Lessee and upon receipt of such notice Lessee agrees to make all payments to the assignee designated in the assignment, notwithstanding any claim, defense, set off or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor, or the assignee. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements which may be reasonably requested by Lessor or its assignee to protect their interests in the Equipment and in this Agreement.

Section 12.02 No Sale, Assignment or Subleasing by Lessee.

This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

Section 12.03 Release and Indemnification Covenants.

To the extent permitted by the laws and Constitution of the State, Lessee shall protect, hold harmless and indemnify Lessor from and against any and all liability obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into of this Agreement, the ownership of any item of the Equipment, the ordering acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason. Lessee agrees not to withhold or abate any portion of the payments required pursuant to this Agreement by reason of any defects, malfunctions, breakdowns, or infirmities of the Equipment.

ARTICLE XIII

EVENTS OF DEFAULT BY LESSEE AND REMEDIES THEREUPON

Section 13.01 Events of Default by Lessee Defined.

With respect to Lessee, the following shall by "Events of Default" under this Agreement and the terms "Event of Default" and "Default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at he time specified herein; or
(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 13.01(a), for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied as given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected; or
(c) Breach of any material representation or warranty by Lessee under this Agreement; or
(d) Commencement by Lessee of a case or proceeding under the Federal bankruptcy laws or filing by Lessee of any petition or answer seeking reorganization, arrangement, composition, readjustment, liquidation or similar relief under any existing or future bankruptcy, insolvency or other similar law or any answer admitting or not contesting the material allegations of a petition filed against Lessee in any such proceeding; or

(e) A Petition against Lessee in a proceeding under any existing or future bankruptcy, insolvency or other similar law shall be filed and not withdrawn or dismissed within thirty (30) days thereafter.

The foregoing provisions of this Section 13.01 are subject to (i) the provisions of Section 6.06 hereof with respect to nonappropriation; and (ii) if by reason of force majeure Lessee is unable in whole or in part to carry out its agreement on its part herein contained, other than the obligations on the part of the Lessee contained in Article VI hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: Acts of God strikes, lockouts or other industrial disturbances; acts of public enemies, order or restraints of any kind of the government of the United States of America or of the State wherein Lessee is located or any of their department, agencies or officials, or any civil or military authority; insurrections; riot, landslides; earthquakes; fire, storms; droughts; floods; or explosions.

Section 13.02 Remedies on Default.

Whenever any event of default referred to in section 13.01 hereof shall have happened and be continuing, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) With or without terminating this Agreement, retake possession of the Equipment and sell, lease or sublease the Equipment for the account of Lessee, to be applied to Lessee's obligations hereunder, holding Lessee liable for the Purchase Price applicable on the rent payment due date immediately preceding the date of default, plus the Rental payments due on such date, plus any other amounts payable by Lessee hereunder, including, but not limited to, attorney's fees expenses and costs of repossession;

(b) Require Lessee at Lessee's risk and expense to promptly return the Equipment in the manner and in the condition set forth in Section 6.06 and 8.01 hereof;

(c) If the Lessor is unable to repossess the Equipment for any reason, the Equipment shall be deemed a total loss and Lessee shall pay to Lessor the amount due pursuant to Article IX hereof; and

(d) Lessee agrees that Lessor may setoff any amounts owed to Lessor under this Agreement against any and all deposits and any and all accounts, joint or otherwise, which Lessee has with Lessor now and in the future. The herein referenced right to setoff shall survive the termination of this Agreement.

(e) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment.

Section 13.03 No Remedy Exclusive.

No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power and may be exercised from time to time and as often as may be deemed expedient.

ARTICLE XIV

LESSOR'S WARRANTIES

Section 14.01 Lessor's Warranties.

As to each item of leased Equipment to be leased hereunder, the Lessor warrants that:

(a) It has the right to lease the same to Lessee.

(b) It will keep each item of leased Equipment free of security interests except for the security interest provided for in Section 7.02 of this Agreement.

(c) It will do nothing to disturb Lessee's full right of possession and enjoyment thereof and the exercise of Lessee's rights with respect to the Equipment leased hereunder subject to compliance by Lessee of the terms of this Agreement.

ARTICLE XV

MISCELLANEOUS

Section 15.01 Notices.

All notices, certificates of other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid, to the parties at their respective places of business.

Section 15.02 Binding Effect.

This Agreement shall insure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 15.03 Severability.

In the event and provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 15.04 Amendments.

The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee; nor shall any such amendment that affects the rights of Lessor's assignee be effective without such assignee's consent.

Section 15.05 Execution in Counterparts.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15.06 Applicable Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi.

Section 15.07 Captions.

The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of sections of the Agreement.

Section 15.08 Entire Agreement.

This Agreement constitutes the entire Agreement between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not specified herein regarding this Agreement or the Equipment lease hereunder. Any terms and conditions of any purchase order or other document (with the exception of Supplements) submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Lessor and Lessee by their signatures acknowledge that each has read this Agreement, understands it, and agrees to be bound by its terms and conditions, and certifies that each signature is duly authorized and the signers are empowered to execute this Agreement on behalf of their respective principals.

IN WITNESS WHEREOF, Lessor has executed this Agreement in its corporate name with its corporate seal hereunder affixed and attested by its duly authorized officers, and Lessee has caused this Agreement to be executed in its corporate name with its corporate seal hereunto affixed and attested by its duly authorized officers. All of the above occurred as of the date first written below.

LESSOR: HANCOCK BANK

By: _____
Tim Sansone
Title: **Loan Officer**

Date: _____

ATTEST:

By: _____

Title: _____

Date: _____

LESSEE: CITY OF PICAYUNE

By: _____
WOODY SPIERS
Title: **MAYOR, CITY OF PICAYUNE**

ATTEST:

By: _____
SABRINA DIAMOND
Title: CITY CLERK, CITY OF PICAYUNE

Date: _____

EXHIBIT "A"

COUNCILMEMBER Roberson moved the adoption of the following resolution and order:

A RESOLUTION OF THE CITY OF PICAYUNE FINDING THAT IT IS NECESSARY TO ACQUIRE EQUIPMENT FOR GOVERNMENTAL OR PROPRIETARY PURPOSES AUTHORIZED BY LAW: FINDING THAT IT WOULD BE IN THE PUBLIC INTEREST TO ACQUIRE SUCH EQUIPMENT UNDER THE TERMS OF A LEASE PURCHASE AGREEMENT RATHER THAN PURCHASING SUCH EQUIPMENT OF CASH OR BY THE ISSUANCE OF EQUIPMENT NOTES: FINDING THAT THE HANCOCK BANK, GULFPORT, MISSISSIPPI, HAS OFFERED TO ACQUIRE SUCH EQUIPMENT AND TO LEASE SUCH EQUIPMENT TO CITY OF PICAYUNE FINDING THAT SUCH PROPOSAL IS IN THE INTEREST OF SUCH CITY OF PICAYUNE AND AUTHORIZING THE MAYOR, CITY OF PICAYUNE AND CITY CLERK, CITY OF PICAYUNE DIRECTING CITY OF PICAYUNE TO EXECUTE A LEASE AGREEMENT PURCHASE WITH THE HANCOCK BANK TO THE END THAT SUCH EQUIPMENT SHALL BE ACQUIRED BY SUCH BANK AND LEASED TO CITY OF PICAYUNE SUCH ON THE TERMS AND CONDITIONS EXPRESSED IN SUCH LEASE.

WHEREAS, The City of Picayune has heretofore determined by Order dated April 20, 1999 that it is necessary to acquire:

Serial Number	Description	Quantity	Unit Price	Total Price
11211	NEW HYUNDAI 210LC-3 HYDRAULIC EXCAVATOR POWERED BY A CUMMINS 6 CYLINDER 130 HP DIESEL ENGINE EQUIPPED WITH 32" SEMI-GROUSER SHOES, 48" DIGGING BUCKET WITH 6 TEETH AND ALL OTHER STANDARD EQUIPMENT AS SPECIFIED	1	108,000.00	108,000.00
	DOWN PAYMENT	1	-69,100.00	-69,100.00
	NET AMOUNT DUE TO VENDOR			38,900.00

for use by the CITY OF PICAYUNE and for purposes authorized by law: and

WHEREAS, such CITY OF PICAYUNE had by these presents determined that it would be in the public interest to acquire such equipment through a Lease Purchase Agreement as provided under Section 31-7-13(e)Miss. CODE ANN. (1972) as amended for a term not to exceed five (5) years; and

WHEREAS, such Board anticipates that the CITY OF PICAYUNE will not issue more than $10,000,000.00 of qualified tax-exempt obligations during calendar year 1999; and

WHEREAS, to the best knowledge and belief of the Board, this lease qualifies as a qualified project bond within the meaning of the Tax Reform Act of 1986; and

WHEREAS, such Board caused to be published in PICAYUNE ITEM newspaper having a general circulation in such county, notice to bidders of not less than two consecutive weeks as required by Section 31-7-13(e) MISS. CODE ANN. (1972): as amended; and

WHEREAS, on the 20th day of April, 1999 appointed for receipt of bids, such Board received such bids for the sale of such equipment and determined that the lowest and best bid for such equipment was $108,000.00; and

WHEREAS, the Hancock Bank of Gulfport, Mississippi, has proposed to acquire such equipment at the offered price and to lease such equipment to the CITY OF PICAYUNE at a rate of 4.54% per annum.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF PICAYUNE AS FOLLOWS:

SECTION 1: The MAYOR, CITY OF PICAYUNE AND CITY CLERK, CITY OF PICAYUNE are hereby authorized and directed to execute a Lease and Option Agreement together with all exhibits incorporated therein.

SECTION 2: Upon delivery and acceptance by such CITY OF PICAYUNE of such equipment, THE MAYOR, CITY OF PICAYUNE AND CITY CLERK, CITY OF PICAYUNE are authorized and directed to execute a Certificate of Acceptance of such equipment and as provided in Section 4.01 of such Lease, the lease term shall commence on the date of acceptance.

SECTION 3: The MAYOR, CITY OF PICAYUNE AND CITY CLERK, CITY OF PICAYUNE are further authorized and directed to execute on behalf of such CITY OF PICAYUNE a Financing Statement and all other documents as provided for under Section 7.02 of such Lease to establish and maintain the security interest of Hancock Bank in such equipment.

SECTION 4: Prior or at the time of acceptance by the CITY OF PICAYUNE of such equipment, the CITY OF PICAYUNE shall deliver to Hancock Bank, Certificates of Insurance assuring to Hancock Bank and naming Hancock Bank as additional insured that such property has been insured against loss from any casualty of whatever kind or nature. Such Certificates shall certify that such policy will not be cancelled without first giving written notice thereof to Hancock Bank at least ten (10) days in advance of such cancellation.

COUNCILMEMBER Thorman seconded the motion and after a full discussion, same was unanimously carried.

THIS, 1st day of June 1999.

CITY OF PICAYUNE

By: _____
WOODY SPIERS
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK CITY OF PICAYUNE

EXHIBIT "B"

G. GERALD CRUTHIRD, P.A.
ATTORNEY AT LAW

POST OFFICE BOX 1056
PICAYUNE, MISSISSIPPI 39466

409 CARROLL STREET
PICAYUNE, MS 39466

June 10, 1999

TELEPHONE: (601) 798-0220
FACSIMILE: (601) 798-4591

Hancock Bank
P. 0. Box 4019
Gulfport, MS 39502

Re: Lease-Purchase of equipment by City of Picayune

Gentlemen:

Pursuant to your request, I hereby render the following opinion regarding the Master Equipment Lease-Purchase Agreement (the "Agreement"), dated June 1, 1999, and the Equipment Lease Schedule between City of Picayune (the "Lessee") and Hancock Bank (the "Lessor").

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

Based on such examination, I am of the opinion that:

1. Lessee has full power, authority and legal right to purchase the equipment as defined in the Agreement, and to execute, deliver and perform the terms of the Agreement. The purchase of the equipment and the execution, delivery and performance of the Agreement has been duly authorized by all necessary action on the part of Lessee and any other governing authority and does not require the approval of or giving of notice to any other federal, state, local or foreign

governmental authority and does not contravene any law binding on Lessee or contravene any indenture, credit agreement or other agreement to which Lessee is a party or by which it is bound. The Agreement grants the Lessor a valid, first priority security interest in the equipment.

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

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

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

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

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

5. The Lessee has designated the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986.

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

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

Sincerely,

/s/
G. GERALD CRUTHIRD

EXHIBIT "C"
CERTIFICATE AS TO ARBITRAGE

We, the undersigned, CITY OF PICAYUNE (the "Lessee") being the person duly charged, with others, with responsibility for issuing the Lessee's obligation in the form of that certain agreement entitled "Municipal Lease and Option Agreement" (the "Agreement") dated June 1, 1999 and issued said date hereby certify that:

1. The Agreement was issued by the Lessee under and pursuant to SEC. 31-7-13(e) MISS. CODE ANN. (1972) Law to finance the acquisition of certain equipment described therein.

2. Pursuant to the Agreement, the Lessee is entitled to receive said equipment in consideration for the obligation of the Lessee under the Agreement. Said equipment will be used in furtherance of the public purposes of the Lessee. The Lessee does not intend to sell equipment or said Agreement or to otherwise dispose of said equipment during the term of the Agreement. The Lessee will not receive any monies, funds, or other "proceeds" as a result of the Agreement.

3. The Lessee expects to make payments under the Agreement from its general funds on the basis of annual appropriations in amount equal to the required payments under the Agreement. The remaining general funds of the Lessee are not reasonably expected to be used to make such payments and no other monies are pledged to the Agreement or reasonably expected to be used to pay principal and interest on the Agreement.

4. The Lessee has not received notice that its Certificate may not be relied upon with respect to its own issues nor has it been advised than any adverse action by the Commissioner of Internal Revenue is contemplated.

To the best of our knowledge, information and belief the expectations herein expressed are reasonable and there are no facts, estimates or circumstances other than those expressed herein that would materially affect the expectations herein expressed.

IN WITNESS WHEREOF, we have hereunto set our hands this 1st day of June 1999.

CITY OF PICAYUNE

By: _____
WOODY SPIERS
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK, CITY OF PICAYUNE

EXHIBIT "D"
DESCRIPTION OF EQUIPMENT

The Equipment which is the subject of the attached Municipal Lease and Option Agreement is as follows:

Serial Number	Description	Quantity	Unit Price	Total Price
11211	NEW HYUNDAI 210LC-3 HYDRAULIC EXCAVATOR POWERED BY A CUMMINS 6 CYLINDER 130 HP DIESEL ENGINE EQUIPPED WITH 32- SEMI-GROUSER SHOES, 48" DIGGING BUCKET WITH 6 TEETH AND ALL OTHER STANDARD EQUIPMENT AS SPECIFIED	1	108,000.00	108,000.00
	DOWN PAYMENT	1	-69,100.00	-69,100.00
	NET AMOUNT DUE TO VENDOR			38,900.00

Lessee hereby certifies that the description of the personal property set forth above constitutes an accurate description of the "Equipment", as defined in the attached Municipal Lease and Option Agreement.

CITY OF PICAYUNE

By: _____
WOODY SPIERS
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK, CITY OF PICAYUNE

EXHIBIT "E"
RENTAL PAYMENTS

Annual rentals on this agreement are **$14,229.57**. The first rental due on this agreement will be due on the **30th** day of **June, 2000** and subsequent annual rentals will be due on the **30th** day of each year thereafter. The lease term of this agreement is 3 years with a $ 1.00 Purchase Option available to the Lessee at contract end. The purchase price during the original or any renewal term shall be the amount set forth as the "balance" or "outstanding balance" on the following schedule plus $1.00 plus accrued but unpaid interest amounts as set forth on the attached schedule plus other amounts payable by lessee under the terms of the lease.

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	06-30-2000	14,229.57	1,937.76	12,291.81	26,608.19
2	06-30-2001	14,229.57	1,224.79	13,004.78	13,603.41
3	06-30-2002	14,229.58	626.17	13,603.41	0.00
TOTALS:		42,688.72	3,788.72	38,900.00	

REGULAR MEETING DATED JUNE 1, 1999

EXHIBIT "F"
ACCEPTANCE CERTIFICATE

The undersigned, CITY OF PICAYUNE as Lessee under the Municipal Lease and Option Agreement (the"Agreement") dated June 1, 1999 with HANCOCK BANK ("Lessor"), acknowledges receipt in good condition of all of the Equipment described in the Agreement and Exhibit "D" thereto this June 1, 1999 and certifies that Lessor has fully and satisfactorily performed all of its covenants and obligations required under the Agreement to date.

Lessee confirms that the Commencement Date of the Agreement is June 1, 1999 and it will commence payment in accordance with Article VI of the Agreement.

The undersigned Lessee hereby reaffirms in all respects the Certificate as Arbitrage attached as Exhibit "C" to the Agreement, and represent that, to the best of their knowledge, information and belief, the expectations therein expressed were reasonable as of the date on which they were made and are reasonable as of the Commencement Date, and that there were, and are as of the Commencement Date, no facts, estimates or circumstances other than those expressed therein that would materially affect the expectations expressed therein.

CITY OF PICAYUNE

By: _____
WOODY SPIERS
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK, CITY OF PICAYUNE

EXHIBIT "G"
CERTIFICATE WITH RESPECT TO
QUALIFIED TAX-EXEMPT OBLIGATION

We, the undersigned, CITY OF PICAYUNE (the "Lessee") being the persons duly charged, with others, with responsibility for issuing the Lessee's obligation in the form of that certain agreement entitled "Municipal Lease and Option Agreement" (the "Agreement") dated June 1, 1999 and issued said date hereby certify that:

1. This Certificate is executed for the purpose of establishing that the Lease has been designated by Lessee as a qualified tax-exempt obligation of Lessee for purposes of the Tax Reform Act of 1986.
2. The Lease being issued by Lessee is in calendar year 1999.
3. No portion of the gross proceeds of the Lease will be used to make or finance loans to persons other than governmental units or be used in any trade or business carried on by any person other than a governmental unit.
4. To the best knowledge and belief of Lessee the Lease is issued to provide financing as a qualified project bond within the meaning of the Act.
5. Including the Lease herein so designated, Lessee has not designated more than $10,000,000.00 of obligations issued during calendar year 1999 as qualified tax-exempt obligations.
6. Lessee reasonably anticipates that the total amount of qualified tax-exempt obligations to be issued by lessee during calendar year 1999 will not exceed $10,000,000.00.

To the best of our knowledge, information and belief the expectations herein expressed are reasonable and there are no facts, estimates or circumstances other than those expressed herein that would materially affect the expectations herein expressed.

IN WITNESS WHEREOF, we have hereunto set our hands this 1st day of June 1999.

CITY OF PICAYUNE

By: _____
WOODY SPIERS
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK, CITY OF PICAYUNE

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE ISSUANCE OF MANUAL CHECK

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the issuance of a manual check for $69,100.00 to State Machinery to purchase the new trackhoe. The remainder of the bid price will be paid directly to the vendor per the lease purchase agreement with Hancock Bank. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE DISPOSAL OF INCINERATOR AT ANIMAL SHELTER

Upon request of the Pearl River County SPCA, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the junking of the old incinerator located at the Animal Shelter based upon the determination that the equipment having no fair market value. The property was declared as surplus by the Mayor and Council in February 1999. No bids to purchase the property were received after advertisement in the local newspaper. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO CONSIDER BID AWARD FOR HOLLY STREET BOX CULVERT REPLACEMENT PROJECT

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to award the bid on the Holly Street Box Culvert Replacement Project to Pittman Construction in the amount of $83,492.00 and to authorize the Mayor to sign the following contract:

CONTRACT FORM
FOR
HOLLY ST. BOX CULVERT REPLACEMENT PROJECT
CITY OF PICAYUNE, MISSISSIPPI
PICAYUNE JOB NO. 100-16

THIS AGREEMENT, made this 1st day of June, 1999 at the City of Picayune, Pearl River County, State of Mississippi by and between the Mayor and City Council of the City of Picayune, Pearl River County, State of Mississippi, hereinafter called "Owner" and Pittman Constructors, Inc. hereinafter called the "Contractor."

WITNESSETH THAT, the Owner and Contractor do mutually agree as follows:

1. In consideration of the price for the work herein specified in the bid proposal to be paid by the Owner to the Contractor at the time and in a manner hereinafter provided, the Contractor does hereby agree to construct complete in every detail as follows:

HOLLY ST. BOX CULVERT REPLACEMENT PROJECT
CITY OF PICAYUNE, MISSISSIPPI
PICAYUNE JOB NO. 100-16

in compliance with the Advertisement of Bids, Proposal Form, Contract, Performance Bond, General Conditions, Specifications, Plans, and such Addenda thereto as may be issued prior to execution of this Contract, all in a thorough and workmanlike manner.

2. This price shall include the cost and expense to furnish all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, transportation, and other accessories and services necessary to complete this project, in accordance with the Contract Documents.

3. The Contractor shall commence work under this Contract within ten (10) days from the date of the written "Order to Proceed" issued by the Owner. The Contractor shall complete all work under the Contract within Sixty (60) calendar days from the date of the "Order to Proceed." The Owner has determined, and the Contractor agrees, that the liquidated damages for a delay in completion of this Contract will be One Hundred Fifty Dollars ($150.00) per calendar day in excess of the stated time of completion.

4. The Owner agrees to pay the Contractor for the performance of the Contract as provided in the Specifications, and to make monthly payments on account thereof provided in the General Conditions. The contract amount, as presented in bid by Contractor, is **$83,492.00.**

5. A retainage amount of 10% will be held out of each payment. This amount will be paid to the contractor upon completion of the project, and acceptance of the project by the Picayune City Council. For projects over $500,000 the retainage will be 5%.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in three (3) original counterparts on the day and year first hereinabove written.

WITNESSES:	**Pitman Constructors, Inc.** Contractor
_____	
_____	_____ Signature
	_____ Title
WITNESSES:	CITY OF PICAYUNE Owner
_____	_____ Signature
_____	Mayor Title

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO APPROPRIATE FUNDING FOR YOUTH ORGANIZATIONS

Upon recommendation of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to appropriate fiscal year 1998-1999 funds to youth organizations as matching funds as follows:

PRIDE	$2,250.00
Picayune Law Enforcement Explorers	500.00
CCHY	1,250.00
Boy Scouts, Pine Burr Area Council	1,000.00
Boys & Girls Club of Picayune	2,250.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN TOBACCO GRANT APPLICATION

Upon request of the Grants Administrator and the Police Chief, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the submittal of an application to the Office of the Attorney General for use of funds obtained in the Tobacco Settlement and to authorize the Mayor to sign the application. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss two items involving the location of businesses and one item of potential litigation.

ORDER TO RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed two items involving the location of businesses and one item of potential litigation and took no action.

ORDER TO ADOPT RESOLUTION OF INTENTION TO BORROW FUNDS FOR INFRASTRUCTURE AT NEW AIRPORT

Upon recommendation of the City Planner, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to adopt the following Resolution of Intention to borrow funds of up to $475,000 from the Mississippi Department of Economic and Community Development to be used for infrastructure improvements at the new airport:

CAP LOAN PROGRAM
Resolution of Intention
PUBLIC NOTICE

The Mayor and City Council, acting for and on behalf of the City of Picayune, Mississippi (the "City") took up for consideration the matter of authorizing a loan on behalf of the City from the Mississippi Department of Economic and Community Development (the "Department") for the purpose of completing capital improvements as identified:

Provision of natural gas lines to the Picayune Municipal Airport
Provision of water lines to the Picayune Municipal Airport
Provision of Sewer lines to the Picayune Municipal Airport

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY, AS FOLLOWS:

Section 1: The Governing Body of the City does hereby declare its intention to enter into a loan agreement with the Department in the principal amount not to exceed four hundred and seventy-five thousand dollars ($475,000) for the purpose of completing the capital improvements identified above.

Section 2: The Loan will be secured by a note executed and delivered by the City to the Department. Failure of the City to meet repayment obligations shall result in the forfeiture of sales tax allocation and/or homestead exemption reimbursement in an amount sufficient to repay obligations due until such time as the indebtedness has been discharged or arrangements to discharge such indebtedness satisfactory to the Department have been made.

Section 3: The Governing Body proposes to authorize and approve the Loan from the Department in the amount and for the aforementioned purposes at a meeting of the Governing Body to be held at its regular meeting place at Picayune City Hall, City Council Chambers located at 203 Goodyear Boulevard in Picayune, Mississippi at 6 o'clock p.m., July 6, 1999, or at some meeting held subsequent thereto. The date assigned to authorize and approve the aforementioned loan documents has been set to meet program requirements, which mandate that four public notices be issued prior to loan closing. This will allow sufficient time for public comments.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ADOPT RESOLUTION OF INTENTION TO BORROW FUNDS FOR INFRASTRUCTURE AT NEW AIRPORT

Upon recommendation of the City Planner, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to adopt the following Resolution of Intention to borrow funds of up to $500,000 from the Mississippi Department of Economic and Community Development to be used for infrastructure improvements at the new airport:

RESOLUTION OF INTENTION

The Mayor and City Council, acting for and on behalf of the City of Picayune, Mississippi (the "City") took up for consideration the matter of authorizing and approving a loan on behalf of the City from the Mississippi Department of Economic and Community Development

(the "Department") for the purpose of making improvements to the New Picayune Municipal Airport Facility and thereby promoting commerce and economic growth.

Thereupon, Councilmember Thorman offered and moved the adoption of the following *resolution:*

RESOLUTION DECLARING THE INTENTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI, TO AUTHORIZE AND APPROVE A LOAN ON BEHALF OF THE CITY FROM THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT IN A MAXIMUM PRINCIPAL AMOUNT NOT TO EXCEED FIVE HUNDRED THOUSAND DOLLARS ($500,000) FOR THE PURPOSE OF MAKING IMPROVEMENTS TO THE NEW PICAYUNE MUNICIPAL AIRPORT FACILITY TO PROMOTE COMMERCE AND ECONOMIC GROWTH.

WHEREAS, the Mayor and City Council of the City of Picayune, Mississippi (the City), does hereby find, determine, adjudicate and declare as follows:

1. The Mississippi Business Investment Act, constituting Sections 57-61-1 et. seq. Mississippi Code of 1972, as amended (the "Act"), was enacted for the purpose of promoting businesses and economic development in the state of Mississippi (the "State") through investment by private companies locating in the State.

2. Pursuant to Section 57-61-41 of the Act, the Department is authorized to make interest-bearing loans to the state, county or municipal airport authorities for the purpose of making improvements to airport facilities.

3. The City will agree to improve the airport facilities and will request the Department to finance a portion of the cost associated with the development of these improvements ("Project").

4. Pursuant to the Act and guidelines adopted by the Department, the City will file an application with the Department for a loan to be used for the development of the Project in the amount of Five Hundred thousand dollars ($500,000) (the "Loan").

5. The City and the Authority will enter into a Loan Agreement (the "Agreement") with the Department wherein the City and the Authority agree to borrow the proceeds of the Loan subject to and upon the terms and conditions of the Agreement.

6. In order to secure the loan, the City will execute and deliver to the department a Promissory Note (the "Note"). Failure of the City to meet its repayment obligations shall result in the forfeiture of sales tax allocation and/or homestead exemption reimbursement in an amount sufficient to repay obligations due pursuant to Section 57-61-15 (7) of the Act. Upon forfeiture of the City of its sales tax allocations and/or homestead exemption reimbursement for twelve (12) months, the City may levy an ad valorem tax on the taxable property therein for the purpose of meeting its repayment obligation in accordance with Section 57-61-15 (8) of the Act. The revenue produced from the tax levy shall not be included within the tem percent (10%) growth limitation on ad valorem tax receipts for its general budget.

7. The loan shall not be deemed indebtedness within the meaning specified in Section 21-33-303, Mississippi Code of 1972, as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY, AS FOLLOWS:

Section 1. The Governing Body of the City, does hereby declare its intention to authorize and approve a Loan from the Department in the principal amount not to exceed five hundred thousand dollars ($500,000) for the purpose of making improvements to the Picayune Municipal Airport Facility thereby promoting commerce and economic growth.

Section 2. The Loan will be secured by a Note executed and delivered by the City to the Department. Pursuant to Section 57-61-15 (7) of the Act, failure of the City to meet its repayment obligations shall result in the forfeiture of sales tax allocations and/or homestead exemption reimbursement in an amount sufficient to repay obligations due until such time as the indebtedness has been discharged or arrangements to discharge such indebtedness satisfactory to the Department have been made. Upon forfeiture of the City of its sales tax allocations and/or homestead exemption reimbursement for twelve (12) months, the City may levy an ad valorem tax on the taxable property therein for the purpose of meeting repayment obligation in accordance with Section 57-61-15 (8) of the Act. The revenue produced from the tax levy shall not be included within the ten percent (10%) growth limitation on ad valorem tax receipts for its general budget.

Section 3. The Governing Body proposes to authorize and approve the Loan from the Department in the amount and for the aforesaid purposes at a meeting of the Governing Body to be held at its regular meeting place at City Hall in Picayune, Mississippi at 6:00 p.m. on the 6th day of July, 1999, or at some meeting held subsequent thereto. If ten percent (10%) or fifteen hundred (1,500), whichever is less, of the qualified electors in the City shall file a written protest with the City Clerk against the authorization and approval for the Loan. Such election shall be called and held as provided by law. If no protect is filed, then the Loan may be entered into without an election on the question of authorizing and approving the Loan at any time within a period of two (2) years after the date above specified.

Section 4. This resolution shall be published once a week for at least four (4) consecutive weeks in the Picayune Item, a newspaper published in the City of Picayune, Mississippi and having a general circulation in the City and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended. The first publication of this Resolution shall be made not less that twenty-one (21) days prior to July 6th, 1999, and the last publication shall be made not more than seven (7) days prior to such date, said Resolution to be published on June 4, 11, 18, and 25, 1999.

Section 5. The City Clerk shall be and is hereby directed to procure from the publisher of the aforesaid newspaper the customary proof of said publication of this Resolution and have the same before Governing Body on the date and hour specified in Section 3 hereof.

Councilmember Guy seconded the motion to adopt the foregoing Resolution.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to recess until June 3, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

June 3, 1999

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 in the Council Chambers of City Hall in said City, Thursday, June 3, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, and City Clerk Sabrina Diamond.

It Being Determined a quorum was present, the following proceedings were held. Mayor Spiers called the meeting to order.

ORDER TO APPROVE FINAL PLAT FOR THE GARDEN DISTRICT PUD

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the final plat of the Garden District PUD to be located on Cooper Road. The following roll call vote was taken:

VOTING YEA: Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSTAINING: Mayor Spiers

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

At this time, Councilmember McQueen left the meeting.

CONSIDER CONTRACT AWARD FOR CDBG DRAINAGE PROJECT CONSTRUCTION ENGINEERING SERVICES

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to award the bid for construction engineering services to BCM Engineers at a contract price of $32,470.00. The bid from BCM Engineers was the only bid received on the project. The Mayor to is authorized to sign the following contract:

June 4, 1999

Mr. Stanley Polivick, P. E.
City Engineer
203 Goodyear Boulevard
Picayune, Mississippi 39466

Subject: Construction Phase Engineering Services
CDBG Project No. 97-297-PF-01
BCM Proposal 21-1999-0576

Dear Mr. Polivick:

Per your request, BCM Engineers (BCM), a division of ATC Group Services, Inc., is pleased to submit a proposed amendment to our Contract for Design Engineering Services on the referenced project. This amendment is for Construction Phase Engineering Services that will include Contract Administration and Construction Surveillance.

Scope of Construction Phase Engineering Services

BCM will provide ***Contract Administration Services*** as follows:

- Assist in securing executed construction contract with successful bidder.
- Coordinate preconstruction conference.
- Review project submittals and shop drawings.
- Review contractor's monthly pay estimates.
- Coordinate and conduct final inspection.
- Arrange and participate in one-year warranty inspection.

BCM will provide ***Construction Surveillance Services*** to include limited services of an on-site project representative to perform the following:

- Provide limited on-site surveillance of construction activities (average of 2 hours per work day for the project duration as specified in the construction contract).
- Monitor performance of the Contractor to encourage compliance with Contract Documents.
- Respond to Contractor questions that arise during the construction period.
- Maintain a construction surveillance log.
- Upon discovery, notify Owner and Contractor of any Contractor non-compliance with the Contract Documents.
- Prepare project drawings reflecting the work "as constructed" based upon records provided by the Contractor and project surveillance logs.

Client Responsibilities

BCM will rely upon the City of Picayune to:

- Provide written authorization to provide the proposed services.
- Advise BCM of any observed Contractor performance deficiencies.
- Identify a single individual to provide project direction to BCM.

Compensation

BCM proposes to perform Contract Administration and Construction Surveillance Services as identified in the above Scope of Services for a lump sum fee of $32,470. This lump sum fee shall not be exceeded without the prior written approval of the City of Picayune.

Should the scope or limits of construction activities exceed that anticipated by the Construction Contract Documents, BCM shall complete the required additional engineering services for survey, design and modification of plans and specifications on a time-and-materials, cost-reimbursement basis. The various labor classifications that could be utilized in such additional work and the hourly billing rate for each is presented in Attachment A, Schedule of Billing Charges. The schedule for the completion of these additional services will be determined upon authorization of the work tasks.

BCM shall provide all services anticipated under this Proposal or amendments thereto in accordance with the terms set forth in Attachment B.

If you find the Scope of Services and terms described herein acceptable, you may authorize BCM to proceed by signing the Authorization-To-Proceed (Attachment C) or issuing a similar instrument used by the City. Written authorization must be received prior to project initiation.

Thank you for this opportunity to provide our proposal for construction phase services. Should you have any questions or comments concerning this matter, please call me or Mr. Dean Kendrick at 228-831-0442

Yours truly,
/s/
Larry S. Stejskal, P.E.
Director, Engineering Services

RECESSED MEETING DATED JUNE 3, 1999

ATTACHMENT A

SCHEDULE OF BILLING CHARGES

Senior Project Engineer	$100
Project Engineer	$ 75
Senior Designer	$ 75
Project Manager	$ 75
CADD Technician	$ 50
Senior Inspector	$ 65
Secretary	$ 35

ATTACHMENT B
PROFESSIONAL SERVICES AGREEMENT
GENERAL CONDITIONS

1. ACCESS. Client grants or shall obtain for BCM Engineers Inc., an ATC Group Services, Inc. Division, referred to herein as "BCM," and its subcontractors authority to enter the property upon which BCM's Services are to be performed ("Site").

2. CLIENT INFORMATION. Client understands that BCM is relying upon the completeness and accuracy of information supplied to it by Client and others in connection with the Services without independent verification. Client agrees to advise BCM of the existence of any hazardous substances, wastes or conditions affecting the Site or the Services to be performed hereunder and any requirement for special safety equipment.

3. STANDARD OF SERVICES AND WARRANTY. BCM agrees to perform its Services in accordance with generally accepted engineering and scientific practices in effect and utilized by environmental firms in the United States at the time the Services are rendered. The Services may involve the use of tests, calculations, analysis and procedures which are in a constant state of change and refinement. Client recognizes that projects involving hazardous waste sites may not perform as anticipated even though the environmental services are performed in accordance with the required level of care. Given the difficulty in predicting the environmental condition of a site based upon limited sampling and investigative activity, Client recognizes that any statements, opinions and conclusions contained in reports and other documents prepared and/or issued by BCM under this contract are only meant to give approximations of the environmental condition of the Site limited to the particular contaminant(s) and/or environmental compliance issues actually targeted by BCM's investigation and the portions of the Site actually investigated, sampled or tested by BCM. BCM shall, for the protection of Client, request from all vendors and subcontractors from which BCM procures equipment, materials or services, guarantees which will be made available to Client to the full extent of the terms thereof. BCM's responsibility with respect to such equipment, services and materials shall be limited to the assignment of such guarantees and rendering assistance to Client in enforcing the same.

Subject to Section 13, BCM warrants that, if any of its completed Services fail to conform to the above responsibility standard, BCM will, at its expense and provided BCM is notified of such defective Services within one year of the completion of the Services, either perform corrective Services of the type originally performed as may be required to correct such defective Services or refund to Client the amount paid to BCM for the defective Services. Except as provided in this Section, BCM makes no other warranty, express or implied, and shall have no other liability to Client for defective Services, whether caused by error, omission, negligence or otherwise.

4. CONFIDENTIALITY. "Confidential Information" means all technical, economic, financial, pricing, marketing or other information that has not been published and/or is not otherwise available to members of the public and includes, without limitation, trade secrets, proprietary information, customer lists, scientific, technical and business studies, analyses, processes, methods, procedures, policies and information. In the event that either party discloses Confidential Information to the other party in connection with this contract (excluding BCM's Work Product that is delivered to Client or others hereunder), the party receiving such Confidential Information agrees to hold as confidential and to not disclose to others the Confidential Information for a period of five (5) years from the date of disclosure. These restrictions shall not apply to information that (i) the parties had in their possession prior to disclosure; (ii) becomes public knowledge through no fault of the receiving party(iii) the receiving party lawfully acquires from a third party not under an obligation of confidentiality to the disclosing party-, or (iv) is independently developed by the receiving party. Client agrees that BCM may use and publish Client's name and a general description of the Services provided to Client in describing BCM's experience and qualifications to other clients and potential clients.

5. WORK PRODUCT. "Work Product" consists of all reports, notes, laboratory test data and other information prepared by BCM for delivery to Client. Client shall have the right to make and retain copies and use all Work Product; provided, however, such use shall be limited to the location and project for which the Work Product is provided. Upon payment to BCM for all

Services, Client may release Work Product to third parties. Release of the Work Product to third parties is at Client's sole risk and discretion. BCM shall not be liable for any claims or damages resulting from or connected with such release or any third party's use of the Work Product and Client shall indemnify, defend and hold BCM harmless from any and all such claims or damages.

6. INSURANCE. BCM shall maintain Worker's Compensation and Employees Liability Insurance in accordance with requirements of the state in which the Services are being performed, comprehensive liability insurance (including contractual and contractors protective liability coverage) with combined single limit of $1,000,000 per occurrence for bodily injury and property damage, automobile liability coverage including owned and hired vehicles with a combined single limit of $1,000,000 per occurrence for bodily injury and property damage, and contractors' combined professional liability/pollution liability insurance in the amount of $1,000,000. BCM shall be included as an additional insured and intended beneficiary of any hold harmless agreement between Client and any owner of property or other third party, contractor or supplier providing services or material in connection with the Services.

7. INDEMNITY BY BCM. BCM shall indemnify, defend and hold harmless Client, its officers, directors, agents, employees and affiliated and parent companies against claims, demands and causes of action of third parties, including attorneys fees and costs of defense, for personal injury, disease or death, and damage of property arising during the performance of Services to the extent caused by the negligence or willful misconduct of BCM. BCM's aggregate liability under the above indemnity shall not exceed the recoveries under the types and limits of insurance set forth in Section 6 of this contract and Client agrees to release, defend and indemnify BCM from and against all further liability under the above indemnity arising from such Services.

8. INDEMNITY BY CLIENT. Client shall indemnify, defend and hold harmless BCM, its officers, directors, agents, employees and affiliated and parent companies from all claims, demands and causes of action, including attorneys fees and expenses of defense, for personal injury, disease or death, and loss or damage of property, including the Site, arising out of or in any manner connected with or related to the performance of the Services except where such injury, loss or damage shall have been caused by the negligence or willful misconduct of BCM. Client assumes responsibility for air, subsurface and/or ground pollution and environmental impairment from toxic substances or hazardous materials existing at the Site and shall indemnify and defend BCM from any claims, demands and causes of action of third parties related thereto, except where such claims, demands and causes of action are caused by the sole negligence or willful misconduct of BCM-, it being the intention of the Client to assume any liability alleged to have resulted from BCM's joint or concurrent negligence.

9. REMEDIES. Notwithstanding any other terms in this contract to the contrary, neither party, nor their parent, affiliated or subsidiary companies, nor the officers, directors, agents, employees or contractors of any of the foregoing, shall be liable to the other in any action of claim for incidental, indirect, special, collateral, consequential, exemplary or punitive damages arising out of or related to the Services, including without limitation, loss of profits, loss of opportunity, loss of production, or loss of use. Any protection or limitation against liability for any losses or damages afforded any individual or entity by these General Conditions, including, without limitation, the provisions of Section 13, shall apply whether the action in which recovery of damages is sought is based upon contract, warranty, tort (including, to the greatest extent permitted by law, the sole, concurrent or other negligence and strict liability of any protected individual or entity), statute or otherwise. To the extent permitted by law, any statutory remedies inconsistent with these terms are waived.

10. SUBSURFACE OPERATIONS. Client shall provide (or cause the Site owner to provide) BCM with the identity and exact location of all subsurface facilities and obstructions on the Site. Client agrees to waive any claims against BCM and to indemnify, defend and hold BCM harmless from any claims, demands or causes of action for damages to subsurface facilities or obstructions that are not accurately identified or located by Client or others.

11. INDEPENDENT CONTRACTOR. BCM's Services are performed as an independent contractor and not as the Client's employee, agent, partner or joint venturer. Client agrees that it will not, during the performance of Services or for a period of twelve months following completion of Services, extend an offer of employment to any employee of BCM providing Services without BCM's prior written consent.

12. FORCE MAJEURE. BCM will have no liability for any failure to perform or delay in performance of the Services caused by circumstances beyond its reasonable control, including, but not limited to, strikes, riots, wars, floods, fires, explosion, acts of nature, acts of governments, labor disturbances, delays in transportation or inability to obtain material or equipment.

13. LIMITATION OF LIABILITY. Except as provided in Section 7 of this contract and to the greatest extent allowed by law, Client agrees that BCM's aggregate liability to Client and others for any and all injuries, claims, demands, losses, expenses or damages, of whatever kind or character, arising out of or in any way related to this contract, the Services or the Site, whether based upon contract, warranty, tort, statute or otherwise, shall be limited to the lesser of $100,000 or the total amount of compensation received by BCM hereunder. In the event that claims involving this contract or the Services are sought to be resolved through litigation or arbitration,

the prevailing party shall be entitled to collect from the other party all litigation costs and expenses, including attorneys fees and expert fees, incurred in successfully prosecuting or defending such action. All claims arising under or in connection with this contract, the Services or the Site must be filed in a court of appropriate jurisdiction or through the arbitration within one year of the completion of the Services or be forever barred.

14. OWNERSHIP OF WASTE. "Pre-Existing Waste" is any hazardous or non-hazardous waste, substances or materials existing on the Site prior to the date that the Services are performed. In the event that the Services include the removal and/or disposal of Pre-existing Waste, BCM shall assist Client in the proper handling, storage, transportation and/or disposal of the Pre-Existing Waste in accordance with all applicable federal, state and local laws and regulations. Client shall provide appropriate disposal identification numbers, select the appropriate disposal site(s) and sign all required manifests, disposal contracts and other documentation necessary to allow BCM to complete the Services in a timely manner. Client agrees to look solely to the disposal facility and/or transportation concern for any damages arising from improper transportation or disposal of the Pre-existing Waste. In no event shall BCM take title to or be liable for disposal or remediation costs associated with Pre-Existing Wastes.

15. ENTIRE AGREEMENT. The terms of this contract shall be deemed accepted by Client at the earlier of (1) BCM's initiation of Services at the verbal or written direction of Client or (2) Client's written agreement to be bound by these terms. This contract constitutes the entire understanding between the parties. Any waiver, modification or amendment of this contract shall be effective only if in writing and signed by an authorized representative of BCM and the Client. BCM hereby objects to any prior or subsequent purchase orders, work orders, invoices, acknowledgement forms, manifests and other documents received from the Client that would otherwise have the effect of modifying or abrogating these General Conditions in whole or in part. If any portion of this contract is held invalid or unenforceable, any remaining portion shall continue in full force and effect. There shall be no assignment of the rights or obligations contained in this contract by either party and any such assignment shall be null and void. Either party may terminate this contract by giving the other party seven (7) days written notice. Termination of this contract or the Services for any reason shall not affect or minimize the respective rights, obligations and limitations of liability contained herein.

ATTACHMENT C
AUTHORIZATION-TO-PROCEED
CONSTRUCTION PHASE ENGINEERING SERVICES

PICAYUNE CDBG PROJECT No. 97-297-PF-01

I have reviewed BCM Engineers Proposal 21-1999-0576 for Construction Phase Engineering Services, dated June 4, 1999; agree to the terms and conditions; and hereby authorize BCM to proceed with the Scope of Services listed for a Lump Sum Fee of $32,470.

_____
Date

_____
Authorized Representative for
City of Picayune

_____
Name (type or print)

_____
Title (type or print)

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

ORDER TO RECESS

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to recess until June 15, 1999 at 6:00 p.m. The following roll call vote was taken:

RECESSED MEETING DATED JUNE 3, 1999

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

June 15, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, June 15, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Councilmember Guy, and followed by the Pledge of Allegiance.

ORDER TO APPROVE MINUTES DATED JUNE 1, 1999 AND JUNE 3, 1999

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to approve the minutes of the Mayor and City Council dated June 1, 1999 and June 3, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY PRIVILEGE LICENSE REPORT FOR MAY 1999

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to acknowledge receipt of the monthly Privilege License Report for May 1999 as submitted by the City Clerk. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY PUBLIC RECORDS REPORT FOR MAY 1999

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to acknowledge receipt of the monthly Public Records Report for May 1999 as submitted by the City Clerk. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY BUDGET REPORTS FOR MAY 1999

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to acknowledge receipt of the monthly Budget Reports for May 1999 as submitted by the City Clerk. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE HAZARD MITIGATION COUNCIL

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to appoint the following members to the Hazard Mitigation Council:

Cathy Crenshaw
Judy Boatman
Martin Berry
Larry Seal
Charles Washington
Robert Jefferson
Hugh Carr
Kiem Davis

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO CONSIDER ACTION ON CONTRACT FOR WIRELESS COMMUNICATION CONSULTING AND MARKETING SERVICES

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to table any action on the proposed contract for wireless communication consulting and marketing services with MetroSite Management, LLC. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

RECESSED MEETING DATED JUNE 15, 1999

ORDER TO ADOPT RESOLUTION RELATED TO ECONOMIC DEVELOPMENT THROUGH STRATEGIC PLANNING

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the following resolution:

RESOLUTION

WHEREAS, the elected officials of Pearl River County have been meeting to discuss ways to unify our County and work together; and

WHEREAS, the physical location of the County puts it in a position for growth; and

WHEREAS, the elected officials have committed to work in a unified effort to ensure that the growth that the County experiences is planned growth, appointed a group of concerned citizens to work on this problem; and

WHEREAS, the group of concerned citizens met at several meetings to discuss and determine the most critical issues facing the County for the future; and

WHEREAS, the issues identified were put into categories and prioritized; and

WHEREAS, the group recommended to the elected officials that economic development through strategic planning to determine Pearl River County's future growth should be its highest priority; and

WHEREAS, the elected officials are desirous to move this process forward; and

WHEREAS, the elected officials require funding for initial planning to begin the development of the strategic planning process.

NOW THEREFORE BE IT RESOLVED that the Board of Supervisors of Pearl River County along with the City's of Picayune and Poplarville request the Lower Pearl River Valley Foundation fund a planning grant to begin the strategical planning process.

Adopted this the 15th day of June, 1999.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN LETTER OF SUPPORT FOR PICAYUNE HOUSING AUTHORITY GRANT APPLICATION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign a letter of support for the Picayune Housing Authority's HUD grant application for $461,131 and to authorize the Mayor to sign form HUD-52835 for the same grant. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

RECESSED MEETING DATED JUNE 15, 1999

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN LOAN DOCUMENTATION FOR CAPS LOAN FOR CDBG DRAINAGE PROJECT

Upon recommendation of the City Planner, motion was made by Councilmember Guy, seconded by Councilmember Bates, to authorize the Mayor to sign the following loan agreement with the Mississippi Department of Economic and Community Development for CAPS loan funds in the amount of $73,000 to be used in the CDBG Drainage Project:

MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT CAPITAL IMPROVEMENTS LOAN PROGRAM

LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of June 9,1999 (this "Agreement") by and between the Mississippi Department of Economic and Community Development ("DECD") and the entity set forth in Item I of Annex A (the "Local Entity").

WITNESSETH:

WHEREAS, the Mississippi Capital Improvements Act, Section 57-1-301 (the "Act"), was enacted and authorized DECD to make interest-bearing loans to local entities for capital improvements; and

WHEREAS, the Local Entity has agreed to retain title to the capital improvements and has requested DECD to finance a portion of the cost associated with the development of these improvements, more particularly described in Item 2 of Annex A (the "Project"); and

WHEREAS, pursuant to the act and the guidelines adopted by DECD under the Act (the "Guidelines"), the Local Entity has filed an application (the "Application") with DECD for a loan to be used for the development of the Project, more particularly described in Item 2 of Annex A (the "Project"); and

WHEREAS, based upon the Application and other relevant factors, DECD has agreed to provide the Local Entity with a loan under the Act in the amount set forth in Item 3 of Annex A (the "Loan") under the terms and conditions set forth in Item 4 of Annex A, in order to fund in part, and develop the Project by the Local Entity; and

WHEREAS, to secure the payment of the Loan, the Local Entity has authorized, executed, and delivered the Note (as hereinafter defined) to DECD.

NOW, THEREFORE KNOW ALL MEN BY THESE PRESENTS, THIS LOAN AGREEMENT WITNESSETH:

That the parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, do hereby agree as follows:

SECTION 1. ***Loan.*** Subject to and upon the terms and conditions set forth herein, DECD agrees to make the Loan to the Local Entity and the Local Entity agrees to borrow the proceeds of the Loan from DECD. The Loan will be evidenced by a promissory note payable to the order of DECD and dated as of the date hereof in substantially the form attached hereto as Exhibit A attached hereto (the "Note"), which Note shall bear interest at the rate or rates per annum set forth in Item 4 of Annex A and as shown on the face of the Note. Subject to the provisions of this Agreement, the Act, the Application, and the Guidelines, and upon execution of this Agreement, the Note and any other documents required by DECD to secure the Local Entity's repayment of the Loan, DECD shall pay the proceeds of the Loan unto the Local Entity in order to finance, in part, the Project. The Local Entity can submit only one request for cash per month to DECD, and the total amount of requested funds for the project cannot exceed the maximum loan amount. The amount of the request can only be for eligible costs on current cash needs basis. All loan funds must be expended within one year from the date of the loan or the funds shall be recalled unless prior written approval is obtained from DECD.

SECTION 2. ***Loan Payments and the Note.*** All payments payable by the Local Entity under this Agreement and the Note (the "Loan Payments") are due and payable at the times and in the amounts set forth in Item 4 of Annex A. DECD directs the Local Entity, and the Local

Entity agrees to pay to DECD, at the address set forth in Section 9 hereinbelow, all payments payable by the Local Entity pursuant to this Agreement.

Failure of the Local Entity to meet its repayment obligations shall result in the forfeiture of sales tax allocation and/or homestead exemption reimbursement in an amount sufficient to repay obligations due pursuant to Section 57-1-303(3) of the Act.

The Local Entity shall execute the Note to evidence its obligation to make the Loan Payments and any other sums payable by the Local Entity hereunder.

It is understood and agreed that all Loan Payments by the Local Entity under this Agreement and the Note shall be absolute and unconditional and shall not be subject to any defense (other than payment) or any right of set-off, counterclaim or recoupment arising out of any breach by DECD, or the State of any obligation to the Local Entity, whether hereunder or otherwise, or out of any indebtedness or liability at anytime owing to the Local Entity by DECD or the State.

The Local Entity may, at its option, at any time and from time to time prepay the Loan without premium or penalty.

SECTION 3. ***Representations of DECD.*** DECD makes the following representations as the basis for the undertakings on the part of the Local Entity herein contained.

(a) DECD is an agency of the State and is authorized pursuant to the provisions of the Act and the Guidelines to enter into the transactions contemplated by this Agreement.

(b) DECD has full power and authority to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.

(c) DECD is not in default under any provisions of the laws of the State material to the performance of its obligations under this Agreement.

(d) DECD has been duly authorized to execute and deliver this Agreement and by proper action has duly authorized the execution and delivery hereof and as to DECD, this Agreement is valid and legally binding and enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited (1) by bankruptcy, reorganization, or similar laws limiting the enforceability of creditor's rights generally or (2) by the availability of any discretionary equitable remedies.

(e) The Loan for the activity or activities described in Annex A Item 2 to the Local Entity, as provided by this Agreement, will further the purposes of the Act, to wit: to assist local entities in the providing capital improvements.

SECTION 4. ***Representations of the Local Entity.*** The Local Entity makes the following representations as the basis for the Loan and the undertakings on the part of DECD herein contained:

(a) The Local Entity has all necessary power and authority to enter into and perform its duties under this Agreement and the Note and, when adopted or when executed and delivered by the respective parties hereto and thereto, this Agreement and the Note will constitute legal, valid, and binding obligations of the Local Entity enforceable in accordance with their respective terms except to the extent that the enforceability of the rights set forth herein and therein may be limited by bankruptcy, reorganization, insolvency, moratorium, or other laws affecting creditors' rights generally and except to the extent that the enforceability of the rights set forth herein and therein may be limited by the validity of any particular remedy. The execution and delivery of this Agreement and the Note and compliance with the provisions of each, will not conflict with, or constitute a breach of or default under, the Local Entity's duties under any law, administrative regulation, court decree, resolution, charter, by-laws, or other agreement to which the Local Entity is subject or by which it is bound.

(b) There is no consent, approval, authorization or other order of, filing with, or certification from any regulatory authority having jurisdiction over the Local Entity required for the execution and delivery or the consummation by the Local Entity of any of the transactions contemplated by this Agreement and the Note which have not already been obtained.

(c) There is no action, suit, proceeding, or investigation at law or in equity before or by any court, governmental agency or body pending or, to the best knowledge of the Local Entity, after reasonable investigation and due inquiry, threatened against the Local Entity to restrain or enjoin the execution or delivery of the Note, or the making of the Loan Payments contemplated by this Agreement and the Note, or in any way contesting or affecting the validity of this Agreement and the Note or contesting the powers of the Local Entity to adopt, enter into or perform its obligations under any of the foregoing or materially and adversely affecting the properties or conditions (financial or otherwise) or existence or powers of the Local Entity.

(d) It shall comply with the terms and provisions of this Agreement, the Note, the Act, and the Guidelines.

(e) It is not in default under any previous loans from DECD, the State, or the Federal Government.

(f) All information furnished by the Local Entity to DECD for the purpose of approving the Loan, including, but not limited to, the Application, is true, accurate, and complete as of the date hereof and thereof.

(g) The Loan is being made to finance the Project and will not be used for any other purpose.

SECTION 5. ***Covenants of the Local Entity.*** The Local Entity covenants and agrees, until the Loan is repaid and satisfied in full according to the terms of this Agreement, as follows:

(a) The Local Entity will retain title, maintain, preserve, keep the Project in good working order, and condition. For water and wastewater improvements, the local entity must have established a reserve fund prior to loan closing and the fund should have the equivalent of one year maintenance cost at the end of the first year. For improvements in fire protection, the Local entity must meet the National Fire Protection Association (NFPA) standards in the 1900 series.

(b) The Local Entity shall not, without the prior written consent of DECD, create, assume, or otherwise suffer to exist any mortgage, pledge, or other encumbrance upon the Project.

(c) The Local Entity shall promptly give to DECD written notice of any event of default as specified in Section 9 hereof or any event that, upon lapse of time or notice or both, would become an event of default.

SECTION 6. ***Defaults and Remedies.*** The following shall be "events of default" under this Agreement, and the terms "event of default" or "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by the Local Entity to pay or cause to be paid when due any payments required to be paid under Section 2 hereof and the Note;

(b) Failure by the Local Entity to observe and perform in any material way, any covenant, conditions or agreement on its part to be observed or performed as set forth herein, which failure shall not be cured to the satisfaction of DECD within the earlier of ten (10) days after actual knowledge thereof by the Local Entity or written notice, specifying such failure and requesting that it be remedied, is given to the Local Entity by DECD;

(c) Any written representation or written warranty made by the Local Entity in or with respect to this Agreement shall prove to have been false in any material respect at the time of execution by the Local Entity of this Agreement;

(d) The Local Entity shall commence a voluntary case or other proceeding in bankruptcy or seeking liquidation, reorganization, arrangement, readjustment of its debts or for any other relief under the federal bankruptcy laws, as amended, or under any other insolvency act or law, state or federal, now or hereafter existing or shall take any other action indicating its consent to, approval of, or acquiescence in any such case or proceedings, and said proceeding is not dismissed within thirty (30) days after the commencement thereof, the Local Entity shall apply for, or consent to or acquiesce in the appointment of a receiver, liquidator, custodian, sequestrator or a trustee for all or a substantial part of its property; the Local Entity shall make an assignment for the benefit of its creditors; or the Local Entity shall fail, or shall admit in writing its failure to pay its debts generally as such debts become due;

(e) There shall be filed against the Local Entity an involuntary petition in bankruptcy or seeking liquidation, reorganization, arrangement, readjustment of its debts or any other relief under the federal bankruptcy laws, as amended, or under any other insolvency act or law, state or federal, now or hereafter existing, and such petition is not set aside within thirty (30) days after such filing; or a receiver, liquidator, custodian, sequestrator or trustee of the Local Entity for all or a substantial part of its property shall be appointed without the consent or approval of the Local Entity or a warrant of attachment, execution or similar process against any substantial part of the property of the Local Entity is issued; and continuance of any such events for thirty (30) days undismissed or undischarged or within such thirty (30) days, the entering of an order for relief under the United States Bankruptcy Code; or

(f) There is a material adverse change in the financial condition of the Local Entity which would, in the opinion of DECD endanger DECD's ability to collect the Loan.

Whenever an event of default shall have occurred and be continuing, DECD may at any time thereafter, at their option, declare the Loan to be due and payable, whereupon the maturity of the then unpaid balance of the Loan shall be accelerated and the same shall forthwith become due and payable without presentment, demand, protest or notice of any kind, all or which are hereby

expressly waived, anything contained herein or in the Note to the contrary notwithstanding, and DECD may take any action at law or in equity to enforce this Agreement to collect the payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Local Entity under this Agreement or the Note. No remedy conferred upon or reserved to DECD by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission or exercise any right or power occurring upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. If the Local Entity shall default under any of the provisions of this Agreement and DECD shall employ attorneys or incur other expenses for collection of the Loan Payments or for the enforcement or performance or observance of any obligation or agreement on the part of the Local Entity contained in this Agreement or the Note, the Local Entity, will on demand therefore pay the reasonable fees and expenses of DECD and its attorneys as they are incurred including all fees of counsel incurred for negotiation, trial, appeals or ruling of any lower tribunals, administrative hearings, bankruptcy and creditors' reorganization proceedings.

(g) All cost and disbursements must be in accordance with the loan agreement and the Mississippi Capital Improvements Act §§57-1-301 *et seq.* for eligible cost. If any cost or disbursements are ineligible, the local entity is in default and must reimburse the DECD for the ineligible cost and any accrued interest.

SECTION 7. ***Release and Indemnification of DECD and State.*** The Local Entity hereby releases DECD and the State from, and agrees that DECD, the State and their respective officers, directors, members, employees, attorney and agents shall not be liable for, and agrees to indemnify and hold DECD and the State and their respective officers, directors, members, employees, attorney and agents harmless against:

(a) Any liability, cost or expense in the administration of this Agreement and the Note and the obligations imposed on DECD and the State hereby and thereby;

(b) Any or all liability or loss, cost or expense, including reasonable attorney's fees, resulting from or arising out of any loss or damage to property or injury to or death of any person occurring on or about the Project or resulting from any defect in the fixtures, machinery, equipment or other property located on the Project or arising out of, pertaining to, or having any connection with the Project or the financing thereof (whether or not arising out of acts, omissions or negligence of the Local Entity); and

(c) Any and all claims, damages, judgments, penalties, costs and expenses (including attorney's fees and court cost now or hereafter arising from the aforesaid enforcement of this paragraph) arising directly or indirectly from the activities of the Local Entity, its predecessors in interest, third parties with whom it has a contractual relationship or arising directly or indirectly from the violation of any environmental protection, health or safety law, whether such claims are asserted by any governmental authority or any other person which indemnity shall survive termination of this Agreement.

SECTION 8. ***Compliance with Environmental Laws.*** The Local Entity shall cause all business, operations, and activities at or upon the Project at all times during the term of this Agreement to be conducted in compliance with all applicable federal, state, or local laws, ordinances, rules or regulations concerning public health, safety or the environment. These include, but are not limited to, the following:

(a) The Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C., §§9601 *et seq.;*

(b) The Resource Conservation and Recovery Act, as amended, 42 U.S.C. §§6901 *et seq.;*

(c) The Clean Water Act, as amended, 33 U.S.C. §§1251 *et seq.;*

(d) The Safe Drinking Water Act, as amended, 42 U.S.C. §§300(f) *et seq.;*

(e) The Toxic Substances Control Act, as amended, 15 U.S.C. §§2601 *et seq.;*

(f) The Clean Air Act, as amended, 42 U.S.C. §§7401 *et seq.;*

(g) The Emergency Planning and Community Right-to-Know Act of 1986, as amended, 42 U.S.C. §§11001 *et seq.;*

(h) The Occupational Health and Safety Act, as amended, 29 U.S.C. §§651 *et seq.;*

(i) The Mississippi Air and Water Pollution Control Law, as amended, Miss. Code Ann. § §49-17-1 *et seq.;*

(j) The Mississippi Solid Waste Disposal Law of 1974, as amended, Miss. Code Ann. § § 17-17-1 *et seq.;*

(k) The Mississippi Underground Storage Tank Act of 1988, as amended, Miss. Code Ann. § §49-17-401 *et seq.;* and

(l) The Mississippi Conservation of Groundwater Law, as amended, Miss. Code Ann. §§51-4-1 *et seq.*

(m) Antiquities Law of Mississippi, as amended, Miss. Code Ann. §§39-7-1 *et seq.*

SECTION 9. ***Notice Addresses.*** All notices given pursuant to this Agreement shall be in writing signed by the party giving the notice and shall be given by (a) certified mail, postage prepaid, (b) prepaid overnight delivery, or (c) hand delivery. For the purposes of this Agreement, notices shall be sent to the parties at the addresses set forth in Item 5 of Annex A hereto or to such other addresses that the parties may designate in writing.

SECTION 10. ***Miscellaneous.***

(a) The paragraph headings in this Agreement are for convenience only and are not intended to limit or interpret the provisions of this Agreement.

(b) All Annexes and Exhibits which are referred in this Agreement are made a part of and are incorporated into this Agreement.

(c) This Agreement shall be governed as to validity, construction and performance by the laws of the State of Mississippi.

(d) This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one in the same instrument.

(e) No delay or failure by either party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

(f) If any clause, provision or section of this Agreement is held to be illegal or invalid by any court, the invalidity of such clause, provision or section shall not effect any of the remaining clauses, provisions or sections hereof and this Agreement shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained herein.

(g) The economic benefit to local entity must be stated in any lease agreement with a business.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written on the cover page hereof.

(S E A L)

MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Attest

/s/ Betty Black

By /s/
Steve Pittman
Legal Counsel

Title Administrative Assistant

(S E A L)

City of Picayune

Attest

By _____
Woody Spiers
Mayor

Title _____

I HEREBY CERTIFY that I have reviewed all necessary documentation pursuant to this Agreement and the Note, and that the Local Entity is legally empowered to execute the documents and enter into said Capital Improvements Revolving Loan with DECD.

_____
Local Entity's Attorney

RECESSED MEETING DATED JUNE 15, 1999

Annex A
to
Loan Agreement

Item 1 Name of Local Entity

City of Picayune

Item 2 Description of Project:

To make drainage improvements for industrial development as specified in their 1999 Capital Improvements Revolving Loan Application.

Item 3 Loan Amount:

Note: Not to Exceed $73,000.00

Item 4 Loan Terms and Conditions

The terms of the Note shall be for 15 years following the completion of the capital improvements at 4.645814% annual interest computed daily. Payments shall be made as evidenced by the attached schedule except interest may be adjusted to reflect the actual dates of disbursement. The payments will begin 30 days after the completion date of the project. All loan funds must be expended within one year from the date of the loan or the funds shall be recalled unless prior written approval is obtained from DECD.

Item 5 Address Notice:

Department of Economic and Community Development
1300 Walter Sillers Building
Post Office Box 849
Jackson, Mississippi 39205
Attention: Community Services

ACKNOWLEDGMENT OF MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

STATE OF MISSISSIPPI)
)
COUNTY OF HINDS)

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 9th day of June, 1999, within my jurisdiction, the within named Steve Pittman, who acknowledged he is the legal counsel of the Mississippi Department of Economic and Community Development and that for and on behalf of said Department and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said Department so to do.

/s/ Janet M. Riddell
Notary Public

(SEAL)

My Commission Expires:

MISSISSIPPI STATEWIDE NOTARY PUBLIC
My COMMISSION EXPIRES JUNE 7, 2001
BONDED THRU STEGALL NOTARY SERVICE

ACKNOWLEDGMENT OF THE CITY OF PICAYUNE

STATE OF MISSISSIPPI)
)
COUNTY OF PEARL RIVER)

Personally appeared before me, the undersigned authority in and for the said local entity and state, on this the _____ day of _____, 1999, within my jurisdiction, the within named Woody Spiers, who acknowledged he is Mayor of the city of Picayune and that for and on

behalf of the city of Picayune is and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by the city of Picayune so to do.

_____
Notary Public

(SEAL)

My Commission Expires:

_____

Name:	City of Picayune
Loan:	9-297-CP-01
Estimated Payment:	$563.89 per month

All funds must be expended within one year of the contract date or the funds shall be recalled unless prior written approval is obtained from DECD. An amortization schedule will be provided near the completion of the project. Your first payment is due 30 days after the completion date of the project.

MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT CAPITAL IMPROVEMENTS LOAN PROGRAM

PROMISSORY NOTE

June 9, 1999 Not to Exceed $73,000.00

FOR VALUE RECEIVED, the undersigned (the "Borrower") promises to pay to the order of the Mississippi Department of Economic and Community Development ("DECD") or its assigns, the principal sum not to exceed Seventy-Three Thousand Dollars ($73,000.00, together with interest on the unpaid principal balance thereof until fully and finally paid at the rate of 4.645814% per annum, together with all other amounts payable by the Borrower under the Agreement (as hereinafter defined).

This Note has been executed under and pursuant to a Loan Agreement dated as of the date hereof between DECD and the Borrower (the "Agreement") which Agreement is incorporated herein in its entirety by reference. This Note is issued to evidence the obligation of the Borrower under the Agreement to repay the Loan (as defined in the Agreement) made by DECD thereunder. The Agreement includes provisions for prepayment of this Note. In the event that the terms of this Note conflict with the terms of the Agreement, the terms of the Agreement shall control.

As provided in the Agreement and subject to the provisions thereof, payments hereon are to be made to DECD at the address specified in the Agreement and on the dates and in the amounts as specified in the Agreement.

If payment hereunder becomes due and payable on a Saturday, Sunday or legal holiday under the laws of the State of Mississippi, the due date thereof shall be extended to the next succeeding business day. Upon the occurrence of an event of default under the Agreement, the entire amount outstanding under this Note may be declared due and payable as provided in the Agreement. Upon such declaration, the Borrower shall pay all costs, disbursements, expenses and reasonable attorney's fees of DECD in seeking to enforce their rights under the Agreement and this Note.

The Borrower (a) waives diligence, demand, presentment for payment, notice of non-payment, protest and notice of protest and notice of any renewals of extensions of this Note and (b) agrees that the time for payment of this Note may be extended at the sole discretion of DECD without impairing its liability hereon. Any delay on the part of DECD in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one (1) default shall not operate as a waiver in the event of any subsequent or continuing default.

This Note must be signed and attested by duly authorized officers of the Borrower and sealed with the seal of the Borrower.

This Note shall be governed and construed in accordance with the laws of the State of Mississippi.

IN WITNESS WHEREOF, the undersigned has caused this Note to be executed in its name all as of the day and year first above written.

(S E A L) **City of Picayune**

Attest

_____ By _____

Title _____ Title _____

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN AGREEMENT FOR GRANT FUNDING FROM THE PARTNERSHIP FOR A HEALTHY MISSISSIPPI AND THE OFFICE OF THE ATTORNEY GENERAL

Upon recommendation of the Police Chief and the City Planner, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign the following agreement with the Partnership for a Healthy Mississippi and the Office of the Attorney General to receive grant funds of $40,388.33 and to authorize the Mayor to sign the first request for payment form:

STANDARD TERMS AND CONDITIONS
FOR THE
PARTNERSHIP FOR A HEALTHY MISSISSIPPI
AND THE OFFICE OF THE ATTORNEY GENERAL
LAW ENFORCEMENT
COOPERATIVE AGREEMENT

1. Application

The application and this award constitute the Recipient's and the Partnership for a Healthy Mississippi's commitment to accomplish the program goals and objectives. The minimum requirements are as follows:

a) Conduct periodic enforcement checks on the illegal sale of tobacco to minors. These checks must be performed by law enforcement officers. If a recipient does not employ law enforcement officers, the recipient may coordinate with a Sheriff's Department and/or another municipality. Recipients will be expected to check a minimum of 30% of retail establishments that sell tobacco in their jurisdiction every three months within the grant period. At least 95% of the retail establishments shall be checked during the year. It is expected that enforcement checks will be occurring throughout the Agreement period. Checks performed in cooperation with investigators of the Office of the Attorney General will count toward this requirement.

b) Conduct biannual training sessions with local retailers on Retailer Compliance Education. The Office of the Attorney General will provide training materials for counties for use in this effort.

c) Collaborate with local youth groups to form a S.W.A.T. Team (Students Working Against Tobacco), consisting of youths ages 8 - 12, that meets at a minimum of once per quarter. The S.W.A.T. Team will represent a cross-section of the community and will consist of youths from local groups such as the Boy and Girl Scouts, local church groups, police explorer groups, local 4-H clubs, as well as area public and private schools. The Partnership for a Healthy Mississippi and the Office of the Attorney General will provide guidance and assistance to the Recipient in this effort by providing training and educational materials, t-shirts, stickers, pencils, etc. If a S.W.A.T. Team is not formed, the Recipient will host a tobacco-free activity at least once per quarter for this age group.

d) Work with community groups to assist in tobacco education and enforcement efforts.

e) Ensure that the minority population of the Recipient's jurisdiction is actively involved in program activities.

f) Beginning January 1, 2000, have a prosecution rate equal to or greater than 75% of the citations issued under Section 97-32-1, et seq.

g) Agree to assist the Partnership for a Healthy Mississippi and the Office of the Attorney General, as requested, in compiling statistics for the activities related to this project.

h) Recipient may submit documentation of its good faith efforts on any of the above mentioned requirements and if approved by the Partnership for a Healthy Mississippi and the Office of the Attorney General, receive credit toward the requirement.

i) Upon receipt of adequate justification from an applicant, the Partnership for a Healthy Mississippi and the Office of the Attorney General may choose to make a partial award or to substitute additional requirements in lieu of one or more of the requirements listed above.

j) Recipients shall notify their local media prior to the initiation of the proposed project.

k) It is the Recipient's responsibility to obtain any local, state and/or federal permits, if applicable, to conduct any proposed activity of this project.

l) Recipient shall submit a draft final report to the Office of the Attorney General no later than April 3, 2000.

m) Recipient shall submit a final report to the Office of the Attorney General no later than July 14, 2000, detailing project development, coordination with other groups, positive/negative impacts on the project area, problems and/or successes encountered, and other details that can help in the development of future projects of this type.

Review and evaluation of performance under this agreement and the Partnership for a Healthy Mississippi's and Office of the Attorney General's response to the findings of oversight will be carried out in accordance with the stated policies.

2. Expenditure Commitment

The Recipient commits to expend the funds awarded in this agreement and to complete the funded project in accordance with the Work plan included in this application and incorporated into this agreement by reference.

3. Financial Management

The Partnership for a Healthy Mississippi and the Office of the Attorney General require that Recipients have in place, prior to the receipt of funds, a financial management system that will be able to isolate and trace every awarded dollar from receipt to expenditure and have on file appropriate support documentation for each transaction. Examples of documentation are vendor invoices, bills of lading, purchase vouchers, payrolls, bank statements and reconciliations.

4. Audit: Access to Records

Recipient assures that it will give the Partnership for a Healthy Mississippi and the Office of the Attorney General through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives; and will retain all required records relating to this agreement for three years after project completion and all other pending matters are closed.

5. Method of Payment

Recipient shall receive a payment of 50% of its total award upon execution of the Agreement. Recipient shall submit a Request for Payment, as provided in Attachment A., upon execution of the award, for 50% of its total award.

Recipient shall submit the second Request for Payment six months from the execution date of the award. This Request for Payment shall be for 25% of the Recipient's total award. Payment will be made only if recipient is in compliance with the agreement.

Recipient shall submit the third Request for Payment nine months from the execution date of the award. This Request for Payment shall be for 25% of the Recipient's total award. Payment will be made only if recipient is in compliance with the agreement.

Attachment A., Request for Payment, contains line items six (6) through ten (10) for any match amounts expended by the Recipient directly relating to this project. The Recipient may or may not choose to contribute any match amount. MATCH IS OPTIONAL AND NOT REQUIRED. The Partnership for a Healthy Mississippi will consider any match amount contributed in evaluating and considering the disbursement of any surplus funds that may be available.

At the discretion of the Attorney General, six months from the execution date of the award, a payment of 50% may be made in lieu of a 25% payment to those Recipients who are in strict compliance with the agreement.

6. Final Payment

Pursuant to satisfactory completion of the work performed under this agreement as may be determined by final inspection, or as termination settlement under this agreement. Unless otherwise provided in this agreement, by state law, or expressly agreed to by the parties in this contract, final payment under this agreement or settlement upon termination of this agreement shall not constitute a waiver of the Partnership for a Healthy Mississippi's and the Office of Attorney General's claims against the Recipient or his sureties under this agreement or applicable performance and payment of bonds.

7. Procurement

Recipient shall comply with their established purchasing guidelines.

8. Title to Real Property, Equipment and Supplies

Unless otherwise agreed to, title to any real property, equipment and supplies that may be acquired under this agreement shall vest upon acquisition in the Recipient. Real property, equipment and supplies shall be used by the Recipient in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by grant funds.

9. Changes and Amendments

Changes may be made to the agreement in relation to the effective period of the agreement, the total amount of the agreement, and the work to be performed as defined in the work plan. Such changes shall be constructively made by way of a formal agreement amendment, which shall require written approval of the Office of the Attorney General prior to any such changes being made.

10. Suspension or Termination

In the event that the project is not accomplishing its goals and/or performance elements, or there is no significant progress towards beginning or completing the project, the Partnership for a Healthy Mississippi and the Office of the Attorney General may wholly or partly suspend or terminate the current award for the Recipient's project.

11. Gratuities

In the event this agreement is terminated as provided in paragraph a. of this clause, the Office of the Attorney General may pursue the same remedies against the Recipient as it could pursue in the event of a breach of the agreement by the Recipient, and as a penalty, in addition to any other damages to which it may be entitled by law, be entitled to exemplary damages in an amount (as determined by The Office of the Attorney General) which shall be not less than three nor more than ten times the costs the Recipient incurs in providing any such gratuities to such officer or employee.

12. Hold Harmless for Personnel Claims

To the extent permitted by Mississippi law, recipient agrees to indemnify, save and hold harmless the Partnership for a Healthy Mississippi and the Office of the Attorney General and the State of Mississippi, as well as their employees, from and against any and all losses, claims, debts, demands, damages, suits or actions at law, judgements, and costs, including attorney's fees, or expenses on the part of the Partnership for a Healthy Mississippi and the Office of the Attorney General or the Office's agents or employees arising out of or attributable to work performed under this agreement or the use of facilities or equipment provided to Recipient under the terms of this agreement.

13. Assurances

The Recipient certifies that:

a. It maintains the legal authority to apply for state assistance, the institutional, managerial and financial capability to ensure proper planning, management and completion of the

project described in the agreement application, and the necessary law enforcement staff to conduct the retailer compliance checks as described in Section A. Eligibility of Funds, 3.a).

b. It is not presently debarred, suspended, proposed for debarment, declared ineligible from participating in government projects; has not within a three year period preceding this application been convicted of or had a civil judgement rendered against it for commission of public transactions; has not within a three year period preceding this proposal been convicted of violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; is not presently indicted or otherwise criminally or civilly charged by a government entity with commission of any of the offenses enumerated herein; and has not within a three year period preceding this application had one or more public transactions terminated for default.

c. It will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

d. It will comply with all applicable requirements of State and Federal laws, executive orders, regulations and policies governing this program.

14. Enforcement of Agreement

a. If a Recipient materially fails to comply with any term of the award, whether stated in Federal and State statute or regulation, an assurance, in a State plan or application, a notice of an award, or elsewhere, the Partnership for a Healthy Mississippi and the Office of the Attorney General may take one or more of the following actions, as appropriate in the circumstances:

1. Temporarily withholding payments pending correction of the deficiency by the Recipient;

2. Disallow (that is deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance;

3. Wholly or partly suspend or terminate the current award for the Recipient's program;

4. Withhold further awards for the program, or

5. Take other remedies that may be legally available.

b. Costs of Recipient resulting from obligations incurred by the Recipient during a suspension or after termination of an award are not allowable unless the Office of the Attorney General expressly authorizes them in the notice of suspension or termination or subsequently. Other Recipient costs during suspension or after termination which are necessary and not reasonable avoidable are allowable if:

1. The costs result from obligations which were properly incurred by the Recipient before the effective date of suspension or termination, are not in anticipation of it, and in the case of a termination, are non-cancelable, and

2. The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

15. Termination for Convenience

This agreement my be terminated in whole or in part as follows:

a. By the Partnership for a Healthy Mississippi with the consent of the Recipient in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of a partial termination, the portion to be terminated; or

b. By the Recipient upon written notification to the Partnership for a Healthy Mississippi and the Office of the Attorney General, setting forth the reasons for such termination, the effective date, and in the case of a partial termination, the portion to be terminated. If, in the case of a partial termination, the Partnership for a Healthy Mississippi determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the Partnership for a Healthy Mississippi may terminate the award in its entirety.

The Office of the Attorney General hereby offers assistance to the Recipient for all approved costs not to exceed the Recipient's awarded total for the approved project period of this agreement.

RECIPIENT	ATTORNEY GENERAL
City/Town of PICAYUNE	Mike Moore
Mayor	Date
Date	

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO RECOGNIZE PICAYUNE AMATEUR SOFTBALL ASSOCIATION

Larry Smith, representing Picayune Amateur Softball Association (PASA), addressed the Mayor and Council regarding the World Qualifier Tournament that was held in Picayune on June 11-12, 1999. Mr. Smith thanked the Council and City staff for their efforts in getting the fields ready for play. Mr. Smith also reported that two teams from Picayune have qualified for the World Tournament in softball and will be traveling in July. No official action was taken.

ORDER TO APPOINT MEMBERS TO THE ARTS COUNCIL

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table any appointments to the Arts Council. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table the appointment to the Planning Commission to fill the remaining term of Bill Parks that expires September 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

RECESSED MEETING DATED JUNE 15, 1999

ORDER TO CONSIDER BID AWARD ON PAVING PROJECT

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to award the bid on the FY99 paving project to Mobile Asphalt who submitted the low bid of $611,997.67, and to authorize the Mayor to sign the following contract:

CONTRACT FORM

FOR
FY99 STREET PAVING PROJECT

CITY OF PICAYUNE, MISSISSIPPI

PICAYUNE JOB NO. 600-11

THIS AGREEMENT, made this 15th day of June, 1999 at the City of Picayune, Pearl River County, State of Mississippi by and between the Mayor and City Council of the City of Picayune, Pearl River County, State of Mississippi, hereinafter called "Owner" and Mobile Asphalt Inc. hereinafter called the "Contractor."

WITNESSETH THAT, the Owner and Contractor do mutually agree as follows:

1. In consideration of the price for the work herein specified in the bid proposal to be paid by the Owner to the Contractor at the time and in a manner hereinafter provided, the Contractor does hereby agree to construct complete in every detail as follows:

FY99 STREET PAVING PROJECT

CITY OF PICAYUNE, MISSISSIPPI

PICAYUNE JOB NO. 600-11

in compliance with the Advertisement of Bids, Proposal Form, Contract, Performance Bond, General Conditions, Specifications, Plans, and such Addenda thereto as may be issued prior to execution of this Contract, all in a thorough and workmanlike manner.

2. This price shall include the cost and expense to furnish all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, transportation, and other accessories and services necessary to complete this project, in accordance with the Contract Documents.

3. The Contractor shall commence work under this Contract within ten (10) days from the date of the written "Order to Proceed" issued by the Owner. The Contractor shall complete all work under the Contract within One Hundred Twenty (120) calendar days from the date of the "Order to Proceed." The Owner has determined, and the Contractor agrees, that the liquidated damages for a delay in completion of this Contract will be One Hundred Fifty Dollars ($150.00) per calendar day in excess of the stated time of completion.

4. The Owner agrees to pay the Contractor for the performance of the Contract as provided in the Specifications, and to make monthly payments on account thereof provided in the General Conditions. The contract amount, as presented in bid by Contractor, is **$611, 997.67.**

5. A retainage amount of 10% will be held out of each payment. This amount will be paid to the contractor upon completion of the project, and acceptance of the project by the Picayune City Council. For projects over $500,00 the retainage will be 5%.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in three (3) original counterparts on the day and year first hereinabove written.

WITNESSES:

_____

_____

Mobile Asphalt
Contractor

_____
Signature

_____
Title

RECESSED MEETING DATED JUNE 15, 1999

WITNESSES:

_____

_____

CITY OF PICAYUNE
Owner

_____
Signature

Mayor
Title

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Guy

VOTING NAY: Councilmember McQueen

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO CONSIDER BID AWARD ON SALE OF DEBT TO BE USED FOR STREET CONSTRUCTION AND PAVING

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to award the bid for the sale of debt of four hundred twenty-five thousand dollars ($425,000.00) to be used for street construction and paving to Hancock Bank at an annual interest rate of 4.36%, to be repaid over five (5) years with the first payment being due one (1) year from origination of the notes. The award is made after adoption of a resolution of intent at the May 4, 1999 meeting and proper advertisement to solicit bids. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Guy

VOTING NAY: Councilmember McQueen

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO AUTHORIZE PURCHASING AGENT TO ATTEND VEHICLE AUCTION

Upon request of the Public Works Director, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for bids for a used one-ton, flatbed truck for the Beautification Department. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve amendments to the following line items of the budget for the year ending September 30, 1999:

	Original	Amended
General Fund		

Federal Grants	$300,000	$1,149,141
Sale of Equipment	19,400	88,500
Other Revenues	9,700	12,700
Loan Proceeds	0	463,900
Beginning Cash	840,560	1,072,862
General Government-Executive-Capital Outlay	2,000	4,000
Public Safety-Police-Supplies	133,648	135,678
Public Safety-Police-Capital Outlay	137,972	138,942
Public Works-Supplies	208,795	233,095
Public Works-Other Services & Charges	584,307	581,507
Public Works-Capital Outlay	1,144,178	2,732,114
Transfers Out	244,471	247,478
Law Enforcement Block Grant #3		
Federal Grants	$0	$27,064
Transfers In	0	3,007
Capital Outlay	0	30,071

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Guy

VOTING NAY: Councilmember McQueen

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO AUTHORIZE SELECTION OF ENGINEER/SURVEYOR FOR THE DESIGN

Upon request of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the selection of an engineer/surveyor for the design and layout of the water and sewer lines along Ridge Road to the Shelton Builders site and to the Mississippi Welcome Center site. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE ISSUANCE OF MANUAL CHECKS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the issuance of the following manual checks:

Noram Energy	Utility Fund	$11,718.00
Sonat Marketing Co.	Utility Fund	27,928.32
Koch Gateway Pipeline	Utility Fund	6,590.15
Williams Energy Services	Utility Fund	571.84

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

RECESSED MEETING DATED JUNE 15, 1999

ABSENT AND NOT VOTING: Councilmember Thorman

ORDER TO ADJOURN

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

July 6, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, July 6, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Gerald Cruthird , followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to approve the minutes of the Mayor and City Council dated June 15, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated June 11, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE CONTRACTORS BOARD

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Contractors Board dated June 17, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE PURCHASING AGENT TO ATTEND VEHICLE AUCTION

Upon request of the Public Works Director, motion was made by Councilmember Bates, seconded by Councilmember Guy, to authorize the Purchasing Agent to attend a vehicle auction to purchase a one-ton pickup truck for the Beautification crew at an amount not to exceed $15,000.00 and to authorize the issuance of a manual check for the same. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN QUITCLAIM DEED

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to authorize the Mayor to sign the following quitclaim deed to Grover C. Nelson on parcel #1309-00-0 assessed to Grover C. Nelson for 1983 taxes. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the monthly claims docket for July 1999 in the total amount of $458,159.15. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

EMPLOYEE OF THE MONTH

Upon recommendation of the City Clerk, Martha Whitehead was declared Employee of the Month for July 1999. Mrs. Whitehead was presented with a savings bond from First National Bank.

ORDER TO CONSIDER REQUEST FOR STREET CLOSURE

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to approve the request of Safe Haven Outreach Center to close Weems Street at Jackson Landing Road on July 10, 1999 from 10:00 a.m. to 3:00 p.m. for a gospel festival. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR FUNDING FROM PRCDA

Billie Edwards addressed the Mayor and Council regarding the activities of the Pearl River County Development Association (PRCDA) for the past quarter. Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the issuance of a manual check to the PRCDA for $1,500.00 representing funding for the first two calendar quarters of 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO PURCHASE ADVERTISEMENT TO ADVERTISE THE RESOURCES OF THE CITY

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to purchase a full-page ad in the 1999 Picayune High School football program in the amount of $200.00 to advertise the resources of the City and to authorize the issuance of a manual check for the same. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE ARTS COUNCIL

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table any appointments to the Arts Council at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table the appointment to the Planning Commission to fill the remaining term of Bill Parks which will expire in September 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE HAZARD MITIGATION COUNCIL

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table any appointments to the Hazard Mitigation Council at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to accept the minutes of the Planning Commission dated May 27, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Planning Commission dated June 22, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR LOT SIZE VARIANCE IN RIDGE ROAD SUBDIVISION

Upon request of Edward Pinero, Jr. , motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve a twenty-foot (20') variance on the width of lots 3, 4, 13 and 14, Block 11 of the Ridge Road Subdivision. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR DENSITY VARIANCE FOR APARTMENTS TO BE LOCATED ON SOUTH CURRAN AVENUE

Upon request of Sonny Moore, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve a density variance for apartments to be located on South Curran Avenue to allow Mr. Moore to build twelve (12) apartment units on his property instead of the permitted eleven (11) units. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR SIDE YARD VARIANCE FOR BUILDING TO BE LOCATED ON SOUTH MONROE AVENUE

Upon request of Jerry Fuller, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve a three-foot (3') side-yard variance on the South Monroe side of property located at South Monroe Avenue and East Canal Street. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO SUBDIVIDE LOT ON ALPINE ROAD

Upon request of Artie Holloway, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to approve the re-subdivision of the lot located on the corner of Alpine Road and Telly Road into four (4) conforming lots. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ADOPT RESOLUTION OF NO PROTEST RELATING TO MDECD AIRPORT LOAN

Airport Revolving Loan Fund
No Protest Resolution

The City Clerk reported that pursuant to a resolution declaring the intention of the Mayor and City Council of the City of Picayune, Mississippi (the "City") to authorize and approve a loan (the "Loan") on behalf of the City from the Mississippi Department of Economic and Community Development (the "Department") in a maximum principal amount not to exceed five hundred thousand dollars ($500,000) for the purpose of making improvements to the Picayune Municipal Airport Facility thereby promoting commerce and economic growth, she did cause notice of intention to enter into such Loan to be published in the Picayune Item, a newspaper having a general circulation in the City on June 4, 11, 18, and 25, 1999, as evidenced by proof of publication on file in the office of the City Clerk. The City Clerk further reported that no written

protest of any kind or character against the authorization and approval of such Loan had been filed in the City Clerk's office. Thereupon, Councilmember Thorman offered and moved the adoption of the following resolution:

A RESOLUTION DECLARING THE ABSENCE OF ANY PROTEST AGAINST AUTHORIZING AND APPROVING A LOAN ON BEHALF OF THE CITY OF PICAYUNE, MISSISSIPPI FROM THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT, IN THE PRINCIPAL AMOUNT NOT TO EXCEED FIVE HUNDRED THOUSAND DOLLARS ($500,000)

Whereas, under the power and authority granted by the Laws of the state of Mississippi and particularly under Section 57-61-1 ET. Seq. of the Mississippi Code of 1972, as amended, the Mayor and City Council, (the "Governing Body") on December 1, 1998 did adopt a certain resolution entitled:

RESOLUTION DECLARING THE INTENTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI, TO AUTHORIZE AND APPROVE A LOAN ON BEHALF OF THE CITY FROM THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT IN A MAXIMUM PRINCIPAL AMOUNT NOT TO FIVE HUNDRED THOUSAND DOLLARS ($500,000) FOR THE PURPOSE OF MAKING IMPROVEMENTS TO THE PICAYUNE MUNICIPAL AIRPORT FACILITY THEREBY PROMOTING COMMERCE AND ECONOMIC GROWTH.

Whereas, as directed by the aforesaid resolution and as required by law, the entire text of said resolution was published once a week for at least four (4) consecutive weeks in the Picayune Item having a general circulation within the City, and was published in said newspaper on June 4, 11, 18, and 25, 1999, as evidenced by the publisher's proof of publication of the same heretofore presented to the Governing Body and filed with the City Clerk, the first publication of which was made not less than twenty-one (21) days prior to July 6, 1999, and the last publication having been made not more than seven (7) days prior thereto, said date being the date fixed in said resolution on or prior to which a written protest by qualified electors against authorizing and approving a Loan from the Department might be filed and on which the Governing Body would take further action to provide for the request of the Loan; and

Whereas, at or prior to the hour of 6:00 p.m. on July 6, 1999, no written protest of any kind or character was filed or presented by qualified electors against authorizing and approving a Loan from the Department.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY, AS FOLLOWS:

Section 1. That all of the findings of fact made and set forth in the preamble to this resolution shall be and the same are hereby found, declared and adjudicated to be true and correct.

Section 2. That the Mayor and City Council of the City of Picayune, Mississippi is now fully authorized and empowered under the provisions of Sections 57-61-1 et. seq., of the Mississippi Code of 1972, as amended, to proceed with the execution of the Loan from the Department without an election on the question of authorizing and approving such Loan.

Section 3. That the Loan being an obligation of the City of Picayune, Mississippi, in the principal amount of five hundred thousand dollars ($500,000) shall be and the same is hereby authorized to be executed for the purpose of making improvements to the Picayune Municipal Airport Facility thereby promoting commerce and economic growth and the Mayor and Clerk of the Board are hereby authorized and directed to execute any and all documents and certificates as may be necessary in order to consummate the transaction contemplated by the resolution and upon execution, each of the documents and certificates shall be legal, valid and binding obligations of the City enforceable in accordance to the terms of each.

Section 4. That the Loan shall be a general obligation of the City secured by the full faith, credit and taxing powers of the City and the City acknowledges and approves the

provisions of Section 57-16-15(7) of the Act with respect to forfeiture of homestead exemption and sales tax allocations.

Councilmember Bates seconded the motion to adopt the foregoing resolution and after the same had been read and considered section by section and the vote thereupon was as follows:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion having received the foregoing vote of the Governing Body, the Mayor declared the motion carried and the Resolution adopted, on this the 6th day of July, 1999.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

ORDER TO AUTHORIZE THE MAYOR TO SIGN MDECD LOAN APPLICATION FOR REVOLVING LOAN FUND FOR AIRPORT REVITALIZATION FOR THE NEW AIRPORT

Upon recommendation of the City Planner and after receiving no public comment of opposition, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the loan application with the Mississippi Department of Economic and Community Development (MDECD) to obtain a loan from MDECD's Revolving Loan Fund for Airport Revitalization in an amount not to exceed five hundred thousand dollars ($500,000.00) to be used to fund infrastructure improvements at the new airport. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: Councilmember McQueen

The motion was declared carried.

ORDER TO APPROVE ISSUANCE OF MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the issuance of the following manual checks:

Miss. State Tax Commission	General Fund	$ 2,232.00
COP General Fund	Utility Fund	50,129.15
Jonas Bates	General Fund	527.74
Double C Contractors	General Fund	8,550.00
Huey Stockstill, Inc.	Airport Fund	191,599.11

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN CAPS LOAN APPLICATION FOR AIRPORT IMPROVEMENTS

Upon recommendation of the City Planner and upon receiving no public comment of opposition, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Mayor to sign the loan application for CAPS Loan Funds in an amount not to exceed four hundred seventy-five thousand dollars ($475,000.00) from the Mississippi Department of Economic and Community Development (MDECD) to provide infrastructure improvements to the new airport. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN PROJECT FORMS FOR MEMORIAL BOULEVARD

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the Project Activation Request (PAR) with MDOT and the ENV 700 related to the initiation of the project to make roadway improvements to Memorial Boulevard including curbing, overlay, left turn lanes, traffic signals and ingress and egress controls. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN ENGINEERING CONTRACT FOR *MEMORIAL BOULEVARD IMPROVEMENTS*

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract with Neel-Schaffer, Inc. for the design engineering for the Memorial Boulevard roadway improvement project:

AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
CITY OF PICAYUNE
AND
NEEL-SCHAFFER, INC.

THIS IS AN AGREEMENT made on July 6, 1999, between the **CITY OF PICAYUNE**, 203 Goodyear Boulevard, Picayune, Mississippi 39466-2524, (**OWNER**), and **NEEL-SCHAFFER, INC.**, Post Office Box 982, Hattiesburg, Mississippi 39403 (**ENGINEER**).

OWNER intends to construct roadway and drainage improvements along State Route Highway 43 between Interstate 59 and State Route Highway 11, which is described in more detail in **Exhibit A, "Project Description,"** and hereinafter called the **Project.**

OWNER and **ENGINEER**, in consideration of the mutual covenants herein, agree with respect to the performance of professional engineering services by **ENGINEER** with respect to the **Project** and the payment for these services by **OWNER** as set forth herein.

SECTION 1 — BASIC SERVICES OF ENGINEER

1.1 **ENGINEER** shall provide for **OWNER** professional engineering services for all phases of the **Project** to which this **Agreement** applies as hereinafter provided. These services will include serving as **OWNER**'s professional engineering representative for the **Project**, providing consultation and advice and furnishing customary engineering services.

1.2 By execution of this **Agreement**, **OWNER** authorizes **ENGINEER** to provide Basic Services for the Preliminary Design Phase of the **Project** in accordance with **Exhibit B, "Scope of Design Phase Services."**

1.3 When authorized in writing by **OWNER, ENGINEER** shall provide Basic Services for the Final Design Phase of the **Project** in accordance with **Exhibit B, "Scope of Design Phase Services."**

SECTION 2 — ADDITIONAL SERVICES OF ENGINEER

2.1 If authorized in writing by **OWNER, ENGINEER** shall provide, or obtain from other qualified persons or firms, Additional Services which are not included as part of the Basic Services specified in Section 1. Additional Services (in conjunction with those listed in Exhibit B) shall include, but are not limited to, the following:

2.1.1 Services resulting from significant changes in the general scope, extent or character of the **Project** designed or specified by **ENGINEER** or its design including, but not limited to, changes in size, complexity, **OWNER**'s schedule, character of construction or method of financing; and revising previously accepted studies, reports, design documents or Contract Documents when such revisions are required by changes in laws, rules, regulations, ordinances, codes or orders enacted subsequent to the preparation of such studies, reports or documents, or are due to any other causes beyond **ENGINEER**'s control.

2.1.2 Preparing documents for alternate bids requested by **OWNER** for Contractor's work which is not executed or documents for out-of-sequence work.

2.1.3 Services resulting from the award of more than one separate prime contract for construction, materials or equipment for the **Project** unless multiple awards were contemplated and included as part of Basic Services in Section 1.

2.1.4 Assistance in connection with rebidding or renegotiating contracts for construction which involve modifying the Contract Documents to revise the **Project**'s general scope, extent or character as necessary to reduce or increase the Construction Cost to bring it within the cost limit.

2.1.5 Preparing to serve or serving as a consultant or witness for **OWNER** in any litigation, arbitration or other legal or administrative proceeding involving the **Project**.

2.1.6 Services in making revisions to Contract Documents occasioned by the acceptance of substitutions proposed by Contractor; and services after the award of the construction contract in evaluating and determining the acceptability of an unreasonable or excessive number of substitutions proposed by Contractor.

2.1.7 Services resulting from significant delays in Project schedule which occurred through no fault of **ENGINEER**.

2.1.8 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction; (2) a significant amount of defective, neglected or delayed work of Contractor or supplier; (3) protracted or extensive assistance in the startup or utilization of any equipment or system; (4) acceleration of the progress schedule involving services beyond normal working hours; and (5) default or bankruptcy by Contractor.

2.1.9 Evaluating an unreasonable claim or an excessive number of claims submitted by Contractor or others in connection with the **Project**.

2.1.10 Services during out-of-town travel required of **ENGINEER** other than visits to the **Project** site of **OWNER's** office.

2.1.11 Additional Services in connection with the **Project**, including services which are to be furnished by **OWNER** in accordance with Section 3 and services not otherwise provided for in Basic Services as specified in Section 1 of this **Agreement**.

SECTION 3 — OWNER'S RESPONSIBILITIES

OWNER shall do the following (in conjunction with those items listed in Exhibit B) in a timely manner so as not to delay the services of **ENGINEER** and bear all costs incident thereto:

3.1 Designate in writing a person to act as **OWNER**'s representative with respect to the services to be rendered under this **Agreement**. Such person shall have complete authority to

transmit instructions, receive information, and interpret and define **OWNER**'s policies and decisions with respect to **ENGINEER**'s services for the **Project**.

3.2 Provide all criteria and full information as to **OWNER**'s requirements for the **Project**, including design objectives and constraints; space, capacity and performance requirements; and flexibility, expendability, and any budgetary limitations. Also furnish copies of design and construction standards which **OWNER** will require to be included in the Contract Documents.

3.3 Assist **ENGINEER** by placing at **ENGINEER**'s disposal available information pertinent to the **Project** including previous reports; geotechnical information; utility locations; property descriptions, zoning, deed and other land use restrictions; and any other data relative to design or construction of the **Project**. **ENGINEER** shall not be liable for any claims for injury or loss arising from errors, omissions or inaccuracies in documents or other information provided by the **OWNER**.

3.4 Arrange for access to and make all provisions for **ENGINEER** to enter upon public and private property as required for **ENGINEER** to perform services under this **Agreement**.

3.5 Examine studies, reports, sketches, drawings, specifications, proposals and other documents presented by **ENGINEER** and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of **ENGINEER**.

3.6 Acquire property for easements and rights-of-way required for construction of the **Project**.

3.7 Give prompt written notice to **ENGINEER** whenever **OWNER** observes or otherwise becomes aware of any development that affects the scope or timing of **ENGINEER**'s services, or any defect or nonconformance in the work of the **ENGINEER** or of any Contractor.

SECTION 4 — PERIOD OF SERVICE

4.1 The provisions of this Section 4 and the various rates of compensation for **ENGINEER**'s services provided for elsewhere in this **Agreement** have been agreed to in anticipation of the orderly and continuous progress of the **Project** through completion of all phases to which this **Agreement** applies. Specific periods of time and/or completion dates for rendering services are set forth in **Exhibit E, "Project Schedule."**

4.2 If **OWNER** requests modifications or changes in the scope, extent or character of the **Project**, or if periods of time and/or completion dates are exceeded through no fault of **ENGINEER**, the period of service and amount of compensation for **ENGINEER**'s services shall be adjusted equitably.

4.3 In the event that the work designed or specified by **ENGINEER** is to be performed under more than one prime construction contract, the period of service and/or amount of compensation for **ENGINEER**'s services shall be adjusted equitably unless multiple awards were contemplated and included
as part of Basic Services in Section 1.

SECTION 5 — PAYMENTS TO ENGINEER

5.1 **Methods of Payment**. **OWNER** shall pay **ENGINEER** for Basic Services rendered under Section 1 and Additional Services rendered under Section 2 in accordance with the provisions of **Exhibit D, "Payments to Engineer."**

5.2 **Times of Payment**. **ENGINEER** shall submit monthly statements for Basic and Additional Services rendered. For lump sum and percentage methods of payment, statements will be based upon **ENGINEER**'s estimate of the proportion of the total services actually completed at the time of billing. For cost-plus-fixed-fee method of payment, the amount of fixed fee billed will be based on the proportion of the costs incurred at the time of billing to the maximum allowable costs established for this **Agreement**. **OWNER** shall make prompt monthly payments in response to **ENGINEER**'s monthly statements.

5.3 **Delinquent Payments**. The **OWNER** recognizes time is critical with respect to payment of the **ENGINEER**'s statements, and that timely payment is a material part of the consideration of this **Agreement**. **ENGINEER**'s statements shall be due and payable within 30 calendar days of statement date. If **OWNER** objects to all or any portion of an invoice, **OWNER** shall notify the **ENGINEER** within 14 calendar days of the invoice date, identify the cause of the disagreement and pay when due that portion of the statement not in dispute. If **OWNER** fails to make any payment due **ENGINEER** for services and expenses, excepting any portion of the statement in dispute, within 60 calendar days after receipt of **ENGINEER**'s statement, the amounts due **ENGINEER** shall include a charge at the rate of one percent per month from the 60th day unless special arrangements have been previously made and agreed to by both parties in writing. Payment will be credited first to interest and then to principal. In the event of a disputed

or contested billing, only that portion so contested may be withheld from payment, and the undisputed portion will be paid.

5.4 **Termination Payment**. In the event of termination by **OWNER** or **ENGINEER** under Paragraph 6.2, **OWNER** shall pay **ENGINEER** for services and expenses provided to date of termination in accordance with the methods of payment specified in Paragraph 5.1.

5.5 **Records of Costs**. Records of costs pertinent to **ENGINEER's** compensation will be kept in accordance with generally accepted accounting principals. **ENGINEER** is only obligated to maintain these records for a period of three years following date of final payment for services rendered under this **Agreement**.

SECTION 6 — GENERAL TERMS AND CONDITIONS

6.1 **Construction Cost**

6.1.1 **Opinions of Cost**. Since **ENGINEER** has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor's methods of determining prices, or over competitive bidding or market conditions, **ENGINEER**'s opinions of probable Construction Cost provided for herein are to be made on the basis of experience and qualifications and represent **ENGINEER**'s best judgment as an experienced and qualified professional, generally familiar with the construction industry; but **ENGINEER** cannot and does not guarantee that proposals, bids or actual Construction Cost will not vary from opinions of probable cost prepared by **ENGINEER**.

6.1.2 **Construction Cost Budget**. If a Construction Cost budget is established by written agreement between **OWNER** and **ENGINEER** and specifically set forth in this **Agreement** as a condition thereto, the following will apply:

6.1.2.1 The acceptance by **OWNER** at any time during the provision of services under this **Agreement** of a revised opinion of probable Construction Cost in excess of the then established budget will constitute a corresponding revision in the Construction Cost budget to the extent indicated in such revised opinion.

6.1.2.2 Any Construction Cost budget so established will include a contingency of 10 percent unless another amount is agreed upon in writing.

6.1.2.3 **ENGINEER** will be permitted to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents and to make reasonable adjustments in the extent of the **Project** to bring it within the budget.

6.1.2.4 If proposals or bids have not been obtained within six months after completion of the Design Phase, the established Construction Cost budget will not be binding on **ENGINEER**, and **OWNER** shall consent to an adjustment in such cost limit commensurate with any applicable change in the general level of prices in the construction industry between the date of completion of the Design Phase and the date on which proposals or bids are sought.

6.1.2.5 Use of an estimated or actual Construction Cost of the project as a basis of payment to the **ENGINEER** shall not be construed to mean that a Construction Cost budget has been established for the **Project**.

6.2 **Termination**. The obligation to provide further services under this **Agreement** may be terminated by either party upon 30 calendar days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.

6.3 **Suspension**. Upon 14 calendar days' written notice to the **ENGINEER**, the **OWNER** may suspend the **ENGINEER**'s work. Suspension for any reason exceeding 60 calendar days shall, at the **ENGINEER**'s option, make this **Agreement** subject to re-negotiation or termination as provided for elsewhere in this **Agreement**. Any suspension shall extend the period of service in a manner that is satisfactory to both the **OWNER** and the **ENGINEER**.

6.4 **Ownership and Reuse of Documents**.

6.4.1 Contract Documents and reports prepared by **ENGINEER** pursuant to this **Agreement** shall be the property of the **OWNER**. **ENGINEER** shall have the right to retain copies of all documents for his files.

6.4.2 Contract Documents prepared or furnished by **ENGINEER** and **ENGINEER**'s independent professional associates and consultants, pursuant to this **Agreement** are instruments of service with respect to the **Project**. These documents are not intended or represented to be suitable for reuse by **OWNER** or others on extensions of the **Project** or on any other project. Any reuse without written verification or adaptation by **ENGINEER** for the specific purpose intended will be at **OWNER**'s sole risk and without liability or legal exposure to **ENGINEER**, or to **ENGINEER**'s independent professional associates or consultants. **OWNER** shall indemnify and

hold harmless **ENGINEER** and **ENGINEER**'s independent professional associates and consultants from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle **ENGINEER** to further compensation at rates to be agreed upon by **OWNER** and **ENGINEER**.

6.5 **Insurance**

6.5.1 The **ENGINEER** maintains workmen's compensation and unemployment compensation of a form and in an amount as required by state law; comprehensive general liability with maximum limits of $500,000 / $1,000,000; automotive liability with maximum limits of $500,000 / $500,000; and professional liability insurance with an annual limit of $500,000.

6.5.2 **OWNER** recognizes that the insurance market can be erratic and **ENGINEER** cannot guarantee to maintain the coverages identified above. **ENGINEER** will endeavor to do so, within the context of prudent business practices, and will notify the **OWNER** of any change in coverage no later than 10 calendar days after **ENGINEER** becomes aware of such change. If coverage is withdrawn or if replacement policy will afford inadequate protection and/or will require a significantly increased premium when compared to prior coverage, the **ENGINEER** and the **OWNER** shall confer as to alternatives available, if any, and shall bargain in good faith in an attempt to achieve conditions acceptable to both.

6.6 **Personnel and Facilities**. The **ENGINEER** has, or will secure at his own expense, personnel, equipment and other materials and supplies required to perform the services under this **Agreement** within the period of service set forth in Section 4. **ENGINEER** may subcontract a portion of these services, but these Subcontractors shall be subject to written approval by the **OWNER**. Such personnel shall not be employees of nor have contractual relationship with the **OWNER**.

6.7 **Accounting System**. The **ENGINEER** shall maintain an accounting system which accounts for costs in accordance with generally accepted accounting principles. The **OWNER** reserves the right to audit the **ENGINEER**'s accounts which relate to services provided under this **Agreement**.

6.8 **Successors and Assigns**. Neither **OWNER** nor **ENGINEER** shall assign any interest in this **Agreement** without the prior written consent of the other and in no case shall assignment relieve assignor from liability under this **Agreement**. This **Agreement** shall bind the successors and legal representatives of both parties. Nothing in this **Agreement** shall give any rights or benefits to anyone other than **OWNER** and **ENGINEER**.

6.9 **Relationship**. The **OWNER** has retained **ENGINEER** to provide professional services. These parties have not entered into any joint venture or partnership with the other. The **ENGINEER** is not to be considered the agent of the **OWNER**.

6.10 **Standard of Care**. The **ENGINEER** will strive to perform services under this Agreement in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. No other representation, express or implied, and no warranty or guarantee is included or intended in this Agreement, or in any report, opinion, document or otherwise.

6.11 **Indemnification**.

6.11.1 To the fullest extent permitted by law, the **ENGINEER** agrees to hold harmless and indemnify **OWNER** from and against liability arising out of **ENGINEER**'s negligent performance of professional services under this **Agreement**. It is specifically understood and agreed that in no case shall the **ENGINEER** be required to pay an amount disproportional to **ENGINEER**'s culpability, or any share of any amount levied to recognize more than actual economic damages.

6.11.2 To the fullest extent provided by law, the **OWNER** agrees to hold harmless and indemnify **ENGINEER** from and against liability arising out of **OWNER**'s negligence. It is specifically understood and agreed that in no case shall the **OWNER** be required to pay an amount disproportional to **OWNER**'s culpability, or any share of any amount levied to recognize more than actual economic damages.

6.11.3 In the event of joint or concurrent negligence of **ENGINEER** and **OWNER**, each shall bear that portion of the loss or expense that its share of the joint or concurrent negligence bears to the total negligency (including that of third parties) which caused the personal injury or property damage.

6.11.4 The **OWNER** shall not be liable to the **ENGINEER** and the **ENGINEER** shall not be liable to the **OWNER** for any special, incidental or consequential damages, including, but not limited to, loss of use and loss of profit, incurred by either party due to the fault of the other, regardless of the nature of this fault, or whether it was committed by the **OWNER**, or the **ENGINEER** or their employees, agents or subcontractors.

6.12 **Recovery of Dispute Resolution Costs**. In the event that legal action is brought by either party against the other, the prevailing party shall be reimbursed by the other for the prevailing party's legal costs, in addition to whatever other judgments or settlement amounts, if any, may be due.

6.13 **Compliance with Codes and Standards**. The **ENGINEER**'s professional services shall incorporate those publicly announced federal, state and local laws, regulations, codes and standards that are applicable at the time the services are rendered. In the event of a change in a law, regulation, et al., the **ENGINEER** shall assess its impact. If, in the **ENGINEER**'s professional opinion, the impact is such to significantly affect the **ENGINEER**'s compensation or the period of service, then the compensation and/or period of service can be renegotiated.

6.14 **Force Majeure**. Neither **OWNER** nor **ENGINEER** shall be liable for faults or delays caused by any contingency beyond his control, including, but not limited to, acts of God, wars, strikes, walkouts, fires, natural calamities, or demands or requirements of governmental agencies.

6.15 **Separate Provisions**. If any provisions of this **Agreement** are held to be invalid or unenforceable, the remaining provisions shall be valid and binding.

6.16 **Risk Allocation**. The **OWNER** recognizes that **ENGINEER**'s fee includes allowance for funding a variety of risks which affect the **ENGINEER** by virtue of his agreeing to perform services on the **OWNER**'s behalf. One of these risks stems from the **ENGINEER**'s potential for human error. In order for the **OWNER** to obtain the benefits of a fee which includes a lesser allowance for risk funding, the **OWNER** agrees to limit the **ENGINEER**'s liability to the **OWNER** and all contractors arising from the **ENGINEER**'s professional acts, errors or omissions, such that the total aggregate liability of the **ENGINEER** to all those named shall not exceed $50,000 or the **ENGINEER**'s total fee for services rendered on this project, whichever is greater.

6.17 **Period of Repose**. Any applicable statute of limitations shall commence to run and any alleged course of action shall be deemed to have accrued not later than the completion of services to be performed by **ENGINEER**.

6.18 **Conflicts**. In the event of a conflict between the main text of this **Agreement** and any appendix thereof, provisions of the main text shall govern.

6.19 **Third Party Exclusion**. This **Agreement** shall not create any rights or benefits to parties other than the **OWNER** and **ENGINEER** except other such rights as may be specifically called for herein.

6.20 **Hazardous Materials**

6.20.1 When hazardous materials are known, assumed or suspected to exist at a project site, **ENGINEER** is required to take appropriate precautions to protect the health and safety of his personnel, to comply with the applicable laws and regulations and to follow procedures deemed prudent to minimize physical risks to employees and the public. **OWNER** hereby warrants that, if he knows or has any reason to assume or suspect that hazardous materials may exist at the project site, he will inform **ENGINEER** in writing prior to initiation of services under this **Agreement**.

6.20.2 Hazardous materials may exist at a site where there is no reason to believe they could or should be present. **OWNER** agrees that the discovery of unanticipated hazardous materials constitutes a changed condition mandating a renegotiation of the scope of work or termination of services. **ENGINEER** agrees to notify **OWNER** as soon as practically possible should unanticipated hazardous materials or suspected hazardous materials be encountered. **OWNER** waives any claim against **ENGINEER** and agrees to indemnify, defend and hold **ENGINEER** harmless from any claim or liability for injury or loss arising from **ENGINEER'S** encountering unanticipated hazardous materials or suspected hazardous materials. **OWNER** also agrees to compensate **ENGINEER** for any time spent and expenses incurred by **ENGINEER** in defense of any such claim.

6.21 **Anticipated Change Orders**. **OWNER** recognizes and expects that a certain amount of imprecision and incompleteness is to be expected in Contract Documents; that all details of a completed project are not intended to be covered in the Contract Documents; that a certain amount of errors, omissions, ambiguities and inconsistencies are to be expected in Contract Documents; that contractors are expected to furnish and perform work, materials and equipment that may reasonably be inferred from the Contract Documents or from the prevailing custom or trade usage as being required to produce the intended result whether or not specifically called for; and that a certain amount of Change Orders are to be expected. As long as **ENGINEER** provides services within professional standards and the standard of care of **ENGINEER**'s profession in accordance with paragraph 6.10, **OWNER** agrees not to make any claim against **ENGINEER** for cost of these Change Orders unless these costs become a significant part of the construction contract amount. In no case will **OWNER** make claim against **ENGINEER** for costs incurred if the Change Order work is a necessary part of the **Project** for which **OWNER** would have incurred costs if work had been included originally in the Contract Documents unless **OWNER** can

demonstrate that such costs were higher through issuance of the Change Order than they would have been if originally included in the Contract Documents in which case any claim of **OWNER** against **ENGINEER** will be limited to the cost increase and not the entire cost of the Change Order.

6.22 **Governing Law**. The laws of the State of Mississippi will govern the validity of this **Agreement**, its interpretations and performance, and remedies for any claims related to this **Agreement**.

6.23 The **ENGINEER** authorizes Charles H. Hill, Registered Professional Engineer No. 11087 in the State of Mississippi to act on his behalf for this **Project**.

SECTION 7 — DEFINITIONS

As used herein, the following words and phrases have the meanings indicated, unless otherwise specified in various sections of this **Agreement**:

7.1 **Addenda**. Written or graphic instruments issued prior to the opening of bids which clarify, correct or change the bidding documents or the Contract Documents.

7.2 **Agreement**. This contract including all exhibits and documents included by reference.

7.3 **Application for Payment**. The form accepted by **ENGINEER** which is to be used by Contractor in requesting progress or final payments and which is to include such supporting documentation as is required by the Contract Documents.

7.4 **Bid**. The offer or proposal of the bidder submitted on the prescribed form setting forth the prices for the construction work to be performed.

7.5 **Change Order**. A document recommended by **ENGINEER** which is signed by Contractor and **OWNER** and authorizes an addition, deletion or revision in the construction work, or an adjustment in the contract price or the contract time, issued on or after the effective date of the construction contract.

7.6 **Contract Documents**. The drawings and specifications, addenda, and other documents required to obtain bids from contractors for construction of the **Project**.

7.7 **Contractor**. The person, firm or corporation with whom **OWNER** has entered into a contract for construction of the **Project**.

7.8 **Construction Cost**. Total cost of entire **Project** to **OWNER** not including **ENGINEER**'s compensation and expenses, cost of land and rights-of-way, or compensation for or damages to properties, unless this **Agreement** so specifies; nor will it include **OWNER**'s legal, accounting, insurance counseling or auditing services, or interest and financing charges incurred in connection with the **Project** or the cost of services to be provided by others to **OWNER** pursuant to Section 3 of this **Agreement**.

7.9 **Direct Labor Costs**. Salaries and wages paid to **ENGINEER**'s personnel engaged directly on the **Project**, including engineers, draftsmen, technicians, designers, surveyors, resident project representatives and other technical and administrative personnel; but does not include indirect payroll related costs or fringe benefits.

7.10 **Drawings**. The drawings which show the character and scope of the **Project** and which have been prepared or approved by **ENGINEER** and are referred to in the Contract Documents.

7.11 **Reimbursable Expenses**. Actual expenses incurred by **ENGINEER** directly in connection with providing services for the **Project**. These include, but are not limited to, transportation and subsistence; reproduction and printing; communications; postage and express mail; equipment rental; and expense of computers and other specialized equipment.

7.12 **Resident Project Representative**. The authorized representative of **ENGINEER** who is assigned to the construction site or any part thereof for the purpose of observing the performance of the work of the Contractor.

7.13 **Shop Drawings**. All drawings, diagrams, illustrations, schedules and other data which are specifically prepared by or for Contractor to illustrate some portion of the work and all illustrations, brochures, standard schedules and other information prepared by a Supplier and submitted by Contractor to illustrate material or equipment for some portion of the **Project**.

7.14 **Specifications**. Those portions of the Contract Documents consisting of written technical descriptions of materials, equipment, construction systems, standards and workmanship as applied to the **Project** and certain administrative details applicable thereto.

7.15 **Subcontractor**. An individual, firm or corporation having a direct contract with Contractor or with any other subcontractor for the performance of a part of the **Project** at the site.

7.16 **Supplier**. A manufacturer, fabricator, supplier, distributor, materialman or vendor of products or equipment used in construction of the project.

SECTION 8 — SPECIAL PROVISIONS AND EXHIBITS

8.1 This **Agreement** is subject to the following Special Provisions:

8.2 The following Exhibits are attached to and made a part of this **Agreement**:

8.2.1 Exhibit A, "Project Description."

8.2.2 Exhibit B, "Scope of Design Phase Services."

8.2.3 Exhibit C, "Project Schedule."

8.2.4 Exhibit D, "Payments to Engineer."

8.3 This **Agreement**, consisting of Pages 1 to 17 inclusive, together with the Exhibits identified above, constitute the entire agreement between **OWNER** and **ENGINEER** and supersede all prior written and oral understandings. This **Agreement** and said Exhibits may only be amended, supplemented, modified or canceled through a duly executed written instrument.

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

OWNER: CITY OF PICAYUNE **ENGINEER:NEEL-SCHAFFER, INC.**

_____ _____

WITNESS: _____ **WITNESS:** _____

EXHIBIT A
PROJECT DESCRIPTION

The work included in the Scope of Services of this **Agreement** consists of providing professional engineering and technical services in connection with the design of roadway and drainage improvements along State Route Highway 43 from Interstate 59 to State Route Highway 11 as a Federal Aid STP Project, more specifically described as follows:

1.1 Roadway and Drainage Improvements

1.1.1 The following is a summary of the proposed upgrades and modifications:

- Improvements may include resurfacing, restriping, drainage work, the addition of turning bays and turning lanes, limiting access, addition of curbing and the development and/or deletion of cross overs.

1.1.2 Because this project is to utilize Federal Aid - STP funds, the **ENGINEER** will prepare and submit the proper documentation necessary to implement a federal aid project and coordinate design approval with the Mississippi Department of Transportation (MDOT) and the Federal Highway Administration (FHWA).

EXHIBIT B
SCOPE OF DESIGN PHASE SERVICES

1.0 BASIC SERVICES

1.1 Preliminary Design Phase — The work in the Preliminary Engineering Phase will be initiated upon receipt of the Notice to Proceed and shall be completed in the following steps:

1.1.1 Consult with the **OWNER** to clarify and define the **OWNER**'s requirements for the **Project**.

1.1.2 Assemble and review available data which may be pertinent to the **Project**. (Traffic Engineering Analysis)

1.1.3 Make surveys needed for design of the **Project**, including locating utilities which are visually apparent. Establish horizontal and vertical control as necessary for construction of the **Project**.

1.1.4 Prepare preliminary plan-profile sheets, platting pertinent topography and ground survey data or, in lieu thereof, add the leading dimensions and supplementary ground survey data to photogrammatric base maps.

1.1.5 Prepare Mississippi Department of Transportation (MDOT) Form RWD-700 and supporting documentation for determining the eligibility and magnitude of a proposed Federal Aid STP project.

1.1.6 Develop criteria for rights-of-way, working easements and permanent easements. Indicate preliminary rights-of-way and easement requirements on drawings. Determine apparent ownership of property where easements are required.

1.1.7 Prepare MDOT Environmental Document ENV-160 and supporting documentation requesting a Class II, Categorical Exclusion classification.

1.1.8 Locate telephone, electric power, gas, water, sewer and any other utility lines, including their component structures, from record drawings and field surveys. Identify the **OWNER** of each utility.

1.1.9 Perform detailed design and prepare construction drawings. Determine all earthwork requirements for the project. Prepare report covering pavement design and earthwork requirements and submit to **OWNER**.

1.1.10 Prepare recap of quantities and preliminary construction cost estimate.

1.1.11 Submit preliminary plans to MDOT Roadway Design and the **OWNER** for review and comments.

1.1.12 Modify plan sheets as necessary to reflect MDOT, Federal Highway Administration (FHWA), and **OWNER'S** comments.

1.1.13 Participate in a plan-in-hand inspection with representatives of the MDOT, FHWA, and the **OWNER** at the project site.

1.2 **Final Design Phase**. After receiving written authorization to proceed with the Final Design Phase, the **ENGINEER** shall:

1.2.1 On the basis of the approved preliminary design documents, prepare final construction drawings, specifications and contract documents for approval by the **OWNER**.

1.2.2 Modify preliminary design documents as necessary to reflect comments from field review and participate in an office review with representatives of the MDOT, FHWA, and **OWNER** at the office of the **ENGINEER**.

1.2.3 Contact the utility companies whose facilities or rights-of-way will be affected by the proposed construction. Make on-site inspections with the utility companies' representatives to determine the feasibility of the construction as proposed.

1.2.4 Prepare a notebook containing copies of all design calculations, equipment and component data sheets, manufacturer's catalog cuts, survey books/notes, correspondence, and other memoranda. The notebook shall be indexed.

1.2.5 Prepare final maintenance of traffic and property access plan for inclusion into the construction plans and contract documents.

1.2.6 Revise the Preliminary Construction Cost Estimate.

1.2.7 Submit PS&E package to the MDOT and the **OWNER** for review and comments.

1.2.8 Participate in an office review of the PS&E package with representatives of the MDOT, FHWA, and the **OWNER**.

1.2.9 Modify the PS&E package as necessary to reflect MDOT, FHWA, and the **OWNER'S** comments.

1.2.10 Prepare the final changes to the PS&E package.

1.2.11 Submit the final PS&E contract documents to the MDOT for project authorization.

1.3 Advertising and Bidding.

1.3.1 Once authorization has been received, prepare and issue Contract Documents to prospective bidders and keep a record of their issuance.

1.3.2 Prepare and issue Addenda (where required and after approval by the **OWNER**, MDOT and FHWA) to each known procurer of the Contract Documents.

1.3.3 Provide non-binding type information on the general scope, unusual conditions and desired sequence of the construction as requested by procurers of Contract Documents.

1.3.4 Conduct a pre-bid conference if requested by the **OWNER**. Attend the opening and reading of bids. Verify extensions and totals. Review the bids and make recommendations to the **OWNER** regarding the award of the Contract.

2.0 REPORTING

2.1 The **ENGINEER** shall submit a progress report each month. The progress report shall include, but not be limited to a summary of the work tasks completed the previous month, a discussion of any major problems encountered and the status of resolution of same, and a discussion of tasks to be accomplished during the upcoming month.

3.0 ADDITIONAL SERVICES

3.1 The following will be considered additional services and the Scope will be defined upon the determination of any right of way and design requirements should the services become necessary:

3.1.1 Environmental assessment above and beyond a categorical exclusion type project determination;
3.1.2 Geotechnical Investigations;
3.1.3 Noise Studies;
3.1.4 Underground Storage Tank testing relative to Department of Environmental Quality procedures;
3.1.5 Perform boundary surveys, research county land records, prepare right-of-way/easements, plats and descriptions or other legal instruments; and
3.1.6 Assist in right-of-way acquisition, discussions with property owners, right-of-way staking, modifications to plans for right-of-way negotiated changes or other related right-of-way services.
3.1.7 Splitting the project into two or more sets of plans and contract documents, i.e., two or more distinct projects.

3.2 The Owner Is To Provide the Following Information

3.2.1 Twelve hour turning movement counts;
3.2.2 Traffic accident reports for the intersections;
3.2.3 Design criteria;
3.2.4 Approved MDOT Project Activation Request (PAR), RWD 700 forms and ENV–160, including signal justification and design criteria.
3.2.5 Any existing plans or other pertinent information relative to the intersection upgrades including existing city owned utilities;
3.2.6 Property appraisals; and
3.2.7 Property acquisition and associated legal services.

3.3 Construction Engineering Services

A separate construction engineering services agreement will be submitted at a later date. This agreement must meet MDOT and FHWA requirements. The **ENGINEER** anticipates that the fee for the construction engineering services should not exceed the 15 percent cap set for providing matching funds for Federal Aid projects.

EXHIBIT C
PROJECT SCHEDULE

The time periods for performances of Basic Services specified in Section 1, **Exhibit B, "Scope of Design Phase Services"** are stipulated as indicated below:

1.1 Memorial Boulevard (Highway 43) Roadway Improvements

1.1.1 Preliminary Design Phase services will be completed and **ENGINEER's** documentation and opinion of probable construction costs will be submitted within 120 days of notice to proceed.
1.1.2 Final Design Phase services will be completed and **ENGINEER's** documentation and revised opinion of probable construction costs will be submitted within 180 days of **OWNER's** and MDOT's approval of the preliminary design.
1.1.3 Advertising and Bidding Phase services will begin when **OWNER** authorizes the Project for bidding and will end with holding of the preconstruction conference.

EXHIBIT D
PAYMENTS TO ENGINEER

1.1 Basic Services. **OWNER** shall pay **ENGINEER** for Basic Services rendered under Section 1, as supplemented by **Exhibit B, "Scope of Design Phase Services,"** the following fees:

1.1.1 **Design Phase Services** — A fixed fee of $90,000.00.
1.1.2 **Design Surveys (in accordance with paragraph 1.1.3, Exhibit B)** — A fixed fee of
$21,000.00.

1.2 Additional Services. **OWNER** shall pay **ENGINEER** for Additional Services rendered under Section 2 on the basis of **ENGINEER'S** Direct Labor Cost times a factor of 2.8 plus Reimbursable Expenses. Subconsultants will be billed at actual cost times a factor of 1.1.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN ENGINEERING CONTRACT FOR CARROLL STREET SEWER PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign the following contract with Compton Engineering, P.A. for the construction engineering services for the Carroll Street sewer project:

Compton Engineering, P.A.
Consulting Engineers

Office:
3036 Longfellow Drive
Bay St. Louis, MS 39520
Post Office Box 2795
Bay St. Louis, MS 39521-2795

Phone 601/467-2770
Fax 601/467-2720

June 11, 1999

City of Picayune
Attn: Stan Polivick, Engineer Public Works
203 Good-year Blvd.
Picayune, Ms 39466-2524

Re: Carroll Street Construction
Phase Services Proposal

Dear Mr. Polivick:

The cost of construction phase services for this project will consist of the following:

	Employee Classification	Hours	Rate	Cost
Conference	Engineer 1	16	$75.00	$1,200.00
Receive Evaluate	Technician	8	$38.00	$304.00

Bids				
Resident Inspection	Technician 1	508	$38.00	$19,304.00
Pay Request (4)	Engineer 1	24	$75.00	$1,800.00
Change Orders(2)	Engineer 1	12	$75.00	$900.00
	Technician 1	8	$38.00	$304.00
Manual and Start-up	Engineer 1	8	$75.00	$600.00
	Technician 1	8	$38.00	$304.00
	Clerical	8	$18.00	$144.00
Post Construction				
Record Drawings	Engineer 1	16	$75.00	$1,200.00
	Technician	24	$38.00	$912.00
Total Construction Phase Services				$27,000.00

Sincerely, Compton Engineering, P.A,

/s/
Bill Johnson

Mayor, City of Picayune

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO SURPLUS PROPERTY

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to declare as surplus the following property:

QUANTITY	DEPARTMENT	DESCRIPTION
1	TAX DEPT.	BROWN CHAIR
1	TAX DEPT.	GREEN CHAIR
7	ADMIN.	KEYBOARDS
5	ADMIN.	ACS COMPUTERS, NO MONITORS, NO HARD DRIVES
1	TAX DEPT.	BROWN CHAIR
1	TAX DEPT.	MINOLTA EP300RE COPY MACHINE
MISC.	TAX DEPT.	COMPUTER WIRE & CABLES
1	TAX DEPT.	MITAC COMPUTER
2	ADMIN.	COMPUTERS (NO BRAND NAME)
1	TAX DEPT.	TABLE WITH FORMICA TOP
1	TAX DEPT.	ADDING MACHINE
1	TAX DEPT.	BROWN CHAIR
1	TAX DEPT.	LARGE BROWN CHAIR
1	TAX DEPT.	PLASTIC CHAIR SCOOTER
1	TAX DEPT.	PAPER CUTTER
1	ADMIN. SUPPLY CLOSET	BELLSOUTH TELEPHONE (NO RECEIVER)
1	ADMIN. SUPPLY CLOSET	ELECTRIC LETTER OPENER
1	ADMIN. VAULT	BROWN BRIEFCASE
1	ADMIN. VAULT	TEXAS INSTRUMENTS ADDING MACHINE

REGULAR MEETING DATED JULY 6, 1999

1	ADMIN. VAULT	TELEPHONE (TAN)
1	ADMIN. SUPPLY CLOSET	MONROE CALCULATOR
1	UTILITY DEPT.	SAMSUNG COMPUTER MONITOR
1	UTILITY DEPT.	CREDENDA
1	UTILITY DEPT.	BROWN CHAIR
1	ACCOUNTING	IBM TYPEWRITER (GREEN)
1	UTILITY COMP. ROOM	CHAIR-TALL BROWN
3	UTILITY COMP. ROOM	METAL STORAGE BOXES
1	UTILITY DEPT.	GRAY CHAIR
1	UTILITY DEPT.	CHAIR-TALL BROWN
1	OLD JAIL	3M FS-6 CAMERA COPIERS
1	OLD JAIL	MICROFISHE MACHINE
4	OLD JAIL	IBM TYPEWRITER
1	OLD JAIL	SET OF TABLE LEGS
3	OLD JAIL	COMPUTER MONITORS
3	OLD JAIL	COMPUTERS
20	OLD JAIL	METAL JAIL CELL BEDS
1	OLD JAIL	MONROE CALCULATOR
1	OLD JAIL	PRINTER (LARGE)
1	OLD JAIL	WESTINGHOUSE HEAVY DUTY 25
1	OLD JAIL	BROWN & BLUE CHAIR
1	OLD JAIL	IBM PRINTER
1	OLD JAIL	MONROE RL 914 COPIER
1	OLD JAIL	SIMPLEX TIMECLOCK
2	TREATMENT PLANT	BADGER FLOW METERS
1	TREATMENT PLANT	YAZOO WEED EATER IN PIECES
1	TREATMENT PLANT	AIR COMPRESSOR WITH TANK
MISC.	TREATMENT PLANT	OLD ASSORTED PLASTIC PIPE
1	TREATMENT PLANT	LAB INCUBATOR
1	WATER & GAS	1982 FORD TRUCK #4050L2-2
1	WATER & GAS	1985 CHEVROLET TRUCK #1667611LOFF
1	WATER & GAS	FIRE HYDRANT – 1951 MUELLER 5.50 FT. BURY
1	WATER & GAS	FIRE HYDRANT – 1952 MUELLER 3.50 FT. BURY
2	WATER & GAS	FIRE HYDRANT – 1957 MUELLER 5.50 FT. BURY
1	WATER & GAS	FIRE HYDRANT – 1962 MUELLER 3.50 FT. BURY
1	WATER & GAS	FIRE HYDRANT – 1967 MUELLER 4 FT. BURY
1	WATER & GAS	FIRE HYDRANT – 1995 MUELLER 3.50 FT. BURY
1	WATER & GAS	FIRE HYDRANT – 1996 MUELLER 5.25 FT. BURY
1	WATER & GAS	FIRE HYDRANT – 1966 AMERICAN 5.50 FT. BURY
1	WATER & GAS	FIRE HYDRANT – 1068 AMERICAN 5.50 FT. BURY
MISC.	WATER & GAS	BRASS WATER METERS
MISC.	WATER & GAS	MISC. GAS REGULATORS
MISC.	WATER & GAS	OLD/USED PIPE FITTINGS

REGULAR MEETING DATED JULY 6, 1999

1	COURT CLERK	IBM PRINTER
1	COURT CLERK	IBM SELECTRIC TYPEWRITER
1	COURT CLERK	STUDENT CHAIR
1	COURT CLERK	CITIZEN 200 GX PRINTER SERIAL #AH6666318
1	COURT CLERK	IBM COMPUTER TERMINAL W/KEYBOARD
1	FIRE DEPT.	1985 CHEVROLET CAPRICE #1G1BL69H7GY160456
1	OLD ARMORY	STOVE FROM NATIONAL GUARD
1	TREATMENT PLANT	IBM COMPUTER #3733104
1	TREATMENT PLANT	IBM TYPEWRITER
1	ENGINEERING	1988 GMC TRUCK, WHITE #1GTBS14E4J2518200
1	ENGINEERING	MOTOROLA RADIO TVNNS TYPE CC3139 #JBO185RCD-C-101
1	ENGINEERING	GE RADIO
1	STREETS	977 TRAXCAVATOR #11K4969
1	STREETS	DYNA FOG CHEMICAL APPLICATOR MODEL #1200DSERIAL #3053
1	STREETS	WACKER PACKER MODEL #GVP 100 SERIAL #00108638
1	STREETS	GARNER DENVER AIR COMPRESSOR #193360
1	STREETS	INTERNATIONAL LOADSTAR TRUCK MODEL 1600#10662CHA15013
MISC.	STREETS	NATURAL GAS CYLINDERS 40 GROUPED, 59 LONG (SINGLE), 17 SHORT (SINGLE)
MISC.	STREETS	USED BATTERIES, VARIOUS SIZES
MISC.	STREETS	OLD METAL CURB FORMS APPROX. 440'
1	STREETS	HALF YARD DRAG BUCKET
MISC.	STREETS	SCRAP IRON
1	ENGINEERING	GE RADIO W/BATTERY PACK #9806547
1	ENGINEERING	GE CHARGER BASE #19B801506P12 SERIAL #9016B
5	ENGINEERING	GE MIC #19A705581P3
1	ENGINEERING	MIDLAND CHARGER BASE #70-C11A SERIAL #90M040482
1	ENGINEERING	GE RADIO W/BATTERY PACK
1	ENGINEERING	MIDLAND RADIO W/BATTERY PACK #70-B24 SERIAL #01002
4	ENGINEERING	ANTENNAS
1	ENGINEERING	MIDLAND RADIO W/BATTERY PACK #70-154B, SERIAL #08409
1	ENGINEERING	MIDLAND RADIO W/BATTERY PACK #70-154B, SERIAL #08418
1	ENGINEERING	MIDLAND RADIO W/BATTERY PACK #70-154B,SERIAL #08410
1	ENGINEERING	MIDLAND CHARGER BASE # 70-C11A , SERIAL #90M040481
1	ENGINEERING	MIDLAND CHARGER BASE #70-C11A , SERIAL #90M040490
1	ENGINEERING	MIDLAND CHARGER BASE #70-C11A SERIAL #90M040339
1	ENGINEERING	MIDLAND CHARGER BASE #70-C11A SERIAL #90M040489
1	ENGINEERING	MIDLAND CHARGER BASE #70-C111 SERIAL #90M040338
1	ENGINEERING	GE CHARGER BASE #19B801506912 SERIAL # 9016B

REGULAR MEETING DATED JULY 6, 1999

1	ENGINEERING	GE CHARGER BASE #19B801506P12 SERIAL # 9016B
1	ENGINEERING	MIDLAND RADIO W/BATTERY PACK #70-154B, SERIAL #08405
1	ENGINEERING	MIDLAND RADIO W/BATTERY PACK #70-154B, SERIAL # 08415
1	ENGINEERING	GE RADIO W/BATTERY PACK #09803544
1	ENGINEERING	GE RADIO W/BATTERY PACK
1	ENGINEERING	GE MIC #19A705581P3
1	BARN	# 166 FORD LTD #2FABP43G8GX222923
1	BARN	# 164 FORD LTD #2FABP72GXJX197470
1	BARN	# 142 FORD LTD #2FABP72G1JX197471
1	BARN	#9 1980 CHEVROLET #CCG14AS154549
1	BARN	#138 1987 DODGE RAM 50, #JB7FL29E9HP078629
1	BARN	#148 BROWN BUICK SKYLARK #1G4NC5406KM024379
1	BARN	TRACTOR SER. #36982J
1	BARN	INTERNATIONAL CUB TRACTOR #253517
1	BARN	JOHN DEERE 410 BACKHOE
1	BARN	#73, CHEVROLET VAN (FIRE DEPT) #CGV155V163458
1	GROUNDS	RADIO, GE AX9M2TR
1	GROUNDS	RADIO, MOTOROLA RCD-C101
1	GROUNDS	TRACTOR MOUNT SWEEPER ATTACHMENT
1	GROUNDS	JOHN DEERE 955 COMPACT TRACOTR MOWER
1	GROUNDS	OLD YAZOO RIDING MOWER IN PIECES, NO TRANSMISSION
1	PLANNING	CHAIR
1	PLANNING	CHAIR
1	PLANNING	COMPUTER, PC COMPUTERS #PCCH001
1	PLANNING	COMPUTER, PC COMPUTERS #PCCH002
1	PLANNING	KEYBORAD –TURBO TRAK
1	PLANNING	KEYBOARD – NIMBLE
1	POLICE DEPT.	GREY CADILLAC CIMARRON , MS TAG # FRF 734
1	POLICE DEPT.	MAROON OLDSMOBILE CALAIS, MS TAG # PRA 567
1	POLICE DEPT.	GREY CHEVROLET CAVALIER, MS TAG # PPF 748
1	POLICE DEPT.	BROWN CHEVROLET CAPRICE CLASSIC, MS TAG # PPX 110
1	POLICE DEPT.	GREY FORD FESTIVA MS TAG # PPJ 478
1	POLICE DEPT.	BLUE LINCOLN TOWN CAR LA TAG # AXV 680
1	POLICE DEPT.	BLACK HONDA SPREE MOPAD
1	POLICE DEPT.	BLACK WESTERN FLYER ACTION BAHA SERIAL # 6463-9250613F7083 BICYCLE
1	POLICE DEPT.	PURPLE MURRAY USA BAHA BICYCLE SERIAL # MOK5942033
1	POLICE DEPT.	PURPLE 12 SPEED FREE SPIRIT BICYCLE SERIAL # 524734
1	POLICE DEPT.	BLACK 10-SPEED BICYCLE SERIAL # PO628299
1	POLICE DEPT.	PINK AND PURPLE HUFFY 10-SPEED BICYCLE SERIAL # HC7616416
1	POLICE DEPT.	BLACK AND PURPLE FREE SPIRIT TODDLER BICYLE SERIAL # HC1096335
1	POLICE DEPT.	GREEN ROADMASTER 3-SPEED BICYCLE

REGULAR MEETING DATED JULY 6, 1999

		SERIAL # MC790248
1	POLICE DEPT.	GREEN AND BLUE ROADMASTER 15-SPEED BICYCLE SERIAL # RMC24580642
1	POLICE DEPT.	PINK AND PURPLE HUFFY GLAMOUR GIRL BICYL SERIAL # 53314-928252154378
1	POLICE DEPT.	PURPLE AND PINK ROADMASTER 10-SPEED BAHA BICYCLE SERIAL # RMC23119868
1	POLICE DEPT.	RED WESTERN FLYER BAHA BICYCLE SERIAL # 66607-928723F6565
1	POLICE DEPT.	RED WESTERN FLYER TOPGUN BICYCLE SERIAL # 869382
1	POLICE DEPT.	LIGHT GREEN ROADMASTER 18-SOPEED BICYCLE SERIAL # RC60366065
1	POLICE DEPT.	RED ROADMASTER 10-SPEED BICYCLE SERIAL #5M60042
1	POLICE DEPT.	BLACK BAHA BICYCLE (NO SERIAL # FOUND)
1	POLICE DEPT.	GREEN MURRAY BAHA BICYCLE SERIAL # 3-9992X92-071493
1	POLICE DEPT.	BLACK AND GREEN MURRAY STREET RAGE BICYCLE SERIAL # 6-5350X92-102095
1	POLICE DEPT.	BLACK JEEP RENEGADE BICYCLE SERIAL # SF95110035
1	POLICE DEPT.	ORANGE HUFFY BAHA BICYCLE SERIAL # 24604-9249512H7
1	POLICE DEPT.	LIGHT BLUE CIERRA 12-SPEED BICYCLE SERIAL # M19634400
1	POLICE DEPT.	PURPLE AND VIOLET ROADMASTER 10-SPEED BAHA BICYCLESERIAL # RM60974413
1	POLICE DEPT.	RED GALAXY II 10-SPEED BICYCLE SERIAL # 7C9C3376
1	POLICE DEPT.	MAROON MURRAY BAHA BICYCLE SERIAL # 8-9776X92-0606983
1	POLICE DEPT.	BLACK SCHWINI BAHA BICYCLE SERIAL # GA210423
1	POLICE DEPT.	BLUE AND GREEN ROADMASTER BAHA BICYCLE (NO SERIAL #)
1	POLICE DEPT.	BLACK AND MAROON MURRAY BAHA BICYCLE SERIAL # MON3253793
1	POLICE DEPT.	CHROME T-18 FREEWHEEL 20 IN. BICYCLE SERIAL # 0970616388
1	POLICE DEPT.	POWERGLOW LIGHT MODEL 769-L-1K SERIAL # E127434
1	POLICE DEPT.	CRAFTSMAN 1HP ROUTER SERIAL # A9035
1	POLICE DEPT.	1-3/4 HP ROUTER SERIAL # A3030
1	POLICE DEPT.	CHAINSAW, NO MAKE, MODEL OR SERIAL #
1	POLICE DEPT.	AWIA TAPEDECK MODEL FX-90 SERIAL # 40427206
1	POLICE DEPT.	BELL & HOWELL MOVIE PROJECT MODEL HOMM FILM SOUND CITY OF PICAYUNE # 00734
2	POLICE DEPT.	IBM MONITORS (NO MODEL OR SERIAL #)
1	POLICE DEPT.	EPSON PRINTER (NO MODEL OR SERIAL #)
2	POLICE DEPT.	EPSON ACTION PRINTERS MODEL 2250 SERIAL # 67RE110271 & 67RE110356
1	POLICE DEPT.	RODAN HARD DRIVE MODEL GCS SERIAL # WSPD006
1	POLICE DEPT.	RODAN HARD DRIVE MODEL ACS SERIAL # WSPD002
1	POLICE DEPT.	RODAN HARD DRIVE MODEL ACS SERIAL # WSPD005

REGULAR MEETING DATED JULY 6, 1999

1	POLICE DEPT.	RODAN HARD DRIVE MODEL ACS SERIAL # WSPD00
1	POLICE DEPT.	OKIDATA PRINTER MODEL OL-400C SERIAL # B2KEN2700A
1	POLICE DEPT.	GS KEYBOARD MODEL RT6251T SERIAL # 32731283
1	POLICE DEPT.	GS KEYBOARD MODEL RT101T SERIAL # 71430156
1	POLICE DEPT.	GS KEYBOARD MODEL RT6255T SERIAL # C2831295
1	POLICE DEPT.	KEYBOARD MODEL KPQ-E99YC SERIAL # 9307-083215
1	POLICE DEPT.	GS KEYBOARD MODEL RT101T SERIAL # 71430200
1	POLICE DEPT.	QUME KEYBOARD MODEL PN303686-11 SERIAL # XU006110
1	POLICE DEPT.	LEADING EDGE MONITOR MODEL CMC-1414AD-9, SERIAL # 9975414417A
1	POLICE DEPT.	LEADING EDGE MONITOR MODEL CMC-1414AD-9, SERIAL # 9975414417A
1	POLICE DEPT.	ARCUS MONITOR MODEL NOIDEN-1488E SERIAL # BR3533B05916
1	POLICE DEPT.	VITRA MONITOR MODEL SRC1452P SERIAL # 57TSA0290811
1	POLICE DEPT.	AOC MONITOR MODEL CM-335MG SERIAL # F335GFKAC
1	POLICE DEPT.	ACS MONITOR MODEL CM-335MG SERIAL # F335GFKAC
1	POLICE DEPT.	RODAN HARD DRIVE MODEL ACS5375 SERIAL # WSPD004
1	POLICE DEPT.	RODAN HARD DRIVE MODEL ACS5537 SERIAL # WSPD003
1	POLICE DEPT.	GENERAL ELECTRIC VOTER SELECTOR PICAYUNE PD PROPERTY TAG #02242
1	POLICE DEPT.	MOTOROLA FCC ID#IHDT5522 MODEL 19108DALSB MSN #M899Y
1	POLICE DEPT.	MOTOROLA FCC ID#IHDT5522 MODEL 19108DALSB=0866Y
1	POLICE DEPT.	MOTOROLA FCC ID#IHD5522 MODEL # 19108DALSB=1020Y
1	POLICE DEPT.	BELL SOUTH PHONE JACK BOX MODEL NCMMEJ18RA SERIAL#61-000032
1	POLICE DEPT.	RIXON SANGAMO SERIAL #3621428 MODEL 905-5055-110
1	POLICE DEPT.	AIWA COMPUTER CONTROL TURNTABLE MODEL LX-110H SERIAL #40508017
1	POLICE DEPT.	KENWOOD AUDIO VIDEO RECEIVER SERIAL # 3YK10098 MODEL KVR-970B
1	POLICE DEPT.	PIONEER LASER DISK SERIAL #EG2906841 MODEL LD-660
1	POLICE DEPT.	KEYBOARD SERIAL #AQ-MTN56215 MODEL RT3555T
1	POLICE DEPT.	TRANSMITER SERIAL #KBD685 MODEL 02313
1	POLICE DEPT.	MULTI FORMAT ENCODER SERIAL #00957 MODEL 15P
1	POLICE DEPT.	PA300 SERIAL #2118 MODEL 02417
1	POLICE DEPT.	SIRACOMII SERIAL # 1A01913 MODEL PA2050
1	POLICE DEPT.	PIONEER STEREO SERIAL # 002735 MODEL KEH1403

REGULAR MEETING DATED JULY 6, 1999

1	POLICE DEPT.	BAR TS100
1	POLICE DEPT.	MITA FAX MACHINE MODEL TC-120 SERIAL # 002853 199008
5	POLICE DEPT.	ARMY BED COTS
1	POLICE DEPT.	ACS KEYBOARD MODEL #RT355T SERIAL # 60651461
1	POLICE DEPT.	ACS MONITOR MODEL #CM-335 SERIAL # F335GAKAC
1	POLICE DEPT.	ACS CPU SERIAL # WSPD001
8	POLICE DEPT.	RIOT JACKETS
8	POLICE DEPT.	ARMY RIOT SHORTS
1	POLICE DEPT.	FEDERAL SIGNAL SONIC LIGHT BAR
1	POLICE DEPT.	FEDERAL SIGNAL JET SONIC LIGHT BAR
1	POLICE DEPT.	EDGE 900 LIGHT BAR MODEL#SAE W3-84
1	POLICE DEPT.	LIGHT BAR MODEL 8887 SERIAL # SAEWW3-79
1	POLICE DEPT.	REPEATER MODEL #4410659 SERIAL # N3HH1N110TB
1	POLICE DEPT.	REPEATER MODEL #713102819 SERIAL # N3AIII 139-B
1	POLICE DEPT.	FORD STEREO MODEL # 18806-AA SERIAL # 8607
1	POLICE DEPT.	MULTI-TECH SYSTEMS MODEL MT202TD SERIAL # 2575185
1	POLICE DEPT.	CAT NO. 23-139 TEXAS 76102
1	POLICE DEPT.	P.A. MODEL # 19C320270G1 SERIAL # 87009
1	POLICE DEPT.	SCANNER MODEL 02251 SERIAL #A447
1	POLICE DEPT.	SCANNER MODEL 19C320170G2 SERIAL # A952
1	POLICE DEPT.	TYPEWRITER IBM MODEL 8X SERIAL # 2872013
1	POLICE DEPT.	PRIMARY VOTAGE MOTOROLA MODEL #173BB1136A, SERIAL #280HCC0253
1	POLICE DEPT.	50 CA. ARMY AMMO BOX 1APITM20 SERIAL # 87F62C111
840	POLICE DEPT.	5.56mmCARTRIDGES LOT TW-2-631
1	POLICE DEPT.	MONITOR MODEL 2500 SERIAL #708R001
3	POLICE DEPT.	HOLSTERS MODEL E89
3	POLICE DEPT.	HOLSTERS MODEL L89
3	POLICE DEPT.	HOLSTERS MODEL D89
2	POLICE DEPT.	HOLSTERS MODEL I89
1	POLICE DEPT.	GLOCK HOLSTER MODEL L93
1	POLICE DEPT.	GLOCK HOLSTER MODEL E92
1	POLICE DEPT.	GLOCK HOLSTER MODEL G94
1	POLICE DEPT.	GLOCK HOLSTER MODEL D94
1	POLICE DEPT.	GLOCK HOLSTER MODEL L92
1	POLICE DEPT.	HOLSTER 229-08 MD/FR
2	POLICE DEPT.	B/W HOLSTERS MODEL 712-590
1	POLICE DEPT.	DON HUME CLIP HOLDER MODEL D407-2
1	POLICE DEPT.	GLOCK CLIP HOLDER MODEL E92
3	POLICE DEPT.	SW CLIP HOLDERS MODEL D-89
1	POLICE DEPT.	SW CLIP HOLDER MODEL E-89
1	POLICE DEPT.	SW CLIP HOLDER MODEL F-89
1	POLICE DEPT.	ACS MONITOR MODEL CM-325MG ID#ARSCM2252
1	POLICE DEPT.	KEYBOARD MODEL #RT101 ID#AQGZG-RT6271T
1	POLICE DEPT.	ACS CPU MODEL #8013 ID#SMI386-2510S
1	POLICE DEPT.	DICTAPHONE MODEL #133000, ID#REVS

REGULAR MEETING DATED JULY 6, 1999

1	POLICE DEPT.	GE MOBILE TRANSMITTER MODEL # 4410660, ID#02247
1	POLICE DEPT.	DICTAPHONE DICTATAPE LOGGER RECORDING TAPES ½ X 10 ½
1	POLICE DEPT.	RADIOLOGICAL SURVEY METER MODEL CD-V-715 SERIAL #22697
1	POLICE DEPT.	RADIOLOGICAL SURVEY METER MODEL CDV-700, SERIAL #17021
1	POLICE DEPT.	RADIOLOGICAL SURVEY METER SERIAL #0135958
9	POLICE DEPT	WILLSON GAS MASKS WITH LEATHR CASE
3	POLICE DEPT.	WILLSON GAS MASKS (NO CASE)
1	POLICE DEPT.	RADIOLOGICAL SURVEY METER MODEL CDV-715 SERIAL # 23633
1	POLICE DEPT.	RADIOLOGICAL SURVEY METER MODEL CDV-700 SERIAL # 36026
1	POLICE DEPT.	RADIOLOGICAL SURVEY METER MODEL CDV-715 SERIAL # 125963
1	POLICE DEPT.	ADAPTABEACON SIGNAL LAMP MODEL 51R-NS
1	POLICE DEPT.	DURST M600 COLOR FILTER SERIAL#517247
1	POLICE DEPT.	CHEMICAL AGENT DETECTOR KIT M-256 LOT # 3-80-3
1	POLICE DEPT.	CAPRO PRINT DRYER TYPE 31033
2	POLICE DEPT.	100 SHEET BOX KODAK PHOTOGRAPH PAPER
3	POLICE DEPT.	PLASTIC TRAYS
3	POLICE DEPT.	PLASTIC EYE COVERS
1	POLICE DEPT.	EMERGENCY KIT MODEL EK-110
1	POLICE DEPT.	S & W BASKETWEAVE HOLSTER B49
10	POLICE DEPT.	BASKETWEAVE DUTY BELTS
4	POLICE DEPT.	12 LOOP AMMO BAKETWEAVE LEATHER POUCHES
2	POLICE DEPT.	SAFARILAND LEFT HAND BASKETWEAVE HOLSTER MODEL 200
1	POLICE DEPT.	S & W RIGHT HAND BASKETWEAVE HOLSTER
4	POLICE DEPT.	BLACK LEATHER HANDCUFF CASES
2	POLICE DEPT.	S & W BASKETWEAVE MAGAZINE POUCHES MODEL 59
1	POLICE DEPT.	LEATHER MACE CASE
1	POLICE DEPT.	PIONEER CD PLAYER SUPER TUNER SERIAL # LC003478
1	POLICE DEPT.	RADIO SHACK CARPHONE
1	POLICE DEPT.	SONY TELEPHONE MODEL SPP1000 SERIAL # T0249287
1	POLICE DEPT.	TIGER R-ZONE GAME PIECE
1	POLICE DEPT.	REALISTIC FM TRANSMITTER SERIAL # 0144996
1	POLICE DEPT.	REALISTIC FM TRANSMITTER SERIAL # 0144992
1	POLICE DEPT.	REALISTIC FM TRANSMITTER SERIAL # 0226029
21	POLICE DEPT.	ASSORTED AUDIO CD'S
1	POLICE DEPT.	RADIOFONE TELEPHONE
1	POLICE DEPT.	RADIOSHACK 20 CHANNEL PROGRMMABLE SCANNER SERIAL # C081405
2	POLICE DEPT.	AUDIO STEREO SPEAKERS
391	POLICE DEPT.	PAIR NAVY BLUE KNIT PANTS
473	POLICE DEPT.	GRAY UNIFORM SHIRTS

REGULAR MEETING DATED JULY 6, 1999

2	POLICE DEPT.	GENERAL ELECTRIC REFRIGERATORS
1	POLICE DEPT.	BENDIX/KING HAND-HELD PORTABLE RADIO MODE KX99 SERIAL # 033440 WITH AC/DC ADAPTOR
1	POLICE DEPT.	GENERAL ELECTRIC S-990 CONTROL SYSTEM HI-BAND RADIO MOBILE UNIT SERIAL # 5547157
1	POLICE DEPT.	GENERAL ELECTRIC MOBILE RADIO CONTROL SYSTEM SERIAL # 4410667
1	POLICE DEPT.	GENERAL ELECTRIC DESKON PHONE SERIAL # 2250147, CITY ID# 02170
1	POLICE DEPT.	LEADING EDGE WINPRO 486 CPU SERIAL # 0044231122750
1	POLICE DEPT.	LEADING EDGE MONITOR MODEL # CMC-1414AD-S SERIAL # 5011220817619
2	POLICE DEPT.	LABTEC CS-50 STEREO COMPUTER SPEAKERS
1	POLICE DEPT.	JETSONIC FEDERAL SIGNAL LIGHT BAR
1	POLICE DEPT.	JETSONIC FEDERAL SIGNAL LIGHT BAR
1	POLICE DEPT.	JETSONIC FEDERAL SIGNAL LIGHT BAR
1	POLICE DEPT.	JETSONIC FEDERAL SIGNAL LIGHT BAR
1	POLICE DEPT.	FEDERAL SIGNAL PA300 #7308
1	POLICE DEPT.	FEDERAL SIGNAL LIGHT BAR CONTROL BOX, MODEL SW300-012
1	POLICE DEPT.	FEDERAL PA210 SERIAL #03249
1	POLICE DEPT.	FEDERAL SIGNAL PA300 SERIAL # 04077
1	POLICE DEPT.	FEDERAL SIGNAL LIGHT BAR CONTROL SWITCH MODEL SW300-12
1	POLICE DEPT.	FEDERAL SIGNAL PA300 #7128
1	POLICE DEPT.	S & W LIGHT CONSOLE SWITCH SERIAL # 8206381
1	POLICE DEPT.	1985 FORD LTD CROWN VICTORIA VIN# 2FABP43GBFX120455
1	POLICE DEPT.	1988 FORD LTD CROWN VICTORIA VIN# 2FABP72G5JX197120
1	POLICE DEPT.	1989 FORD LTD CROWN VICTORIA VIN# 2FABP72GBKX211142
1	POLICE DEPT.	1986 FORD LTD CROWN VICTORIA VIN# 2FABP43G6GX181398
1	POLICE DEPT.	1988 FORD LTD CROWN VICTORIA VIN# 2FABP72G1JX197129
1	POLICE DEPT.	1975 DODGE FARGO TRUCK VIN# 24BE7S081098
1	POLICE DEPT.	1985 FORD LTD CROWN VICTORIA VIN# 2FABP43G6FX120423
1	POLICE DEPT.	1986 FORD LTD CROWN VICTORIA VIN# 2FABP43G9GX222851
2	POLICE DEPT.	JENSEN CS2600 40 WATT SPEAKERS
1	POLICE DEPT.	TECHNICS MODEL SB-L51, 3 WAY SPEAKER SERIAL # HJ3315B
1	POLICE DEPT.	FEDERAL SIGNAL PA300 # 2128
1	POLICE DEPT.	FEDERAL SIGNAL LIGHT CONTROL SWITCH, SERIAL # 8204430
1	POLICE DEPT.	AUDIOVOX SPS AM/FM RADIO SERIAL # 8204430

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE PURCHASING AGENT TO ADVERTISE FOR SEMI-ANNUAL BIDS

Upon request of the Purchasing Agent, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for semi-annual bids for supplies for October 1, 1999 to March 31, 2000. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE PURCHASING AGENT TO ADVERTISE FOR BIDS FOR PUMPS

Upon request of the Treatment Plant Supervisor, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Purchasing Agent to advertise for bids for the following pumps:

T3A3-B Base Pump w/flanged connection	Gorman-Rupp or equal
T4A3-B Base Pump w/flanged connection	Gorman-Rupp or equal
T8A3-B Base Pump w/flanged connection	Gorman-Rupp or equal
T4A-3-B pump w/horizontal v-belt base, belt Drive w/sheaves and belts, 7.5 HP TEFC, 3-phase motor, all mounted on base with belt guard	Gorman-Rupp or equal

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve amendments to the following line items of the budget for the year ending September 30, 1999:

	Original	Amended
General Fund		
State Grant Revenue	$ 126,635	$ 124,824
Other Revenues	12,700	16,950
Public Safety-Police-Personal Services	1,222,604	1,220,193
Public Safety-Police-Supplies	135,678	135,178
Public Safety-Police-Capital Outlay	138,942	140,042

Culture & Recreation-Capital Outlay	25,900	34,450
Utility Fund		
Treatment Plant & Utility Construction-Capital Outlay	1,133,843	1,163,843

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CLOSE MEETING TO DETERMINE THE NEED FOR AN EXECUTIVE SESSION

Upon request of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter of potential litigation.

ORDER TO RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Guy, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed a matter of potential litigation and took no action.

ORDER TO CONSIDER ACTION ON CONTRACT FOR WIRELESS COMMUNICATION CONSULTING AND MARKETING SERVICES

Upon recommendation of the City Planner, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the following contract for wireless communication consulting and marketing services with MetroSite Management, LLC and authorize the Mayor to sign the same:

WIRELESS COMMUNICATIONS

CONSULTING AND MARKETING AGREEMENT

THIS EXCLUSIVE WIRELESS COMMUNICATIONS CONSULTING AND MARKETING AGREEMENT ("Agreement") is entered into as of the 15th day of June, 1999 by and between MetroSite Management, LLC an Arkansas Limited Liability Company, its successors and assigns, having its principal place of business at 11 Corporate Hill Drive, Suite 110, Little Rock, Mississippi 72205 ("MetroSite"), and the City of Picayune, Mississippi, (the "Client").

WITNESSETH:

WHEREAS, the Client desires to engage MetroSite to provide consulting and marketing services to Client; and

WHEREAS, MetroSite desires to enter into this Agreement subject to the terms, covenants and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. SERVICES

1.1 Description and Performance of Services. MetroSite shall provide the following services to the Client during the Term of this Agreement:

(a) Electronic Database. The establishment of an electronic database, which shall include an inventory of the Client's assets that may be marketed as potential wireless communications facilities (Facilities). The Client shall provide information or allow MetroSite reasonable access to the Facilities to obtain such information.

(b) Marketing. MetroSite shall market Facilities for lease to wireless communications companies.

(c) Negotiation. MetroSite shall coordinate the negotiation of leases or licenses on behalf of Client. Client shall provide reasonable assistance to MetroSite in the performance of MetroSite's services under this Agreement.

(d) Coordination. MetroSite shall provide assistance to and on behalf of the Client in coordinating the equipment installation, utility requirements and means of ingress and egress of wireless communications companies.

(e) Lease Administration. MetroSite shall collect payments on behalf of the Client and shall disburse the revenues to the Client no later than fifteen (15) days after the end of the month the funds are collected by MetroSite.

(f) Zoning Review and Recommendations. MetroSite shall review Client's present zoning regulations and make recommendations for adjustments to Client's zoning regulations.

2. COMPENSATION

In consideration of MetroSite's performance of the Services, MetroSite shall receive twenty five percent (25%) of all revenues arising from any lease or license of Facilities. Said consideration shall be deducted from revenues in accordance with section 1(e). Notwithstanding a termination of this Agreement by either party pursuant to section 6.2, MetroSite shall receive twenty five percent (25%) of all revenues arising from the lease or license of Facilities by the Client to wireless communications companies for the initial term of the lease or license and any extensions or renewals thereof which leases or licenses were entered into by the Client during the term of this Agreement or which were entered into by the Client after the termination of this Agreement but Client had been introduced to the prospective wireless communications company by MetroSite.

3. EXCLUSIVITY

During the term of this Agreement, the Client shall not engage an independent contractor, consultant or employees to perform services the same as or similar to the Services on behalf of the Client unless MetroSite has materially breached any of the terms, covenants or conditions contained in this Agreement and MetroSite has failed to cure any such breach within sixty (60) days of the date of receipt by MetroSite of notice of an alleged breach from the Client.

4. RECORDS AND REPORTS

4.1 Books and Records. MetroSite shall maintain Client's books and records at MetroSite's offices in Conshohocken, Pennsylvania which shall be available for inspection by the Client through its agents or representatives during normal working hours as the Client shall reasonably request with not less than three (3) days prior notice to MetroSite. MetroSite shall maintain such books and records for not less than three (3) years following the termination or expiration of this Agreement.

4.2 Status Reports. MetroSite shall submit to the Client periodic status reports setting forth a summary of an expenses and revenues generated by all Facility leases or licenses entered into by Client.

5. TERM AND TERMINATION

5.1 Term. Subject to the termination provisions set forth in Section 6.2, this Agreement shall have an initial term of five (5) years, commencing on June 1, 1999 and terminating on May 31, 2004, (Initial Term) which shall be automatically extended for three (3) separate additional five (5) year terms unless either party shall provide the other written notice of its desire not to renew this Agreement ninety (90) days in advance of the lapse of the then existing term.

5.2 Termination and Actions Thereafter. This Agreement may be terminated by either party by written notice to the other party upon a material breach of any of the provisions of this Agreement provided written notice has been provided to the other party specifying the facts giving rise to the alleged breach and there is a failure to commence and diligently proceed with efforts to cure the alleged breach within thirty (30) days of the date of receipt of said notice.

6. RELATIONSHIP OF THE PARTIES

6.1 Independent Status. The relationship of MetroSite to the Client hereunder shall be that of an independent contractor. Nothing in this Agreement is intended or shall be construed to constitute MetroSite, or any of its employees, agents or subcontractors, an employee,, agent or partner of the Client, nor shall MetroSite, or any of its employees, agents or subcontractors have authority to bind the Client in any respect without Client's express written authorization. The Client shall not be liable for any negligent or willful act or omission of MetroSite or its employees, agents or subcontractors, and MetroSite agrees to indemnify, defend and hold harmless the Client and its elected and appointed officials and employees from and against any and all losses, damages, costs and expenses (including attorneys' fees and expenses) in any manner resulting from or arising out of any negligent or willful act or omission or any breach of MetroSite's obligations under this Agreement. The Client shall hold harmless MetroSite and its directors, officers, members, agents, and employees from and against any and all losses, damages, costs and expenses (including attorney's fees and expenses) in any manner resulting from or arising out of any negligent or willful act or omission by Client, any breach of the Client's obligations under the Agreement, or any defect or unsafe or dangerous condition existing on Premises owned by Client.

6.2 Political Subdivisions. Client represents and warrants to MetroSite that it has full right, power and authority to enter into this Agreement and to bind its following listed affiliates, subsidiaries and political subdivisions to this Agreement: _____.

7. RESTRICTIVE COVENANTS

Confidential Information. Any work products created by MetroSite on behalf of the Client shall remain confidential, subject to the State of Mississippi Freedom of Information Act.

8. INSURANCE

MetroSite shall maintain, at its expense, a policy or policies of insurance for each type of coverage and with the minimum limits stated below:

(a) Commercial General Liability Insurance to a limit of not less than $1,000,000,

(b) Comprehensive Automobile Liability Insurance to a limit of not less than $1,000,000.

(c) Workers' Compensation coverage in the statutory amount.

(d) Fidelity Bonding coverage in an amount not less than $100,000.

9. MISCELLANEOUS

9.1 Additional Actions and Documents. Each of the parties hereto shall take or cause to be taken such further actions, to execute, deliver and file or cause to be executed, delivered and filed such further documents, and will obtain such consents, as may be necessary or as may be reasonably requested in order to effectuate fully the purposes, terms and conditions of this Agreement.

9.2 Entire Agreement Amendment. This Agreement constitutes the entire agreement between the parties hereto with respect to the transactions contemplated herein, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein. No amendment, modification or discharge of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the party against whom enforcement of the amendment, modification, or discharge is sought.

9.3 Waiver. No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement or under any other documents furnished in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the

exercise of any other right, power or privilege. No waiver shall be valid against any party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

9.4 Governing Law. This Agreement, the rights and obligations of the parties hereto, and any claims or disputes relating thereto, shall be governed by and construed in accordance with the laws of the State of Mississippi.

9.5 Notices. All notices, demands, requests, or other communications that may be or are required to be given, served, or sent by any party to any other party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight courier or mailed by first class, registered or certified mail with return receipt requested, postage prepaid, or transmitted by telegram, facsimile or telex, addressed as follows:

(a) If to the Client:

City of Picayune
203 Goodyear Boulevard
Picayune, Mississippi 39466
Attn: Mayor
(601) 798-9770

(b) If to MetroSite:

MetroSite Management
11 Corporate Hill Drive, Suite 110
Little Rock, AR 72205
Attn: Olan Asbury
(501) 228-6400

Each party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request, or communication that shall be hand delivered, sent, mailed, telecopied or telexed in the manner described above shall be deemed sufficiently given, served, sent, received or delivered for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, or (with respect to a facsimile or telex) the answerback being deemed conclusive, but not exclusive, evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

9.6 Limitation on Benefits. The covenants, undertakings and agreements set forth in this Agreement shall be solely for the benefit of, and shall be enforceable only by, the parties hereto and their respective successors and permitted assigns.

9.7 Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the Client and MetroSite have caused this Agreement to be executed by their respective duly authorized representatives as of the date first above written.

CLIENT: _____
By: /s/ _____
Name: _____
Title: _____

ATTEST:
By: /s/ _____
Name: _____
Title: _____

(SEAL)

METROSITE MANAGEMENT, LLC:

By: /s/ _____
Name: Olan J. Asbury _____
Title: _____

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REGULAR MEETING DATED JULY 6, 1999

ORDER TO RECESS

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to recess until July 20, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

July 20, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, July 20, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Jonas Bates, Mark Thorman, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Mayor Spiers, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the minutes of the Mayor and City Council dated July 6, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated July 8, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO APPROVE DONATION TO ADVERTISE THE RESOURCES OF THE CITY

Upon request of Larry Smith, president of the Picayune Amateur Softball Association (PASA), motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to approve the issuance of a manual check for seven hundred dollars ($700.00) to PASA to advertise the resources of the City as two (2) teams travel to the ASA regional tournament to be held in July in West Lake, Louisiana. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

JOHNSON CONTROLS

Paige Perilloux of Johnson Controls, Inc. addressed the Council regarding the concept of energy performance contracting. No official action was taken.

ORDER TO CONSIDER REQUEST FOR STREET CLOSURE

Upon request of Jim Luke who came representing the Picayune School District, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the closure of Goodyear Boulevard on July 31, 1999 from 5:00 p.m. until 8:00 p.m. for a back-to-school picnic at Jack Reed Park for school district employees and their families. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO PURCHASE ADVERTISEMENT

Upon recommendation of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to purchase an advertisement in the July 26, 1999 issue of the *Coast Business Journal* for six hundred twenty dollars ($620.00) to advertise the resources of the City. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE ARTS COUNCIL

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to table any appointments to the Arts Council at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

RECESSED MEETING DATED JULY 20, 1999

ORDER TO APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to appoint Lud Pierce to the Planning Commission to fill the remaining term of Bill Parks which will expire in September, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to accept the minutes of the Planning Commission dated June 22, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Planning Commission dated July 13, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR CONDITIONAL USE FOR PROPERTY LOCATED ON HIGHWAY 11 NORTH

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to approve a request by David S. Mooneyhan for a conditional use of property located at 3320 Highway 11 North, currently a C-1 zone, to build and operate an automotive service and repair facility. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

RECESSED MEETING DATED JULY 20, 1999

ORDER TO CONSIDER REQUEST FOR CONDITIONAL USE FOR PROPERTY LOCATED ON PALESTINE ROAD

Motion was made by Councilmember Bates, seconded by Councilmember McQueen, to approve the request by Mr. Joey Archer for a conditional use of property located at 1415 Palestine Road, currently a C-1 zone, to build and operate an automotive repair facility with the condition that all operations are within a fully enclosed building and that any outside storage be placed behind a privacy fence. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO CONSIDER APPROVAL OF PRELIMINARY PLAT OF WOODS VII

Upon request of Cooper Company, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to approve the preliminary plat for the Woods VII subdivision. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN GRANT APPLICATION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign an application for an Alcohol/Drug Countermeasures grant for funds of $30,232.43 for the Police Department. Local in-kind match would be $90,877.22. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN GRANT APPLICATION

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Mayor to sign an application for a Local Law Enforcement Block Grant for funds of $37,716.00 for the Police Department. Local match would be $3,772.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

RECESSED MEETING DATED JULY 20, 1999

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN GRANT AWARD

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following grant award with the Mississippi Department of Environmental Quality for a $15,000 grant to be used to remove illegal dumps within the City:

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY ASSISTANCE AGREEMENT

Assistance ID No.
SWC029-990527
Date of Award
MAY 27, 1999

AGREEMENT TYPE

Cooperative Agreement	
Grant Agreement	X
Assistance Amendment	

Recipient Type
CITY
Tax ID No.

RECIPIENT
CITY OF PICAYUNE
203 GOODYEAR BOULEVARD
PICAYUNE, MS 39466

PROJECT MANAGER
WOODY SPIERS
MAYOR

ISSUING OFFICE
MS DEPT. OF ENV. QUALITY
P.O. BOX 20305
JACKSON, MS 39289

PROJECT MANAGER
LUIS MURILLO
SPECIAL WASTE SECTION

ASSISTANCE PROGRAM
LOCAL GOVERNMENT SOLID WASTE ASSISTANCE PROGRAM

STATUTORY AUTHORITY
SECTION 17-17-65 MS CODE ANN.

PROJECT TITLE AND DESCRIPTION
UNAUTHORIZED DUMP CLEAN-UP PROGRAM

PROJECT LOCATION
CITY PICAYUNE
COUNTY PEARL RIVER
STATE MS

PROJECT PERIOD
MAY 27, 1999 TO DECEMBER 31, 2000
TOTAL PROJECTED PERIOD COST
$15,000.00

FUNDS	Former Award	This Action	Amended Total
MDEQ Amount This Action- Allocated (4049)			
MDEQ Amount This Action- Competitive (4050)		$15,000.00	
Recipient Contribution			
Other Contribution			
Allowable Project Cost		$15,000.00	
APPROVED BUDGET			
Personnel (enforcement officer 50%)			
Indirect			
Travel			
Equipment			
Supplies			
Educational Material			
Construction			
Other-LABOR AND DISPOSAL COST		$15,000.00	
Total Charges		$15,000.00	

METHOD OF PAYMENT

Advance	
Reimbursement	X

RECESSED MEETING DATED JULY 20, 1999

SPECIAL TERMS AND CONDITIONS FOR ASSISTANCE AGREEMENT
(Local Governments Solid Waste Assistance Program)

Method of Payment

Reimbursement shall be the method of payment. The recipient shall submit Attachment A, Request for Payment, and additional documentation for verification of service/work performed prior to payment being issued. Request for Payment forms and supporting documentation shall be submitted to MDEQ on a quarterly basis and include a report of activities to date, (i.e. unauthorized dump sites cleaned, etc.) However, the recipient shall submit an invoice for work through June 30 of each calendar year no later than July 31 of that year, in addition to submitting quarterly request for payments. Funds utilized and/or disbursed under this grant award shall be consistent with the grantee's approved grant application, incorporated herein by reference.

Disposal of Wastes

Disposal of solid wastes from the clean-up of unauthorized dumps or from other collection activities funded by this grant shall be conducted in accordance with existing solid waste disposal laws and regulations. The preferred method of disposal shall be the removal of the wastes to a permitted/authorized solid waste landfill, or where appropriate, rubbish landfill. However, if conditions warrant, the grantee, upon concurrence from the Department, may elect to abate an unauthorized dump by on-site burial of such wastes as allowed by state law. On-site burial of wastes shall be considered by the Department on a case-by-case and shall be limited to nonhazardous wastes.

Grant Administration Costs

The grantee shall use not more than three percent (3%) of funds provided through this grant to defray the costs of administration of the grant.

Responsible Party

If a person is found to be responsible for creating an unauthorized dump, the grantee shall make a reasonable effort to require that person to clean up the property before expending any monies from this funding to clean up the property. If the grantee is unable to locate the person responsible for creating the dump, or if the grantee determines that person is financially or otherwise incapable of cleaning up the property, the grantee may use the monies from the fund to clean up the property and shall make a reasonable effort to recover from the responsible person any funds expended.

STANDARD TERMS AND CONDITIONS FOR ASSISTANCE AGREEMENTS

1. Workplan

The workplan constitutes the Recipient's and MDEQ's commitment to accomplish the program goals and objectives. MDEQ's review and evaluation of performance under this agreement and MDEQ's response to the findings of oversight will be carried out in accordance with the stated policies.

2. Expenditure Commitment

The Recipient commits to expend the funds awarded in this agreement and to complete the funded project in accordance with the workplan included in this grant application and incorporated into this agreement by reference.

3. Financial Management

The MDEQ requires that Recipients have in place, prior to the receipt of funds, a financial management system that will be able to isolate and trace every grant dollar from receipt to expenditure and have on file appropriate support documentation for each transaction. Examples of documentation are vendor invoices, bills of lading, payment vouchers, payrolls, bank statements and reconciliations.

4. Audit: Access to Records

Recipient assures that it will give the MDEQ, the Comptroller General of the United States, and the State of Mississippi, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives; and will retain all required records relating to this agreement for three years after project completion and all other pending matters are closed.

5. Method of Payment

Reimbursement shall be the preferred method of funding. Recipients shall be paid a predetermined sum for services/work performed. Recipient shall submit a Request for Payment, as provided in Attachment A, and additional documentation for verification of service/work performed prior to payment being issued. In special cases, funding advances may be allowed, subject to approval by the MDEQ. Requests for Payment and applicable supporting documentation shall be submitted to MDEQ upon project completion.

6. Final Payment

Pursuant to satisfactory completion of the work performed under this agreement as may be determined by final inspection, and as a condition before final payment under this agreement or as termination settlement under this agreement, the Recipient shall execute and deliver to MDEQ a release of all claims against the MDEQ arising under, or by virtue of, this agreement, except claims which are specifically exempted by the Recipient to be set forth therein. Such release is provided in Attachment B. of this agreement. Unless otherwise provided in this agreement, by state law, or expressly agreed to by the parties in this contract, final payment under this agreement or settlement upon termination of this agreement shall not constitute a waiver of MDEQ's claims against the Recipient or his sureties under this agreement or applicable performance and payment of bonds.

7. Procurement

Recipient shall comply with purchasing guidelines established in 31-7-13 of the Mississippi Code in the procurement of commodities and services.

8. Disadvantaged Businesses

Recipient will ensure that its best efforts will be used in making available to minority businesses a minimum of 5% of the grant funds that may be expended as necessary in obtaining any supplies, construction, equipment, or services in completing the project detailed in the Workplan.

9. Title to Real Property, Equipment and Supplies

Unless otherwise agreed to, title to any real property, equipment and supplies that may be acquired under this agreement shall vest upon acquisition in the Recipient. Real property equipment and supplies shall be used by the Recipient in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by grant funds.

10. Changes and Amendments

Changes may be made to the agreement in relation to the effective period of the agreement, the total amount of the agreement, budgetary categories associated with the funding of the agreement, and the work to be performed as defined in the work plan. Such changes shall be constructively made by way of a formal agreement amendment, which shall require written approval of the Executive Director of the MDEQ prior to any such changes being made. Changes which affect the total amount of the agreement may also require prior approval by the Commission on Environmental Quality.

11. Recycled Paper

Recipient agrees to use recycled paper for all reports which are prepared as a part of this agreement and delivered to MDEQ.

12. Gratuities

A. If the MDEQ finds, after a notice and hearing, that the Recipient or any of the Recipient's agents or representatives offered or gave gratuities (in the form of entertainment, gifts or otherwise) to any employee, official or agent of MDEQ, the state agency providing funds used in this agreement in an attempt to secure a agreement or favorable treatment in awarding, amending or making any determination related to the performance of this agreement, MDEQ may, by written notice to the Recipient, terminate this agreement. MDEQ may also pursue other rights and remedies that the law or this agreement provides. However, the existence of the facts on which MDEQ bases such findings shall be in issue and may be reviewed in proceedings under the Remedies clause of this agreement.

B. In the event this agreement is terminated as provided in paragraph A., MDEQ may pursue the same remedies against the Recipient as it could pursue in the event of a breach of the agreement by the Recipient, and as a penalty, in addition to any other damages to which it may be entitled by law, be entitled to exemplary damages in an amount (as determined by MDEQ) which shall be not less than three nor more than ten times the costs the Recipient incurs in providing any such gratuities to such officer or employee.

13. Publication and Publicity

A. Recipient may publish results of its participation pursuant to this agreement after prior review by and consent by MDEQ's Project Manager provided that (1) such publications acknowledge that the program is supported by funds granted by the MDEQ, and (2) that one (1) copy of the publication is furnished to MDEQ.

B. Recipient shall use its best efforts to ensure that any publicity received by the Recipient as a result of the work funded by this agreement shall acknowledge that the program is supported by funds granted by the MDEQ.

14. Hold Harmless for Personnel Claims

To the extent permitted by Mississippi law, recipient agrees to indemnify, save and hold harmless the Commission on Environmental Quality, the MDEQ and the state of Mississippi, as well as their employees, from and against any and all losses, claims, debts, demands, damages, suits or actions at law, judgements, and costs, including attorney's fees, or expenses on the part of the MDEQ or the MDEQ's agents or employees arising out of or attributable to work performed under this agreement or the use of facilities or equipment provided to Recipient under the terms of this agreement.

15. Assurances

The Recipient certifies that:

A. It maintains the legal authority to apply for state assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-state share of project costs) to ensure proper planning, management and completion of the project described in the grant application.

B. It is not presently debarred, suspended, proposed for debarment, declared ineligible from participating in government projects; has not within a three year period preceding this application been convicted of or had a civil judgement rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing public transactions; has not within a three year period preceding this proposal been convicted of violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; is not presently indicted or otherwise criminally or civilly charged by a government entity with commission of any of the offenses enumerated herein; and has not within a three year period preceding this application had one or more public transactions terminated for default.

C. It will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

D. It will comply with all applicable requirements or State and Federal laws, executive orders, regulations and policies governing this program.

16. Enforcement

A. If a Recipient materially fails to comply with any term of an award, whether stated in Federal and State statute or regulation, an assurance, in a State plan or application, a notice of an award, or elsewhere, the MDEQ may take one or more of the following actions, as appropriate in the circumstances:
   1. Temporarily withholding payments pending correction of the deficiency by the Recipient or more severe enforcement by the MDEQ;
   2. Disallow (that is deny both use of funds and matching credit for) all or part of the cost of the activity of action not in compliance;
   3. Wholly or partly suspend or terminate the current award for the Recipient's program.
   4. Withhold further awards for the program, or
   5. Take other remedies that may be legally available.

B. In taking an enforcement action, the MDEQ will provide the Recipient an opportunity for such hearing, appeal, or other administrative proceeding to which the Recipient is entitled under any statute or regulation applicable to the action involved.

C. Costs of Recipient resulting from obligations incurred by the Recipient during a suspension or after termination of an award are not allowable unless the MDEQ expressly authorizes them in the notice of suspension or termination or subsequently. Other Recipient costs during suspension or after termination which are necessary and not reasonably avoidable are allowable if:
   1. The costs result from obligations which were properly incurred by the Recipient before the effective date of suspension of termination, are not in anticipation of it, and in the case of a termination, are non-cancelable, and
   2. The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes effect.

17. Termination for Convenience

This agreement may be terminated in whole or in part as follows:

A. By the MDEQ with the consent of the Recipient in which case the two parties shall agree upon the termination conditions, including the effective date and in the case of a partial termination, the portion to be terminated; or

B. By the Recipient upon written notification to the MDEQ, setting forth the reasons for such termination, the effective date, and in the case of a partial termination, the portion to be terminated. However, if, in the case of a partial termination, the MDEQ determines that the remaining portion of the award will not accomplish the purposes for which the award was made, the MDEQ may terminate the award in its entirety under paragraph A. of this section.

18. Remedies

Unless otherwise provided in this agreement, all claims, counter-claims, disputes and other matters in question between the MDEQ and the Recipient arising out of, or relating to, this agreement or the breach of it will be decided in a court of competent jurisdiction within the State of Mississippi. Before pleading to the Mississippi judicial system at any level, the Recipient must exhaust all administrative remedies in effect on the date the agreement giving rise to the dispute was executed.

The State of Mississippi, acting by and through the Mississippi Department of Environmental Quality, hereby offers assistance/amendment to the Recipient, City of Picayune, for all approved costs incurred up to and not exceeding $15,000.00 for the support of approved budget period effort described in application (including all application modifications) cited in this agreement for the Solid Waste Program.

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY	RECIPIENT
/s/	_____
J.I. Palmer, Jr. Executive Director	Authorized Signature
7/7/99	_____
Date	Date

ATTACHMENT A

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY
P. 0. BOX 10385
JACKSON, MS 39289-0385
ATTN: GRANTS AND CONTRACTS

REQUEST FOR PAYMENT

Recipient Name: _____
Address: _____
_____
_____
Phone Number: _____

Agreement No. _____
Payment Request No.: _____
Reporting Period: _____ to _____

Special Mailing of Deposit Instruction

1) Total Amount Awarded: $_____
2) Amount Requested for this Period: $_____
3) Prior Cumulative Amount: $_____
4) Current Cumulative Amount: $_____ (2+3)
6) Total Amount Provided by Recipient: $_____
7) Recipient Provided Amount for Period: $_____
8) Prior Cumulative Recipient Provided Amount: $_____
9) Current Cumulative Recipient Provided Amount: (7/8) $_____

5) Award Balance Remaining: $_____ (1-4)

10) Remaining Amount to be Provided by Recipient: (6-9)$_____

I hereby certify that the amount requested is for reimbursement of allowable costs consistent with the terms of this agreement, that request for reimbursement of these costs has not previously been made, and that the amounts requested herein do not exceed budgeted amounts stipulated in the award.

_____
Signature of Authorized Official

_____
Typed Name and Title of Authorized Official

_____
Date

ATTACHMENT B
MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY
RELEASE OF CLAIMS

Agreement Number SWC029-990527

Award Period MAY 27,1999 TO DECEMBER 31, 2000

WHEREAS, by the terms of the above-identified agreement entered into by the Mississippi Department of Environmental Quality and the Recipient, City of Picayune it is provided that after completion of all work, and prior to final payment, the Recipient will furnish the Mississippi Department of Environmental Quality with a release of all claims;

NOW, THEREFORE, in consideration of the above premises and the payment by the Mississippi Department of Environmental Quality to the Recipient of the amount now due under the agreement, to wit, the sum of , the Recipient hereby remises, releases, and forever discharges the Mississippi Department of Environmental Quality, its officers, agents, and employees, of and from all manner of debts, dues, liabilities, obligations, accounts, claims, and demands whatsoever, in law and equity, under or by virtue of the said agreement except:

IN WITNESS WHEREOF, the Recipient has executed this release this _____ day of _____, 19____.

City of Picayune
Recipient

_____
Authorized Signature

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO AUTHORIZE PURCHASING AGENT TO ADVERTISE FOR PROPOSALS FOR A FIXED BASED OPERATOR AT THE NEW AIRPORT

Upon recommendation of the City Planner, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Purchasing Agent to advertise for proposals for a Fixed Base Operator at the new airport. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates and Thorman

VOTING NAY: Councilmember McQueen

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion failed.

ORDER TO APPOINT MEMBERS TO THE AIRPORT COMMITTEE

Upon recommendation of the City Planner, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to table any appointments to the Airport Committee. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN ENGINEERING AGREEMENT FOR FRIENDSHIP PARK EXPANSION PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember McQueen, seconded by Councilmember Bates, to authorize the Mayor to sign the following agreement with Brown & Mitchell, Inc. to provide land survey services of the proposed expansion area for Friendship Park:

Brown & Mitchell, Inc.
Engineers & Environmental Consultants
Gulfport, MS - Biloxi, MS

VIA FAX: 601-798-0564
(originals to follow via mail)

July 1, 1999

Mr. Stan Polivick, P.E., City Engineer
City of Picayune
203 Goodyear Boulevard
Picayune, MS 39466

RE: Friendship Park
Picayune, MS

Dear Mr. Polivick

Prior to receiving your fax, I contacted Aaron Harris and procured information that reduces the original estimated field time by several days. This would allow Brown & Mitchell to perform the described work for an amount not to exceed $11,000. This will assure you of adequate information to commence construction drawings.

Therefore, Brown & Mitchell, Inc. (BMI) is pleased to re-submit this proposal to furnish professional land survey services for the above referenced project. The scope of the proposed survey will include the following:

1. Locate and/or establish the apparent proposed property corners defining the existing City of Picayune property and the proposed property to be acquired.

2. Perform the field work necessary to prepare topographic maps that will include the location and adequate elevation of all existing structures, roadways, existing surface drainage ways, ballfields, etc.

3. Prepare maps of a size and scale to commence accurate planning for proposed improvements.

RECESSED MEETING DATED JULY 20, 1999

Fees for these services are based in accordance with our Standard Hourly Rate Schedule (Attachment A) and will not exceed $11,000.00 without prior authorization from you. All fees and costs are included in this price. Attachment B, BMI's General Conditions for Engineering and Surveying Activities, is attached to and a part of this agreement. The "Limitation of Liability" clause is a requirement of our professional liability insurer.

The terms of this proposal are valid for acceptance for 30 days only from the date written above.

If this letter satisfactorily sets forth our agreement for these services, please execute both originals, returning one to our office for our records. Should you have any questions or comments, please do not hesitate to contact myself or George Hataway, P.L.S. at (228) 864-7612.

Sincerely,

/s/
Jack Holt, P.E.
Project Engineer

Attachments

ACCEPTED & AGREED TO ON THIS THE _____ DAY OF JULY, 1999.

City of Picayune

By: _____

Title: _____

BROWN & MITCHELL, INC.
STANDARD HOURLY RATES
ATTACHMENT A

Engineering Staff	
Principal Engineer, President	$98.25
Senior Project Engineer VII	$86.75
Senior Project Manager	$77.75
Professional Engineer III, IV	$70.50 - $72.25
Engineering Intern II	$51.50 - $56.25
Senior Design Technician	$50.00
Environmental Staff	
Environmental Scientist	$79.50
Environmental Specialist II/Archaeologist	$45.25
Environmental Specialist I	$42.00
Project Representation Staff	
Resident Project Representative	$39.75 - $50.00
Drafting Staff	
CADD Production Manager	$56.00
Design/CADD Technician	$51.75
CADD Technician	$26.25 - $36.50
Surveying Staff	
Registered Land Surveyor II	$60.00
Registered Land Surveyor I	$43.50
Survey Crew Chief	$28.50
Survey CADD Technician	$26.25 - $42.50
Administrative Staff	
Administrative	$38.00
Administrative Assistant/Specification Technician	$34.00

Alternate personnel may be utilized at their regular hourly rates, which will not listed rates. These hourly rates are subject to an annual Increase of up to 5%.

BROWN & MITCHELL, INC.
SURVEY CREW RATES
ATTACHMENT A

2-Man Survey Crew	$89.00
3-Man Survey Crew	$100.00
4-Man Survey Crew	$110.75

OVERTIME:

2-Man Survey Crew	$100.00
3-Man Survey Crew	$110.75
4-Man Survey Crew	$124.50

These hourly rates are subject to an annual increase of up to 5%.

BROWN & MITCHELL, INC.
GENERAL CONDITIONS
ENGINEERING & SURVEY ACTIVITIES
ATTACHMENT B

1. PARTIES AND SCOPE OF WORK: Brown & Mitchell, Inc. ("BMI") shall include said company or its particular division, subsidiary or affiliate performing the work. "WORK" means the service(s) performed for client or at client's direction. "This agreement" consists of BMI's proposal, BMI's Schedule of Fees and Services, client's written acceptance thereof if accepted by BMI, and these General Conditions. "Client" refers to the person or business entity ordering the work to be done by BMI. If the client is ordering work on behalf of another, client represents and warrants that client is the duly authorized agent of said party for the purpose of ordering and directing said work and in such case the term "client" also includes the principal for whom the work is being performed. Prices quoted and charged by BMI for its work are predicated upon the conditions and the allocations expressed in this agreement. Unless this agreement specifically provides that BMI is to perform its work pursuant to specified Federal, State or local regulations, client assumes sole responsibility for determining whether the quality and the nature of the work ordered by client is adequate and sufficient for client's intended purpose. Client shall communicate these General Conditions to each and every third party to whom client transmits any part of BMI's work. BMI shall have no duty or obligation to any party other than those duties and obligations expressly set forth in this agreement. Ordering work from BMI shall constitute acceptance of the terms of this agreement.

2. SCHEDULING OF WORK: The services set forth in BMI's proposal and client's acceptance will be accomplished in a timely and workmanlike manner by BMI personnel. If BMI is required to delay any part of its work to accommodate the requests or requirements of client, regulatory agencies, or third parties or due to any causes beyond the direct reasonable control of BMI, additional charges may be applicable, which client agrees to pay.

3. ACCESS TO SITE: Client will arrange and provide access to each site upon which it will be necessary for BMI to perform its work. In the event work is required on any site not owned by client, client represents and warrants to BMI that client has obtained all necessary permissions for BMI to enter upon the site and conduct its work. Client shall, upon request, provide BMI with evidence of such permission as well as acceptance of the other terms and conditions set forth herein by the owner(s) and tenant(s), if applicable, of such site(s) in form acceptable to BMI. Any work performed by BMI with respect to obtaining permission to enter upon and do work on the lands of others as well as any work performed by BMI pursuant to this agreement shall be deemed as being done on behalf of client and client agrees to assure all risks thereof. BMI shall take reasonable measures and precautions to minimize damage to each site and any improvements located thereon as the result of its work and the use of its equipment; however, BMI has not included in its fee the cost of restoration of damage which may occur. If client or the possessor of any interest in any site desires or requires BMI to restore site to its former conditions, upon written request of client, BMI will perform such additional work as is necessary to do and client agrees to pay to BMI the cost thereof.

4. CLIENT'S DUTY TO NOTIFY ENGINEER: Client represents and warrants that he has advised BMI of any known or suspected hazardous materials, utility lines, and pollutants at any site at which BMI is to do work hereunder, and unless BMI has assumed in writing the responsibility of locating subsurface objects, structures, lines or conduits, client agrees to defend, indemnify and save BMI harmless from all claims, suits, losses, costs and expenses, including reasonable attorneys fees as a result of personal injury, death or

property damage occurring with respect to BMI's performance of its work and resulting to or caused by contact with subsurface or latent objects, structures, lines or conduits where the actual or potential presence and location thereof was not revealed to BMI by client.

5. LIMIT OF LIABILITY CLAUSE: Owner agrees to limit the Design Professional's liability to the Owner and to all construction contractors and sub contractors on the project, due to the Design Professional's negligent acts, errors or omissions, such that the total aggregate liability of the Design Professional to all those named shall not exceed $50,000 or the Design Professional's total fee for services rendered on this project, whichever is less.

6. INDEMNITY: In the event that client or client's principal shall bring any suit, cause of action or counterclaim against BMI, to the extent that BMI shall prevail, the party initiating such action shall pay to BMI the costs and expenses incurred to answer and or defend such action, including reasonable attorney's fees and court costs. In no event shall BMI indemnify any other party for the consequences of the party's negligence, including failure to follow BMI's recommendations.

7. PAYMENT: Client shall be invoiced once each month for work performed during the preceding period. Client agrees to pay each invoice within thirty (30) days of its receipt. Client further agrees to pay interest on all amounts invoiced and not paid or objected to for valid cause in writing within said thirty (30) day period at the maximum interest rate permitted under applicable law, until paid. Client agrees to pay BMI's cost of collection of all amounts due and unpaid after thirty (30) days, including court costs and reasonable attorney's fees. BMI shall not be bound by any provision or agreement requiring or providing for arbitration of disputes or controversies arising. out of this agreement, any provision wherein BMI waives any rights to a mechanics' lien or any provision conditioning BMI's right to receive payment for its work upon payment to client by any third party. these general conditions are notice, where required, that BMI shall file a lien whenever necessary to collect past due amounts.

8. TERMINATION: This agreement may be terminated by either party upon seven day's prior to written notice. In the event of termination, BMI shall be compensated by client for all services performed up to and including the termination date, including reimbursable expenses.

9. WITNESS FEES: BMI's employees shall not be retained as expert witnesses except by separate, written agreement. Client agrees to pay BMI pursuant to BMI's then current fee schedule for any BMI employee subpoenaed by any party as an occurrence witness as a result of BMI's work.

10. ENTIRE AGREEMENT: This agreement contains the entire understanding between the parties. Client acknowledges that no representations, warranties, undertakings or promises have been made other than and except those expressly contained herein. This agreement may be amended modified or terminated only by a written instrument signed by each of the parties hereto.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve amendments to the following line items of the budget for the year ending September 30, 1999:

	Original	Amended
General Fund		
Federal Grant Revenue	$1,149,141	$1,142,141
Planning & Grants – Other Services	69,258	70,278
Planning & Grants – Capital Outlay	9,500	8,480

Public Safety-Police – Supplies	135,178	133,144
Public Safety-Police – Other Services	150,300	135,630
Public Safety-Police – Capital Outlay	140,042	152,354
Public Works – Capital Outlay	2,752,114	2,761,114
Economic Development Fund		
Other Services and Charges	$ 0	$ 25,000
Capital Outlay	500,000	475,000
Tobacco Grant		
Other Services and Charges	$ 20,500	$ 19,500
Capital Outlay	9,640	10,640

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO VOID TAX SALE

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to void the 1996 tax sale on parcel #617-933-001-00-005.10 assessed to Southern Tire Mart of Baton Rouge and sold to College Investment due to the fact that the property was double assessed by the Pearl River County Tax Collector. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO RESCIND PRIOR ACTION TO ISSUE A QUITCLAIM DEED

Upon request of the City Clerk and Mr. Grover Nelson, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to rescind the prior action to authorize the Mayor to sign a quitclaim deed to Grover C. Nelson on parcel #1309-00-0 assessed to Grover C. Nelson for 1983 taxes and to authorize the issuance of a manual check to Mr. Nelson for$221.13. Mr. Nelson maintains that he paid taxes on the wrong parcel and has requested a refund. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

RECESSED MEETING DATED JULY 20, 1999

ORDER TO AUTHORIZE THE ISSUANCE OF MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the issuance of the following manual checks:

Noram Energy	Utility Fund	$10,755.00
Sonat Marketing	Utility Fund	47,918.10
Koch Gateway Pipeline	Utility Fund	5,840.68
Williams Energy Services	Utility Fund	521.96

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

ORDER TO ADJOURN

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Roberson and Guy

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

August 3, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, August 3, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Mark Thorman and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Gerald Cruthird, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the minutes of the Mayor and City Council dated July 20, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY PRIVILEGE LICENSE REPORT FOR JUNE 1999

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the monthly Privilege License Report for June 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE PUBLIC RECORDS REQUESTS REPORT FOR JUNE 1999

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the monthly Public Records Requests Report for June 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY ACTIVITIES REPORT OF THE RETIREMENT DEVELOPMENT DEPARTMENT FOR JUNE 1999

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the monthly Activities Report from the Retirement Development Department for June 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO CONSIDER APPROVAL OF THE MONTHLY DOCKET OF CLAIMS

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the monthly claims docket for July 1999 in a total amount of $452,810.67. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO AUTHORIZE MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the issuance of the following manual checks:

Miss. State Tax Commission	Utility Fund	Not to exceed	$3,000.00
COP General Fund	Utility Fund	Not to exceed	$51,000.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

EMPLOYEE OF THE MONTH

Upon recommendation of the Public Works Director, Billy McQueen, supervisor of the utility construction departments, was declared Employee of the Month for July 1999. Mr. McQueen was presented with a savings bond from BankPlus.

ORDER TO AUTHORIZE A SOLE-SOURCE PURCHASE

Upon request of the Police Chief and recommendation of the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the sole-source purchase of two combined camera and mount systems (complete – cam 3 color XL) from Law Enforcement Specialty Products, Inc. at a cost of $5,050.00 each. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO AUTHORIZE A SOLE-SOURCE PURCHASE

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the sole-source purchase of MBFAS privilege license computer software from William T. Saul & Associates at a cost of $3,995.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO TERMINATE MEMBERSHIP IN THE PEARL RIVER BASIN TASK FORCE

Upon recommendation of the Police Chief, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to terminate the City's membership in the Pearl River Basin Task Force effective immediately. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

At this time, Councilmember Guy entered the meeting.

ORDER TO AUTHORIZE LEASE PURCHASE OF DUMP TRUCK

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize a lease purchase agreement with Trustmark National Bank to lease purchase a dump truck at an interest rate of 4.75% with five annual payments beginning one year from the beginning of the lease at amount not to exceed the State contract price of $40,000.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN AMENDMENT FOR MEMORIAL BOULEVARD PROJECT

Upon recommendation of the City Planner, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign a letter documenting the Amendment to the Project Activation Report for Project Number STP-9601(2), Improvements to Memorial Boulevard as follows:

August 2, 1999

Mr. Rickie Lee
Mississippi Department of Transportation
District Six
P.O. Box 551
Hattiesburg, Mississippi 39403-0551

Dear Mr. Lee,

The City of Picayune is requesting to amend their Project Activation Report for Project Number STP-9601(2). This project was activated on April 18, 1996. Since that time, the cost of elements of the project has increased substantially. We are requesting to amend the project cost. These costs follow:

PROJECT COST		FEDERAL	OTHER	TOTAL
	Preliminary Engineering & Design Costs		$143,568	$143,568
	Right-of Way (ROW) Costs		0	0
	Construction Costs	1,149,141	126,535	1,275,676
	Sub-total	1,149,141	270,103	1,419,244
	Construction Engineering	0	127,568	127,568
	Testing	0	63,784	63,784
	Contingency	0	63,784	63,784
	GRAND TOTAL	1,149,141	525,239	1,674,380

We look forward to working with you on this project. If you have any questions, please call Stan Polivick, Public Works Director at (601) 799-0603, or Sue Chamberlain at (601) 799-0617. Thank you.

Sincerely,

Woody Spiers
Mayor

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to amend the following line items in the budget for the year ending September 30, 1999:

	Original	Amended
Utility Fund		
Treatment Plant and Utility Construction		
Supplies	$1,399,050	$1,372,280
Capital Outlay	1,163,843	1,190,613

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO CONSIDER BID AWARD ON CARROLL STREET SEWER PROJECT

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the bid amount of $292,770.00 of Twin L Construction for the Carroll Street Sewer Rehabilitation Project and to authorize the Mayor to sign the following contract:

Contract

Carroll Street – Sewer Rehabilitation

Picayune Project No. 300-9

THIS AGREEMENT, made and entered into on the 10th day of August, 1999, by and between TWIN L CONSTRUCTION, hereinafter called CONTRACTOR, and the City of Picayune, hereinafter called the OWNER:

WITNESSETH:

That the CONTRACTOR, for the consideration hereinafter fully set out, hereby agrees with the OWNER as follows:

1. That the CONTRACTOR shall perform all of the work in manner and form as provided by the following enumerated specifications and documents, which are attached hereto and make a part hereof, as if fully contained herein:

   Part 1 – Bidding Requirements, Part 2 – Contract Forms, Part 3 – Conditions of the Contract, Part 4 – Specifications, Part 5 – Drawings and Addenda Nos. 1 .

2. That the CONTRACTOR shall commence the work to be performed under this Agreement on a date to be specified in a written order of the OWNER and shall fully complete all work hereunder within the specified consecutive calendar days in the Bid.

3. That the OWNER hereby agrees to pay to the CONTRACTOR for the faithful performance of this agreement, subject to additions and deductions as provided in the specifications or proposal, in lawful money of the United States, the amount of: TWO HUNDRED NINETY TWO THOUSAND SEVEN HUNDRED AND SEVENTY

DOLLARS ($ 292,770), based on the estimated quantities and unit and lump sum prices contained herein.

4. That on or before 10 days following the first regularly scheduled City Council or Owners Governing Body meeting of each calendar month, the OWNER shall make partial payments to the CONTRACTOR on the basis of a duly certified and approved estimate of work performed during the preceding calendar month by the CONTRACTOR, LESS the retainage provided in the General Conditions, which is to be withheld by the OWNER until all work within a particular part has been performed strictly in accordance with this Agreement and until such work has been accepted by the OWNER. Should the OWNER be informed in writing that the CONTRACTOR is delinquent in paying for labor, equipment, materials, etc., the OWNER may delete the amount of the delinquent account form the partial payment request. The OWNER, shall upon receipt of satisfactory evidence that the delinquent account has been paid, pay the CONTRACTOR the amount previously retained.

5. That upon submission by the CONTRACTOR of evidence, satisfactory to the OWNER that all payrolls, material bills, and other costs incurred by the CONTRACTOR in connection with the construction of the work have been paid in full, final payment on account of this Agreement shall be made within 60 days after the completion by the CONTRACTOR of all work covered by this Agreement and the acceptance of such work by the OWNER.

6. In the event that the CONTRACTOR shall fail to complete the work within the time limit or the extended time limit agreed upon, as more particularly set forth in the Contract Documents, liquidated damages at the daily rate stated in the Bid shall be paid to the OWNER as stated in the Bid until the work shall have been completed provided by the Contract Documents. The rights and remedies of the OWNER are in addition to any other rights and remedies provided by law or under this contract.

7. It is further mutually agreed between the parties hereto that if, at any time after the execution of this Agreement and the Surety Bond hereto attached for its faithful performance and payment, the owner shall deem the Surety or Sureties upon such bond to be unsatisfactory or if, for any reason such bond ceases to be adequate to cover the performance of the work, the CONTRACTOR shall, at its expense, within 5 days after the receipt of notice form the OWNER, furnish an additional bond or bonds in such form and amount and with such Surety or Sureties as shall be satisfactory to the OWNER. In such event, no further payment to the CONTRACTOR shall be deemed to be due under this Agreement until such new or additional security for the faithful performance of the work shall be furnished in a manner and form satisfactory to the OWNER.

8. No additional work or extras will be done unless the same shall be duly authorized by appropriate action by the OWNER.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and date first above written, in _____ (___) counterparts, each of which shall, without proof or accounting for the other counterpart be deemed an original contract.

_____

CONTRACTOR

WITNESSES: _____ By: _____

_____ Title: _____

PICAYUNE, MS

OWNER

ATTEST: _____ By: _____

Title: _____

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter closed session to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter relating to the possible sale of land.

ORDER TO RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Thorman, seconded by Councilmember Guy and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed a matter relating to the possible sale of land and took no action.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to recess until August 10, 1999 at 6:30 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

August 10, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, August 10, 1999, at 6:30 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the minutes of the Mayor and City Council dated August 3, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER MODIFICATION TO SUBDIVISION PLAT OF THE GARDEN DISTRICT

Upon request of the engineer for The Garden District subdivision located on Cooper Road, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve a modification to the plat that would move the west line of lots one through ten to ten feet east of the present east right-of-way of Cooper Road. Then ten feet lying east of the existing right-of-way of Cooper Road would become an additional right-of-way which would be dedicated to the City. The following roll call vote was taken:

VOTING YEA: Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSTAINING: Mayor Spiers

The motion was declared carried.

ORDER TO CONSIDER DEVELOPMENT PLAN EXTENSION FOR THE GARDEN DISTRICT SUBDIVISION

Upon request of the developer and the engineer for The Garden District subdivision, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve a six-month extension of time, February 1, 2000, for the completion of the Final Plat for The Garden District. The following roll call vote was taken:

VOTING YEA: Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSTAINING: Mayor Spiers

The motion was declared carried.

ORDER TO CONSIDER APPOINTMENTS TO THE ARTS COUNCIL

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to table any appointments to the Arts Council at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER APPROVAL OF CHANGE ORDER #1 TO CONTRACT WITH VIDEO INDUSTRIAL SERVICES, INC. FOR SANITARY SEWER CLEANING & TV WORK

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve Change Order #1 which will add $10,341.40 to the contract with Video Industrial Services, Inc. for sanitary sewer cleaning and TV work. The new contract total will be $40,688.60. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT SANITARY SEWER CLEANING & TV WORK PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the sanitary sewer cleaning and tv work project done by Video Industrial Services, Inc. as complete. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ADOPT MOTOR VEHICLE ASSESSMENT SCHEDULE AS PREPARED BY THE MISSISSIPPI STATE TAX COMMISSION

Upon recommendation of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Thorman, adopt the motor vehicle assessment schedule as prepared by the Mississippi State Tax Commission in accordance with Mississippi Code Section 27-51-21. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE ISSUANCE OF MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the issuance of the following manual checks:

Buddy Bennett	Utility Fund	$ 115.00
Roland Smith	Utility Fund	115.00
William T. Saul & Assoc.	General Fund	5,395.00
MMA	General Fund	3,490.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION DATED JULY 13, 1999

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to accept the minutes of the Planning Commission dated July 13, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION DATED JULY 27, 1999

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to accept the minutes of the Planning Commission dated July 27, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION DATED AUGUST 5, 1999

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Planning Commission dated August 5, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

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

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to enter closed session to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter of potential litigation.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Thorman, seconded by Councilmember Guy, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed a matter of potential litigation and took no action.

ORDER TO CONSIDER REQUEST FOR HOME OCCUPATION LICENSE

Upon recommendation of the Planning Commission, motion was made by Councilmember Thorman, seconded by Councilmember Guy to approve a home occupation license for Dee Matthew and Dede Hamlin at 503 Kety Drive to operate a business selling religious cards, tracts, bookmarkers, etc. to retail stores and churches. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO REZONE PROPERTY LOCATED ON HIGHWAY 43 NORTH FROM R-1 AND C-3 TO OP, OFFICE/PROFESSIONAL

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to refer the matter of rezoning three (3) parcels located on Highway 43 North from R-1 and C-3 to Office/Professional (OP) back to the Planning Commission. One parcel is owned by Dr. Donald Berry, one is owned by Erwin J. Smith, and the third parcel is owned by Dr. Tom McRaney. The Planning Commission identified a problem in the notification for the public hearing on one of the parcels to be considered. Because the intent of the rezoning was to create or identify an office or

professional district in the area, the Council voiced the opinion that they would like to consider the parcels together. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: Councilmember Roberson

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO REZONE PROPERTY LOCATED ON HIGHWAY 43 SOUTH FROM A-1 TO C-3

Upon recommendation of the Planning Commission, motion was made by Councilmember Guy, seconded by Councilmember Bates, to rezone property located at 2100 Highway 43 South and owned by David Allison from A-1 to C-3, Highway Commercial District. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Upon recommendation of the Planning Commission, motion was made by Councilmember Guy, seconded by Councilmember Bates, to rezone property located on the west corner of Stafford Road and Highway 43 South and owned by David Allison from A-1 to C-3, Highway Commercial District. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Upon recommendation of the Planning Commission, motion was made by Councilmember Guy, seconded by Councilmember Bates, to rezone property located on Highway 43 South east of Stafford Road and owned by Erwin J. Smith from A-1 to C-3, Highway Commercial District. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO REZONE PROPERTY LOCATED ON RIDGE ROAD FROM R-3 TO C-3

Upon recommendation of the Planning Commission, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to rezone property located on Ridge Road adjoining ABC Mobile Homes property and owned by Shelton Builders from R-3 to C-3, Highway Commercial District. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER PROPOSED LANDSCAPING FOR PROPERTY LOCATED AT PALESTINE ROAD AND NORTH BEECH STREET

Upon recommendation of the Planning Commission, motion was made by Councilmember Bates, seconded by Councilmember Guy, to approve the proposed landscaping of the lot located at the corner of Palestine Road and North Beech Street, C-1 zone, so that Ms. Lisa Mars may open a self-service car wash. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO GRANT NON-CONFORMING USE

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to grant permission to Mrs. Mary Thomas to sell cooked food from her grocery store, Amanda's Grocery, located at 1219 Rosa Street. Mrs. Thomas' store is in a residential area and is a non-conforming use. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER APPROVAL OF CONDITIONAL USE TO ARBOR GATE APARTMENTS TO PLACE A MULTI-FAMILY RESIDENTIAL COMPLEX IN A C-1 ZONE

Residents from the Woodglen Cove area voiced opposition regarding the proposed entrance to Arbor Gate Apartments from Woodglen Cove. They also voiced concerns regarding the drainage of their area and the effect that the proposed development would have on it. Upon recommendation of the Planning Commission, motion was made by Councilmember McQueen, seconded by Councilmember Guy, to approve a conditional use to Heritage Properties, Inc. to construct the Arbor Gate Apartment complex, a multi-family residential development, in a C-1 zone in the area located behind the Woodglen Cove subdivision with the following conditions:

1. The drainage plans discussed and as shown on the plans submitted to the Site Plan Review Committee will be constructed and completed before any construction on the buildings can begin.
2. The drainage plans contain a retention area and a concrete burm to be not less than six inches (6") or grade at its lowest point and twenty-four inches (24") at its highest point and located on all north and west portions of the property.
3. The retention area will be on the development site, and the City will accept no liability related to the retention area.
4. The developer will place a six-foot (6') cedar privacy fence on top of the concrete burm along the north and west portions of the property.
5. The developer will comply with all required landscaping buffers.

6. The complex will have two (2) access points located on Haugh Avenue, one at Smith Street and one at Culpepper Street. There will be no entrance or exit from Woodglen Cove or Monroe Avenue.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: Councilmember Thorman

The motion was declared carried.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to recess until August 17, 1999 at 6:30 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

August 17, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, August 17, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Leavern Guy, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to approve the minutes of the Mayor and City Council dated August 10, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE RETIREMENT DEVELOPMENT DEPARTMENT'S MONTHLY ACTIVITIES REPORT FOR JULY 1999

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to acknowledge receipt of the Retirement Development Department's Monthly Activities Report for July 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE PRIVILEGE LICENSE REPORT FOR JULY 1999

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to acknowledge receipt of the monthly Privilege License Report for July 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE PUBLIC RECORDS REQUESTS REPORT FOR JULY 1999

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to acknowledge receipt of the monthly Public Records Requests Report for July 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE BUDGET REPORTS FOR JULY 1999

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to acknowledge receipt of the monthly budget reports for July 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

At this time, Councilmember Bates entered the meeting.

ORDER TO CONSIDER REQUEST FOR STREET CLOSURE

Upon request of the Mainstreet/Downtowners Association, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve that the following streets be closed on November 6 and 7, 1999 for the Street Fair and that a uniformed Picayune Police Officer be available on November 7 to accompany the sales tax collection committee:

West Canal Street	from Herman Avenue to Highway 11
East Canal Street	from Steele Avenue to Highway 11
Church Street	from West Canal Street to the alley
Quince Street	from West Canal Street to the alley
Rester Street	from West Canal Street to the alley
Ruby Street	from West Canal Street to Elizabeth Street
Curran Avenue	from East Canal Street to Tate Street

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE ARTS COUNCIL

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table any appointments to the Arts Council at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE HIRING OF APPRAISERS FOR AIRPORT LEASES

Upon request of the City Planner, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the City Planner to obtain two (2) appraisals for the airport property in order to set lease amounts for ground leases and tie down fees. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO SET DATE FOR PUBLIC HEARING FOR CDBG DRAINAGE PROJECT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to set the date and location for the public hearing for the CDBG Drainage Project as September 13, 1999 at 6:00 p.m. in the Council Chambers at City Hall. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE COMMUNITY DEVELOPMENT ADVISORY COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to appoint the following members to the Community Development Advisory Commission for the 1999-2000 term:

Henry Dunn
Emma Hair
Mary Ellen Bright

RECESSED MEETING DATED AUGUST 17, 1999

Borzzell Langham
Alfrederick Robinson
Alvie White
Edward Stubbs
Charles Tingstrom

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN GRANT AWARD

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Bates, to authorize the Mayor to sign the following grant award for a COPS MORE 98 grant of $16,779.00:

U.S. Department of Justice
Office of Community Oriented Policing Services
COPS MORE 98 AWARD

Applicant Organization's Legal Name:	Picayune Police Department
Grant #:	1999CMWX2312
ORI #:	MS05501
Vendor #:	646000972
Law Enforcement Executive Name:	Chief Brenda Smith
Address:	328 South Main Street
City, State, Zip Code:	Picayune, MS 39466
Telephone:	(601) 798-8653
Fax:	(601) 798-7412
Government Executive Name:	Mayor Woody Spiers
Address:	203 Goodyear Boulevard
City, State, Zip Code:	Picayune, MS 39466
Telephone:	(601) 798-9770
Fax:	(601) 798-7412

Award Start Date:	4/1/1999	Award End Date:	3/31/2000
Award Amount:	$16,779.00	Number of Redeployed Officers:	0.90
Civilian Personnel Award:	$16,779.00	Number of Redeployed Officers:	0.9
Equipment/Technology Award:	$0.00	Number of Redeployed Officers:	0.0

/s/ Joseph E. Brann
Joseph E. Brann
Director

Date

By signing this award, the signatory officials are agreeing to abide by the Conditions of Grant Award found on the reverse side of this document:

Signature of Law Enforcement Executive with The authority to accept this grant award.	Typed Name and Title of Law Enfocement Executive.	Date
Signature of Government Executive with the Authority to accept this grant award.	Typed Name and Title of Government Executive.	Date

CONDITIONS OF MORE 98 GRANT AWARD

1. Grantees which have been awarded funding for the procurement of an item in excess of $100,000 and have already identified a vendor must provide a written sole source justification to the COPS Office prior to obligating, expending or drawing down grant funds for that item.

2. The funding under this project is for the payment of costs approved by the COPS Office for support resources (including the salaries and benefits of non-sworn civilian personnel), equipment and technology, that have been approved by the COPS Office.

3. COPS MORE '98 grant funds must be used to hire one or more civilians beyond the number of civilians that would be hired or employed by the grantee in the absence of the grant, or must be used to purchase equipment or technology beyond that which the grantee is already obligated or funded to purchase.

4. Civilians, technology and equipment funded under this grant may only be involved in activities or perform services that exclusively benefit your agency and the population that it serves. If your agency provides police services through a contractual arrangement, your agency is responsible for ensuring that the utilization of civilians, technology and equipment is in compliance with the conditions of your grant.

5. The grantee acknowledges its agreement to comply with the assurances and certifications submitted with the COPS MORE'98 application.

6. In order to assist the COPS Office in the monitoring of the award, your agency will be responsible for submitting annual Progress Reports and quarterly Financial Status Reports. As those reports become due, your grant advisor and financial analyst will assist you with these forms and information necessary for compliance.

7. Requests for extensions of the grant award period that merely request additional time, not additional funding, should be submitted in writing to your grant advisor no earlier than July 1, 1999 and no later than August 1, 1999.

8. The COPS Office may conduct or sponsor national evaluations of the Community Oriented Policing Service Program (COPS) and the MORE '98 program. The grantee agrees to cooperate with the evaluators.

9. The grantee agrees to abide by the terms, conditions, and regulations as found in the COPS MORE '98 Grant Owner's Manual and the *Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,* 28 C.F.R. Part 66.

10. For grants of $500,000 or more (or $1,000,000 or more in grants over an eighteen month period), the grantee acknowledges that failure to submit an acceptable Equal Employment Opportunity Plan (if grantee is required to submit one under C.F.R. 42.302) that is approved by the Office of Justice Programs, Office for Civil Rights, is a violation of its Assurances and may result in the suspension of the drawdown of funds. For grants under $500,000, the grantee must submit a completed EEOP Certification form and return it to the Office of Justice Programs, Office for Civil Rights, within 120 days of the grant award.

11. The grantee agrees to complete and keep on file, as appropriate, an Immigration and Naturalization Service Employment Eligibility Verification Form (1-9). This form is to be used by the recipients of Federal funds to verify that persons are eligible to work in the United States.

12. The grantee agrees to monitor/track and exercise best efforts to maintain the level of redeployment of current sworn officers into community policing that is the direct result of COPS MORE '98 funding. The grantee will develop a plan to track officer time saved.

13. If any part of the funded project is subject to the requirements of the Criminal Intelligence Systems Operating regulation, 28 C.F.R. Part 23, the grantee agrees to comply with this federal regulation and submit a system operating manual to the COPS Office for approval.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED AUGUST 17, 1999

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT WITH AUCTION DEALER

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract with Durham Auctions, Inc. to hold an auction for the City's surplus equipment:

PROPERTY AUCTION CONTRACT
DURHAM AUCTIONS, INC.
P.O. BOX 333 - PETAL, MS 39465
2236 US HWY 49 S - HATTIESBURG, MS 39401
(601) 582-1932 - (601) 582-7773
FAX: (601) 582-1983 a (601) 582-0059
www.durhamauctions.com * MS Lisc. #237

Agreement for Sale of Property by Auction

Agreement made this 27th day of, JULY 1999 between THE CITY OF PICAYUNE of 203 GOODYEAR BLVD., PICAYUNE, MS 39466 and **DURHAM AUCTIONS, INC.** hereafter called Auctioneers.

The Auctioneer hereby agrees to use his professional skill, knowledge, and experience to the best advantage of both parties in preparing for and conducting the sale.

The Seller hereby agrees to turn over and deliver to the Auctioneer, to be sold at public auction the items listed below and on the reverse side and attached sheets. No item shall be sold or withdrawn from the sale prior to the auction except by mutual agreement between Seller and Auctioneer. If item is sold or withdrawn, Auctioneer shall receive full commission on the item.

AS PER YOUR LIST

The auction is to be held at 309 Stevens Street, Picayune, Mississippi on the 24th day of September, 1999. And in case of postponement because of inclement weather, said auction will take place on later date agreeable to both parties. It is mutually agreed that all said goods be sold to the highest bidder, with the exception of items specified by Seller in writing to be protected. It is further mutually agreed that the Auctioneer may deduct his fee at a set rate below from the gross sales receipts resulting from said auction sale. The Auctioneer agrees to turn net proceeds from sale over to the Seller within seven (7) banking days following auction, along with sale records and receipts. The Seller agrees that all expenses incurred for the advertisement, promotion, and of conducting said auction shall first be paid from the proceeds realized from said auction before the payment and satisfaction of any liens or encumbrances.

Seller agrees to provide merchantable title to all items sold and deliver title to purchasers. Seller agrees to hold harmless the Auctioneer against any claims of the nature referred to in this contract.

Seller agrees to pay all sale expenses including:

AUCTIONEER'S FEE: 10.0%
OTHER:

(X) /s/ Donald H. Durham	(x)
(Auctioneer's Signature)	(Seller's Signature)
P.O. BOX 333,PETAL, MS 39465	203 GOODYEAR BLVD,PICAYUNE,MS
(Auctioneer's Address)	(Seller's Address)
2236 US HWY 49 S, HATTIESBURG, MS 39401 582-1932	601-798-9770
(Auctioneer's Address) (Telephone)	(Seller's Telephone)

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED AUGUST 17, 1999

ORDER TO APPROVE BUDGET AMENDMENT

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to amend the following line items of the budget for the year ending September 30, 1999:

	Original	Amended
General Fund		
Loan proceeds	$ 463,900	$ 503,900
Public Works – Supplies	233,095	235,745
Public Works – Services	581,507	578,857
Public Works – Capital Outlay	2,761,114	2,801,114
Utility Fund		
Treatment Plant & Construction – Personal Services	640,747	630,747
Treatment Plant & Construction – Services	270,100	280,100
Cemetery Fund		
Services	4,000	5,700
Capital Outlay	10,000	8,300

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER BID AWARD ON SEWER PUMPS

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to award the bid on sewer pumps to Delta Process Equipment, Inc. in the amount of $17,594.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR TO PLACE APARTMENTS IN A C-3 ZONE

Upon request of the developer, Sonny Moore, and upon recommendation of the City Planner, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to grant the developer permission to place 12 apartment units in a C-3 zone located on South Curran Avenue and Culpepper Street. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED AUGUST 17, 1999

ORDER TO AUTHORIZE ISSUANCE OF MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to authorize the issuance of the following manual checks:

Prior Energy	Utility Fund	$11,253.00
Sonat Marketing	Utility Fund	20,687.12
Koch Gateway Pipeline	Utility Fund	5,663.04
Williams Energy Services	Utility Fund	517.56
Stan Polivick	Utility Fund	186.00
Miss. Natural Gas Assoc.	Utility Fund	75.00
Neel-Schaffer, Inc.	General Fund	4,660.00
Neel-Schaffer, Inc.	General Fund	2,021.00
Neel-Schaffer, Inc.	General Fund	12,600.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN QUITCLAIM DEED

Upon recommendation of the City Attorney, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign a quitclaim deed to Mr. Ted Lamunyon on street right-of-way of 0.245 acres on Glenwood Street in front of Mr. LaMunyon's property that was abandoned at the April 6, 1999 meeting. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter involving the location of a business.

RECESSED MEETING DATED AUGUST 17, 1999

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Bates, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed a matter involving the location of a business and took no action.

ORDER TO RECESS

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to recess until August 26, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

August 26, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, August 26, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Mark Thorman and Leavern Guy, City Manager Kay Johnson, and City Clerk Sabrina Diamond.

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

ORDER TO ADOPT WATER SYSTEM CROSS CONNECTION CONTROL ORDINANCE

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to adopt the following Water System Cross Connection Control Ordinance:

ORDINANCE NO. 723
AN ORDINANCE TO ADOPT A CROSS CONNECTION CONTROL PROGRAM RELATED TO THE WATER SYSTEM OF THE CITY OF PICAYUNE

Be It Ordained by the Mayor and City Council of the City of Picayune, pursuant to Mississippi State Department of Health Environmental Regulations, Division 300, Part 301, that it is the responsibility of the City of Picayune water system to protect its drinking water by instituting and enforcing a cross connection control program. Therefore, the following Ordinance is hereby presented:

SECTION 1. DEFINITIONS

1) **Potable Water:** Water that is fit for human consumption.

2) **Non-Potable Water:** Water not fit for human consumption or of question able quality.

3) **Cross Connection:** Any arrangement of potable water line is connected to non-potable water; it may be a pipe-to-pipe connection where potable and non-potable water lines are directly connected, or a pipe-to-water connection where the potable water outlet is submerged in non-potable water. If the potable and non-potable source are separated by gate valves, check valves or devices other than the appropriate backflow preventer as outlined by this ordinance, a cross connection exists. By-pass arrangements, jumper connections, swivel or change over assemblies, or other temporary or permanent assemblies through which, or because of which, backflow may occur are considered to be cross connections.

4) **Backflow:** The reversal of normal flow direction where water flows from the intended point of delivery towards the supply.

5) **Back Pressure Backflow:** Backflow caused by a lower pressure in the potable supply than at the point of delivery.

6) **Back Siphonage Backbone:** Backflow caused by a negative pressure in the potable supply line.

7) **Health Hazard, (High Hazard):** Contamination with the potential to endanger the health and well being of the consumer.

8) **Non-Health Hazard, (Low Hazard):** Contamination that will not endanger the health of the consumer, but does not meet established water quality standards for Public Water Systems.

Section 2. Backflow Prevention Assembly Requirements

2.01 **Elimination and Protection of Cross Connections.**

Cross connections occurring within the City of Picayune water supply system shall be eliminated or protected with the appropriate backflow preventer. Cross connections are

eliminated by establishing an air gap between the potable and non-potable sources. Cross connections are protected by installing the appropriate backflow preventer. It shall be the responsibility of the owner of the cross connection to eliminate the cross connection or protect the cross connection with the appropriate backflow preventer.

2.02 Connections to Sewer.

Direct connections, permanent or temporary, between the City of Picayune water supply system and a sanitary or storm sewer are prohibited.

2.03 Home Wells.

Connection to any source of water, other than the City of Picayune water supply system, including home wells, is prohibited unless the appropriate backflow preventer is installed.

2.04 Approved Backflow Prevention Assemblies.

Only backflow prevention assemblies approved by the Mississippi State Department of Health shall be installed.

2.05 Installation Requirements.

Reduced pressure principal assemblies, double check valve assemblies, and pressure vacuum breakers shall be installed in a manner and location that provides adequate access for testing and repair of the assembly. Reduced pressure assemblies and double check valve assemblies shall not be subject to possible flooding. Reduced pressure principle assemblies and double check valve assemblies shall not be installed in a pit or enclosure below ground level.

SECTION 3. RESPONSIBILITY OF THE CITY OF PICAYUNE

3.01 Surveys.

An authorized agent of the City, utilizing written guidelines published by the Mississippi State Department of Health, shall conduct surveys and on-site visits as necessary to locate cross connections.

3.02 Right to Entry.

An authorized agent of the City's, water system shall have the right to enter any non-residential building, during reasonable hours, to inspect the plumbing system in any such building or premises, provided prior notification of the inspection is given. The Agent shall also obtain consent from the owner of any single family dwelling prior to any inspection.

3.03 Classification of Hazard.

Each cross connection found will be classified as High Hazard or Low Hazard by an authorized agent of the City. If a cross connection is found to be high hazard, the owner of the connection shall be notified, in writing, within ten (10) days that the cross connection must be eliminated or protected by the appropriate backflow preventer within ninety (90) days of the notification. If the connection is found to be low hazard, the owner of the connection shall be notified, in writing, within ten (10) days, that the connection shall be eliminated or protected by the appropriate backflow preventer within one year of the notification.

3.04 Selecting the Appropriate Backflow Preventer.

The City, acting through its agent, shall determine the type of backflow preventer required at each cross connection and the location the backflow preventer will be installed. The type backflow preventer required will be selected utilizing guidelines published by the Mississippi State Department of Health.

3.05 Existing Backflow Preventers.

Any backflow preventer device or assembly installed on the water system to protect the water system against the possibility of backflow from a customer's water service prior to the adoption of this ordinance shall be governed by this ordinance. Existing backflow preventers shall be inspected and tested within ninety (90) days of their discovery.

3.06 Review of Applications for Service.

All applications for service will be reviewed to determine if a cross connection will be created. The appropriate backflow preventer will be required in all cases where a cross connection exists and cannot be eliminated.

3.07 Inspections.

Periodic inspections of any connection to the City's water system will be conducted as deemed necessary to insure that cross connections have not been created or that backflow preventers have not been modified or made inoperative.

3.08 Record Keeping.

The City shall maintain records of the type, size and location of each backflow preventer installed on the system, when each device is due to be tested, and the results of each test. Records shall be retained for five (5) years from the date of the test and inspection.

SECTION 4. TESTING

4.01 Tests Required.

Each reduced pressure principle backflow assembly, double check valve assembly, and pressure vacuum breaker shall be tested immediately after installation, after repairs of any kind and annually. Any backflow preventer found to be non-functional shall be repaired and re-tested within fourteen (14) days of the initial test.

4.02 Certified Testers.

Only backflow preventer testers certified by the Mississippi State Department of Health shall test backflow preventers.

4.03 Notification.

The City will notify the owner of each backflow preventer sixty (60) days prior to the date that the device is due to be tested.

SECTION 5. VIOLATION AND PENALTIES

5.01 Refusal of Inspection.

If the owner of a connection refuses to let the City's agent inspect that connection to determine if a cross connection exists, a reduced pressure principle backflow prevention assembly will be required at that connection.

5.02 Maintaining a Cross Connection.

If the owner of a connection, after having been informed that a cross connection exists at the connection, refuses to eliminate or protect the cross connection through the use of appropriate backflow preventer, water service to the connection shall be terminated until such time as the owner complies with Mississippi State Department of Health regulations.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion and ordinance were declared carried and adopted.

ORDER TO APPROVE CHANGE ORDER #1 TO CONTRACT WITH IGC, INC. ON CDBG DRAINAGE PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve Change Order #1 to the contract with IGC, Inc. on the CDBG Drainage Project for an increase of $688.52 to the contract price. The new contract total is $642,577.99. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO APPROVE THE ISSUANCE OF A MANUAL CHECK

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the issuance of a manual check to IGC, Inc. for $187,102.53 from the CDBG Drainage Fund. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ADOPT RESOLUTION REQUESTING FUNDING FOR WATER SYSTEM CROSS CONNECTION CONTROL REQUIREMENT

BE IT KNOWN on this 26th day of August 1999, at a recessed meeting of the Mayor and City Council of the City of Picayune, on motion of Councilmember Guy, seconded by Councilmember Thorman, the following Resolution was offered.

WHEREAS, the City understands pursuant to Mississippi State Department of Health Environmental Regulations, Division 300, Part 301, that it is the responsibility of the City of Picayune water system to protect its drinking water by instituting and enforcing a cross connection control program; and

WHEREAS, the City of Picayune has adopted the an ordinance regarding a cross connection control program to protect our water system; and

WHEREAS, the City of Picayune has hired appropriate personnel to begin the implementation of the cross connection control program mandated by the State of Mississippi; and

WHEREAS, the City of Picayune does not have the funds budgeted or available to properly fund this program.

BE IT RESOLVED, THEREFORE, by the Mayor and City Council of the City of Picayune that Mayor and Council use this time to officially make request to the Mississippi State Department of Health and the Mississippi Department of Environmental Quality to fund an amount of thirty thousand dollars ($30,000.00) to be used in carrying out and enforcing the cross connection control program.

ADOPTED this 26th day of August 1999.

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion and resolution were declared carried.

ORDER TO SET DATE FOR PUBLIC HEARING ON PROPOSED BUDGET FOR THE YEAR ENDING SEPTEBMER 30, 2000

Upon recommendation of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to set September 7, 1999 at 6:00 p.m. as the date for the public hearing on the proposed budget for the year ending September 30, 2000. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE EQUIPMENT PURCHASE FROM STATE CONTRACT VENDOR

Upon request of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Purchasing Agent to purchase a fifteen-foot (15') bushhog from a State Contract vendor at a price not to exceed $5,800.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss two (2) matters of potential litigation.

ORDER TO RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Guy, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed two (2) matters of potential litigation and took no action.

ORDER TO ESTABLISH METER DEPOSIT FOR GEO RESOURCES CO., INC.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept a $10,000 irrevocable Letter of Credit from the financial institution of Geo Resources Co., Inc. in lieu of a meter deposit for their utility gas account. The terms of the irrevocable letter of credit are as follows:

1. The Letter of Credit must be drafted by Geo's attorney and/or financial institution and must be approved by the City attorney.
2. The Letter of Credit must state that it is provided in lieu of a deposit on Geo's gas account with the City of Picayune.
3. The Letter of Credit must state that it can be drawn upon by the City to satisfy Geo's unpaid account. The terms of the account will be that the total charges are due in full within twenty (20) days of the billing date. If the account is unpaid after those twenty (20) days, Geo will be notified in writing that their account is past due. They will have ten (10) days to satisfy the account in full. On the thirtieth (30th) day after the billing date, the City will notify the issuer of the Letter of Credit and obtain sufficient funds to satisfy your account, including any late fees.
4. The Letter of Credit must be renewed annually.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO SET DATE FOR PUBLIC HEARING ON PROPOSED AD VALOREM TAX INCREASE FOR FISCAL YEAR 2000

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to set September 7, 1999 at 6:00 p.m. as the date for a public hearing on the proposed 2.0-mill ad valorem tax increase for the year beginning October 1, 1999 and ending September 30, 2000. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

RECESSED MEETING DATED AUGUST 26, 1999

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO ADJOURN

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

September 7, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, September 7, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Gerald Cruthird, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the minutes of the Mayor and City Council dated August 17, 1999 and August 26, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated August 13, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE RETIREMENT DEVELOPMENT DEPARTMENT'S MONTHLY ACTIVITIES REPORT FOR AUGUST 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the Retirement Development Department's Monthly Activities Report for August 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REGULAR MEETING DATED SEPTEMBER 7, 1999

ORDER TO APPROVE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the monthly claims docket for August 1999 in a total amount of $531,340.08. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE MANUAL CHECKS

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the issuance of the following manual checks:

Dub Herring Ford	Utility Fund	$3,240.00
Billy McQueen	Utility Fund	125.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR STREET CLOSURE

Upon request of the Safe Haven Outreach Center, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the closure of Oak Street next to Jack Reed Park on September 25, 1999 from 10:00 a.m. until 5:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO ADVERTISE RESOURCES OF THE CITY

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to purchase a full-page advertisement in the Picayune Memorial High School yearbook in the amount of two hundred dollars ($200.00) to advertise the resources of the City and to authorize the issuance of a manual check for the same. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REGULAR MEETING DATED SEPTEMBER 7, 1999

ORDER TO CONSIDER REQUEST FOR STREET CLOSURE

Upon request of the Goldwing Road Riders Association – Mississippi Chapter, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the closure of parking the parking spaces on both sides of Goodyear Boulevard in front of Jack Reed Park on November 6, 1999 from 7:00 a.m. until 3:00 p.m. for the Association's Observation Ride. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

EMPLOYEE OF THE MONTH

Upon recommendation of the Public Works Director, Kristen Wood was declared Employee of the Month for September 1999. Mrs. Wood was presented with a savings bond from Hancock Bank.

UNITED WAY

Nancy Durham, Chairperson of the Pearl River County division of the United Way, addressed the Mayor and Council regarding the beginning of the United Way Campaign and challenged them to 100% participation. She also thanked the employees of the City for their participation in the past. No official action was taken.

ORDER TO PROCLAIM ARVY PLUMMER LANDRUM DAY

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to proclaim September 17, 1999 as "Arvy Plummer Landrum Day" in honor of his 100th birthday. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AWARD BID ON LEASE-PURCHASE FINANCING OF FIRE TRUCK

Upon recommendation of the City Clerk and the Purchasing Agent, motion was made by Councilmember Guy, seconded by Councilmember Bates, to accept the low bid of 4.82% from Hancock Bank for the lease-purchase financing of the fire truck. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REGULAR MEETING DATED SEPTEMBER 7, 1999

ORDER TO ADOPT RESOLUTION RELATED TO CHANGES IN THE CAFETERIA PLAN

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the following resolution related to changes in the City's Cafeteria Plan:

RESOLVED, that this Amendment to the Premium Only Plan effective beginning the first day of the Plan Year after December 31, 1998, presented to this meeting is hereby approved and adopted and that the proper officers of the Employer are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the amendment.

RESOLVED, that the proper officers of the Employer shall act as soon as possible to notify employees of the Employer of the adoption of this amendment to the Premium Only Plan by delivering to each employee a copy of the summary description of the changes to the Plan in the form of the Summary Plan Description – Material Modification presented to this meeting, which form is hereby approved.

The undersigned further certifies that attached hereto as Exhibit A and B respectively, are true copies of this amendment to the Premium Only Plan and Summary Plan Description – Material Modifications approved and adopted in the foregoing resolutions.

Secretary/Principal Date

EXHIBIT A
Amendment to Premium Only Plan

1. Article is amended by the deletion of the definition of the term "Highly Compensated Employee."

2. The last paragraph of Article 2.1 is amended to read as follows:

   Except as otherwise provided in this Plan, with respect to accident or health plan coverage, if a former Participant is rehired during the same Plan Year in which termination of employment occurs, and such former Participant had revoked existing Benefit elections and terminated the receipt of Benefits at the time of termination of employment, then such rehired former Participant shall be prohibited from making new Benefit elections for the remaining portion of the Plan Year.

3. Section 5. – (a) is replaced by subsections (a), (b), (c), and (d) as follows and all other subsections are correspondingly redesignated:

   (a) Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury. Benefit election changes are consistent with status changes for accident or health coverage provided or offered through the Plan only if (1) the change in status results in the Participant, Participant's spouse or dependent gaining or losing eligibility for accident or health coverage under either the Plan or an accident or health plan of the spouse's or dependent's employer; and (2) the election change corresponds with that gain or loss of coverage. A change in status shall result in gain or loss of coverage under the Plan only if the individual becomes eligible or ineligible to participate in the Plan, including any benefit package option available under the Plan. However, if an individual gains eligibility for coverage under the Plan of the individual's spouse or dependent, the consistency requirement is only satisfied if the individual actually elects coverage under that plan. Regardless of the consistency requirement, if the individual, the individual's spouse or dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, the individual may elect to increase payments under this Plan to pay for continuation coverage. Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is

completed and returned to the Administrator. For the purposes of this subsection. a change in status shall only include the following events or any other events permitted by Treasury Regulations:

(1) Legal Marital Status
Events that change a Participant's legal marital status, including marriage, divorce, death of a spouse, legal separation or annulment;

(2) Number of Dependents
Events that change a Participant's number of dependents, including birth, adoption, placement for adoption, or death of a dependent;

(3) Employment Status
Termination or commencement of employment by the Participant, spouse, or dependent;

(4) Work Schedule
A reduction or increase in hours of employment by the Participant, spouse or dependent, including a switch between part-time and full-time, a strike or lockout, or commencement or return from an unpaid leave of absence;

(5) Dependent satisfies or ceases to satisfy the requirements for unmarried dependents

An event that causes the Participant's dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance as provided in the accident or health plan under which the employee receives coverage; and

(6) Residency or Worksite
A change in the place of residence or work of the Participant, spouse or dependent.

(b) Notwithstanding subsection (a), the Participant may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f).

(c) Notwithstanding subsection (a), in the event of a judgment, decree, or order ("order") resulting from a divorce, legal separation, annulment, or change in legal custody (including a Qualified medical child support order defined in ERISA Section 609) which requires accident or health coverage for a Participant's child:

(1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or

(2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former spouse to provide coverage for such child.

(d) Notwithstanding subsections (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's spouse or dependent if the Participant or the Participant's spouse or dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under section 1928 of the Social Security Act (the program for distribution of pediatric vaccines).

4. The last Article of the Plan is hereby amended by the addition of the following Section:

Health Insurance Portability and Accountability Act

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

EXHIBIT B
Summary Plan Description

Material Modifications

I. Introduction
Employer has amended your Cafeteria Plan as of the first day of the Plan Year beginning after December 31, 1998.

This is merely a summary of the most important changes to the Plan. If you have any questions, contact your Plan's Administrator. A copy of the Plan, including this amendment, is available for your inspection. If there is any discrepancy between the terms of the Plan or the amendment itself and this summary of material modifications, the provisions of the Plan, as amended, will control.

II. Summary of Changes

1. Family and medical Leave Act (FMLA)
   If you take leave under the Family and Medical Leave Act, you may revoke or change your existing elections for health insurance, and group-term life insurance. If your coverage in these benefits terminates, due to your revocation of the benefit while on leave or due to your nonpayment of contributions, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return.
   If you continue your coverage during your unpaid leave, you may prepay for the coverage, you may pay for your coverage on an after-tax basis while you are on leave, or you and your Employer may arrange a schedule for you to " catch up" your payments when you return.
2. Change in Elections
   There are certain limited situations when you can change your elections. You are permitted to change elections if you have a change in status which results in you your spouse or dependent gaining or losing eligibility for coverage under our health plan or your spouse's or dependent's health plan, and the change you make is consistent with that gain or loss of coverage. Currently, federal law considers the following events to be "changes in status":
   (1) Marriage, divorce, death of a spouse, legal separation, or annulment;
   (2) Change in the number of dependents, including birth, adoption, placement for adoption, or death of a dependent;
   (3) Termination or commencement of employment by you, your spouse or dependent;
   (4) A reduction or increase in hours of employment by you, your spouse or dependent, including a switch between part-time and full-time, a strike or lockout, or commencement or return from an unpaid leave of absence.
   (5) One of your dependents satisfies or ceases to satisfy the requirements for coverage due to change in age, student status, or any similar circumstance; and
   (6) A change in the place of residence or worksite of you, your spouse or dependent.

   However, for group-term life insurance, you are permitted to change your election by increasing coverage in the case of marriage, birth, or adoption and decreasing coverage in the case of divorce, legal separation, or death of a spouse or dependent. If you have a change in status, you should contact the Administrator, who will provide you with the required forms for changing your benefit elections.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO VOID TAX SALES

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to void the 1996 and 1997 taxes sales on parcel #617-515-001-07-020-00 assessed to Richard W. Bussoff due to the fact that the parcel was double assessed by the Pearl River County Tax Collector. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REGULAR MEETING DATED SEPTEMBER 7, 1999

ORDER TO AUTHORIZE THE MAYOR TO SIGN THE ENGAGEMENT LETTER FOR THE ANNUAL AUDIT

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following engagement letter with Moore & Powell, CPAs, P.A. for the annual audit of the City for the year ending September 30, 1999:

August 2, 1999

The Honorable Woody Spiers
Mayor and City Council
City of Picayune
Picayune, Mississippi 39466

We are pleased to confirm our understanding of the services we are to provide the City of Picayune for the year ended September 30, 1999. We will audit the general purpose financial statements of the City of Picayune as of and for the year ended September 30, 1999. Also, the document we submit to you will include the following additional information that will be subjected to the auditing procedures applied in our audit of the general purpose financial statements:

1. Schedule of expenditures of federal awards.
2. Combining statements by fund type.
3. Schedules of account groups.
4. Schedules of ad valorem tax reconciliation, investments, surety bonds, long-term debt, and computation of legal debt margins.

Audit Objectives

The objective of our audit is the expression of an opinion as to whether your general purpose financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the general purpose financial statements taken as a whole. The objective also includes reporting on --

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards.*
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.*

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of the audit committee, management, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities.

Out audit will be conducted in accordance with generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A- 133, and other procedures we consider necessary to enable us to express such an opinion and to render the required reports. If our opinion on the general purpose financial statements or the Single Audit compliance opinion is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for establishing and maintaining internal control and for compliance with the provisions of contracts, agreements, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the

controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, including the schedule of expenditures of federal awards, but the responsibility for the financial statements remains with you. That responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting and compliance, the selection and application of accounting principles, and the safeguarding of assets. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review on November 2, 1999.

Audit Procedures–General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. As required by the Single Audit Act Amendments of 1996 and OMB Circular A133, our audit will include test of transactions related to major federal award programs for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Because of the concept of reasonable assurance and because we will not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts, or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect errors, fraud, or other illegal acts that are immaterial to the general purpose financial statements or to major programs. However, we will inform you of any material errors and any fraud that comes to our attention. We will also inform you of any other illegal acts that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

An audit of the general purpose financial statements performed in accordance with generally accepted auditing standards is not designed to determine whether the computer systems of the City of Picayune are year 2000 compliant, or to provide any assurance on whether the City has addressed all of the affected systems on a timely basis. Further, we have no responsibility with regard to the systems of vendors, service providers, or any other third parties. These are responsibilities of the City's management. However, we may choose to communicate matters that come to our attention relating to the Year 2000 Issue.

Additionally, sufficient audit evidence may not exist to support the governments' financial statement disclosures with respect to the Year 2000 Issue in accordance with GASB Technical Bulletin 98-1, *Disclosures about Year 2000 Issues (TB* 98-1). If we determine that there is not sufficient audit evidence to support the required disclosures, we will consider issuing a qualified opinion (scope limitation) on the City's general purpose financial statements. If the City does not include the disclosures required by *TB* 98 as amended, and we determine that the financial statements are affected by the omission, we will issue a qualified or adverse opinion on the general purpose financial statements for that departure from generally accepted accounting principles.

Audit Procedures-Internal Controls

In planning and performing our audit, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinions on The City of Picayune's general purpose financial statements and on its compliance with requirements applicable to major programs.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the

effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the general purpose financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the general purpose financial statements. Tests of controls relative to the general purpose financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards.*

As required by OMB Circular A-133, we will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements, applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body or audit committee of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. We will also inform you of any nonreportable conditions or other matters involving internal control, if any, as required by OMB Circular A- 133.

Audit Procedures-Compliance

Our audit will be conducted in accordance with the standards referred to in the section titled Audit Objectives. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we will perform tests of the City of Picayune's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards.*

OMB Circular A- 133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of the applicable procedures described in the *OMB Circular A-133 Compliance Supplement.* 'Me purpose of those procedures will be to express an opinion on the City of Picayune's compliance with requirements applicable to major programs in our report on compliance issued pursuant to OMB Circular A- 13 3.

Audit Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations and schedules we request and will locate any invoices selected by us for testing.

At the conclusion of the engagement, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits. At the conclusion of the engagement, we will provide information to management as to where the reporting packages should be submitted and the number to submit.

The workpapers for this engagement are the property of Moore & Powell, CPAs, P.A. and constitute confidential information. However, we may be requested to make certain workpapers available to the FAA or other grantor agency pursuant to authority given to it by law or regulation. If requested, access to such workpapers will be provided under supervision of Moore & Powell personnel. Furthermore, upon request, we may provide photocopies of selected workpapers to the FAA or other grantor agency. The FAA or other grantor agency may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The workpapers for this engagement will be retained for a minimum of three years after the date the auditors' report is issued or for any additional period requested by the FAA or other grantor agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the workpapers.

We expect to begin our audit on approximately November 2, 1999 and to issue our reports no later that January 31, 2000. Our fee for these services will be at our standard hourly rates except that we agree that our gross fee, including expenses, will not exceed $24,250, depending on the City's participation. We anticipate our fee being $22,250 based on representations of assistance expected by the City. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent quality control review report. Our 1998 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City of Picayune and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,
/s/
Steve Dockens, CPA
Audit Principal/Shareholder

SD:dma
Enclosure

RESPONSE:

This letter correctly sets forth the understanding of the City of Picayune, Mississippi.

Officer signature: _____

Title: _____

Date: _____

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN QUITCLAIM DEEDS

Upon request of the City Clerk, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Mayor to sign the following quitclaim deeds:

Parcel Number	Assessed To	Year(s)	Deed Name
517-834-000-00-017-00	Andrew Watkins	1994 & 95	Andrew Watkins
518-829-000-02-002-03	Gary S. Herndon	1995	Mary Miller
618-102-000-00-015-00	George F. Watts	1995	George F. Watts
617-522-002-05-2	Mellon Financial Services Corp.	1992	Clyde Dease, Jr.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE CHANGE ORDER #1 TO CONTRACT FOR THE HOLLY BRANCH BOX CULVERT REPLACEMENT PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve Change Order #1 to the contract with Pittman Constructors, Inc. for the Holly Branch Box Culvert Replacement Project for an increase of $3,668.00. The new contract total is $87,160.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT THE HOLLY BRANCH BOX CULVERT REPLACEMENT PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept the Holly Branch Box Culvert Replacement Project as complete. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO REQUEST AN EXTENSION OF TIME ON CDBG DRAINAGE PROJECT

Upon request of the City Planner, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Mayor to request a six-month extension of time to March 13, 2000 to complete the CDBG Drainage Project. The deadline in the original application was September 13, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to amend the following line items of the budget for the year ending September 30, 1999:

	Original	Amended
General Fund		
Licenses and Permits	$428,000	$383,000

Intergovernmental Revenues	4,199,205	4,288,068
Charges for Services	684,701	664,000
Fines and Forfeits	342,000	448,500
Miscellaneous Revenues	137,450	138,250
Ad valorem Taxes	950,300	972,000
General Government – Legislative		
Other services	78,500	61,455
General Government – Executive		
Supplies	2,500	3,100
Other services	7,650	10,075
Capital outlay	4,000	2,000
General Government – Administration		
Supplies	15,000	15,400
Other services	150,900	155,080
General Government – Court		
Supplies	4,000	4,400
Other services	25,550	26,800
Capital outlay	2,900	1,500
General Government – Planning & Grants		
Personal services	196,816	192,980
Supplies	8,526	5,625
Other services	70,278	69,308
Capital outlay	8,480	6,480
General Government – Retirement Development		
Other services	8,580	8,690
Police Department		
Supplies	133,144	136,796
Other services	135,630	138,420
Fire Department		
Personal services	991,861	975,000
Capital outlay	80,000	30,000
Public Works		
Personal services	766,339	683,031
Supplies	235,745	237,995
Other services	578,857	581,507
Capital outlay	2,801,114	2,810,114
Transfers Out	247,478	322,478
Aid to Other Governments	27,000	36,000
Utility Fund		
Charges for Services	3,240,000	2,875,000
Other Revenues	100,000	118,500
Utility Administration		
Personal services	173,700	180,000
Supplies	12,141	13,041
Other services	111,400	69,600
Capital outlay	14,000	3,500
Treatment Plant & Utility Construction		
Personal services	630,747	601,000
Supplies	1,372,280	1,021,850
Other services	280,100	261,600
CDBG Westside Redevelopment		
Sale of lots	20,000	0
Miscellaneous income	0	500
Interest earned	100	500
Other services	8,500	0
Capital outlay	20,000	0
Law Enforcement Block Grant #2		
Interest income	0	350
Capital outlay	33,849	34,199

UDAG Majestic Inn Fund		
Interest income	11,800	13,500
Other services	3,500	0
Walmart Bond Fund		
Interest income	0	4,000
CDBG Drainage Improvements Fund		
Grant revenue	326,363	326,256
Loan proceeds	339,365	392,391
Transfers in	55,250	92,289
Other services	88,008	92,440
Capital outlay	614,220	718,496
Transfers to debt service	18,750	0
Economic Development Fund		
Sale of lots	20,000	0
Sales tax revenue	155,000	205,000
Loan proceeds	500,000	0
Personal services	26,000	0
Transfers to debt service	115,488	0
Capital outlay	475,000	0
Tobacco Grant Fund		
Grant revenue	20,446	40,234
Interest income	0	300
Special Police Drug Fund		
Restitution for drugs	10,000	10,500
Law Enforcement Block Grant #3		
Interest income	0	100
Airport Fund		
Federal grants	1,352,722	1,380,717
State grants	69,548	49,047
Other revenues	18,000	0
Loan proceeds	470,000	0
Transfers in	135,923	75,000
Operating expenses	54,000	73,525
Transfers to debt services	50,000	0
Capital outlay	1,937,738	1,428,000
Cemetery Fund		
Sale of lots	25,000	30,000
Miscellaneous income	0	800
Personal services	79,000	58,000
Other services	5,700	4,000
Capital outlay	8,300	10,000

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REGULAR MEETING DATED SEPTEMBER 7, 1999

PUBLIC HEARING ON PROPOSED AD VALOREM TAX INCREASE

A public hearing was held regarding the proposed 2-mill increase in the ad valorem tax rate on real and personal property. There were only a few voiced comments of opposition. The Mayor stated that the increase was necessary because of the increased growth in the City and the corresponding increased demand for City services. The Mayor also announced that the tax levy would be set at the meeting to be held on September 14, 1999.

PUBLIC HEARING ON PROPOSED BUDGET FOR THE YEAR ENDING SEPTEMBER 30, 2000

A public hearing was held regarding the proposed budget for the year beginning October 1, 1999 and ending September 30, 2000. Copies of the proposed budget were distributed to interested citizens. The Mayor announced that the budget would be adopted at the meeting to be held on September 14, 1999.

ORDER TO CONSIDER BID AWARD ON SUPPLIES

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to award the following semi-annual bids on supplies:

Diesel Oil #2 Series, 30W 12 qts/case	$11.88	APG, Inc.
Diesel Oil #2 Series, 30W 55 gallon	198.74	APG, Inc.
Diesel Oil 15W-40 55 gallon	198.74	APG, Inc.
Diesel Oil 15W-40 12 qts/case	15.21	APG, Inc.
Diesel Oil 15W-40 6 gallon/case	27.01	APG, Inc.
Transmission Fluid Dextron II 12 qts/case	12.26	APG, Inc.
Transmission Fluid Type F 12 qts/case	12.26	APG, Inc.
Motor Oil 10W-30 HD 12qts/case	12.75	APG, Inc.
Motor Oil 10W-30 HD 55 gallon	199.00	Moody's 66
Motor Oil 10W-40 12 qts/case	13.90	APG, Inc.
Motor Oil 10W-40 55 gallon	190.74	APG, Inc.
Motor Oil 30W ND 12 qts/case	9.28	APG, Inc.
Motor Oil 30W ND 55 gallon	150.74	APG, Inc.
Gear Oil 90wt. 55 gallon	222.00	APG, Inc.
Chassis Grease tube per ctn	7.98	APG, Inc.
Chassis Grease bulk 5 gallon	22.65	Allison Oil Co.
Hydraulic Fluid TDH 5 gallon	15.31	APG, Inc.
Hydraulic Fluid TDH 55 gallon	115.63	APG, Inc.
Hydraulic Oil 68 55 gallon	115.00	Moody's 66
Chlorine in 150 lb cylinder, including Delivery to sewerage treatment plant	56.50	South Mississippi Chemical
Oxygen – Welding 244 cu ft per cylinder	5.00	Nordan Smith
Acetylene – 100 cu ft cylinder rent per month	11.88	Nordan Smith
30x36 Trash Bags, 1.5 Mill, black or brown, 52 per box or roll	2.43	Dynapak
Concrete Pipe		
12" reinforced	10.45	Choctaw
15" reinforced	10.80	Choctaw
18" reinforced	11.93	Choctaw
21" reinforced	15.97	Choctaw
24" reinforced	19.68	Choctaw
27" reinforced	23.92	Choctaw
30" reinforced	27.14	Choctaw
36" reinforced	38.46	Choctaw
42" reinforced	47.84	Choctaw
48" reinforced	62.32	Choctaw
54" reinforced	75.60	Choctaw

60" reinforced	92.08	Choctaw
18" x 11" reinforced arch pipe	17.00	Choctaw
22" x 13" reinforced arch pipe	18.00	Choctaw
29" x 18" reinforced arch pipe	26.56	Choctaw
36" x 23" reinforced arch pipe	31.98	Choctaw
44" x 27" reinforced arch pipe	43.92	Choctaw
58" x 36" reinforced arch pipe	71.92	Choctaw
65" x 40" reinforced arch pipe	88.16	Choctaw
73" x 45" reinforced arch pipe	109.60	Choctaw
88" x 54" reinforced arch pipe	151.44	Choctaw
51" x 31" reinforced arch pipe	56.80	Choctaw
Concrete per yard 2,500-lb mix	56.00	Gulf Concrete
Concrete per yard 3,000-lb mix	58.00	Gulf Concrete
Concrete Manholes		
48" x 36" precast cone section	56.00	Choctaw
48" precast riser section	56.00	Choctaw
70" diam x 6" thick precast bottom	110.00	Choctaw
48" precast concrete flat slab top	95.00	Choctaw
4" concrete adjusting ring	15.00	Choctaw
6" concrete adjusting ring	30.00	Choctaw
4" flexible coupling	30.00	Choctaw
6" flexible coupling	33.00	Choctaw
8" flexible coupling	37.00	Choctaw
10" flexible coupling	40.00	Choctaw
12" flexible coupling	44.00	Choctaw
Cast iron manhole ring and cover	158.00	Choctaw
Polyethylene Culvert Pipe		
8" diam smooth interior pipe	1.75	Advanced Drainage Systems
10" diam smooth interior pipe	2.04	Park Supply
12" diam smooth interior pipe	2.69	Park Supply
15" diam smooth interior pipe	3.71	Park Supply
18" diam smooth interior pipe	5.23	Park Supply
24" diam smooth interior pipe	8.90	Advanced Drainage Systems
30" diam smooth interior pipe	14.25	Advanced Drainage Systems
36" diam smooth interior pipe	17.95	Advanced Drainage Systems
42" diam smooth interior pipe	26.41	Park Supply
48" diam smooth interior pipe	31.50	Advanced Drainage Systems
Hot Bituminous Surface Plantmix Asphalt, SC-1	26.50	Huey Stockstill
Hot Bituminous Surface Plantmix Asphalt, SC-2	26.50	Huey Stockstill
Hot Mix Asphalt (lay & haul inside City)	12.50	Huey Stockstill
Hot Mix Sand Asphalt (lay & haul inside City)	12.50	Huey Stockstill
EA-4 for tack	1.50	Huey Stockstill

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

REGULAR MEETING DATED SEPTEMBER 7, 1999

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to accept the minutes of the Planning Commission dated August 5 and 24, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Planning Commission dated August 31, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT EXTENSION OF TIME TO THE PLANNING COMMISSION TO CONSIDER REZONING PROPERTY ON HIGHWAY 43 NORTH

Upon recommendation of the City Planner, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to grant up to a 45-day extension to the Planning Commission to consider the rezoning request of property owned by Erwin J. Smith and located on Highway 43 North. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR REZONING PROPERTY LOCATED BEHIND WOODGLEN COVE SUBDIVISION

Upon recommendation by the Planning Commission, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to deny the request of the Simpson family to rezone their property of approximately seven (7) acres located south of the Woodglen Cove Subdivision and the north and east of the old Walmart shopping center from R-1 to R-2. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR HOME OCCUPATION LICENSE

Upon recommendation of the Planning Commission, motion was made by Councilmember Guy, seconded by Councilmember Bates , to grant a home occupation license to Mr. Frank Tucker to operate a candy vending business at 2111 Millswood Road. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO GRANT EXTENSION OF TIME TO THE PLANNING COMMISSION TO CONSIDER REZONING PROPERTY ON HIGHWAY 43 NORTH

Upon recommendation of the City Planner, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to grant up to a 45-day extension to the Planning Commission to consider the rezoning request of property owned by Dr. Tom McRaney and located on Highway 43 North. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE PURCHASING AGENT TO ADVERTISE FOR BIDS FOR CONSTRUCTION OF THE FUEL FARM AT THE NEW AIRPORT

Upon request of the City Planner, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Purchasing Agent to advertise for bids for construction of the fuel farm at the new airport. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE PURCHASING AGENT TO ADVERTISE FOR BIDS FOR AVIATION FUEL

Upon recommendation of the City Planner, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Purchasing Agent to advertise for bids or proposals for 100LL octane low lead general aviation fuel for the new airport. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE INSTALLATION OF 3-PHASE ELECTRIC POWER AT THE NEW AIRPORT

Upon recommendation of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the installation of 3-phase electric power from Ridge Road to the new airport property and authorize the issuance of manual checks as follows:

Coast Electric Power Association	Airport Fund	$17,655.00 (not to exceed)
Preferred Electric, Inc.	Airport Fund	1,500.00 (not to exceed)

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE PURCHASING AGENT TO ADVERTISE FOR ENGINEERING SERVICES FOR PAVING AND SLABS FOR T-HANGARS AT THE NEW AIRPORT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Purchasing Agent to advertise for engineering services for the paving expansion and concrete foundation and slab work for the T-hangars at the new airport. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: Councilmember McQueen

The motion was declared carried.

ORDER TO CONSIDER SALE OF SURPLUS PROPERTY

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the sale of timber (approximately 25 pine trees) at Palestine Cemetery to David Mitchell as follows:

$100.00 per thousand feet for 18-foot logs
$10.00 per ton for 9-foot logs
$5.00 per ton for pulp wood

The timber was declared surplus at by the Mayor and Council at the August 18, 1998 meeting. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO AMEND ORDINANCE CONCERNING REMOVAL, IMPOUNDMENT, TOWING AND STORING OF VEHICLES

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to take under advisement the request to amend the City's ordinance concerning the removal, impoundment, towing and storing of vehicles to increase the fees allowed to seventy-five dollars ($75.00) per tow and fifteen dollars ($15.00) per day for storage. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT WITH PICAYUNE SCHOOL DISTRICT REGARDING EMPLOYMENT OF POLICE OFFICERS

Upon recommendation of the City Attorney, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the following contract with the Picayune School District regarding employment of City of Picayune Police Officers at official sporting events of the Picayune School District:

AGREEMENT BETWEEN THE CITY OF PICAYUNE AND THE PICAYUNE SCHOOL DISTRICT FOR ADDITIONAL POLICE PROTECTION

THIS AGREEMENT, made and entered into upon this, the _____ day of September, 1999, by and between THE CITY OF PICAYUNE, a Mississippi municipal corporation, and THE PICAYUNE SCHOOL DISTRICT.

RECITALS:

WHEREAS, The Picayune School District is desirous of The City of Picayune providing additional Law Enforcement Officers Training Academy-certified policemen to assist in supervising and regulating traffic, and further, providing protection to the public in attendance at Picayune School District activities hereafter in consideration for The Picayune School District's payment/reimbursement for actual wages earned by such policemen; and

WHEREAS, The City of Picayune is desirous of donating in connection therewith the usage by such policemen of The City of Picayune's uniforms and certain equipment, including vehicles, regularly utilized by such Law Enforcement Officers Training Academy-certified policemen.

NOW THEREFORE, in consideration of the representations and agreements of the parties herein contained, and further, pursuant to the applicable law hereinafter recited, the parties agree as follows:

1. SERVICES FURNISHED

Upon request by The Picayune School District, The City of Picayune shall provide a limited number of Law Enforcement Officers Training Academy-certified policemen to assist in supervising and regulating traffic, and further, providing protection of the public in attendance at Picayune School District activities hereafter for an in consideration of the payment/reimbursement by The Picayune School District unto The City of Picayune of the actual wages incurred by such policemen at the rate of approximately $17.88 per hour, all as per the authority of Section 21-19-49(2) of the Mississippi Code of 1972, as amended.

2. PROPERTY DONATED

That in connection with the services provided unto The Picayune School District by The City of Picayune, as set forth in the preceding paragraph 1., The City of Picayune agrees to further donate the usage by its above described Law Enforcement Officers Training Academy-certified policemen of certain personal property customarily utilized by them in the performance of their duties as Law Enforcement Officers Training Academy-certified policemen, including but not limited to their uniforms, radios, weapons and vehicles, during the specific time periods for which they are to provide services unto The Picayune School District as aforesaid, all pursuant to the authority of Section 21-17-1 of the Mississippi Code of 1972, as amended.

3. CONTRACT AMENDMENT AND RENEWAL

Any party desirous of amending this Agreement must submit proposed amendments to the other party at least sixty (60) days prior to the first meeting of such party-entity in July. If a majority of the Board of Trustees of The Picayune School District or the Mayor and Council of The City of Picayune approves the proposed amendment, a copy will immediately be circulated to all parties; and all parties agree to act upon the proposed amendment within sixty (60) days after it is approved by the respective parties-entities. Such amendments approved by all parties will take effect upon the following September 1 of each year.

This Agreement shall be in full force and effect from the day and date first herein mentioned and shall continue until August 31, 2000. Thereafter the Agreement shall automatically be renewed for one (1) year periods from September 1 to August 31 of the following year, unless a party notifies the other party in writing by the first meeting of such entity in July that it does not want the Agreement renewed. In such event, the Agreement terminates on August 31 of that year.

Executed in duplicate on the day and date first herein mentioned.

THE CITY OF PICAYUNE, a Mississippi Municipal corporation

BY: _____
Woody Spiers, Mayor

ATTEST: _____
Sabrina Diamond, City Clerk

THE PICAYUNE SCHOOL DISTRICT

BY: _____
Superintendent of Education

BY: _____
President of the Board of Education

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter closed session to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss one matter of potential litigation, one matter regarding the sale of property, and one matter regarding the location of a business.

ORDER TO RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Bates, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed one matter of potential litigation, one matter regarding the sale of property, and one matter regarding the location of a business and took no action.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to recess until September 14, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

September 14, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, September 14, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, and City Clerk Sabrina Diamond.

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

ORDER TO ADOPT AD VALOREM TAX ROLLS

In accordance with Section 21-33-10 of the Mississippi Code of 1972, as amended, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to adopt the real and personal property assessment rolls of Pearl River County, Mississippi, with totals as follows:

	Inside City	Picayune School District
Real property	$30,463,103	$51,467,809
Personal property	8,536,657	9,278,587
Special Homestead	4,530,168	8,551,126

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO SET AD VALOREM TAX LEVY

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adopt Ordinance No. 724, An Ordinance Fixing the Levy for the Municipal Taxes for the City of Picayune, Mississippi and the Picayune Separate School District for the year beginning October 1, 1999 and ending September 30, 2000:

ORDINANCE NO. 724

AN ORDINANCE FIXING THE LEVY FOR THE MUNICIPAL TAXES FOR THE CITY OF PICAYUNE, MISSISSIPPI AND THE PICAYUNE SEPARATE SCHOOL DISTRICT FOR THE FISCAL YEAR 1999-2000, BEGINNING OCTOBER 1, 1999 AND ENDING SEPTEMBER 30, 2000

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI, AS FOLLOWS:

SECTION 1. That a levy for general and special municipal purposes of 25.25 mills on the dollar upon real, personal and fixed property within the corporate limits of the City of Picayune, Mississippi, taxable according to law, and a levy of 57.27 mills on the dollar upon real, personal and fixed property within the Picayune Municipal Separate School District of Pearl

RECESSED MEETING DATED SEPTEMBER 14, 1999

River County and Hancock County, Mississippi, taxable according to law, be and the same is hereby fixed and declared for the fiscal year 1999-2000, for the following purposes, to-wit:

GENERAL FUND (Authority: Mississippi Code of 1972, Section 27-39-307)	23.25	
PEARL RIVER COUNTY LIBRARY SYSTEM (Authority: Mississippi Code of 1972, Section 39-3-7)	2.00	
TOTAL FOR ALL MUNICIPAL PURPOSES		**25.25**
FOR SCHOOL COSTS, MINIMUM FOUNDATION PROGRAM (Authority: Mississippi Code of 1972, Section 37-19-1, et. seq. and Section 37-57-1, et. seq.)	1.87	
FOR SCHOOL COSTS other than Minimum Foundation Program (Authority: Mississippi Code of 1972, Section 37-57-1, et. seq.)	55.40	
TOTAL FOR ALL SCHOOL PURPOSES		**57.27**
TOTAL FOR ALL MUNICIPAL AND SCHOOL PURPOSES		**82.52**

SECTION 2. That for good cause therefore, it being necessary to immediately transmit levy for approval of the State Tax Commission, it is ordered that this Ordinance take effect and be in full force and effect from and after its passage, but shall nevertheless be published and enrolled as provided by law.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSTAINING: Councilmember McQueen

The motion was declared carried.

ORDER TO ADOPT BUDGET FOR THE YEAR BEGINNING OCTOBER 1, 1999 AND ENDING SEPTEMBER 30, 2000

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the budget for the year beginning October 1, 1999 and ending September 30, 2000 as presented:

City of Picayune - General Fund
Budget
For the Year Ending September 30, 1999

RECEIPTS

Licenses and Permits	$	370,000

RECESSED MEETING DATED SEPTEMBER 14, 1999

Intergovernmental Revenues	3,039,500
Charges for Governmental Services	608,500
Fines and Forfeits	393,000
Miscellaneous Revenues	8,000
Interest Earnings	22,000
Non-revenue Receipts	211,000
Transfers	700,000
Total from All Sources, Other than Taxation	5,352,000
Beginning Cash	844,428
Total Receipts Other than Ad Valorem Tax	6,196,428
Amount to be Raised by Ad Valorem Tax	1,325,000
TOTAL FROM ALL SOURCES	$ 7,521,428

DISBURSEMENTS

General Government – Legislative	
Personal Services	$ 174,285
Supplies	300
Other Services and Charges	54,200
Capital Outlay	2,500
Totals	231,285
General Government – Executive	
Personal Services	110,387
Supplies	3,000
Other Services and Charges	14,200
Capital Outlay	1,000
Totals	128,587
General Government – Administration	
Personal Services	245,862
Supplies	15,850
Other Services and Charges	162,700
Capital Outlay	11,000
Totals	435,412
General Government - Court	
Personal Services	99,123
Supplies	4,100
Other Services and Charges	28,900
Capital Outlay	7,500
Totals	139,623
General Government – Planning and Grants	
Personal Services	200,304
Supplies	10,555
Other Services and Charges	99,483
Capital Outlay	12,750
Totals	323,092
General Government – Retirement Development	
Personal Services	8,996
Supplies	1,045
Other Services and Charges	6,965
Capital Outlay	350
Totals	17,356
Public Safety - Police Department	
Personal Services	1,303,828
Supplies	136,050
Other Services and Charges	131,000

Capital Outlay	158,900
Totals	1,729,778
Public Safety - Fire Department	
Personal Services	1,109,582
Supplies	46,200
Other Services and Charges	50,500
Capital Outlay	42,400
Totals	1,248,682
Public Works	
Personal Services	952,998
Supplies	260,940
Other Services and Charges	592,750
Capital Outlay	611,500
Totals	2,418,188
Culture and Recreation	
Personal Services	-
Supplies	-
Other Services and Charges	-
Capital Outlay	5,000
Totals	5,000
Transfers	438,000
Aid to Other Governments	27,250
Total Disbursements	7,142,253
Ending Cash	379,175
TOTAL DISBURSEMENTS AND ENDING CASH	$ 7,521,428

City of Picayune - Utility Fund
Budget
For the Year Ending September 30, 1999

RECEIPTS	
Charges for Utility Services:	
Metered Sales, Water	550,000
Metered Sales, Gas	1,500,000
Sewer Charges	780,000
Service Connection Charges	25,000
Gas Transportation Charges	100,000
Late Charges	75,000
Miscellaneous Revenues:	
Interest Earnings	90,000
Other income	7,500
Beginning Cash	544,087
TOTAL FROM ALL SOURCES	3,671,587
DISBURSEMENTS	
Utility Administration	
Personal Services	123,723
Supplies	7,500
Other Services and Charges	88,250
Capital Outlay	55,000
Totals	274,473
Treatment Plant and Utility Construction	
Personal Services	783,677
Supplies	1,072,125

Other Services and Charges	314,125
Capital Outlay	249,300
Totals	2,419,227
Transfers	700,000
Total Disbursements	3,393,700
Ending Cash	277,887
TOTAL DISBURSEMENTS AND ENDING CASH	3,671,587

CITY OF PICAYUNE
BUDGET – SPECIAL POLICE DRUG FUND
FOR THE YEAR ENDING 9/30/2000

RECEIPTS:	
Restitution for Drugs	10,000
Forfeitures & Seizures	2,500
Other	2,000
Beginning Cash & Investments	50,783
Total from all Sources	65,283
DISBURSEMENTS:	
Other Services	4,000
Capital Outlay	2,600
Total	6,600
Ending Cash	58,683
Total Disbursements & Ending Balance	65,283

CITY OF PICAYUNE
BUDGET – CDBG WESTSIDE REDEVELOPMENT
FOR THE YEAR ENDING 9/30/2000

RECEIPTS:	
Beginning Cash & Investments	12,309
Total from all Sources	12,309
DISBURSEMENTS:	
Other Services	9,000
Capital Outlay	0
Total	9,000
Ending Cash & Investments	3,309
Total Disbursements & Ending Cash Balance	12,309

CITY OF PICAYUNE
BUDGET – LAW ENFORCEMENT BLOCK GRANT #3
FOR THE YEAR ENDING 9/30/99

RECEIPTS:	
Beginning Cash & Investments	30,071

Total from all Sources	30,071
DISBURSEMENTS:	
Capital Outlay	30,071
Total	30,071
Ending Cash & Investments	0
Total Disbursements & Ending Balance	30,071

CITY OF PICAYUNE
BUDGET – UDAG MAJESTIC INN FUND
FOR THE YEAR ENDING 9/30/2000

RECEIPTS:	
Rental Payments	28,219
Interest Income	11,800
Beginning Cash & Investments	319,021
Total from all Sources	359,040
DISBURSEMENTS:	
Other Services	3,500
Ending Cash & Investments	355,540
Total Disbursements & Ending Balance	359,040

CITY OF PICAYUNE
BUDGET – TOBACCO GRANT FUND
FOR THE YEAR ENDING 9/30/2000

RECEIPTS:	
Grants	20,600
Beginning Cash & Investments	20,088
Total from all Sources	40,688
DISBURSEMENTS:	
Supplies	0
Other Services	5,800
Capital Outlay	34,500
Totals	40,300
Ending Cash & Investments	388
Total Disbursements & Ending Balance	40,688

CITY OF PICAYUNE
BUDGET – ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDING 9/30/2000

RECEIPTS:	
Sales Tax Revenue	165,000
Rent	3,750

Beginning Cash & Investments	215,644
Total from all Sources	384,394
DISBURSEMENTS:	
Personal Services	0
Support to Other Organizations	3,000
Other Services	600
Capital Outlay	0
Totals	3,600
Ending Cash	380,794
Total Disbursements & Ending Balance	384,394

CITY OF PICAYUNE
BUDGET – WALMART BOND FUND
FOR THE YEAR ENDING 9/30/2000

RECEIPTS:	
Sales Tax	123,225
Beginning Cash & Investments	85,230
Total from all Sources	208,455
DISBURSEMENTS:	
Transfer to Debt Service	123,325
Ending Cash & Investments	85,130
Total Disbursements & Ending Balance	208,455

CITY OF PICAYUNE
BUDGET – AIRPORT FUND
FOR THE YEAR ENDING 9/30/2000

RECEIPTS:	
Revenues	44,400
Loan Proceeds	315,000
Transfers In	100,000
Beginning Cash & Investments	3,239
Total from all Sources	462,639
DISBURSEMENTS:	
Personal Services	39,800
Supplies	40,200
Other Services	47,640
Capital Outlay	322,450
Ending Cash & Investments	12,549
Total Disbursements & Ending Balance	462,639

CITY OF PICAYUNE
BUDGET – CEMETERY FUND
FOR THE YEAR ENDING 9/30/2000

RECEIPTS:	
Sales of Plots	25,000
Interest Income	10,000
Transfers In	48,000
Beginning Cash & Investments	324,693
Total from all Sources	407,693
DISBURSEMENTS:	
Personal Services	61,000
Supplies	7,800
Other Services	4,600
Capital Outlay	18,000
Total	91,400
Ending Cash & Investments	316,293
Total Disbursements & Ending Balance	407,693

CITY OF PICAYUNE
BUDGET – LONG TERM DEBT FUND
FOR THE YEAR ENDING 9/30/2000

RECEIPTS:	
Transfers In	407,061
DISBURSEMENTS:	
Principal & Interest Payments	407,061
Ending Cash & Investments	0
Total Disbursements & Ending Balance	407,061

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSTAINING: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN REVISED CAPS LOAN AGREEMENT FOR CDBG DRAINAGE PROJECT

Upon recommendation of the City Planner, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following revised CAPS Loan Agreement for the CDBG Drainage Project:

Capital Improvements Revolving Loan Program

Loan Agreement and Promissory Note Modification

Applicant:	City of Picayune	Modification Number:	1
Loan Number:	7-297-CP-01	GMS Number:	180
Current:		*Revised:*	
Loan Amount:	$339,365.00	Loan Amount:	$332,072.27
Interest Rate:	3%	Interest Rate:	3%
Terms:	180 months	Terms:	180 months
First Payment Date:	see page 14 of the loan agreement	First Payment Date:	October 1, 1999

Justification for the change: The loan amount is begin changed to the amount of the actual disbursements of $332,072.27 and the first payment due date is being set for October 1, 1999, or 30 days after the completion of the project, whichever date comes first.

Please review the revisions to your loan documents and your new amortization schedule, them sign both copies, keep one for your records, and return the other one to our office no later than October 16, 1999.

_____ _____
Signature Date
Name: Woody Spiers
Title: Mayor

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to enter closed session to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to announce that the Council would enter executive session to discuss a personnel matter.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Guy, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed a personnel matter and took no action.

RECESSED MEETING DATED SEPTEMBER 14, 1999

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until September 21, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

September 21, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, September 21, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates and Mark Thorman, City Manager Kay Johnson, City Attorney Gerald Cruthird, Deputy City Clerk Brenda Ford and Police Chief Brenda Smith.

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

Opening prayer was given by Mayor Spiers, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the minutes of the Mayor and City Council dated September 7, 1999 and September 14, 1999. Said minutes can be found in the office of the City Manager. The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Pearl River County Development Association dated July 26, 1999. The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF PUBLIC RECORDS REQUESTS REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the Public Records Requests Report for the month of August 1999. The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MONTHLY PRIVILEGE LICENSE REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the Privilege License Report for the month of August 1999. The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MONTHLY BUDGET REPORTS

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the monthly Budget Reports for the month of August 1999. The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

At this time, Councilmember Guy entered the meeting.

ORDER TO CONSIDER REQUEST TO AMEND ORDINANCE CONCERNING REMOVAL, IMPOUNDMENT, TOWING AND STORING OF VEHICLES

Upon review of information given to Mayor and City Council regarding the request to increase towing fees, it was the consensus of the council to not amend ordinance. No official action was taken.

ORDER TO CONSIDER APPOINTMENT TO THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to reappoint David Futrell to the Picayune/Pearl River County Airport board for a four (4) year term to expire in September 2003. The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

RECESSED MEETING DATED SEPTEMBER 21, 1999

ORDER TO CONSIDER APPOINTMENTS TO THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table any action on appointments to Planning Commission. The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO CONSIDER APPOINTMENT TO THE PEARL RIVER COUNTY LIBRARY SYSTEM BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to appoint Judy Doolittle to the Pearl River County Library System Board for a five (5) year term to expire in September 2004. The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE COURT CLERK TRAINING

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge the completion of the Municipal Court Clerks Fall Statewide Seminar held on September 9-10, 1999 by Court Clerk Charlotte Penton. The following roll call vote was recorded

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO APPROVE MANUAL CHECKS

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the issuance of the following manual checks:

Prior Energy	Utility Fund	$ 12,787.50
Sonat Marketing	Utility Fund	$ 17,675.51
Williams Energy Services	Utility Fund	$ 614.08
Center for Governmental Technology	General Fund	$ 110.00
MS State Tax Commission	Utility Fund	$ 12.00
Coastal Tree Service	General Fund	$ 3,200.00

The following roll call vote was recorded:

RECESSED MEETING DATED SEPTEMBER 21, 1999

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN AGREEMENT WITH SPCA

Upon recommendation of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign the following agreement with the Pearl River County Society for the Prevention of Cruelty to Animals for the purpose of providing shelter for stray and unwanted animals picked up by the City Animal Control Officer and for the other purposes provided by ordinance for care, maintenance, and, as needed, the humane disposal of such animals and to increase the contribution to $1805.00 per month:

STATE OF MISSISSIPPI
COUNTY OF PEARL RIVER

ANIMAL SHELTER AGREEMENT

This Animal Shelter Agreement made and entered into upon this, the _____ day of September, A.D., 1999, by and between the **Pearl River County Society for the Prevention of Cruelty to Animals**, a non-profit Mississippi corporation, hereinafter called "SPCA", and the **City of Picayune**, a Municipal corporation of the State of Mississippi, hereinafter called "City".

WHEREAS, the Mayor and Council of the City of Picayune, find that it would be in the best interest and welfare of the City of Picayune, and its citizens, that a contract be entered into with the Pearl River County SPCA for the purpose of housing and providing shelter for stray and unwanted animals picked up by the Animal Control Officer, and for the other purposes provided by Ordinance for care, maintenance, and, as needed, the humane disposal of such animals, and

WHEREAS, the City of Picayune is the owner of an animal shelter and is willing to make said animal shelter available to the SPCA for the purposes hereinafter set forth.

NOW THEREFORE, in the furtherance thereof the parties agree, each with the other, as follows, to-wit:

1. **Duties and obligations of the City:**

a) The City shall make available to the SPCA for such period of time as the SPCA shall use said premises in conformity with the agreement, the Picayune Animal Shelter building and incidental grounds thereabout, for a term ending on September 30, 2000, further, the City shall maintain the heat, air conditioning, plumbing, freezer and roof. Insofar as it may lawfully do so, the City has and does by these presents hereby release and discharge the SPCA from any cause of action for personal injury occurring in the building.

b) For the services to be performed under this agreement, the City shall pay into a bank account to be known as the Animal Shelter Account, which account is subject to audit by City auditors, the sun of $ 1,805.00 per month, commencing upon the execution of the agreement and continuing monthly thereafter for the remainder of the term of this agreement. This bank account shall be under the control and supervision of the SPCA.

c) From time to time, the Animal Control Officer shall deliver to the SPCA at said animal shelter building such animals as may be taken into custody in violation of the Ordinances of the City of Picayune, and the Animal Control Officer shall be responsible for unloading such animal or animals into a mutually agreeable holding area or pen, and shall receive a receipt for each such animal delivered into the holding area or pen.

d) The Animal Control Officer shall make timely disclosure to the SPCA personnel any information that has come to his attention concerning the ownership of any such animal or the heal or behavior of such animal.

e) The Animal Control Officer shall not deliver to the SPCA any animal which is readily determined to be rabid or which otherwise presents a clear and present danger to the public safety. Such animals shall be treated, on a case basis, under guidelines agreed upon by the City, the SPCA, and the Mississippi State Health Department.

RECESSED MEETING DATED SEPTEMBER 21, 1999

1. **Duties and obligations of the SPCA:**

a) The SPCA shall staff and man the facility.

b) The SPCA shall make every reasonable effort to locate the owner of animals delivered to the animal shelter.

c) The SPCA shall care for the animals, maintain the facility in a clean and orderly condition, pay for all utilities, and conduct the day-to-day operation of the facility in conformity with all applicable federal, state and local laws or ordinances, to include but not limited to the disposal of animals in accordance with applicable laws and ordinances.

d) The SPCA shall operate the Animal Shelter on a continuous basis, with the actual hours which the shelter is open to the public to be determined by the SPCA. However, the hours which the shelter is open to the public shall not be less than thirty (30) hours per week, said hours to be set by a Letter Agreement between the SPCA and the City Manager. Likewise, procedure for receipt of animal's hours shall be established by Letter Agreement between the SPCA and the City Manager.

e) All records of operation or funds received and expended by the SPCA under the provisions of this agreement are available to the City, or its auditors, upon reasonable notice.

2. **Special provisions:**

a) This agreement may be terminated by either party upon 60-days written notice to the other party.

b) Provisions not covered by this agreement, or renegotiation of any part of this agreement, may be undertaken by mutual consent of the parties.

c) The parties agree that medical evaluation of said animals is not the responsibility of the SPCA, and the City agrees to indemnify the SPCA, its agents, volunteers, employees, board of directors, officers, successors, and assigns from any responsibility or liability resulting from the physical condition and/or actions of said animals, both during the holding period and after their release, if any.

d) Court Animals. Those animals that are ordered held, seized or otherwise retained by a court of law will be accepted by the SPCA from the Animal Control Officer as provided in this Agreement. For every such animal delivered, the City agrees to deliver to the SPCA within forty-eight (48) hours of delivery of the animal the pertinent court documentation evidencing the court's intent to hold, seize or otherwise retain such animal. If such documentation is not forthcoming within forty-eight (48) hours of delivery of the animal, disposition of the animals is left to the sole discretion of the SPCA. The cost per day on animals held in court cases shall be as set forth below:

1) FOR CATS IMPOUNDED DURING ONE (1) CALENDAR YEAR:

a) First Offense----------$ 5.00 plus $1.00 for each day of impoundment
b) Second Offense--------$15.00 plus $1.00 for each day of impoundment
c) Third Offense--------- $ 25.00 plus $1.00 for each day of impoundment
d) Fourth or Subsequent Offense----$100.00 plus $1.00 for each day of impoundment.

2) FOR DOGS IMPOUNDED DURING ONE (1) CALENDAR YEAR:

a) First Offense----------$ 10.00 plus $2.00 for each day of impoundment
b) Second Offense--------$ 20.00 plus $2.00 for each day of impoundment
c) Third Offense----------$ 40.00 plus $2.00 for each day of impoundment
d) Fourth or Subsequent Offense----$200.00 plus $5.00 for each day of impoundment.

3) FOR LIVESTOCK IMPOUNDED DURING ONE (1) CALENDAR YEAR:

a) First Offense----------$ 40.00 plus $5.00 for each day of impoundment
b) Second Offense--------$ 75.00 plus $5.00 for each day of impoundment
c) Third Offense----------$100.00 plus $5.00 for each day of impoundment
d) Fourth or Subsequent Offense----$200.00 plus $5.00 for each day of impoundment.

4) RABIES VACCINATION CHARGE:

All charges for rabies vaccination, if required, while in the care of the Picayune Animal Shelter.

5) These fees are exclusive of any fines, cost of court, etc., which may result from any violation of any section of this ordinance.

WITNESS our signatures, in duplicate copies, for the purposes herein above set forth and on the date herein above first written in the City of Picayune, Pearl River County, Mississippi.

Pearl River County Society for the Prevention of Cruelty to Animals

BY:_____
Its President

City of Picayune

BY:_____
Woody Spiers, Mayor

ATTEST:

_____
Sabrina Diamond, City Clerk

STATE OF MISSISSIPPI
COUNTY OF PEARL RIVER

PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named _____, President of Pearl River County Society for the Prevention of Cruelty to Animals, who acknowledged to me that he signed, executed, and delivered the foregoing Animal Shelter Agreement for and on behalf of said corporation, on the day, in the year, and for the purposes therein contained, he having first been duly authorized so to do.

GIVEN under my hand and official seal of office, the ____ day of _____, A.D., 1999.

_____
Notary Public

My Commission Expires:_____

STATE OF MISSISSIPPI
COUNTY OF PEARL RIVER

PERSONALLY appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named **Woody Spiers and Sabrina Diamond**, Mayor and City Clerk, respectively, of the City of Picayune, Mississippi, who acknowledged to me that they signed, executed, and delivered the foregoing Animal Shelter Agreement for and on behalf of said City, on the day, in the year, and for the purposes therein contained, they having first been duly authorized so to do.

GIVEN under my hand and official seal of office, the ____ day of _____, A.D., 1999.

_____
Notary Public

My Commission Expires:_____

The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN AGREEMENT WITH THE MISSISSIPPI MAIN STREET ASSOCIATION

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the Mayor to sign the following Memorandum of Agreement with the Mississippi Main Street Association to continue the City's participation in the Main Street program:

RECESSED MEETING DATED SEPTEMBER 21, 1999

MEMORANDUM OF AGREEMENT FOR CONTINUATION IN
MISSISSIPPI MAIN STREET ASSOCIATION'S
MAIN STREET PROGRAM

This agreement is entered into and executed by the Mississippi Main Street Association (hereinafter referred to as the "MMSA") and the City of Picayune and/or sponsoring organization Main Street Picayune hereinafter referred to as "community").

Whereas, this agreement is for the purpose of said community continuing to participate in the Mississippi Main Street Program, and

Whereas, the MMSA is under contract with the Mississippi Department of Economic and Community Development to administer the Main Street Program and to provide technical assistance and training to selected communities;

Now, therefore, in consideration of the foregoing and mutual covenants and agreements contained herein the parties have agreed to the following:

Section I: Community Agrees To:

1. Continue to employ a project manager who will be responsible for the day-to-day administration of the Main Street Program- In the event the manager's position is vacated during the term of this agreement, the community agrees to fill the position within ninety (90) days, and to send the manager to manager's training as designated by the MMSA as soon as the position has been filled.

2. Expend funds and in-kind services for continuation of the Main Street Program, including but not limited to maintaining a full-time office with the necessary travel and operating budget for the local program. A copy of the community's Main Street Program budget certified by revenue sources is required.

3. Continue to implement a comprehensive approach to downtown revitalization following the four-point approach methodology recommended by the National Main Street Center and the Mississippi Main Street Program, including development of annual written work plans for the local Main Street Program and the establishment of a strong, broad-based organizational system to include but not be limited to the following committees: nomination and executive, promotion, design, and economic restructuring.

4. Concentrate the Main Street Program activities within the boundaries of the target area that are designated by the local program.

5. Maintain data for monitoring the progress of the Main Street Program, submit progress reports using formats provided by the MMSA (see sample attached) and provide other information requested by the MMSA on or before the identified deadlines.

6. Authorize the local program manager's participation in Main Street Manager meetings scheduled periodically around the state. The community shall be responsible for the manager's travel costs and expenses associated with these meetings, unless otherwise authorized by the MMSA in writing.

7. Promote and encourage committee and board members attendance at local, state and national training opportunities, as identified by the MMSA.

8. Have at least sixty percent (60%) of persons designated to participate in all the MMSA on-site services committed to attend at least 48 hours before the scheduled event. The MMSA reserves the right to cancel said on-site service if this requirement is not met.

9. Assist in local arrangements during on-site and public relations visits to the community, as requested by the MMSA.

10. Provide the MMSA with three (3) copies of any materials and/or publications relating to the community's Main Street Program.

11. Maintain an active membership in the Mississippi Main Street Association participating at the Main Street Program membership level. Agree to acknowledge being an official Mississippi Main Street city and membership in the MMSA on all printed materials.

Section II: MMSA Agrees To:

1. Designate a State Main Street Coordinator to handle all communications with the community, the MMSA, state government agencies and the National Main Street Center, as they relate to the local Main Street Programs and the, efforts of downtown revitalization in Mississippi.

2. Conduct a three-day Main Street training session for all program managers, board members, committee members and local government representatives from the Main Street communities, and provide all necessary materials related to training.

3. Conduct regional training sessions for new board members, and one on-site training session in the community for development of goals, objectives and annual work plan. The MMSA will also provide guidelines and other materials designed to assist in the educational process.

4. Conduct quarterly regional meetings and workshops to further develop and refine the skills of the program managers, board members, committee members and local government representatives.

WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT.

BY: _____ DATE: _____
MAYOR

_____
LOCALITY

BY: _____ DATE: _____
PRESIDENT/BOARD CHAIRPERSON

_____
NAME OF SPONSORING ORGANIZATION

BY: _____ DATE: _____
PRESIDENT, MMSA BOARD OF DIRECTORS

BY: _____ DATE: _____
EXECUTIVE DIRECTOR, MMSA

The following roll call vote was recorded:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, and Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN LETTER OF AGREEMENT WITH WAL-MART STORES, INC. REGARDING REPAIR OF THE WASTE WATER LIFT STATION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following closeout letter of agreement with Wal-Mart Stores, Inc. regarding the repair of the wastewater lift station:

Ms. Kay Johnson, City Manager
City of Picayune
203 Goodyear Boulevard
Picayune, MS 39466

RE: Wal-Mart Store #970, Picayune, MS
Repair of Waste Water Lift Station

Dear Kay:

The purpose of this letter is to confirm what we believe are the terms of the agreement reached between Wal-Mart Stores, Inc. and the City of Picayune concerning repair of the waste water lift station based upon conferences with you and City engineer Stan Polovick.

The Resolution passed at the July 7, 1998, meeting of the Mayor and City Council provided for a maintenance guarantee as to labor and parts replacement costs caused by failure of any component parts of the waste water lift station during the twelve (12) month period beginning on July 7, 1998, and ending on July 7, 1999. The Resolution provided that that guaranty was to be in the form of a letter of credit in the amount of $15,000.00. In accordance with the Resolution, Wal-Mart provided a letter of credit in required form. That letter of credit expired on July 7, 1999,

with no draws having been made against it. Additionally, under the terms of the Resolution, Wal-Mart's guaranty period expired on July 7, 1999.

The terms of the agreement between Wal-Mart Stores, Inc. and the City of Picayune are as follows:

1. Wal-Mart Stores, Inc., at its expense, will secure repair services from East Tennessee Construction Services to seal the wet well for a price of $8,876.20. Any warranty on that work by East Tennessee Construction Services will be assigned to the City of Picayune.

2. Cost of repairs to pumps and related parts totaling $2,789.55, as detailed in an August 3, 1999, letter of Stan Polovick to Bill Payne will be paid by Wal-Mart Stores, Inc.

3. The cost of a proposed installation of new pumps and related parts at the lift station site, as detailed in the Stan Polovick letter of August 3, 1999, to Bill Payne, will be paid by Wal-Mart Stores, Inc. with one exception. The exception is that the City labor cost of $5,200.00 will be reduced to a cost of $1,000.00 making the total replacement cost $10,358.52. Under this arrangement Wal-Mart Stores, Inc. will order the pumps for delivery to the Picayune site and will make payment to the supplier with warranties from the pump manufacturer being assigned to the City of Picayune. The other parts will be ordered by the City of Picayune and will be paid for by Wal-Mart Stores, Inc.

Under the terms of the agreement, Wal-Mart Stores, Inc. furnishes no maintenance guarantee of any kind.

Wal-Mart will prepare and furnish a Utility Easement Agreement which defines the easement areas for on-site municipal water and sanitary sewer lines and lift stations for execution by Wal-Mart and the City and recording in the land records.

It is understood that the terms of this agreement will be discussed with the Mayor and Council at the September 21, 1999, meeting. It is requested that there be written confirmation as to acceptance of the terms of this Agreement by letter from the Mayor or by some other written method of acceptance.

Sincerely,
/s/
Robert L. Rogers, Jr.

RLRjr/sc

ACCEPTED BY MAYOR AND COUNCIL ON SEPTEMBER 21,1999.

_____
Woody Spiers, Mayor

ATTEST:

_____
City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO CONSIDER BID AWARD FOR INSTALLATION OF THE WATER LINE ON HIGHWAY 43 SOUTH

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to award the bid for the installation of the water line on Highway 43 South from Wal-Mart to East Canal Street to

RECESSED MEETING DATED SEPTEMBER 21, 1999

Myers Underground Utilities for $37,595.50 and to authorize the Mayor to sign the following contract:

CONTRACT
FOR
HIGHWAY 43 SOUTH WATER LINE EXTENSION
CITY OF PICAYUNE, MISSISSIPPI
PICAYUNE JOB NO. 200-2

THIS AGREEMENT, made this _____ day of _____, 1999 at the City of Picayune, County of Pearl River, State of Mississippi by and between the Mayor and City Council of the City of Picayune, County of Pearl River, State of Mississippi, hereinafter called "Owner" and Myers Underground Utilities, Inc., hereinafter called the "Contractor."

WITNESSETH THAT, the Owner and Contractor do mutually agree as follows:

1. In consideration of the price for the work herein specified in the bid proposal to be paid by the Owner to the Contractor at the time and in a manner hereinafter provided, the Contractor does hereby agree to construct complete in every detail as follows:

HIGHWAY 43 SOUTH WATER LINE EXTENSION

CITY OF PICAYUNE, MISSISSIPPI

PICAYUNE JOB NO. 200-2

In compliance with the Advertisement of Bids, Proposal Form, Contract, Performance Bond, General Conditions, Specifications, Plans, and such Addenda thereto as may be issued prior to execution of this Contract, all in a thorough and workmanlike manner.

2. This price shall include the cost and expense to furnish all supplies, machinery, equipment, tools, superintendence, labor, insurance, transportation, and other accessories and services necessary to complete this project, in accordance with the Contract Documents.

3. The Contractor shall commence work under this Contract within ten (10) days from the date of the written "Order to Proceed" issued by the Owner. The Contractor shall complete all work under the Contract within Sixty (60) calendar days from the date of the "Order to Proceed." The Owner has determined, and the Contractor agrees, that the liquidated damages for a delay in completion of this Contract will be One Hundred Fifty Dollars ($150.00) per calendar day in excess of the stated time of completion.

4. A retainage amount of ten percent (10%) shall be withheld from each progress payment. Upon successful completion of the project, the retainage amount will be released with the final payment request.

5. The Owner agrees to pay the Contractor for the performance of the Contract as provided in the Specifications, and to make monthly payments on account thereof provided in the General Conditions. The contract amount, as presented in bid by Contractor, is $37,595.50.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in three (3) original counterparts on the day and year first hereinabove written.

WITNESSES:

_____ _____
Contractor

_____ _____
Signature

_____
Title

WITNESSES:

CITY OF PICAYUNE
Owner

_____ _____
Signature

MAYOR
Title

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN SAFE COMMUNITIES GRANT APPLICATION

Upon request of the City Planner and the Police Chief, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adopt the following resolution related to the application for the Safe Communities Grant application:

WHEREAS, the mayor and City Council of the City of Picayune herein called the "Applicant" has thoroughly considered the problem addressed in the application entitled Picayune Safe Community and has reviewed the project described in the application; and

WHEREAS, under the terms of Public Law 89-564 as amended, the United States of America has authorized the Department of Transportation, through the Mississippi Office of Highway Safety to make federal contracts to assist local governments in the improvement of highway safety,

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PICAYUNE IN OPEN MEETING ASSEMBLED IN THE CITY OF PICAYUNE, MISSISSIPPI, THIS THE TWENTY-FIRST DAY OF SEPTEMBER, 1999, AS FOLLOWS:

1. That the project referenced above is in the best interest of the Applicant and the general public.
2. That Woody Spiers, Mayor of the City of Picayune be authorized to file, on behalf of the Applicant an application in the form prescribed by the Office of Public safety. for federal funding in the amount of $35,041.33 to be made to the Applicant to assist in defraying the cost of the project described in the application.
3. That the applicant formally agreed to provide a cash and/or in kind contribution of $11,680.44 as required by the project.
4. That the project director designated in the application form shall furnish or make arrangements for other appropriate persons to furnish such information data, documents and reports pertaining to the project, if approved, as may be required by the Office of highway Safety.
5. That certified copies of this resolution be included as part of the application referenced above.
6. That this resolution shall take effect immediately upon its adoption.

DONE AND ORDERED in an open meeting.

By: _____
Mayor

Councilman Guy offered the foregoing resolution and moved its adoption, which was seconded by Councilman Thorman and was duly adopted.

Date: _____

ATTEST:
BY: _____
City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO CHANGE STIPULATIONS OF CONDITIONAL USE TO ARBOR GATE APARTMENTS TO PLACE A MULTI-FAMILY RESIDENTIAL COMPLEX IN A C-1 ZONE

Upon request of the developer, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve a change to one of the stipulations of the conditional use to Heritage Properties, Inc. to construct the Arbor Gate Apartment complex, a multi-family residential development, in a C-1 zone in the area located behind the Woodglen Cove subdivision as follows:

Item #6: The complex will have two (2) access points located on Haugh Avenue, one at Seal Street and one at Culpepper Street. There will be no entrance or exit from Woodglen Cove or Monroe Avenue.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN QUITCLAIM DEEDS

Upon request of the Tax Department, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following quitclaim deeds:

To	Parcel #	Tax Year(s)
Holmes & White, PLLC	517-828-000-00-053-00	1992, 1993, 1994 & 1995
Willie & Hattie Richardson	617-614-001-07-053-00	1995 & 1996

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO SURPLUS PROPERTY

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to declare as surplus the following property and to authorize the sale of the same at the equipment auction to be held on September 24, 1999:

QUANTITY	DESCRIPTION
1	IBM Selectric II Typewriter, Serial #01013
1	Galaxy 1250/1500 watts Electric Heater, type P-6, 120 V, 60 hz, Serial #02039
1	Computer cable

1	Printer cable
6	Extension cords
1	Segin Electron Inc. Keyboard, model #SKR-1032, 41B0024915B, FCC ID#GJJSKR P/N SKR-32-Coil-Mag
1	Bush Button Cortelco telephone, FCC Reg #GU13RE-19475-TET 250009MBA-20M
2	PC Computer, Rodan, Inc., FCC ID#HQK-BITS9001, Serial #PCC001/2, S/N 9711324192
1	Nimble Keyboard, FCC ID #GOGAPC-21, model #NBK-2104-5/S BJMT0099710D119749
1	Market NuTone Scovil Fan Forced Electric Heater, model #40TN, serial #00972
1	Bulletin board
1	Desk chair with wheels (gray), OH3390(AA)N, NS7110-00-273-8791
6	Wall partitions (dividers), User ID SXMK075, Serial #NSN-567Partition
1	Blue line machine
	Sharp fax machine
1	HP Deskjet 550C printer
1	Cell-Star cell phone

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN THE NOTE AGREEMENT WITH HANCOCK BANK RELATED TO THE $425,000 NOTE TO BE USED FOR STREET CONSTRUCTION AND PAVING

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the Mayor to sign the following note agreement and other documents with Hancock Bank related to the sale of debt of four hundred twenty-five thousand dollars ($425,000.00) to be used for street construction and paving:

RESOLUTION AUTHORIZING CERTAIN ACTIONS IN CONJUNCTION WITH THE $425,000 NOTE

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to adopt the following resolution authorizing certain actions in conjunction with the $425, 000 Note.

RESOLUTION OF THE CITY OF PICAYUNE

BE IT KNOWN on this the 21st day of September , 1999, at a recessed meeting of the Mayor and City Council of the City of Picayune, on motion of Councilmember Roberson, seconded by Councilmember Guy the following Resolution was offered.

WHEREAS, by resolution adopted on May 4, 1999 by the City of Picayune and duly recorded in the City of Picayune's official minutes in Minute Book 26 at pages 269-70, the City of Picayune declared the necessity to borrow the principal sum of $425,000 evidenced by negotiable notes or certificates of indebtedness offered at public sale after not less than ten days advertising in a newspaper having general circulation in the City of Picayune, a true and correct copy of the Proof Of Publication is attached hereto as Exhibit 1.

WHEREAS, by resolution adopted on June 15, 1999 by the City of Picayune and duly recorded in the City of Picayune's official minutes in Minute Book 26 at page 358, the City of Picayune accepted Hancock Bank's bid to loan the District up to the principal sum of $425,000 bearing interest at 4.36% per annum and payable in five equal annual installments with the first

payment due one year from the date of origination, a true and correct copy of Hancock Bank's bid is attached hereto as Exhibit 2.

WHEREAS, *none of the aforementioned proceedings and resolutions of the City of* Picayune in the matter of the issuance, sale, execution and delivery of the $425,000 Note have been amended, modified, vacated or rescinded in any manner and no appeal has been taken from any of the actions of the City of Picayune in connection with the $425,000 Note.

WHEREAS, Hancock Bank's bid was conditioned upon the interest on the $425,000 Note being excluded from gross income for federal and state income tax purposes and the $425,000 Note constituting a "qualified tax-exempt obligation" of the City of Picayune under Section 265(b)(3) of the Internal Revenue Code.

BE IT RESOLVED, THEREFORE, that the City of Picayune shall borrow and repay this principal sum according to those terms and conditions contained in the form of the $425,000 Note, which is attached hereto as Exhibit 3 (hereinafter, the "$425,000 Note").

BE IT RESOLVED FURTHER, that the City of Picayune shall (i) deliver to Hancock Bank a Federal Tax Certificate in the form attached hereto as Exhibit 4, Certificate As To No-Litigation And Assessed Sales in the form attached hereto as Exhibit 5, a Certificate As To Delivery And Payment in the form attached hereto as Exhibit 6, and any other certificate reasonably required by Hancock Bank regarding matters relating to the $425,000 Note.

BE IT RESOLVED FURTHER, that Woody Spiers, in his capacity of Mayor of the City of Picayune and Sabrina Diamond, in her capacity as Clerk for the City of Picayune, have the authority to execute and thereafter deliver to Hancock Bank the $425,000 Note, Federal Tax Certificate, Certificate As To No-Litigation And Assessed Sales, and Certificate As To Delivery And Payment. Furthermore, Woody Spiers or Sabrina Diamond shall file or cause the filing of an IRS Form 8038-G designating the $425,000 Note as a "qualified tax-exempt obligation." Finally, each of them, either acting alone or in conjunction with other appropriate individuals have the authority to execute and deliver to Hancock Bank any other documents or certificates reasonably required by Hancock Bank in conjunction with the $425,000 Note.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared and carried.

ADOPTED on this the 21st day of September, 1999.

_____
Woody Spiers, Mayor

ATTEST:

_____
Sabrina Diamond, City Clerk

EXHIBIT 1
PROOF OF PUBLICATION
(AVAILABLE FOR REVIEW BUT NOT ENTERED IN MINUTES)

EXHIBIT 2
HANCOCK BANK BID DOCUMENTS
(AVAILABLE FOR REVIEW BUT NOT ENTERED IN MINUTES)

EXHIBIT 3
UNITED STATES OF AMERICA
STATE OF MISSISSIPPI
CITY OF PICAYUNE, MISSISSIPPI
$425,000 NOTE

Interest Rate	Maturity Date	Date of Original Issue
4. 36%	September 30, 2004	September 30, 1999

RECESSED MEETING DATED SEPTEMBER 21, 1999

OWNER: HANCOCK BANK
PRINCIPAL AMOUNT: $425,000

Know all men by these presents that the City of Picayune (the "City"), acknowledges itself to be indebted and for value received promises to pay to the Owner specified above, or registered assigns, the principal amount up to Four Hundred and Twenty-Five Thousand Dollars ($425,000), plus accrued interest (the "Indebtedness"). The City shall pay accrued interest and repay principal in five equal annual installments of $96,434.07 with the first such payment due one year from the Date of Original Issue.

Interest is calculated on the basis of a 360-day year, based on the actual number of days elapsed and begins accruing from the date of original issue. The Indebtedness on this Note shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

The Outstanding Principal Amount of the Note is subject to pre-payment in whole or in part at any time at the option of the City. The City shall make such prepayment to the Owner.

This Note has been authorized by Resolutions of the City adopted on May 4, 1999 and on June 15,1999 and that Resolution Authorizing Certain Actions In Conjunction With The $425,000 Note adopted on September 21, 1999 (collectively the "Note Resolutions") to provide money for street construction in the City of Picayune, Mississippi pursuant to and in full conformity with the Constitution and Laws of the State of Mississippi, including Sections 17-21-51 through 17-21-55 and 21-33-301(f) of the Mississippi Code of 1972, as amended (the "Code").

The City hereby irrevocably pledges to the Owner the full faith, credit and resources of the City for the prompt payment of this Indebtedness. Further, should the City not have available funds in an amount sufficient to provide for the payment of this Indebtedness, then the City shall annually levy a special tax upon all of its taxable property at a rate the avails of which will be sufficient to provide for such payment as provided in Section 17-21-55(3) of the Code.

The City shall designate this Indebtedness as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3)(B) of the Internal Revenue Code and shall file or cause to be filed a IRS Form 8038-G or 8038-GC, as appropriate.

It is hereby certified and recited that: all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; as of the date of this Note there is no legislation, reorganization, proceeding or order, controversy or litigation pending or threatened in any manner questioning or affecting the corporate existence of this City, its boundaries, the right or entitlement to office of any of its officers, the due authorization or validity of the borrowings referred to herein, or the Note Resolutions and that this Note, together will all other indebtedness of the City is within every debt and other limitation prescribed by the Constitution and Laws of the State of Mississippi.

IN WITNESS WHEREOF, the City has caused this Note to be executed on its behalf by the Mayor and City Clerk as of the Date of Original Issue specified above.

CITY OF PICAYUNE, MISSISSIPPI

(Affix Seal Here)

BY: _____
WOODY SPIERS, MAYOR

BY: _____
SABRINA DIAMOND, CITY CLERK

EXHIBIT 4
FEDERAL TAX CERTIFICATE

We, the undersigned, certify that we are duly appointed officers of the City of Picayune (hereinafter, the "Issuer"), holding the offices appearing under our names, are the officers under whose jurisdiction the proceeds of the general obligation notes (hereinafter, the "Obligation") will be expended, are authorized to execute this certificate on behalf of the Issuer and are the officers of the Issuer charged by a resolution of the Issuer with actually issuing the Obligation. We are familiar with the facts stated herein.

Pursuant to the Internal Revenue Code of 1986, as amended, and regulations thereunder (collectively referred to as the "Code"), we hereby execute and deliver this certificate for the benefit of all persons interested in (i) the exemption from federal income taxation of the interest to be paid on the Obligation and/or (ii) exempt interest issued for the purpose of street construction and paving (hereinafter, the "Project") funded by the proceeds of the Obligation.

This certificate may be relied upon as the certification of the Issuer and is executed for the purpose of establishing the facts and reasonable expectations of the Issuer regarding the

Obligation, its proceeds and the Project. We base this certificate upon facts, circumstances, estimates, and expectations of the Issuer in existence on the 21st day of September, 1999, the date on which the general obligation notes evidencing the Obligation is to be physically delivered in exchange for money, and to the best of our knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

Tax Covenants

On behalf of the Issuer, we hereby covenant as follows:

(1) In order to maintain (i) the exemption from federal income taxation of the interest to be paid on the Obligation and/or (ii) the deduction of interest and expense which is allocable to tax-exempt interest on the Obligation issued for the purpose of the Project, the Issuer covenants to comply with each applicable requirement of the Code.

(2) The Issuer covenants that it shall not take any action or fail or omit to take any action, which action or omission, if reasonably expected on the date of initial issuance or delivery of the Obligation or thereafter while the Obligation is outstanding, would cause the Obligation to be or become "private activity bonds" or "arbitrage bonds" within the meaning of Sections 141(a) and 148(a), respectively, of the Code, or any pertinent successor provisions of the Code.

(3) The Issuer shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Obligation pursuant to Section 148 (f) of the Code to preserve the Obligation's status as a tax-exempt obligation, including the exclusion of related interest from gross income under Section 103 (a) and (b) and the deduction of interest expense which is allocable to tax-exempt interest under Section 265(b) (3) of the Code.

(4) On the basis of the facts, estimates and circumstances in existence on the date of such authentication and delivery of the Obligation, it is not expected that the proceeds of the Obligation will be issued in a manner that would cause such Obligation to be or become "arbitrage bonds" or "private activity bonds" within the meaning of Sections 148(a) and 141 of the Code and Treasury Regulations thereunder, and to the best or our knowledge and belief, there are no other facts or circumstances that would materially change the expectations expressed herein.

(5) Notwithstanding any other provisions of the Obligation, so long as necessary in order to maintain the exclusion from gross income for federal income tax purposes under Section 103(a) of the Code of interest on the Obligation and the deduction of interest expense which is allocable to tax-exempt interest under Section 265(b) (3) of the Code, the covenants and warranties contained herein shall survive the payment or defeasance of the Obligation and the interest thereon.

Tax Warranties

In addition to any provisions contained in the Obligation, including any related instruments or other documents, we on behalf of the Issuer hereby warrant as follows:

(1) The issuer has not been notified by the Internal Revenue Service of any listing or proposed listing of its disqualification as an issuer whose certification of its reasonable expectations as to future events on the date of the issue of the Obligation may be relied upon by holders of obligations of the Issuer because it made a previous certification which contains material misrepresentation.

(2) The Issuer constitutes either a political subdivision of the State of Mississippi or a local governmental unit as defined under Section 103 of the Code and Treasury Regulation Section 1. 103-1. The Issuer shall issue the Obligation to raise money for the purpose of Street Construction and paving (the "Project").

(3) The Issuer issued the Obligation pursuant to its borrowing power under the laws of the State of Mississippi and the Obligation qualifies as an interest-bearing obligation of the Issuer.

(4) The Issuer does not reasonably anticipate that the aggregate face amount of all tax-exempt indebtedness issued by the Issuer during this calendar year will exceed ten million dollars ($10,000,000.00). Further, the Issuer shall not designate more than ten million dollars of its obligations as tax-exempt indebtedness during any calendar year during which the Obligation is outstanding. The Issuer shall designate the Obligation as a qualified tax-exempt obligation for the purpose of Section 265 of the Code by filing an IRS Form 8038-G or 8038-GC, as appropriate.

(5) The total cost of Project is currently estimated to be $660,000, of which $425,000 will be provided from the proceeds of the Obligation. The Issuer will not use any portion of the Obligation proceeds to directly or indirectly make for finance loans to persons or entities. The Issuer will not use any portion of the Obligation proceeds directly or indirectly for any private businesses.

(6) The Issuer reasonably expects that the principal and interest on the Obligation will be paid from general funds of the City of Picayune. The Issuer debt service obligation shall not be (a) secured by an interest in such property used or to be used for a private business use or by an interest in payments in respect of such property, or (b) derived from payments of property or borrowed money used or to be used for a private business.

(7) The Issuer does not reasonably expect to use any portion of the proceeds of the Obligation to acquire higher yielding investments or to replace funds which were used to acquire higher yielding investments. If the Issuer does in fact invest proceeds of the Obligation and generate earnings exceeding that amount of the Issuer would have earned had the investment been at a rate equal to the yield on the Obligation, then the Issuer shall pay the amount of such excess, as required under Section 148 (f) of the Code to the United States Treasury to preserve the Obligation's status as a tax-exempt obligation, including the exclusion of related interest from gross income under Section 103 (a) and (b) and the deduction of interest expense which is allocable to tax-exempt interest under Section 265 (b) (3) of the Code.

(8) The Issuer reasonable expects that by the 31st day of October 1999, it will have expended all of the proceeds of the Obligation.

(9) No other such obligations are being issued by the Issuer at substantially the same time as the Obligation and pursuant to a common plan of financing with the Issuer, which will be paid out of the same source of funds as the Issuer or will be paid directly or indirectly from the proceeds of the Obligation.

(10) No payment of principal or interest on the Obligation is or will be directly or indirectly guaranteed by the United States or any agency or instrumentality thereof or any entity with authority to borrow form the United States. None of the proceeds of the Obligation will be used to make loans the payment of principal or interest on which are guaranteed, in whole are in part, by the United States or any agency or instrumentality thereof or any entity with authority to borrow from the United States.

(11) To the best of our knowledge and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would change the foregoing covenants and warranties.

This the 21st day of September, 1999.

BY: _____
Woody Spiers, Mayor

ATTEST:

_____
Sabrina Diamond, City Clerk

EXHIBIT 5
CERTIFICATE AS TO NO-LITIGATION
AND ASSESSED VALUE

We, Woody Spiers and Sabrina Diamond, Mayor and Clerk of the City of Picayune, respectively, DO HEREBY CERTIFY that there is no pending litigation now of record in any court nor is there litigation threatened or contemplated, affecting in any manner either directly or indirectly:

1. $425,000 Note;
2. the issuance, execution, delivery and validity of $425,000 Note;
3. the provision of funds to pay the interest thereon principal thereof when such payments shall become due;
4. the proceedings and authority under which provision of funds is made;
5. the tax-exempt status of the $425,000 Note; or
6. the geographical boundary lines of the City of Picayune.

Further, WE DO HEREBY CERTIFY that as of September 1998, the total assessed value of the taxable property within the City of Picayune is **$42,598,796**, and since that date there has not been a decrease in the assessed value.

IN WITNESS WHEREOF, we have hereunto set our hands and have caused the seal of the City of Picayune to be affixed hereto as of this the 21st day of September, 1999.

WOODY SPIERS, Mayor

SABRINA DIAMOND, City Clerk

EXHIBIT 6
CERTIFICATE AS TO DELIVERY AND PAYMENT

I, Sabrina Diamond, Clerk of the City of Picayune, Mississippi, DO HEREBY CERTIFY, that on the date hereof the City has caused its $425,000 Note to be delivered to Hancock Bank "the "Purchaser", as purchaser of the $425,000 Note, and has received from the Purchaser the balance, in full of the purchase price payable on the $425,000 Note, in immediately available funds, as follows:

Purchase Price	$425,000
Plus Accrued Interest	-0-
TOTAL	$425,000
Less Good Faith Deposit	-0-
AMOUNT RECEIVED	$425,000

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the seal of the City of Picayune to be affixed as of this 30th day of September, 1999.

(SEAL)

SABRINA DIAMOND, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter closed session to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

RECESSED MEETING DATED SEPTEMBER 21, 1999

The Mayor reopened the meeting to announce that the Council would enter executive session to discuss a matter involving the location of a business and a matter involving the possible purchase of property.

During executive session, Councilmember Bates left the meeting.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session, the Council discussed a matter involving the location of a business and a matter involving the possible purchase of property and took no action on either issue.

ORDER TO ADJOURN

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

October 5, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, October 5, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Assistant Police Chief David Ervin.

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

Opening prayer was given by Councilmember Guy, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to approve the minutes of the Mayor and City Council dated September 21, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated September 16, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO VOID TAX SALES

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to void the 1996 tax sales on the following parcels:

Parcel Number	Assessed To
617-522-001-01-006-00	Sid Hampton
617-614-001-07-053	Adline Ivory Hook
617-613-000-00-024	James J. Martin
617-112-002-02-048-00	Edgar O. Robinson
617-209-004-01-040-00	Security Investment Co.

617-614-001-06-016-00	Lawrence W. Smith, etux
617-614-001-06-017-00	Maggie I. Smith
617-521-002-03-002-00	Spiers Construction
617-204-000-00-016-00	Robert Leon Williams, etux
617-209-004-03-015-01	Barrie Copling or State
617-515-004-06-021-00	Richard Gibbs Est. or State
617-515-004-08-021-00	L. M. Greely or State
617-614-001-03-041-00	Charles A. Hawkins or State
717-102-000-00-019-00	William A. Hursey or State
517-931-000-00-040-00	Nell Williams Koch or State
618-106-000-00-014-01	James Raney Jr. or State
617-331-000-00-006-01	James Ramey Jr.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN QUITCLAIM DEED

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the Mayor to sign the following quitclaim deed:

To	Parcel Number	Tax Name	Years
Freddie Jordan & Anna Faye Davis	617-613-000-00-005-00	Robert Reid Wall	1987 – 1992, 1995 & 1996

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPROVE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the monthly claims docket for October in the amount of $597,502.18. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

REGULAR MEETING DATED OCTOBER 5, 1999

ORDER TO APPROVE MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the issuance of the following manual checks:

Curtis Jackson	General Fund	$ 962.00
MDECD	Long Term Debt	2,413.07
MDECD	Long Term Debt	2,293.21
US Postmaster	Utility Fund	200.00
US Postmaster	Utility Fund	978.18
MS Water & Pollution Control Operator's Assoc.	Utility Fund	450.00
MS Municipal Workers' Compensation Group	General/Utility	15,925.80

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO GRANT PARADE REQUEST FOR TOYS FOR TYKES MOTORCYCLE TOY RUN

Upon request of Tony Tarver, motion was made by Councilmember Guy seconded by Councilmember Roberson, to approve the annual Toys for Tykes project and to grant a parade request for the Toys for Tykes Motorcycle Toy Run to be held on December 11, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO PROCLAIM DOMESTIC VIOLENCE PREVENTION MONTH

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the following proclamation related to Domestic Violence Prevention Month:

PROCLAMATION

WHEREAS, communities throughout our country cannot afford to ignore the tragedies of Domestic Violence; and

WHEREAS, Domestic Violence is more than just an occasional family dispute; and

WHEREAS, the Department of Health and Human Services has stated that Domestic Violence is the single largest cause of injury to American women of all cultural, racial and economic backgrounds; and

WHEREAS, for more of us, our homes are considered to be a sanctuary and a place to escape the outside world. But for all too many of us, home is a battlefield and a symbol of torture; and

WHEREAS, Domestic Violence is not just a family matter. It affects each and every one of us throughout the country; and

WHEREAS, the State of Mississippi, Pearl River County and the City of Picayune are working collectively to create a safe environment for women; and

WHEREAS, Domestic Violence is a serious violation of the law and a critical social problem;

NOW, THEREFORE BE IT RESOLVED, that I, Woody Spiers, Mayor of the City of Picayune, Mississippi do hereby proclaim the month of October 1999 as:

DOMESTIC VIOLENCE PREVENTION MONTH

and encourage the citizens of our area to observe this month by joining friends, fellow employees, school, religious and civic groups in projects that will benefit our community in the fight to stop Domestic Violence.

ADOPTED this the 5th day of October, 1999.

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

EMPLOYEE OF THE MONTH

Upon recommendation of Kristen Wood, Angela Wood was declared Employee of the Month for October, 1999. Angela was presented with a savings bond from Union Planters Bank.

ORDER TO CONSIDER REQUEST TO PURCHASE ADVERTISEMENT TO PROMOTE THE RESOURCES OF THE CITY

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to take the request of Magnolia Graphics to purchase an advertisement in their brochure promoting Picayune businesses under advisement at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO GRANT PARADE REQUEST FOR MARCH FOR JESUS

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to grant a parade permit for a March for Jesus to be held October 31, 1999 from 6:00 a.m. until 9:00 p.m. The approved route is as follows: Highway 43 South from Wal-Mart to Highway 11, north on Highway 11 to Goodyear Boulevard, up and down Goodyear Boulevard back to Highway 11, north on Highway 11 to Highway 43 North, and east on Highway 43 North. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO PROCLAIM NATIONAL FAMILY COMMUNITY EDUCATION WEEK

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the following proclamation related to National Family Community Education Week:

PROCLAMATION

WHEREAS, the Family is the core of society; and

WHEREAS, the well-being of the Family is dependent upon the development of the value system; and

WHEREAS, Mississippi Association for Family and Community Education with the National Association for Family and Community Education join voices in promoting NAFCE Week with the campaign "MAKE A DATE WITH YOUR FAMILY".

WHEREAS, the dates that individuals have with their families will foster communication, love and understanding within each family and strengthen their communities;

NOW, THEREFORE, I, Woody Spiers, Mayor of the City of Picayune, Mississippi do hereby proclaim October 10 through 16, 1999 as:

"NATIONAL FAMILY COMMUNITY EDUCATION WEEK"

in Mississippi and urge all citizens to join family and community education members and "MAKE A DATE WITH YOUR FAMILY".

ADOPTED this 5th day of October, 1999.

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO APPOINT MEMBERS TO THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to appoint the Lud Pierce to the Planning Commission for a 3-year term expiring September 2002. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to appoint Mark Drummond to the Planning Commission for a 3-year term expiring September 2002. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table the remaining appointment to the Planning Commission. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to accept the minutes of the Planning Commission dated August 24, 1999, September 17, 1999 and September 28, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Guy and McQueen

VOTING NAY: Councilmember Roberson

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Planning Commission dated September 30, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR REZONING ON HIGHWAY 43 NORTH – BERRY PROPERTY

Upon recommendation of the Planning Commission, following ordinance was offered related to the rezoning request by Dr. Donald Berry for property located on Highway 43 North from R-1 and C-3 to OP:

ORDINANCE NO. 725

AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-1 AND C-3 TO OP, OFFICE PROFESSIONAL DISTRICT

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1: PROPERTY DESCRIPTION. The following described property shall be rezoned from R-1, Single Family Residential and C-3, Highway Commercial District, to OP Office Professional District:

Beginning at the Northeast corner of the Northwest Quarter of the Northeast Quarter of Section 12, Township 6 South, Range 17 West, Pearl River County, Mississippi; thence South 00 degrees 08 minutes 11 seconds West 640.88 feet; thence North 89 degrees 48 minutes 28 seconds West 709.53 feet; thence North 89 degrees 13 minutes 00 seconds West 144.89 feet; thence North 89 degrees 03 minutes 01 seconds West 87.02 feet thence; 89 degrees 38 minutes 48 seconds West 139.27 feet; thence North 3.83 feet; thence North 89 degrees 44 minutes 15 seconds West 90.82 feet; thence North 70.00 feet; thence 89 degrees 44 minutes 15 seconds West 453.38 feet; thence North 08 degrees 07 minutes 37 seconds West 376.87 feet; thence South 89 degrees 52 minutes 00 seconds East 594.48 feet; thence North 193.90 feet; thence South 89 degrees 35 minutes 35 seconds East 1085.23 feet to the point of beginning. This parcel containing 21.00 acres and being a part of the Northeast Quarter of the Northwest Quarter and a part of the Northwest Quarter of the Northeast Quarter of Section 12, township 6 South, Range 17 West, Pearl River County, Mississippi.

Section 2: SEVERABILITY, CONFLICT AND EFFECTIVE DATE. Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

Conflict in any case where a provision of this ordinance is found to be in conflict with the provision of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

This ordinance shall take effect and be in force thirty (30) days after its publication.

The foregoing ordinance, having first been reduced to writing, was moved upon by Councilmember Bates, seconded by Councilmember Guy, and voted upon as follows:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried and the ordinance passed, approved, and adopted.

ORDER TO CONSIDER REQUEST FOR REZONING ON HIGHWAY 43 NORTH – SMITH PROPERTY

Motion was made by Councilmember Roberson to deny the request for rezoning on the Smith property located on Highway 43 North from R-1 to OP. Motion died for lack of a second.

No other action was taken by the Council. Per the City's Zoning Ordinance, a vote by the Council is required in order to override and reverse the findings and recommendations of the

Planning Commission. Because the rezoning was recommended by the Planning Commission at their September 28, 1999 meeting, the rezoning is approved.

ORDER TO CONSIDER REQUEST FOR REZONING ON HIGHWAY 43 NORTH – McRANEY PROPERTY

Upon recommendation of the Planning Commission, the following motion was offered related to the rezoning request by Dr. Tom McRaney for property located on Highway 43 North from R-1 to OP:

ORDINANCE NO. 726

AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-1, SINGLE FAMILY RESIDENTIAL, TO OP, OFFICE PROFESSIONAL

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1: PROPERTY DESCRIPTION. The following described property shall be rezoned from R-1, Single Family Residential, to OP, Office Professional District:

Southwest Quarter of Northwest Quarter of Section 12, Township 6 South, Range 17 West, less the West 100 feet and the North 797 feet to the East 330 feet of the West 430 feet of said Southwest Quarter of Northwest Quarter of Section 12, Township 6 South, Range 17 West, containing 31 acres more or less. It is the intention of the Seller herein to include in this deed all that portion of the Southwest Quarter of the Northwest Quarter of Section 12, Township 6 South, Range 17 West, which were sold by the Williams Yellow Pine Company being described in deed to F.H. Mitchell dated January 27, 1937, recorded in Book 46, Page 117, and deed to L.L. Megehee dated September 11, 1934, recorded in Book 48, Page 121.

LESS AND EXCEPT any and all property previously conveyed and as shown by Land Deed Records of Pearl River County, Mississippi; the remaining property being 8.195 acres being a part of the Southwest Quarter of the Northwest Quarter of Section 12, Township 6 South, Range 17 West, Pearl River County, Mississippi.

Section 2: SEVERABILITY, CONFLICT AND EFFECTIVE DATE. Should any section clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions:

Conflict in any case where a provision of this ordinance is found to be in conflict with the provision of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

This ordinance shall take effect and be in force thirty (30) days after its publication.

The foregoing ordinance, having first been reduced to writing, was moved upon by Councilmember McQueen, seconded by Councilmember Bates, and voted upon as follows:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried and the ordinance passed, approved, and adopted.

ORDER TO CONSIDER REQUEST FOR CONDITIONAL USE FOR 1101 GOODYEAR BOULEVARD

Upon recommendation of the Planning Commission and upon request of Rev. Kyle Jones of Save-A-Life of the Pearl River Area, motion was made by Councilmember Guy, seconded by

Councilmember Bates, to grant a conditional use for the property located at 1101 Goodyear Boulevard, R-2 zone, to be used as a crisis pregnancy center by Save-A-Life of the Pearl River Area provided that parking for all employees and visitors be in the rear of the property. The following roll call vote was taken:

VOTING YEA: Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: Mayor Spiers

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

At this time, Councilmember Guy left the meeting.

ORDER TO CONSIDER REQUEST FOR REAR YARD VARIANCE FOR 602 JARRELL STREET

Upon recommendation of the Planning Commission and upon request of Leavern Guy, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to grant a 7-foot rear yard variance for 602 Jarrell Street, R-3 zone, so that Mr. Guy may construct an apartment building. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and Guy

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR DENSITY VARIANCE FOR 602 JARRELL STREET

Upon recommendation of the Planning Commission and upon request of Leavern Guy, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to grant a density variance for 602 Jarrell Street, R-3 zone, so that Mr. Guy may construct an apartment complex containing six (6) units. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and Guy

The motion was declared carried.

At this time, Councilmember Guy entered the meeting.

ORDER TO AUTHORIZE MAYOR TO SIGN URBAN & COMMUNITY FORESTRY ASSISTANCE GRANT AGREEMENT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following grant award for an Urban & Community Forestry Assistance Grant in the amount of $7,500:

AGREEMENT

BETWEEN

THE MISSISSIPPI FORESTRY COMMISSION (MFC)

AND

THE CITY OF PICAYUNE

For performance of work under the Urban and Community Forestry Assistance Program, a competitive grant program of the USDA Forest Service and the Mississippi Forestry Commission

I. Situation and Justification

For fiscal year 1999, congress appropriated funds to be utilized in developing urban forestry programs in cities, towns, and communities across the nation. Among these purposes is the implementation of a competitive matching grant program for which Mississippi is eligible to receive $213,817. The project being carried out under this agreement partially fulfills this purpose.

This contract will serve as the award notice to City of Picayune, hereafter referred to as the sub-recipient.

II. Statement of Work

The sub-recipient hereby agrees to complete the project as described in the project proposal and summarized herein Attachment A.

Furthermore, the sub-recipient agrees to adhere to the allowable costs described in project proposal, and to provide the local contribution.

III. Period of Performance

The sub-recipient agrees to complete the project no later than June 30, 2000.

The sub-recipient agrees to notify the Mississippi Forestry commission as to the exact start date of the project and of dates of significant events associated with the project and to accommodate field inspectors.

IV. Consideration and Payment

A. Consideration: As consideration for the performance of this agreement, MFC agrees to pay the sub-recipient 50% of the approved cost of the project up to the maximum amount of $7,500.00 upon project completion and certification by an authorized MFC employee, and upon completion and presentation of all documentation as described in Section B below.

B. Payment: The MFC shall pay or make payment on the above mentioned consideration upon:

1. Completion of work as stated in Section II, Statement of Work.

2. Presentation of required documentation including:
   a. billing invoice to the MFC for the amount agreed to in Section IV.A. above.
   b. completed and signed Certification of completion.
   c. A project completion report as described in Section V.

V. Reports and Evaluation

A performance report is due February 15, 2000. The performance report will include a summary of accomplishments to date as compared to objectives established for the period.

The grant recipient will develop one project completion report describing project accomplishments as compared to the program objectives as specified in Section II of this agreement. The project completion report will furthermore include a cost breakdown, by line item, of actual costs incurred and all in-kind contributions. Copies of receipts for all cash expenditures shall be attached to this breakdown.

The project completion report is due 30 days from project completion.

Other special reports may be requested periodically. Special reports will be due within 30 days of the request.

VI. Records

This award is subject to the following cost principles and OMB uniform administrative requirements:

State and Local Government

Code of Federal Regulations (CFR) Part 3015 – parts of this apply to State and Local Governments, but most of it applies only to non-governmental agencies.

CFR Part 3016 – Uniform Administrative Requirements for State and Local Governments.

CFR Part 3017 – Debarment, Suspension, Drug-Free Workplace.

Office of Management and Budget (OMB) Circular A-87 – Cost Principles for State and Local Government.

Nonprofit Organizations:

SF 424 – Required from successful applicants.

Code of Federal Regulations (CFR) Part 3015 – Parts of this apply to State and Local Governments, but most of it applies only to non-governmental agencies.

CFR Part 3017 – Debarment, Suspension, Drug-free Workplace.

Office of Management and Budget (OMB) Circular A-122 - Cost Principles for Nonprofit organizations.

Educational Institutions:

SF 424

Code of Federal Regulations (CFR) Part 3015 – Parts of this apply to State and Local Governments, but most of it applies only to non-governmental agencies.

Code Part 3017 – Debarment, Suspension, Drug-free Workplace.

Office of Management and Budget (OMB) Circular A-21 – Cost Principles for Educational Institutions.

The grant recipient agrees to maintain adequate records and documentation for all expenditures claimed and agrees to provide this information upon request for a period up to three (3) years from project completion.

VII. Advance Understandings

The grant recipient agrees that all project components carried out under this agreement will be available for inspection by the MFC as requested. An inspection by an authorized MFC employee may be required prior to payment. No food for persons may be purchased with this grant. The grant recipient hereby certifies they are not delinquent in any federal debt.

The grant recipient agrees that it is responsible for any and all liability or claims of liability that arise out of or are related in any way to the project activities, the work, the contracting, or subcontracting for said project and or work related to this agreement and agrees to *hold the Mississippi Forestry Commission harmless and indemnify said Commission for any cost,* expense and/or judgement related in any way to the work and duties identified in Attachment A (Statement of Work) of this Agreement.

Signatures of acceptance of the agreement.

Mississippi Forestry Commission

_____ _____

State Forester *Date*

_____ _____

Witness Date

Recipient Organization

Authorized Representative	Date
Signature and Title	Date
Witness	Date

ATTACHMENT A
STATEMENT OF WORK
CITY OF PICAYUNE

- Conduct a workshop on the importance of trees to a community and the importance of the use of native species in landscaping and how to select the right tree for the site.
- Develop a brochure on indigeous tree & plant species. The layout must be approved by a representative of the Mississippi Forestry Commission before printing. It must state "funded by an urban & Community Forestry Grant from the MS Forestry Commission and the USDA Forest Service and the Southern Group of State Foresters."
- Develop a standard landscape design for city medians and use this information for civic/volunteer groups to use in landscape gardening this will be developed by city staff.
- Hire a consultant to revise the buffer requirements to the City's Zoning Ordinance.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

At this time, Councilmember Guy left the meeting.

ORDER TO CONSIDER AMENDMENT TO ORDINANCE NO. 721, AN ORDINANCE REGULATING SEXUALLY ORIENTED BUSINESS WITHIN THE CITY OF PICAYUNE, MISSISSIPPI

Upon recommendation of the City Planner, the following ordinance to amend Ordinance No. 721, An Ordinance Regulating Sexually Oriented Business within the City of Picayune, Mississippi was offered:

ORDINANCE NO. 727

AN ORDINANCE TO AMEND ORDINANCE NO. 721, ARTICLE II DEFINITIONS, ARTICLE III, SECTION A. LOCATION, ARTICLE III, SECTION E. REGULATIONS AND PROHIBITIONS, ARTICLE IV, SECTION B.(5) CONTENTS OF THE APPLICATION AND ARTICLE VII PENALTIES, WHICH REGULATES SEXUALLY ORIENTED BUSINESS WITHIN THE CITY OF PICAYUNE

Be it ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1. That Ordinance No. 721, Article II - Definitions, Beer and light wines; Straddle dance, lap dance, table dance and face dance; Nudity or state of nudity; and Sexual encounter center, shall read as follows:

Beer and light wines means light wine and beer of alcoholic content of not more than five (5) percent by weight (regulated under Title 67, Chapter 3, Mississippi Code of 1972 Annotated, as Amended).

Straddle dance, also known as *lap dance, table dance or face dance* shall mean any of the following acts:

(1) The use by an employee of any part of his or her body to touch the genital or pubic area of a person, including another employee, while at the commercial establishment, or touching the genital or pubic area of any employee by a person, including another employee, while at the commercial establishment in exchange for receiving a tip, donation, gratuity or anything of value. It shall be a straddle dance regardless of whether touch occurs while the employee is displaying or exposing any specific anatomical area. It shall also be a straddle dance regardless of whether the touch or touching is direct or through a medium;

(2) The straddling of the legs of any employee over any part of the body of a person, other than another employee at the commercial establishment, regardless of whether there is a touch or touching.

Nudity or state of nudity means the appearance of a human bare buttock, anus, anal cleft or cleavage, pubic area, male genitals, female genitals, or vulva, with less than a fully opaque covering; or a female breast with less than a fully opaque covering or any part of the nipple; or human male genitals in a discernibly turgid state even if completely and opaquely covered.

Sexual encounter center means a business or commercial enterprise that, as one of its principal business purposes, offers for any form of consideration:

(1) physical contact in the form of wrestling or tumbling between persons of the opposite sex; or

(2) Activities between male and female persons and/or persons of the same sex when one or more of the persons is in a state of nudity or semi-nudity.

Section 2. That Ordinance No. 721, Article III, Section A. Location, shall read as follows:

Location

A Person commits an offense if he, or she or it operates or causes to be operated, regardless of the zone a sexually oriented business:

(1) Within the locally zoned downtown district, which includes areas that may hereinafter become so zoned by the city. Sexually oriented businesses are allowed only in C-3, I-1 or I-2 zones.

(2) Within 1,000 feet of the boundary line of any church, place of worship, any public or private school, any educational institution, any license daycare facility, any building used by the Unites States, State or unit of local government, any parks or playgrounds, any building used by non-profits for entertainment or education of children or adults, any entertainment business that is oriented toward children or family entertainment, or within 250 feet of any pre-existing sexually oriented business, and within 1,000 feet of the boundary line of any residential property, including areas zoned Open Space, or which may hereinafter become so zoned by the city.

(3) Within 500 feet of an establishment which serves beer and light wine.

(4) For the purpose of this section, measurement shall be made in a straight line, without regard to intervening structures or objects, from the nearest portion of the building or structure used as a part of the building or structure used as a part of the premises where a sexually oriented business is conducted to the nearest property line of the premises of such uses as a church, public or private school, park, governmental building, non-profit building or residentially zoned area.

(5) For the purpose of this section, the distance between any two sexually oriented business shall be measured in a straight line, without regard to intervening structures or objects, from the closest boundary line of the premises on which each business is located.

Section 3. That Ordinance No. 721, Article III, Section E, shall read as follows:

E. Regulations and Prohibitions

(a) General Requirements

(1) Each adult entertainment business and its employees, agents or other representatives shall observe the following general requirements, regulations and standards of conduct:

a. Keep the adult entertainment business license and the name of the manager on duty posted in a conspicuous place at the establishments at all times. The license and manager on duty shall be available for inspection upon request at all times by the public.

b. Opaquely cover each non-opaque area through which a person outside the establishment may otherwise see inside the establishment.

c. No employee or entertainer shall at any time be unclothed or in less than opaque or complete attire, costume or clothing so as to expose to view any portion of the breast or other specified anatomical areas.

d. No employee, entertainer or other person shall at any time engage in any exhibition, performance or dance except upon a stage at least eighteen (18)

inches above the immediate floor level and removed at least six (6) feet from the nearest patron.

e. No employee or entertainer shall knowingly permit any person upon the premises, to touch, caress or fondle the breast, buttocks, anus or genitals of another person.

f. No employee or entertainer shall touch, caress or fondle the breasts, buttocks, anus or genital of another person.

g. No employees or entertainers shall wear or use any device or covering exposed to view which simulates the breast below the top of the areola, vulva or genitals, anus, buttocks or any portion of the pubic region.

h. No employee or entertainer shall use artificial devices or inanimate objects to depict any prohibited activities described in this subsection.

i. No entertainer shall demand or collect any payment or gratuity from any patron for entertainment before its completion, and while said employee is semi-nude in the sexually oriented business.

j. No person shall touch, caress, or fondle the breasts, buttocks, anus or genitals of any employee, entertainer or manager while on the premises of the adult entertainment business.

k. No employee or entertainer mingling with patrons shall be unclothed or in less than opaque and complete attire or clothing so as to expose to view any portion of the breast below the top of the areola or any portion of the pubic region, anus, buttocks, vulva or genitals.

l. Conform to all applicable zoning regulations and land use laws.

m. Conform to all applicable health statutes, codes, ordinances and regulations whether federal, state or local.

n. Conform to all applicable fire statutes, codes, ordinances and regulations whether federal, state or local.

o. Conform to all applicable building codes, statutes, ordinances and regulations whether federal, state or local.

(b) Special Regulations

(1) Prohibition of beer and light wine.

a. No person or employee shall expose to public view his or her "specified anatomical areas" or any simulation thereof in any establishments that serves or allows the consumption of alcoholic beverages, light wine and/or beer.

b. No person owning, maintaining or operating an establishment serving alcoholic beverages may suffer or permit any person or employee to expose to public view his or her "specified anatomical areas" or any simulation thereof within the establishment which serves or allows the consumption of alcoholic beverages, light wine and/or beer.

c. No person shall cause and no person maintaining, owning or operating an establishment serving alcoholic beverages, light wine and/or beer shall suffer or permit the exposition of any graphic representation, including pictures or projection of film which depict "specified anatomical areas" engaged in any "specified sexual activities" or any other sexual act prohibited by law or any simulation thereof, within any establishment which serves or allows the consumption of alcoholic beverages, light wine and/or beer.

(2) It shall be unlawful for any employee, customer or patron of a licensed premise to participate in a straddle dance on the licensed premises.

(3) No employee, while on the licensed premises or within the scope of his/her employment, shall contract or agree to perform, for any form of consideration, a straddle dance within five hundred (500) feet of licensed premises.

(4) No person maintaining, owning or operating an adult dancing establishment shall suffer or permit the construction, maintenance or use of areas partitioned or screened from public view that are designed to be occupied or are commonly occupied along or together by any person or persons on the premises of such establishment for private performances involving the display of exhibition of specified anatomical areas.

(5) No person on the premises of an adult dancing establishments shall be permitted to use or be present in areas partitioned or screened from public view that are designate to be occupied together or alone by any person or persons on the premises of such establishment for the display or exhibition of specified anatomical areas.

Section 4. That Ordinance No. 721, Article IV. Licensing Provisions, Section B. Requirements; application, 5) Contents of the Application, shall read as follows:

5) Contents of the Application

The contents of the application shall contain the following information and shall be accompanied by the following documents:

1. If the applicant is an individual, his legal name and any aliases, date of birth, social security number or taxpayer identification number, and residence address.
2. If the applicant is a partnership:
   a. The full and complete name of the partnership

b. The legal names of all partners, dates of birth, social security numbers, residence address and all aliases used by all partners whether the partnership is general or limited; and
c. If in existence, a copy of the partnership agreement.

3. If the applicant is a corporation:
   a. The exact and complete corporate name, the date of its incorporation, evidence that the corporation is in good standing and tax identification number;
   b. The legal names, dates of birth and all aliases used, social security numbers, residence address, the capacity of all officers, directors and principal stockholders;
   c. The current local and legal domiciliary, residential address of the principal stockholders of the corporation. When the principal stockholder is a corporate or other legal entity, the application must trace back the ownership through any layers of corporate organization to the eventual principal stockholder who is a person.
4. If the applicant intends to conduct this establishment under a name other than that of the applicant, the applicant shall state the establishment's fictitious name an the county of registration, all legal names, dates of birth, and all aliases used by all interested persons.
5. Whether the applicant or any other interested individual listed pursuant to any paragraph above holds any other licenses required to be engaged in adult entertainment businesses and if so, the name and locations of other licensed establishments.
6. The single classification of license for which the applicant is filing.
7. The description of the adult entertainment or similar business history of the applicant; whether such person or entity, is previously operating in another city, county, or state, has had a business license revoked or suspended and the reason thereof.
8. Whether the applicant hold any other adult entertainment licenses and if so, the names and locations of other licensed establishments.
9. The location of the proposed establishment including a legal description of the property site and legal street address.
10. If the property is to be leased, a copy of the signed lease.
11. The applicant's mailing address.
12. A site plan and survey drawn to appropriate scale of the proposed establishment indicating, but not limited to all property lines, rights-of-way, the location of buildings, parking areas and spaces, driveways.
13. A floor plan to appropriate scale of the establishment, proposed or existing, indicating but not limited to, all windows, doors entrances and exits, fixed structural interior features, improvements to be made which shall be indicated or calculated in terms of percentage increase of floor size.
14. The name and phone numbers of the person for the various representatives of city departments to contact to schedule the required inspections.
15. The phone number of the existing or proposed establishment.
16. The name, address and phone number of the owner(s) of the land, building or premises, if not the applicant. The owner shall also sign the application acknowledging the application of these regulations to him as the owner(s) of the premises.
17. Whether preceding the date of application, the applicant or any other individuals listed pursuant to subsections (1), (2) or (3) above have ever been convicted or a felony crime involving prostitution, obscenity, controlled substances or any crime of a sexual nature, and if so, identify the act involved, the date of conviction, and the place of conviction.
18. Authorization for the city, its agents and employees to seek information to confirm the statements set forth in the application.

Section 5. That Ordinance No. 721, Article VII. Penalties, shall read as follows:

Any person, partnership or corporation who is found to have violated any section of this ordinance shall be fined a sum not exceeding one thousand dollars ($1,000) for each violation, or by imprisonment in the Picayune City Jail not exceeding ninety (90) days or both.

Each violation of this ordinance shall be considered a separate offense and any violation continuing more than one (1) day shall constitute a separate offense. Each and every day will constitute a separate offense.

A person, partnership or corporation who operates or causes to be operated an adult entertainment establishment without a valid license or otherwise violates this ordinance is subject to a suit for injunction as well as prosecution for criminal violations.

Section 6. That any ordinance or section of any ordinance in conflict herewith is hereby repealed.

Section 7. Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety and because the opening of commercial

establishments featuring adult entertainment in conjunction with the sale or consumption of alcoholic beverages, light wine and beer is a threat to the public peace, health, safety and established community moral standards, this ordinance shall be effective immediately.

The foregoing ordinance, having first been reduced to writing, was moved upon by Councilmember McQueen, seconded by Councilmember Bates, and voted upon as follows:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and Guy

The motion was declared carried and the ordinance passed, approved, and adopted.

At this time, Councilmember Guy entered the meeting.

ORDER TO CONSIDER AMENDMENT TO ORDINANCE NO. 400, AN ORDINANCE DESCRIBING RULES AND REGULATIONS FOR THE SALE OF BEER IN THE CITY OF PICAYUNE

Upon recommendation of the City Planner, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the following ordinance to amend Ordinance No. 400, An Ordinance Describing Rules and Regulations for the Sale of Beer in the City of Picayune:

ORDINANCE NO. 728

AN ORDINANCE AMENDING ORDINANCE NO. 400, SECTION D, PROHIBITED CONDUCT, ADDING SUBSECTION (9)

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1. That Ordinance 400, Section D, Prohibited Conduct (9), shall read as follows:

(9) Any live act or performance which appeals primarily to sexually oriented, lustful, prurient or erotic interest including, but not limited to, the following: erotic dancers; male or female strippers; topless dancers (male or female); dancers where clothes are removed to reveal portions of the body AND constituting a strip or simulation thereof; contests or exhibitions such as wet t-shirt, biggest breasts, biggest bulge, body beautiful, best leg, hairiest chest, best tan, best hiney, mud wrestling, tight jeans and contests or exhibitions involving the use of swim wear, lingerie or similar attire.

Section 2. Severability, Conflict and Effective Date:

a. Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

b. Conflict in any case where a provision of this ordinance is found to be in conflict with the provision of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

c. Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety and because the opening of commercial establishments featuring adult entertainment in conjunction with the sale or consumption of alcoholic beverages, light wine and beer is a threat to public peace, health, safety and established community moral standards, this ordinance shall be effective immediately upon adoption.

The foregoing ordinance, having first been reduced to writing, was moved upon by Councilmember Roberson, seconded by Councilmember Bates, and voted upon as follows:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried and the ordinance passed, approved and adopted.

ORDER TO CONSIDER BID AWARD ON SURPLUS PROPERTY LOCATED NEXT TO 619 FIFTH STREET

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Bates, seconded by Councilmember Guy, to accept the bid of five thousand dollars ($5,000.00) from Bobby L. Simmons for property located next to 519 Fifth Street after proper surplus procedure and advertisement. After discussion, motion and second were withdrawn.

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table any action at this time. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO CONSIDER PROPOSALS FOR PREPARATION OF FACILITY PLAN AMENDMENT

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to accept the following proposal from Professional Engineering Consultants Corporation (PEC) in the amount of fourteen thousand eight-hundred fifty dollars ($14,850.00) to prepare an amendment to the City's current Wastewater Facility Plan and to authorize the Mayor to sign all project documents:

PEC PROFESSIONAL ENGINEERING CONSULTANTS CORPORATION

Mrs. Kay Johnson 10/06/99
City Manager
Town of Picayune, Mississippi
203 Goodyear Blvd.
Picayune, MS 39466

RE: Professional Services Proposal \ Facility Plan Amendment

Professional Engineering Consultants Corporation will provide all professional services required to prepare an amendment to the Town of Picayune, Mississippi's current Wastewater Facility Plan. This amendment will be required for application of funds that are available through the Mississippi Commission of Environmental Quality's Clean Water SRF Loan Program. These funds will be required for construction costs associated with wastewater collection system rehabilitation.

Our tasks and deliverables will include:

1. Review and obtain all pertinent sewer system evaluation data from the targeted areas.
   - Smoke Test Data
   - Closed Circuit Television Inspection Data. (Videotapes and Field Reports)
   - Flow Monitoring Information
2. Provide data management services associated with SSES data.

- Defect code all videotapes
- Prepare rehabilitation cost estimates for all evaluated line segments
- Quantify smoke testing records (Private vs. Public property leaks)
- Provide cost estimates for service line rehabilitation

3. Prepare Facility Plan Amendment incorporating all rehabilitation cost estimates

Upon notification of award, and dependent upon data accessibility, it is estimated that this project will require approximately three weeks to complete. Professional Engineering Consultants will provide these services for a lump sum fee of $14,850.

We thank you for the opportunity to submit this proposal, and if selected we look forward to providing the Town of Picayune with the highest level of professionalism.

Sincerely,
PEC

/s/ Casey M. Smith

Approved _____
Honorable Woody Spiers, Mayor

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO AUTHORIZE PURCHASE OF VEHICLE FOR ANIMAL CONTROL OFFICER

Upon recommendation of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the purchase of a vehicle for the Animal Control Officer for $13,953 from the State Contract or from a local dealer at the same price. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

The Mayor reopened the meeting to announce that the Council would enter executive session to discuss two matters regarding the prospective sale or purchase of lands and two matters of potential litigation.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Guy, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session, the Council discussed two matters involving the prospective purchase or sale of lands and two matters of potential litigation and took no action.

ORDER TO AUTHORIZE PURCHASE OF PROPERTY

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the purchase of the avigation easement located on the property owned by the heirs of R.J. Williams at a cost of $3,000.00, $500 in excess of the established fair market value of $2,500. The justification for the excess over appraised value is that court costs would exceed the $500 if the City is forced to litigate the purchase. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN OPTION TO PURCHASE REAL ESTATE TO SELL PROPERTY TO GEONET PROPERTIES, INC.

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to authorize the Mayor to sign the following Option to Purchase Real Estate with GeoNet Properties, Inc. to sell property located behind the Picayune Police Department so that GeoNet may place a cellular tower at that location:

OPTION TO PURCHASE REAL ESTATE

1. Parties. This is an option contract made this 5th day of October, 1999, between GeoNet Properties, Inc., an Alabama corporation (hereinafter "GeoNet") and City of Picayune, a Mississippi Municipal Corporation, (hereinafter "Owner").

2. Grant of Option. Owner hereby grants to GeoNet an irrevocable option to purchase the real estate (hereinafter the "Premises") described in Exhibit "A" attached to this contract, upon the terms and conditions stated in this contract from October 5, 1999, through February 4, 2000, after which this option will expire unless GeoNet provides notice of intent to purchase in accordance with such terms and conditions.

3. Consideration. In consideration for the right to purchase the premises, GeoNet has paid SEVEN HUNDRED FIFTY AND NO/100 DOLLARS ($750.00) concurrently with execution of this contract.

4. Feasibility Determination and Governmental Approvals. It is understood by Owner that GeoNet seeks to purchase this property to construct and operate a tower site for use as part of a wireless communications system. Owner hereby grants GeoNet and its representatives authority to enter the premises for the purpose of making any necessary drawings, maps or studies, including, if applicable, soil samples, in order to determine the suitability of this property for GeoNet's contemplated use. All expense incurred in connection with such effort shall be borne by GeoNet solely. Owner will also cooperate with GeoNet to secure any FAA or FCC approvals of said site, provided, however, that Owner will have no obligation to incur any expense in this regard.

5. Exercise of Option and Notice to Owner. As soon as practicable after the date of this contract, but in any event prior to the expiration date provided in paragraph 2, GeoNet will notify Owner in writing of its election to purchase or not to purchase the premises. Such notice shall provide a closing date not less than ten and not more than thirty days thereafter.

6. Price of Premises. The total purchase price of the premises shall be FOUR THOUSAND SIX HUNDRED THIRTEEN AND NO/100 DOLLARS ($4,613.00); and further a lease back from GeoNet unto Owner of antenna space upon a cellular monopole to be constructed on the property sold/purchased hereunder, with an initial height of one hundred fifty feet (150') to later be extended to one hundred ninety feet (190') after closure of the present Picayune Airport, for two (2) antennas of Owner located at one hundred ninety feet (190') and another antenna of Owner located at one hundred fifty feet (150') for an initial term of twenty-five (25) years, in consideration for a sum not to exceed the foregoing purchase price.

7. Manner of Payment. If GeoNet elects to exercise its option, payment will be made as follows: FOUR THOUSAND SIX HUNDRED THIRTEEN AND NO/100 DOLLARS ($4,613.00), constituting the purchase price, shall be paid to Owner at closing, plus or minus prorations and costs as provided for herein.

8. Delivery of Warranty Deed. At the closing of this sale, Owner will deliver to GeoNet or its nominee a Warranty Deed, with all legal warranties, and with merchantable title to the Premises, subject only to Owner's reservation of an automatic right for fee simple title to the real property described herein to revert back to Owner on a date fifty (50) years succeeding the date of GeoNet's consummation of the purchase provided herein.

9. Delivery of Title Commitment. At GeoNet's expense, the closing attorney shall deliver to GeoNet not less then five days prior to the closing date a title commitment for an owner's title policy in the amount of the purchase price, covering title to the premises as of a date within thirty days prior to the closing date, showing title is in Owner, subject only to the general exceptions contained in the policy and the agreed exceptions set forth herein. The title evidence shall be conclusive evidence of good title subject only to the exceptions therein stated.

10. Survey. GeoNet will bear the cost of a survey of the premises, to be provided not less than five days before closing.

11. Correction of Title Defects. If the title commitment or survey shows any defects, Owner will have thirty days from the date of discovery thereof to have the exceptions removed or to cure the surveyed defects and the time of closing shall be extended to a date five days after GeoNet is notified that all defects have been removed, but not later than thirty-five days after the date of delivery of the title commitment to GeoNet; provided the parties may mutually agree on some other closing date. If within the permitted time Owner fails to correct the title or survey defects, GeoNet has the right to terminate its exercise of purchase rights under this contract and upon notice to Owner, all amounts previously paid by GeoNet, including the amount paid as consideration for this option, shall be properly returned to GeoNet and this contract shall thereupon terminate and thereafter neither party shall have any rights or obligations thereunder.

12. Prorations. All applicable taxes, if any, shall be prorated as of the time of closing. If the amount of current taxes is not then ascertainable, proration shall be computed on the basis of the most recent ascertainable taxes.

13. Possession. GeoNet shall have the right to possession of the premises immediately after the closing.

14. Costs of Closing. All costs of closing will be borne by GeoNet.

15. Warranty of non-existence of hazardous materials. Owner hereby warrants that said premises are free from all hazardous materials. The term "hazardous material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Mississippi, or the United States Government. The term "hazardous material" includes, without limitation, any material or substance which is (i) defined as a "hazardous waste" or other hazardous material or substance under any of the laws of the State where the premises are located, (ii) petroleum, (iii) asbestos, (iv) designated as a "hazardous substance" pursuant to the Federal Water Pollution Control Act, (v) defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Recovery Act, as amended, or (vi) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended. Owner agrees to indemnify, defend and hold harmless GeoNet from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, diminution in value of the premises, damages from the loss or restriction on use of rentable or usable space or of any amenity of the premises, damages arising from any adverse impact on marketing of the premises, and sums paid in settlement of claims, attorneys fees, consultant fees and expert fees) which arise after the term of the execution of this option or any subsequent purchase of the property by GeoNet or its successors in interest as a result of such contamination. This indemnification of GeoNet includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political

subdivision because of hazardous material present in the soil or ground water on or under the premises.

16. Assignment. This Agreement may be assigned without restriction by GeoNet to any successor entity and to any successor in interest to its operating rights and interests and shall remain in force in the event of the replacement of GeoNet, with such new successor entity assuming all of the rights and duties of GeoNet under this Agreement.

17. Notices. All notices provided for herein, if not delivered in person, shall be sent by U.S. Postal Service certified mail to addresses shown below and shall be considered effective as of the date of mailing.

The following Exhibits are attached to and made a part of this Option: Exhibit "A".

OWNER: CITY OF PICAYUNE

BY:_____
WOODY SPIERS, Mayor
City of Picayune
203 Goodyear Boulevard
Picayune, MS 39466
Tax I.D.:_____

GEONET PROPERTIES, INC.

BY:_____
THOMAS J. DOMINICK
Vice President
P. O. Box 1706
Daphne, AL 36526

STATE OF MISSISSIPPI)
)
COUNTY OF PEARL RIVER)

PERSONALLY APPEARED before me, the undersigned authority in and for the said county and state, on this the 5th day of October, 1999, within my jurisdiction, the within named WOODY SPIERS, who acknowledged that he is Mayor of CITY OF PICAYUNE, a Mississippi Municipal Corporation, and that for and on behalf of the said corporation, and as its act and deed, he executed the above and foregoing instrument after first having been duly authorized by said corporation so to do.

_____
NOTARY PUBLIC
My Commission Expires:

_____

STATE OF MISSISSIPPI)
)
COUNTY OF PEARL RIVER)

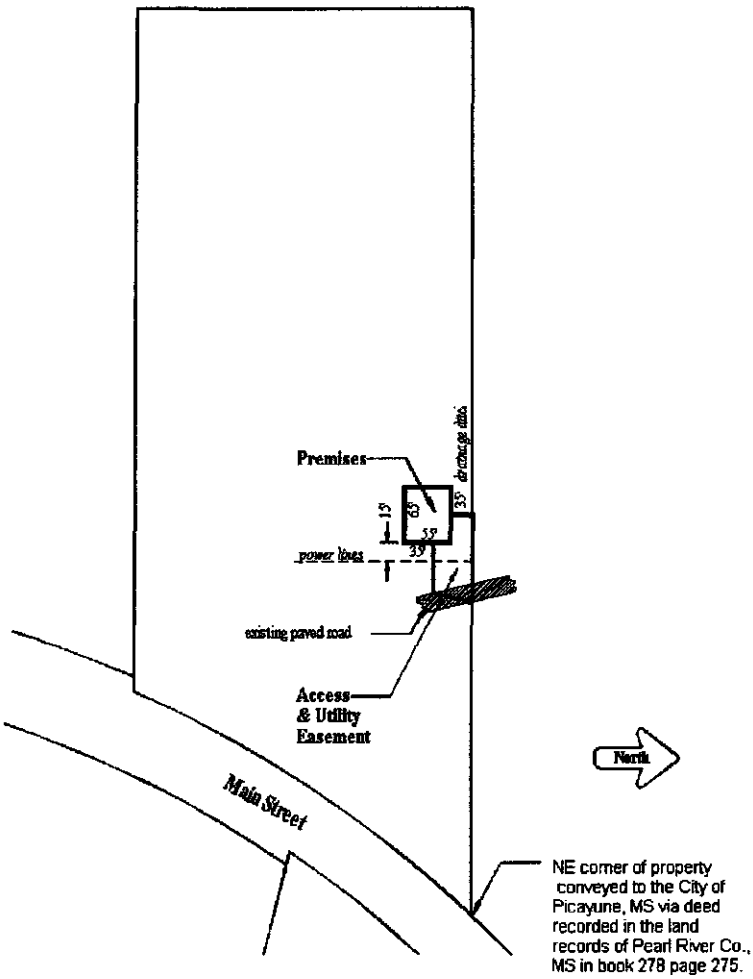
PERSONALLY APPEARED before me, the undersigned authority in and for the said county and state, on this the 5th day of October, 1999, within my jurisdiction, the within named THOMAS J. DOMINICK, who acknowledged that he is Vice President of GEONET PROPERTIES, INC., an Alabama corporation, and that for and on behalf of the said corporation, and as its act and deed, he executed the above and foregoing instrument after first having been duly authorized by said corporation so to do.

_____
NOTARY PUBLIC
My Commission Expires:

_____

EXHIBIT A

Attached to and incorporated into that certain Option to Purchase Real Estate by and between the CITY OF PICAYUNE, as Seller, and GEONET PROPERTIES, INC., an Alabama corporation., as Purchaser, dated the 6th day of October, 1999, as if set out in full detail therein.



Owner Initials _____

GeoNet Initials _____

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until October 19, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

October 19, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, October, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Mark Thorman and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Assistant Police Chief David Ervin.

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

Opening prayer was given by Mr. Cruthird, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated October 5, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Pearl River County Development Association dated August 30, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MONTHLY ACTIVITIES REPORT FROM THE RETIREMENT DEVELOPMENT DEPARTMENT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the Monthly Activities Report for September 1999 from the Retirement Development department. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY PRIVILEGE LICENSE REPORT FOR SEPTEMBER 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Privilege License Report for September 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY PUBLIC RECORDS REPORT FOR SEPTEMBER 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Public Records Report for September 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE MONTHLY BUDGET REPORT FOR SEPTEMBER 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Budget Report for September 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO VOID TAX SALE

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to void the 1997 tax sale for 1996 taxes on parcel #717-102-000-00-003-00 assessed to The Alabama Great Southern Railroad due to an incorrect assessment by the Pearl River County Tax Assessor. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO GRANT PARADE PERMIT

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to grant a parade permit to the Civic Woman's Club for their annual Christmas Parade to be held on December 6, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to appoint Stephen Gordon to the Planning Commission for a three-year term expiring September 2002. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO CONSIDER BID AWARD ON SURPLUS REAL PROPERTY ON FIFTH STREET

Upon recommendation of the Purchasing Agent and the Streets Department, motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to accept the bid of five thousand dollars ($5,000.00) from Bobby L. Simmons for property located next to 619 Fifth Street after proper surplus procedure and advertisement. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO CERTIFY THE MUNICIPAL COMPLIANCE QUESTIONNAIRE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1999

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve and certify the Municipal Compliance Questionnaire for the fiscal year ended September 30, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

RECESSED MEETING DATED OCTOBER 19, 1999

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN FEDERAL EQUITABLE SHARING AGREEMENT

Upon request of the Assistant Police Chief, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the following Federal Equitable Sharing Agreement and related Federal Annual Certification Report:

Federal Equitable Sharing Agreement

"VALID THRU SEPTEMBER 30, 2002"

Law Enforcement Agency: PICAYUNE POLICE DEPARTMENT O Check if New Participant

(x) Police Department O Sheriff s Office/Department O Task Force'

O Prosecutor's Office O Other

Contact Person: DAVID R. ERVIN, ASST. CHIEF **E-mail Address:** picpolice@megagate.com

Mailing Address: 328 South Main Street (Street) Picayune (City) MS 39466

Telephone Number: 601 798-8653 **Fax Number:** (601 798-7412

Agency Fiscal Year Ends on: 09/30 (Month/Day) **NCIC/ORI/Tracking No.:** MS05501

This Federal Equitable Sharing Agreement entered into among (1) the Federal Government, (2) the above-stated law enforcement agency, and (3) the governing body sets forth the requirements for participation in the federal equitable sharing program and the restrictions upon the use of federally forfeited cash, property, proceeds, and any interest earned thereon, which are equitably-shared with participating law enforcement agencies. By their signatures, the parties agree that they will be bound by the statutes and guidelines that regulate shared assets and the following requirements for participation in the federal equitable sharing program.

1. **Submission.** The Federal Equitable Sharing Agreement and the Federal Annual Certification Report must be submitted to **both** the Department of Justice and the Department of the Treasury with a copy provided to the U.S. Attorney in the district in which the recipient law enforcement agency is located, *in accordance with the instructions received from the respective* departments or
as outlined in their equitable sharing guidelines.

Asset Forfeiture and Money Laundering Section	Executive Office for Asset Forfeiture
U.S. Department of Justice/ACA Program	U.S. Department of the Treasury
P.O. Box 27768	740 15th Street, N.W., Suite 700
Washington, D.C. 20038	Washington, D.C. 20220
E-mail address: program.aca@usdoj.gov	*E-mail address:* treas.aca@teoaf.treas.gov
Fax: (202) 616-1344	*Fax:* (202)622-9610

2. **Signatories.** This agreement must be signed bythe head (or authorized representative) of the law enforcement agency *and* the head (or authorized representative) of the governing body. *Receipt of the signed agreement is a prerequisite to receiving any equitably-shared cash, property, or proceeds.*
3. **Uses.** Any shared asset shall be used for law enforcement purposes in accordance with the statutes and guidelines that govern equitable sharing, and as specified in the equitable sharing request (either a DAG-71 or a TD F 92-22.46) submitted by the requesting agency. Any and all requests for a change in the use of cash, property, or proceeds from that specified in the equitable sharing request must be submitted in writing to the appropriate agency shown in item 1.
4. **Transfers.** Before the undersigned law enforcement agency transfers cash, property, or proceeds to other law enforcement agencies, it must verify first that the receiving agency has a current and valid Federal Equitable Sharing Agreement on file with both the Department of Justice and the Department of the Treasury. If there is no agreement on file, the undersigned law enforcement agency *must* obtain one from the receiving agency, and forward it to the appropriate department shown in item 1. A list of recipients, their addresses, and the amount transferred must be attached to the Federal Annual Certification Report.
5. **Internal Controls.** The parties agree to account separately for federal equitable sharing funds received from the Department of Justice and the Department of the Treasury. Funds from state and local forfeitures and other sources must not be commingled

with federal equitable sharing funds. The recipient agency shall establish a separate revenue account or accounting code for state, local, Department of Justice, and the Department of the Treasury forfeiture funds. Interest income generated must be deposited in the appropriate federal forfeiture fund account.

The parties agree that such accounting will be subject to the standard accounting requirements and practices employed for other such public monies as supplemented by requirements set forth in the current edition of the Department of Justice's *A Guide to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies (Justice Guide)*, and the Department of the Treasury's *Guide to Equitable Sharing for Foreign Countries and Federal, State, and Local Law Enforcement Agencies (Treasury Guide)*. The accounting of shared funds must be submitted in the format shown on the Annual Certification Report contained in both the *Justice* and *Treasury Guides*.

The misuse or misapplication of shared resources or the supplantation of existing resources with shared assets is prohibited. Failure to comply with any provision of this agreement shall subject the recipient agency to the sanctions stipulated in the current edition of the *Justice* or *Treasury Guides*, depending on the source of the funds or property.

6. **Federal Annual Certification Report.** The recipient agency shall submit an Annual Certification Report to the Department of Justice and the Department of the Treasury (at the addresses shown in item 1) and a copy to the U.S. Attorney in the district in which the recipient agency is located. The certification must be submitted in accordance with the instructions received from the respective departments or as outlined in the *Justice* or *Treasury Guides*. ***Receipt of the certification report is a prerequisite to receiving any equitably-shared cash, property, or proceeds.***

7. **Audit Report.** Audits will be conducted as provided by the Single Audit Act Amendments of 1996 and OMB Circular A-133.

During the past 3 years, has your agency been found in violation of, or entered into a settlement agreement pursuant to, any nondiscrimination law in federal or state court, or before an administrative agency?

0 Yes (x) No (If you answered yes, attach relevant information. See instructions.)

Are there pending in a federal or state court, or before any federal or state administrative agency, proceedings against your agency alleging discrimination?

0 Yes 0 No (If you answered yes, attach relevant information. See instructions.)

The undersigned certify that the recipient agency is in compliance with the nondiscrimination requirements of the following laws and their Department of Justice implementing regulations: Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.)*, Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 *et seq.)*, Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), and the Age Discrimination Act of 1975 (42 U.S.C. § 6 101 *et seq.)*, which prohibit discrimination on the basis of race, color, national origin, disability, or age in any federally assisted program or activity, or on the basis of sex in any federally assisted education program or activity.

Under penalty of perjury, the undersigned officials certify that the recipient state or local law enforcement agency is in compliance with the provisions of the *Justice* and/or *Treasury Guides* and the National Code of Professional Conduct for Asset Forfeiture.

BRENDA G. SMITH	WOODY SPIERS
Name (Print or Type) Date	Name (Print or Type) Date
Law Enforcement Agency Head or Authorized Representative	Governing Body Head or Authorized Representative
(Signature)	(Signature)
CHIEF OF POLICE	MAYOR
Title (Print or Type)	Title (Print or Type)

This form is subject to the Freedom of Information Act and may be released to requests under 5 US. C § 552.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN GRANT APPLICATION FOR A MISSISSIPPI TRANSPORTATION ENHANCEMENT TREE PLANTING PROGRAM GRANT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to authorize the Mayor to sign an application for up to a $10,000 grant with the Mississippi Department of Transportation for a Mississippi Transportation Enhancement Tree Planting Program Grant. The grant would have a maximum City match of $3,334.00 (in-kind). The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN LEASE PURCHASE AGREEMENT WITH TRUSTMARK NATIONAL BANK FOR THE DUMP TRUCK

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the following lease purchase agreement with Trustmark National Bank for the dump truck. The bid was awarded to Trustmark at the August 3, 1999 meeting.

LEASE-PURCHASE AGREEMENT

Between

TRUSTMARK NATIONAL BANK

As Lessor

And

CITY OF PICAYUNE, MISSISSIPPI

As Lessee

Dated as of the 19th of October 1999

THIS LEASE-PURCHASE AGREEMENT ("Lease") dated as of October 19, 1999 between Trustmark National Bank, a national banking association organized and existing under the laws of the United States of America, as lessor ("Lessor") whose address is 248 East Capitol St., Jackson, Mississippi 3 920 1, Attn: Public Services Department and the Mayor and City Council of the City of Picayune, Mississippi, acting for and on behalf of City of Picayune, *Mississippi as lessee ("Lessee"), whose address is 203 Goodyear Blvd; Picayune, Mississippi* 39466;

RECITALS

Lessee is authorized by law to acquire items of property as are needed to carry out its governmental functions and to acquire such property by entering into lease-purchase agreements.

Lessee has determined that it is necessary for it to acquire the hereafter described Equipment.

Lessor is willing to acquire such items of Equipment and to lease them to Lessee pursuant to this Lease.

NOW THEREFORE, in the joint and mutual exercise of their powers and in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

AGREEMENTS

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall have the meanings herein specified.

Code: The Internal Revenue Code of 1986, as amended.

Contractor: The manufacturer(s) or vendor(s) from whom Lessee has ordered or will order or with whom Lessee has contracted or will contract for the manufacture, delivery, sale and/or installation of the Equipment.

Equipment: The property described in Exhibit A.

Fiscal Year: The twelve month fiscal period of Lessee which commences on October 1 in every year and ends on the following September 30.

Governing Body: The Mayor and City Council of Lessee.

Interest Component: The portion of any Rental Payment designed as interest as shown in Exhibit B.

Net Proceeds: Any insurance proceeds or condemnation award paid with respect to the Equipment remaining after payment therefrom of all expenses incurred in the collection thereof.

Non-appropriation: The failure of the Governing Body to appropriate money for any Fiscal Year of Lessee sufficient for the continued performance of this Lease by Lessee.

Payment Date: The date upon which any Rental Payment is due and payable as provided in Exhibit B.

Permitted Encumbrances: At any particular time: (i) liens on Lessee's interest in the Equipment for taxes and assessments not then delinquent, (ii) this Lease and any amendments hereto, (iii) Lessor's interest in the Equipment, and (iv) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right which secures an amount not then due and owing for goods or services.

Principal Component: The portion of any Rental Payment designed as principal in Exhibit B.

Purchase Option Price: With respect to the Equipment, as of the Payment Dates specified in Exhibit C, the amount set forth opposite such date assuming all Rental Payments and other amounts due from Lessee to Lessor have been paid as and when due.

Rental Payment: The payment due from Lessee to Lessor on each Payment Date during the Term as shown in Exhibit B.

Specifications: The bid specifications and/or purchase order pursuant to which Lessee ordered the Equipment from a Contractor.

State: The State of Mississippi.

State and Federal Law or Laws: The Constitution and any laws of the State and any rule or regulation of any agency or political subdivision of the State; and any law of the United States, and any rule or regulation of any agency of the United States.

Term: Unless sooner terminated pursuant to the provisions of this Lease, the period of time commencing upon the date of the execution hereof and ending on October 4, 2005.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of Lessee. Lessee represents, warrants and covenants as follows:

(a) Lessee is a municipality, which is a political subdivision of the State, duly organized and existing under the Constitution and laws of the State.

(b) Lessee is authorized under the Constitution and laws of the State to enter into this Lease and the transactions contemplated hereby, and to perform all of its obligations hereunder.

(c) The official of Lessee executing this Lease has been duly authorized to execute and deliver this Lease under the terms and provisions of a resolution of Lessee's Governing Body, or by other appropriate official action.

(d) In authorizing and executing this Lease, Lessee has complied with all public bidding and other State and Federal laws applicable to this Lease and the acquisition of the Equipment by Lessee.

(e) The Equipment will be used only to carry out the governmental purposes and to perform essential governmental functions of Lessee.

(f) Upon delivery and installation of the Equipment, Lessee will provide Lessor with a completed and executed Certificate of Acceptance in the form attached hereto as Exhibit D. If Lessee fails to execute and deliver a Certificate of Acceptance within 5 business days after delivery and installation of the Equipment, Lessee shall be deemed to have done so.

(g) Upon the execution of this Lease, Lessee will provide to lessor an opinion of its legal counsel in the form attached hereto as Exhibit E.

(h) Upon the execution of this Lease, unless waived by Lessor, Lessee will provide to Lessor a Federal Tax Certificate in the form attached hereto as Exhibit F.

Section 2.2. Representations, Covenants and Warranties of Lessor. Lessor represents, covenants and warrants as follows:

(a) Lessor is a national banking association, duly organized, validly existing and in good standing under the laws of the United States of America.

(b) Lessee is duly authorized to transact business in the State; has the power to own and lease the Equipment; and has duly authorized the execution and delivery of this Lease.

ARTICLE III

LEASE OF EQUIPMENT

Section 3.2. Lease. Subject to and conditioned upon the delivery of the Equipment by Contractor, Lessor hereby leases the Equipment to Lessee, and Lessee hereby leases the Equipment from Lessor, upon the terms and conditions set forth in this Lease.

Section 3.2. Possession and Enjoyment. Lessor hereby covenants to provide Lessee during the Term of this Lease with the quiet use and enjoyment of the Equipment

Section 3.3. Lessor Access to Equipment. The Lessee agrees that Lessor shall have the right, at all reasonable times, to examine and inspect the Equipment and to maintain and care for same if Lessee fails to perform its obligations hereunder.

ARTICLE IV

TERM OF LEASE

Section 4.1. Lease Term. This Lease shall be in effect for the Term.

Section 4.2. Termination Due To Non-Appropriation. In the sole event of Non-appropriation prior to an event of default, Lessee shall have the right to terminate this Lease, in whole, but not in part, at the end of any Fiscal Year of Lessee, in the manner and subject to the terms specified in this Section and Sections 4.4 and 4.6. Lessee may effect such termination by giving Lessor written notice of termination and by paying to Lessor all Rental Payments which are due through the date of termination. Lessee shall endeavor to give Lessor not less than 60 days prior written notice of termination and shall notify Lessor as soon as reasonably possible of any anticipated termination. In the event of termination of this Lease as provided in this Section, Lessee shall deliver possession of the Equipment to Lessor in accordance with Section 12.3, and shall execute any documents reasonably requested by Lessor to release its interest in the Equipment.

Section 4.3. Intent to Continue Lease Term, Appropriations. Lessee presently intends to continue this Lease for its entire Term and to pay all Rental Payments specified in Exhibit B. The appropriate department representative of Lessee will include in its budget request for each Fiscal Year the Rental Payments to become due in such Fiscal Year, and will use all reasonable and lawful means at its disposal to secure the appropriation of money for such Fiscal Year sufficient to pay the Rental Payments coming due for such Fiscal Year. Lessee reasonably believes that

moneys in an amount sufficient to make all such Rental Payments can and will lawfully be appropriated and made available for this purpose.

Section 4.4. Effect of Termination. Upon termination of this Lease as provided in Section 4.2, Lessee shall not be responsible for the payment of any Rental Payments coming due with respect to succeeding Fiscal Years, but if Lessee has not delivered possession of the Equipment to Lessor in accordance with Section 12.3 and released and conveyed its interest in the Equipment to Lessor within ten days after the termination of this Lease, the termination shall nevertheless be effective, but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments coming due for the period during which Lessee fails to take such actions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions.

Section 4.5. Nonsubstitution. If this Lease is terminated by Lessee in accordance with Section 4.2, Lessee agrees that for a period of one year after termination, to the extent allowed by law, it will not purchase or lease other property or contract with any third party to perform the same functions as, or functions taking the place of, those performed by the Equipment; provided, however, that this restriction shall not be applicable in the event the Equipment previously has been sold by Lessor and the amount received from such sale, less all costs of such sale, is sufficient to pay the Purchase Option Price applicable through the last Rental Payment.

Section 4.6. Termination of Lease Term. The Term of this Lease will terminate upon the occurrence of the first of the following events:

(a) the termination thereof by Lessee in accordance with Section 4.2;

(b) the exercise by Lessee of its option to purchase the Equipment pursuant to Article X;

(c) a default by Lessee and Lessor's election to terminate this Lease pursuant to Article XII; or

(d) the expiration of the Term if Lessee has made all Rental Payments required Lessee hereunder as and when due and has otherwise performed its obligations hereunder.

ARTICLE V

RENTAL PAYMENTS

Section 5. 1. Rental Payments. Lessee agrees to pay Rental Payments during the Term of the Lease in the amounts and on the dates specified in Exhibit B. All Rental Payments shall be paid to Lessor at its offices at the address specified in the first paragraph of this Lease or to such other person or entity and at such other places as Lessor may, from time to time, designate by written notice to Lessee. If any Rental Payment is not paid within 10 days of the due date thereof, to the extent allowed by law, Lessee shall also be liable to Lessor for a late payment charge equal to the greater of $50.00 or four percent of the amount of the delinquency plus interest on the amount of the delinquency at the per annum. rate of interest equal to the lesser of [12] percent or the maximum rate allowed by law.

Section 5.2. Current Expense. Lessor and Lessee agree that the intent of this Lease is that the obligations of Lessee under this Lease, including its obligation to pay the Rental Payments due with respect to the Equipment, in any Fiscal Year for which this Lease is in effect, shall constitute a current expense of Lessee for such Fiscal Year and shall not constitute an indebtedness of Lessee within the meaning of the Constitution and laws of the State. Nothing herein shall constitute a pledge by Lessee for the benefit of Lessee of any taxes or other moneys in the annual budget of Lessee (or the proceeds or net proceeds of the Equipment) to the payment of any Rental Payment or other amount due hereunder.

Section 5.3. Principal and Interest Components. Each Rental Payment consists of a Principal Component and an Interest Component, all as more fully described in Exhibit B.

Section 5.4. Rental Payments to be Unconditional. Except as provided in Section 4.2, the obligation of Lessee to make Rental Payments and other payments required hereunder shall be absolute and unconditional. Notwithstanding any dispute between Lessee and Lessor or any other person, Lessee shall make all such payments required hereunder as and when due and shall not withhold any such payment pending final resolution of such dispute nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments. Lessee's obligation to make any payment required hereunder shall not be abated through accident or unforeseen circumstances. However, nothing herein shall be construed to release Lessor from the performance of its obligations hereunder; and if Lessor should fail to perform any such obligation, Lessee may institute such legal action against Lessor as Lessee may deem necessary to compel the performance of such obligation or to recover damages therefor.

Section 5.5. Tax Exemption. (a) Lessee acknowledges and agrees that the Rental Payments have been calculated by Lessor assuming that the Interest Component of each Rental Payment is exempt from federal income taxation. Lessee will do and refrain from doing all things

necessary and appropriate to insure that the Interest Component of all Rental Payments is exempt from federal income taxation. In that regard, Lessee represents, covenants and warrants that:

(i) The Equipment will not be used, directly or indirectly, in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

(ii) No portion of the Rental Payments: (i) will be secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (ii) will be derived from payments, whether or not to Lessee, in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

(iii) No portion of the cost of the Equipment will be used (directly or indirectly) to make or finance loans to persons other than governmental units.

(iv) The Lessee will execute and file all information statements required by Section 149(e) of the Code and timely pay amounts, if any, required to be rebated to the United States pursuant to Section 148(f) of the Code.

(b) Lessee and Lessor acknowledge that Lessee has designated this Lease as "qualified tax exempt obligation" for purposes of Section 265(b)(3) of the Code.

(c) In the event any governmental taxing authority successfully imposes an income tax on the Interest Component or imposes an income tax on the interest component under any similar lease of Lessor which, in the opinion of Lessor's counsel, will be determinative of the tax treatment under this Lease, then Lessee agrees to pay additional Rental Payments retroactively from the date of such imposition through the end of the Term during which such tax is imposed in an amount adequate to compensate Lessor, on an after-tax basis, for the tax imposition.

ARTICLE VI

INSURANCE AND INDEMNIFICATION

Section 6. 1. Liability Insurance. Upon receipt of possession of the Equipment, Lessee shall take such measures as may be necessary to insure that any liability for injuries to or death of any person or damage to or loss of property arising out of or in any way relating to the condition or the operation or other general use of the Equipment are covered by a liability insurance policy or program acceptable to Lessor. To the extent allowed by law, Lessee shall cause Lessor to be named as an additional insured in such policy. The Net Proceeds of all such insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which any Net Proceeds may be paid.

Section 6.2. Property Insurance. Upon receipt of possession of the Equipment, Lessee shall have and assume the risk of loss with respect thereto. Lessee shall maintain in effect during the Term of the Lease, casualty insurance, subject only to the standard exclusions contained in the policy, in such amount as will be at least sufficient so that if a claim is made for a total loss of the Equipment such insurance proceeds will be sufficient to pay the applicable Purchase Option Price. Such insurance may be provided by a rider to an existing policy or under a separate policy. Such insurance may be written with a deductible not in excess of $ 1000. The Net Proceeds of insurance required by this Section shall be applied to the purchase of the Equipment as provided in Section 6.7.

Section 6.3. Worker's Compensation Insurance. If required by State law, Lessee shall carry Worker's Compensation Insurance covering all employees on, in, near or about the Equipment, and, upon request, shall furnish Lessor with certificates evidencing such coverage throughout the Term.

Section 6.4. Requirements For All Insurance. All insurance policies (or riders) required by this Article shall be maintained with responsible insurance companies organized under the laws of one of the states of the United States and qualified to do business in the State; shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving at least 30 days prior written notice to Lessor; and shall name Lessor as an additional insured under any liability insurance policy and as a loss payee under any casualty insurance policy. At Lessor's request, Lessee shall deposit with Lessor policies (and riders) evidencing any such insurance procured by it.

Section 6.5. General Indemnify. To the maximum extent allowed by law, Lessee assumes liability for, and shall indemnify, protect, save, and keep harmless Lessor and its agents, servants, successors, and assigns (each an indemnitee) from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, and expenses, including legal expenses, of whatsoever kind and nature, imposed on, incurred by or asserted against any indemnities, in any way relating to or arising out of this Lease or the enforcement hereof, or the manufacture, purchase, acceptance, rejection, ownership, possession, use, selection, delivery, lease, operation,

condition, sale, return, or other disposition of the Equipment or any part thereof (including, *without limitation, latent or other defects, whether or not discoverable by Lessee or any other* person, any claim in tort for strict liability and any claim for patent, trademark, or copyright infringement); provided, however, that Lessee shall not be required to indemnify any indemnitee for loss or liability arising from acts or events that occur after the Equipment has been returned to Lessor in accordance with this Lease, or for loss or liability resulting solely from the willful misconduct or negligence of such Indemnitee. The provisions of this Section 6.5 shall survive the expiration or earlier termination of this Lease.

Section 6.7 Damage to or Destruction of Equipment. If all or any part of the Equipment is lost, stolen, destroyed or damaged beyond repair, Lessee shall, as soon as practicable after such event, either: (i) replace the same at Lessee's sole cost and expense with replacement equipment acceptable to Lessor, whereupon such replacement shall be substituted in this Lease by appropriate documentation; or (ii) pay the applicable Purchase Option Price of the Equipment as set forth in *Exhibit C. Lessee shall notify Lessor of which course of action it will take within 15 days after the* loss, destruction or damage. If Lessee elects clause (i) but fails to perform its obligation thereunder within 30 days after the loss, destruction or damage, Lessor may, at its option, declare the applicable Purchase Option Price of the Equipment set forth in Exhibit C immediately due and payable, and Lessee shall be obligated to pay the same. The Net Proceeds of all insurance payable with respect to the Equipment shall be made available to Lessee to be used to discharge Lessee's obligation under this Section. On payment of the Purchase Option Price, this Lease shall terminate and Lessee thereupon shall become entitled to the Equipment AS IS, WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE, except that the Equipment shall not be subject to any lien or encumbrance created or arising through Lessor.

ARTICLE VII

OTHER OBLIGATIONS OF LESSEE

Section 7. 1. Use: Permits. Lessee shall exercise due care in the installation, use, operation and maintenance of the Equipment, and shall not install, use or operate the Equipment improperly, carelessly, in violation of any State or Federal laws, or for a purpose or in a manner contrary to that contemplated by this Lease. Lessee shall obtain all permits and licenses necessary for the installation, operation, possession and use of the Equipment. Lessee shall, at Lessee's expense, comply with all State and Federal Laws, that require changes or additions to be made to the Equipment.

Section 7.2. Maintenance of Equipment by Lessee. Lessee shall, at its expense, maintain, preserve and keep the Equipment in good repair, working order and condition.

Section 7.3. Taxes, Other Governmental Charges and Utility Charges. Except as expressly limited by this Section, Lessee shall pay all taxes, special assessments, and other charges of any kind which are lawfully assessed or levied against or with respect to the Equipment, the Rental Payments or any part thereof with respect to the Term. Lessee shall not be required to pay any federal, state or local income, inheritance, estate, succession, transfer, gift, franchise, profit, excess profit, capital stock, corporate, or other similar tax payable by Lessor, its successors or assigns, unless such tax is made in lieu of or as a substitute for any tax, assessment or charge which is the obligation of Lessee under this Section. Lessee may, at its own expense and in its own name, in good faith contest any such taxes, assessments, and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless Lessor shall notify Lessee that, in its reasonable determination, the interest of Lessor in the Equipment could be materially endangered by nonpayment of any such items, in which event Lessee shall promptly pay such taxes, assessments and charges or provide Lessor with full security against any loss which may result from nonpayment, in form reasonably satisfactory to Lessor.

Section 7.4. Advances. If Lessee shall fail to perform any of its obligations under this Article, Lessor may, but shall not be obligated to, take such action as may be necessary to cure such failure, including the advancement of money, and Lessee shall be obligated to repay all such advances on demand, with interest at the rate of [12] percent per annum or the maximum rate permitted by law, whichever is less, from the date of the advance to the date of repayment.

ARTICLE VIII

TITLE

Section 8. 1. Title. During the Term, and so long as Lessee is not in default as provided in Article XII, legal title to the Equipment and any and all replacements, accessories, substitutions and modifications thereto shall be in Lessee. Upon termination of this Lease for any of the reasons specified in clauses (a) and (c) of Section 4.6., full and an encumbered legal title to the Equipment shall pass to Lessor, and Lessee shall have no further interest therein. In such event, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title to the Equipment to Lessor and the termination of Lessee's interest in the Equipment.

Upon termination of this Lease for either of the reasons specified in clauses (b) and (d) Section 4.6, Lessor's security or other interest in the Equipment shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may request to evidence the termination of Lessor's interest in the Equipment.

Section 8.2. Security Interest. Lessor shall have and retain and Lessee hereby grants to Lessor, a security interest under the Uniform Commercial Code in the Equipment, the proceeds thereof and all, replacements, accessories, substitutions and modifications thereto in order to secure the Rental Payments and the other obligations of Lessee hereunder. Lessee will join with Lessor in executing such financing statements or other documents and will perform such acts as Lessor may request to perfect such security interest in the Equipment. If requested by Lessor, Lessee shall conspicuously mark the Equipment and maintain such markings during the Term, so as clearly to disclose Lessor's interest in the Equipment.

Section 8.3. Liens. *During the Term of this Lease, Lessee shall not, directly or indirectly,* create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Equipment, other than the respective rights of Lessor and Lessee as herein provided and Permitted Encumbrances. Except as expressly provided in Section 7.3 and this Article, Lessee shall promptly, at its own expense, take such action as may be necessary promptly to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim if the same shall arise at any time. Lessee shall reimburse Lessor for any expense incurred by Lessor in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrances or claim.

Section 8.4. Installation of Lessee's Equipment. Lessee may, at any time and from time to time, in its sole discretion and at its own expense, install other accessories and components upon the Equipment, which items shall be identified by tags or other symbols affixed thereto as property of Lessee. All such items so identified shall remain the sole property of Lessee, and may be modified or removed by Lessee at any time provided that Lessee shall repair and restore any and all damage to the Equipment resulting from the installation, modification or removal of any such items. Nothing in this Lease shall prevent Lessee from purchasing such accessories or components under a conditional sale or lease/purchase contract, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Equipment.

Section 8.5. Modification of Equipment. Lessee shall, at its own expense, have the right to make repairs, replacements, substitutions and modifications to all or any part of the Equipment, except that Lessee shall not be permitted to remove or disable safety features or devices. All such work and any part or component used or installed to make a repair or as a replacement, substitution or modification, shall thereafter comprise part of the Equipment and be subject to the provisions of this Lease. Such work shall not in any way damage the Equipment or cause it to be used for purposes other than those authorized under the provisions of State and Federal law or those contemplated by this Lease. Any property for which a replacement or substitution is made pursuant to this Section may be disposed of by Lessee. Lessee will not permit any mechanic's or other lien to be established or remain against the Equipment for labor or materials furnished in connection with any repair, replacement, substitution or modification of the Equipment; provided, that if any such lien is established and Lessee shall first notify Lessor of Lessee's intention to do so, Lessee may, in good faith, contest any lien filed or established against the Equipment, and, in such event, may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless Lessor shall notify Lessee that, in its opinion, by nonpayment of any such item the interest of Lessor in the Equipment could be materially endangered or the Equipment or any part thereof could be subject to loss or forfeiture, in which event Lessee shall promptly pay and cause to be satisfied and discharged all such unpaid items or provide Lessor with full security against any such loss or forfeiture, in form reasonably satisfactory to Lessor. Lessor will cooperate fully with Lessee in any such contest, upon the request and at the expense of Lessee.

Section 8.6. Personal Property. Lesser and Lessee agree that the Equipment is and shall at all times be and remain personal property notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner affixed or attached to or embedded in or permanently rested upon real property or any building thereon or attached in any manner to what is permanent by means of cement, plaster, nails, bolts, screws or otherwise.

ARTICLE IX

EQUIPMENT WARRANTIES

Section 9.1. Selection of Equipment. Lessor and Lessee agree that this is a "finance lease" under Article 2A of the Uniform Commercial Code. The Equipment and the Contractor have been selected by Lessee, and Lessor has no responsibility in connection with the selection of the Equipment, its suitability for the use intended by Lessee, or any delay or failure to manufacture, deliver or install the Equipment for use by Lessee. Lessee authorizes Lessor to add the serial number of the Equipment to Exhibit A when available.

Section 9.2. Installation and Maintenance of Equipment. Lessor shall have no obligation to install, erect, test, inspect, service or maintain the Equipment under any circumstances, but such actions shall be the obligation of Lessee or the Contractor.

Section 9.3. Contractor's Warranties. To the extent it may legally do so, Lessor hereby assigns to Lessee during the Term, all of its interest in all Contractor's warranties and guarantees, express or implied, applicable to the Equipment, and Lessor hereby authorizes Lessee to obtain the customary services furnished in connection with such warranties and guarantees at Lessee's expense.

Section 9.4. Patent Infringement. To the extent it may legally do so, Lessor hereby assigns to Lessee for and during the Term of this Lease all of its interest in patent indemnity protection provided by any Contractor with respect to the Equipment. Such assignment of patent indemnity protection by Lessor to Lessee shall constituted the entire liability of Lessor for any patent infringement by Equipment furnished pursuant to this Lease.

Section 9.5. Disclaimer of Warranties. THE EQUIPMENT IS DELIVERED AS IS, AND LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE OF THE EQUIPMENT, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE EQUIPMENT.

ARTICLE X

OPTION TO PURCHASE

Section 10. 1. When Available. Lessee shall have the option to purchase Lessor's interest in the Equipment on any Payment Date for the then applicable Purchase Option Price set forth in Exhibit C, but only if Lessee is not in default under this Lease, and only in the manner provided in this Article.

Section 10.2. Exercise of Option. Lessee shall give notice to Lessor of its intention to exercise its option not less than 30 days prior to the Payment Date on which the option is to be exercised and shall deposit with Lessor on the date of exercise an amount equal to all Rental Payments and any other amounts then due or past due and the applicable Purchase Option Price set forth in Exhibit C. The closing shall be on the Payment Date on which the option is to be exercised at the office of Lessor.

Section 10.3. Release of Lessor's Interest. Upon exercise of the Purchase Option by Lessee, Lessor shall convey or release to Lessee all of its right, title and interest in and to the Equipment by delivery to Lessee of such documents as Lessee reasonably deems necessary for this purpose.

ARTICLE XI

ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING

Section 11.1. Assignment by Lessor. All of Lessor's right, title and/or interest in and to the Equipment, this Lease, the Rental Payments and other amounts due hereunder may be assigned and reassigned, in whole or in part, to one or more assignees or subassignee at any time, without the consent of Lessee. Such assignment shall not be effective with respect to Lessee unless and until Lessor shall have filed a copy or written notice thereof with Lessee.

Section 11.2. Assignment and Subleasing by Lessee. Neither this Lease nor Lessee's interest in the Equipment may be assigned transferred, mortgaged, or otherwise pledged by Lessee, in whole or in part, without the written consent of Lessor. However, the Equipment may be subleased by Lessee, in whole or in part, without the consent of Lessor, subject, however, to compliance with each of the following conditions:

(i) This Lease and the obligation of Lessee to make Rental Payments hereunder shall remain obligations of Lessee.

(ii) The sublessee shall assume the obligations of Lessee hereunder to the extent of the interest subleased in form and substance satisfactory to Lessor.

(iii) Lessee shall, within 30 days after the delivery thereof, furnish or cause to be furnished to Lessor a true and complete copy of such sublease.

(iv) No sublease by Lessee shall cause the Equipment to be used for a purpose other than a governmental function authorized under the provisions of the Constitution and laws of the State.

(v) No sublease shall cause the Interest Component of the Rental Payments to become subject to federal income taxation.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.1. Events of Default Defined. The following shall be "events of default" under this Lease and the terms "events of default" and "default" shall mean, whenever used in this Lease with respect to the Equipment, any one or more of the following events:

(i) Failure by Lessee to pay any Rental Payment or other payment required to be paid under this Lease within five days of the time specified herein.

(ii) Failure by Lessee to provide the insurance coverages required herein.

(iii) Failure by Lessee to observe and perform any covenant, condition or agreement (other than as referred to in Clauses (i) or (ii) of this Section) on its part to be observed or performed, for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected.

(iv) The filing by Lessee of a voluntary petition in bankruptcy; the failure by Lessee promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of Lessee to carry on its governmental or proprietary function; the adjudication of Lessee as a bankrupt; the granting by Lessee of an assignment for the benefit of creditors; the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to Lessee in any proceedings instituted under the provisions of the United States Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

The provisions of this Section 12.1 and Section 12.2 are subject to the following limitation: if by reason of force majeure Lessee is unable, in whole or in part, to carry out its obligations under this Lease with respect to the Equipment, other than its obligation to pay Rental Payments with respect thereto which shall be paid when due notwithstanding the provisions of this paragraph, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other labor disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or the State or their respective departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Lessee and not resulting from its negligence. Lessee agrees, however, to remedy with all reasonable dispatch the cause or causes preventing Lessee from carrying out its obligations under this Lease; provided that the settlement of strikes, lockouts and other labor disturbances shall be entirely within the discretion of Lessee and Lessee shall not be required to make settlement of strikes, lockouts and other labor disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of Lessee unfavorable to Lessee.

Section 12.2. Remedies on Default. Whenever any event of default referred to in Section 12.1 hereof shall have occurred and be continuing, Lessor shall have the right, at its option and without any further demand or notice, to take one or any combination of the following remedial steps:

(i) With or without terminating this Lease, declare all Rental Payments due or to become due to be immediately due and payable, whereupon such Rental Payments shall be immediately due and payable.

(ii) With or without terminating this Lease, repossess the Equipment by giving Lessee written notice to deliver the Equipment to Lessor, whereupon Lessee shall do so in the manner provided in Section 12.3; or in the event Lessee fails to do so within 10 days after receipt of such notice, Lessor may enter upon the premises where the Equipment is kept and take possession of the Equipment and charge Lessee for costs incurred in repossessing the Equipment, including reasonable attorneys fees. Lessee hereby expressly waives any damages occasioned by such repossession. If the Equipment or any portion of it has been destroyed or damaged beyond repair, Lessee shall pay the applicable Purchase Option Price of the Equipment, as set forth in Exhibit C (less credit for Net Proceeds), to Lessor. Notwithstanding the fact that Lessor has taken possession of the Equipment, Lessee shall continue to be responsible for the Rental Payments as and when due. If the Lease has not been terminated, Lessor shall return the Equipment to Lessee at Lessee's expense when the event of default is cured.

(iii) If Lessor terminates this Lease and takes possession of the Equipment, Lessor shall use its best efforts promptly to sell the Equipment, as a unit or in parts, in a commercially reasonable manner at public or private sale in accordance with applicable laws.

Lessor shall apply the proceeds of such sale to pay the following items in the following order: (a) all costs incurred in securing possession of the Equipment; (b) all expenses incurred in completing the sale; (c) the balance of any Rental Payments owed by Lessee through the date of termination, and (d) the Purchase Option Price.

(iv) If the proceeds of sale of the Equipment are not sufficient to pay all amounts specified in Section 12.2(iii)(a)-(c), Lessee shall be liable for the deficiency and Lessor may take any other remedy available at law or in equity to require Lessee to perform its obligations hereunder.

Notwithstanding any other provision of this Section 12.2, Lessor shall be entitled to damages with respect to the Lease in an amount equal to, but not in excess of, the economic equivalent intended to be provided by Lessee's payment of the Rental Payments and/or Purchase Option Price provided for herein, as and when due, plus any amount necessary to compensate Lessee for all costs, fees and expenses incurred as a result of Lessee's default.

Section 12.3. Return of Equipment. Upon the expiration or termination of this Lease prior to the payment of all Rental Payments or the Purchase Option Price, Lessee shall return the Equipment to Lessor in the condition, repair, appearance and working order required in section 7.2, in the following manner as may be specified by Lessor: (i) by delivering the Equipment, at Lessee's cost and expense, to such place within the State as Lessor shall specify; or (ii) by shipping the same, freight prepaid, to a place within the United States specified by Lessor. If Lessee fails to return the Equipment in the manner designated, Lessor may repossess the Equipment and charge Lessee with the costs of such repossession or pursue any remedy described in Section 12.2.

Section 12.4. No Remedy Exclusive. No remedy conferred upon or reserved to Lessor by this Article is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power nor shall it be construed to be a waiver thereof but any such right and power may be exercised from time to time and as often as may be deemed expedient by Lessor or its assignee.

Section 12.5. Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Lease should default under any of the provisions hereof and the nondefaulting party should employ attorneys and/or incur other expenses for the collection of moneys or for the enforcement of any obligation or agreement of the defaulting party hereunder, the defaulting party agrees that it will, on demand, pay to the nondefaulting party the reasonable fees of such attorneys and/or such other reasonable expenses so incurred by the nondefaulting party.

ARTICLE XIII

ADMINISTRATIVE PROVISIONS

Section 13.1. Notices. All notices, certificates, legal opinions or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or deposited in the United States mail, postage prepaid, to the addresses specified on the first page hereof; provided that Lessor and Lessee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates, legal opinions or other communications will be sent.

Section 13.2. Financial information. During the Term of the Lease, within ____ days of Lessee's fiscal year end Lessee will provide Lessor with current financial statements and such other financial information as may be requested by Lessor or its assignee.

Section 13.3. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.4. Book Entry. The Lessor's interest in this Lease and any interest herein may be transferred only through a book entry system as prescribed by Section 149(a) of the Code, as the same may be amended from time to time. During the Term of this Lease, Lessee shall keep a complete and accurate record of all assignments and other transfers in form and substance necessary to comply with Section 149(a) of the Code. Upon assignment of Lessor's interest herein, Lessor will cause written notice of such assignment to be sent to Lessee and, upon receipt of such notice of assignment, Lessee shall: (i) acknowledge the same in writing to Lessor; and (ii) record the assignment in Lessee's "book entry system" as that term is defined in Section 149(a) of the Code. No further action will be required by Lessor or by Lessee to evidence the assignment. No such assignment shall become effective without recordation of the assignment in said "book entry system."

Section 13.5. Severability. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.6. Amendments, Changes and Modifications. This Lease may be amended or any of its terms modified only by written document duly authorized, executed and delivered by Lessor and Lessee.

Section 13.7. Captions. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provision, Article, Section or Clause of this Lease.

Section 13.8. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Equipment, for indicating the commencement date and for carrying out the expressed intention of this Lease.

Section 13.9. Execution in Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.10. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, Lessor and Lessee have has caused this Lease to be executed by their duly authorized officers or officials as of the date first above written.

TRUSTMARK NATIONAL BANK, Lessor

By _____

Its _____

CITY OF PICAYUNE, MISSISSIPPI, Lessee

By _____

Its _____

EXHIBIT A

EQUIPMENT

The Equipment which is the subject of the attached Lease-Purchase Agreement is as follows:

Quantity	Description	Serial Number
(1) One	1999 Dump Truck See Attachment	

EXHIBIT B

SCHEDULE OF RENTAL PAYMENTS

Lessee: City of Picayune, Mississippi

Commencement Date of Lease: October 19, 1999

Number and Frequency of Payments: 5 annually

Rental Payment Schedule

Date	Principal	Coupon	Interest	Period Total	Fiscal Total
8/15/00	7,275.24	4.750000	1,899.99	9,175.23	9,175.23
8/15/01	7,620.81	4.750000	1,554.42	9,175.23	9,175.23
8/15/02	7,982.80	4.750000	1,192.43	9,175.23	9,175.23
8/15/03	8,361.98	4.750000	813.25	9,175.23	9,175.23
8/15/04	8,759.18	4.750000	416.06	9,175.24	9,175.24
	40,000.00		5,876.15	45,876.15	
ACCRUED					
	40,000.00		5,876.15	45,876.15	

RECESSED MEETING DATED OCTOBER 19, 1999

Dated 8/15/99 with Delivery of	8/15/99	
Bond Years	123.709	
Average Coupon	4.749976	
Average Life	3.092726	
N I C %	4.749976 %	Using 100.0000000
T I C %	4.694871 %	From Delivery Date

EXHIBIT C

SCHEDULE OF PURCHASE OPTION PRICE

After Payment Number	Purchase Option Price
5	$1.00

EXHIBIT D

CERTIFICATE OF ACCEPTANCE

I, the undersigned, hereby certify that I am the duly qualified and acting Mayor of the City of Picayune, Mississippi ("Lessee"); and, with respect to the Lease-Purchase Agreement dated October 19, 1999 (the "Lease"), by and between Lessee and Trustmark National Bank ("Lessor"), that:

1. The Equipment described in the Lease has been delivered and installed in accordance with Lessee's Specifications and has been accepted by lessee.

2. The Rental Payments provided for in Exhibit B to the Lease shall commence and be due and payable on November 5, 1999 and on the 5th of each month thereafter, in the amounts shown on Exhibit B to the Lease.

3. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Lease during the current fiscal year of Lessee, and such moneys will be applied of all Rental Payments due and payable during such current fiscal year.

4. Lessee has obtained from a reputable insurance company or self funded group qualified to do business in the State insurance with respect to all risks required to be covered thereby pursuant to Article VI of the Lease.

5. Lessee is exempt from all personal property taxes and is exempt from sales and/or use taxes with respect to the Equipment and the Rental Payments.

6. During the Term, the Equipment will be used by Lessee to perform essential governmental functions. Such functions are:

Operations related to public services in City of Picayune.

7. There is no litigation, action, suit or proceeding pending before any court, administrative agency, arbitrator or governmental body, or to the best of Lessee's knowledge, threatened, that challenges (a) the authority of Lessee or its officers or employees to enter into the Lease, (b) the proper authorization, approval and execution of the Lease and other documents contemplated thereby, (c) the appropriation of moneys sufficient to make Rental Payments doming due under the Lease in Lessee's current fiscal year, or (d) the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby.

All capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Lease.

Dated: October 19, 1999.

CITY OF PICAYUNE, MISSISSIPPI

By _____

Its _____

RECESSED MEETING DATED OCTOBER 19, 1999

EXHIBIT E

OPINION OF COUNSEL

Trustmark National Bank
248 East Capitol Street
Jackson, MS 39201

RE: Lease-Purchase Agreement dated as of October 19, 1999, between Trustmark National Bank ("Lessor") arid CITY OF PICAYUNE, MISSISSIPPI ("Lessee")

Gentlemen:

I have acted as counsel to Lessee with respect to the Lease-Purchase Agreement described above (the "Lease") and various related matters, and, in this capacity, have reviewed a duplicate original or certified copy of the Lease and the Exhibits attached thereto. Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. Lessee is a political subdivision of the State of Mississippi (the "State"), duly organized, existing and operating under the constitution and laws of the State.

2. Lessee is authorized and has power under applicable law to enter into the Lease and to carry out its obligations thereunder and the transactions contemplated thereby.

3. The Lease has been duly authorized, approved, executed and delivered by and on behalf of Lessee, and is a valid and binding contract of Lessee, enforceable in accordance with its terms, except to the extent limited by applicable state and federal laws affecting the enforcement of creditors rights and remedies generally.

4. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable open meeting, public bidding and all other laws, rules and regulations of the State.

5. The execution of the Lease and the appropriation of moneys to pay the Rental Payments coming due thereunder do not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.

6. There is no litigation, action, suit or proceeding pending before any court, administrative agency, arbitrator or governmental body or, to the best of my knowledge, threatened, that challenges the authority of Lessee or its officials, officers or employees to enter into the Lease; the proper authorization, approval and/or execution of the Lease, Exhibits thereto and other documents contemplated thereby; the appropriation of moneys to make Rental Payments under the Lease for the current fiscal year of Lessee; or the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby.

Dated October 19, 1999

Very truly yours,

/s/
G. GERALD CRUTHIRD

GGC:cdk

EXHIBIT F

Exhibit F is IRS Form 8038-GC.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO AUTHORIZE SOLE-SOURCE PURCHASE

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember McQueen, to authorize the sole-source purchase of a 4-inch air jammer unit from Greer Environmental Services, Inc. at a cost of $4,000.00. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

At this time, Councilmembers Bates and Guy entered the meeting.

ORDER TO AUTHORIZE PURCHASE OF POLICE VEHICLES

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the purchase of four (4) 2000 model Ford Crown Victoria Police Interceptors from Dub Herring Ford at the State Contract price of $19,173.00 each. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT #1

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to approve the amendment of the following line items of the budget for the fiscal year ending September 30, 2000:

	Original	Amended
Police Department		
Personal Services	$1,303,828	$1,357,167
Supplies	136,050	137,115
Other Services	131,000	133,500
Capital Outlay	158,900	171,100

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED OCTOBER 19, 1999

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss two (2) matters of potential litigation.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed two (2) matters of potential litigation and took no action.

ORDER TO APPROVE CHANGE ORDER WITH BCM ENGINEERS ON THE CDBG DRAINAGE PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve Change Order #1 with BCM Engineers on their contract for the CDBG Drainage Project to approve their environmental inspection work on an hourly basis of $70 per hour with a maximum of $5,600. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE CHANGE ORDER WITH BCM ENGINEERS ON THE CDBG DRAINAGE PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve Change Order #2 with IGC, Inc. on their contract for the CDBG Drainage Project to excavate and remove the contaminated soil in the project area. The change order reflects a $80,344.96 increase in the contract price and a 60-day extension of time to complete the project. The total contract price is now $722,922.95 and the completion date is February 18, 2000. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED OCTOBER 19, 1999

ORDER TO AUTHORIZE MAYOR TO SIGN REQUEST TO CDBG

Upon recommendation of the Grants Administrator, motion was made by Counicimember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign a letter to CDBG requesting additional funding for the CDBG Drainage Project and a six-month extension of time to complete the project due to environmental issues. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the issuance of the following manual checks:

Prior Energy	Utility Fund	$13,770.00
Sonat Marketing	Utility Fund	32,109.00
Koch Gateway Pipeline	Utility Fund	2,703.06
Williams Energy Services	Utility Fund	737.20
Chancery Clerk of Pearl River County	CDBG Fund	28.00
Estate of R.J. Williams	Airport Fund	3,000.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE ADVERTISEMENT FOR PROPOSALS FOR FBO FOR NEW AIRPORT

Upon request of the Airport Committee, motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to authorize the City Manager to advertise for proposals for FBO services for the new airport. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ADOPT RESOLUTION REGARDING HALLOWEEN EVENTS

Upon recommendation of the Police Department, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to adopt the following resolution related to the observance of Halloween:

WHEREAS, October 31,1999 falls upon a Sunday; and

WHEREAS, the children of the community enjoy the events of Halloween; and

RECESSED MEETING DATED OCTOBER 19, 1999

WHEREAS, many local groups have scheduled events for Saturday, October 30, 1999; and

WHEREAS, the Mayor and Council and the Picayune Police Department are concerned about the safety of our children and wish that events of Halloween be observed in a safe manner; and

WHEREAS, several neighborhoods have approached the Council and Police Department requesting that streets in their areas be blocked to vehicle traffic to ensure the safety of the citizens on foot.

BE IT RESOLVED, THEREFORE, that the Mayor and Council urge people to observe the events of Halloween on Saturday, October 30, 1999 instead of Sunday, October 31, 1999; and

BE IT FURTHER RESOLVED, that the Picayune Police Department will block certain streets in the neighborhoods of our community to vehicle traffic on Saturday evening, October 30, 1999 to ensure the safety of our citizens.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ADJOURN

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

November 2, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, November 2, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

Opening prayer was given by Councilmember Guy, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated October 19, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated October 14, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Pearl River County Development Association dated September 27, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN QUITCLAIM DEED

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the a quitclaim deed to City Finance Company for 1990 taxes on parcel #617-101-003-03-015 assessed to Thomas A. Ervin. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the monthly claims docket for November in the amount of $588,841.52. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE ISSUANCE OF MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the issuance of the following manual checks:

COP General Fund	Utility Fund	$50,312.60
MS State Tax Commission	Utility Fund	2,444.00
Internal Revenue Service	General Fund	4,565.52
COP General Fund	Utility Fund	350.00
Johnny Lou Ingram	General Fund	151.84
Brenda Ford	General Fund	178.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ADVISORY PARK COMMISSION

Tiger House, representative of the Advisory Park Commission, gave an update on the status of the plans for the new fields at Friendship Park. The City's consultant is working on the drawings at this time. No official action was taken.

EMPLOYEE OF THE MONTH

Upon recommendation of the Police Chief, Robin Thomas was declared Employee of the Month for November 1999. Ms. Thomas was presented with a savings bond from First National Bank.

ORDER TO APPOINT MEMBER TO THE PICAYUNE HOUSING AUTHORITY BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to appoint Maria Beverage to the Picayune Housing Authority Board for a five (5) year term to expire November 2004. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO VOID TAX SALE

Upon request of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to void the 1999 tax sale on parcel #418-623-000-00-021 due to an incorrect assessment by the Pearl River County Tax Assessor. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the issuance of a manual check to Ms. Parks in the amount of $555.31 due to an incorrect assessment and disallowance of her homestead exemption on parcel #418-623-000-00-021. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to direct the City Clerk to write a letter to the Pearl River County Tax Collector requesting reimbursement for $555.31 that was returned to a taxpayer due to an incorrect assessment. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE SOLICITATION OF BIDS FOR POLICE UNIFORMS

Upon request of the Assistant Police Chief, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for bids for the police uniform contract. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE SOLICITATION OF BIDS FOR CONSTRUCTION OF T-HANGARS

Upon recommendation of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table any action to advertise for bids for the construction of T-hangars at the new airport. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss two (2) matters of potential litigation.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session, the Council discussed two (2) matters of potential litigation and took no action.

ORDER TO RATIFY ZONING ORDINANCES PREVIOUSLY APPROVED

The following ordinances were presented to ratify the seven (7) zoning issues that were previously approved by the Mayor and Council:

REGULAR MEETING DATED NOVEMBER 2, 1999

ORDINANCE NO. 729

AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-1 TO C-3

Be It Ordained by the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

SECTION 1. Property Description.

The following described property shall be rezoned from R-1, Single Family Residential, to C-3, Highway Commercial District.

Commencing at the Southwest corner of the Southeast Quarter of Section 14, Township 6 South, Range 17 West, Pearl River county, Mississippi (point being an existing railroad iron); thence East 495.0 feet; thence North 82.61 feet, more or less, to a point on the North margin of Mississippi Highway No.43 and the East margin of Joseph Street (not constructed); thence North along the said margin 597.59 feet to a point on the South margin of Phillip Street (not constructed); thence East along said margin 645.41 feet; thence South 380.0 feet; thence East 150.0 feet to a point on the West margin of South Blanks Avenue; thence South along said margin 50.0 feet; thence leaving street West 150.0 feet; thence South 319.63 feet to a point on the North margin of Mississippi Highway No.43; thence North 89 degrees 53 minutes West along the North margin of said highway 179.98 feet to a concrete right-of-way marker being the P.C. of a curve to the left having a radius of 2,362.39 feet; thence along said curve an arc distance of 123.95 feet; thence leaving highway North 150.0 feet; thence South 86 degrees 02 minutes West 100.0 feet; thence South 2.22 feet; thence West 80.0 feet; thence South 11.37 feet; thence West 64.0 feet; thence North 44.0 feet; thence South 79 degrees 35 minutes 28 seconds West 100.0 feet to the Point of Beginning, this parcel containing 10.155 acres, more or less, and being a part of the Southwest Quarter of the Southeast Quarter of Section 14, Township 6 South, Range 17 West, Pearl River County, Mississippi.

Less and Except: Commencing at the Southwest corner of the Southeast Quarter of Section 14, Township 6 south, Range 17 West, Pearl River County, Mississippi; thence East 495.0 feet; thence North 450.20 feet; thence East 341.52 feet for the Point of Beginning; thence East 303.89; thence South 319.63 feet to a point on the North margin of Mississippi Highway No.43; thence North 89 degrees 53 minutes West along the North margin of said highway 179.98 feet to a concrete right-of-way marker being the P.C. of a curve to the left having a radius of 2,362.39 feet; thence along said curve an arc distance of 123.95 feet; thence leaving highway North 150.0 feet to the Northeast corner of the Jarvis lot' thence North 173.04 feet to the Point of beginning, this parcel containing 2.232 acres, more or less, and being a part of the Southwest Quarter of the Southeast Quarter of Section 14, Township 6 South, Range 17 West, Pearl River County, Mississippi.

Less and Except: Commencing at the Southwest corner of the Southeast Quarter of Section 14, Township 6 South, Range 17 West, Pearl River County, Mississippi; thence East 495.0 feet; thence North 450.20 feet; thence East 466.18 feet for the Point of Beginning; thence East 179.23 feet; thence South 161.69 feet to the North margin of Zone C-3; thence West 179.23 feet to the East margin of C-3; thence North 161.69 feet to the Point of Beginning, this parcel containing 0.665 acres, more or less, and being a part of the Southwest Quarter of the Southeast Quarter of Section 14, Township 6 South, Range 17 West, Pearl River County, Mississippi.

SECTION 2. Severability, Conflict and Effective Date.

Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

Conflict in any case where a provision of this ordinance is found to be in conflict with the provision of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety of the community, this article shall be effective immediately.

REGULAR MEETING DATED NOVEMBER 2, 1999

ORDINANCE NO. 730

AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-1, SINGLE FAMILY RESIDENTIAL, TO OP, OFFICE PROFESSIONAL

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1. Property Description.

The following described property shall be rezoned from R-1, Single Family Residential, to OP, Office Professional District:

Southwest Quarter of Northwest Quarter of Section 12, Township 6 South, Range 17 West, less the West 100 feet and the North 797 feet to the East 330 feet of the West 430 feet of said Southwest Quarter of Northwest Quarter of Section 12, Township 6 South, Range 17 West, containing 31 acres more or less. It is the intention of the Seller herein to include in this deed all that portion of the Southwest Quarter of the Northwest Quarter of Section 12, Township 6 South, Range 17 West, which were sold by the Williams Yellow Pine Company being described in deed to F.H. Mitchell dated January 27, 1937, recorded in Book 46, Page 117, and deed to L.L. Megehee dated September 11, 1934, recorded in Book 48, Page 121.
LESS AND EXCEPT any and all property previously conveyed and as shown by Land Deed Records of Pearl River County, Mississippi; the remaining property being 8.195 acres being a part of the Southwest Quarter of the Northwest Quarter of Section 12, Township 6 South, Range 17 West, Pearl River County, Mississippi.

Section 2. Severability, Conflict and Effective Date.

Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

Conflict in any case where a provision of this ordinance is found to be in conflict with the provisions of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety of the community, this article shall be effective immediately.

ORDINANCE NO. 731

AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM A-1 TO PUD-R

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1. Property Description.

The following described property shall be rezoned from A-1, Agriculture District, to PUD-R, Planned Unit District – Residential.

Commencing at the Northwest corner of the Southwest Quarter of the Northwest Quarter of Section 6, Township 6 South, Range 17 West; thence 88 degrees 30 minutes 00 seconds East along the Forty line 894.00 feet, more or less to a fence corner located on the East margin of Cooper road, said point being the Point of Beginning; thence South 88 degrees 47 minutes 58 seconds East 542.03 feet along a fence to a right-of-way marker on the West margin of Interstate 59; thence South 25 degrees 06 minutes 38 seconds West 592.35 feet more or less, along the West right-of-way marker; thence South 25 degrees 04 seconds 51 minutes West 491.34 feet, more or less, along said West right-of-way line of Interstate 59 to a right-of-way marker; thence North 67 degrees 08 minutes 39 seconds West 20.07 feet, more or less, along said West right-of-way line of Interstate 59 to a right-of-way marker; thence North 0 degrees 37 minutes 43 seconds West 63.17 feet, m ore or less, along a right-of-way line dividing the margins of Interstate 59 and Cooper road to a right-of-way marker; thence North 89 degrees 50 minutes 56 seconds West 16.89 feet, more or less, to the East margin of Cooper Road; thence along said East margin of Cooper Road more specifically as follows: North 0 degrees 08 minutes 57 seconds East 34.33 feet; thence North 1 degree 08 minutes 00 seconds West 50.05 feet; thence North 1 degree 41 minutes 26 seconds West 81.43 feet; thence North 0 degrees 55 minutes 10 seconds West 852.70 feet, more or less, to the point of beginning,

containing 7.162 acres, more or less, and being a part of both the Southwest Quarter of the Northwest Quarter and the Southeast Quarter of the Northwest Quarter of Section 6, Township 6 South, Range 16 West, Pearl River County, Mississippi.

Section 2. Severability, Conflict and Effective Date.

Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

Conflict in any case where a provision of this ordinance is found to be in conflict with the provisions of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety of the community, this article shall be effective immediately.

ORDINANCE NO. 732

AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PARCELS FROM A-1, AGRICULTURE DISTRICT, TO C-3, HIGHWAY COMMERCIAL DISTRICT

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, In Meeting Duly Assembled:

Section 1. Property Description.

The following described parcels shall be rezoned from A-1, Agriculture District, to C-3, Highway Commercial District:

Parcel 1: Beginning at the intersection of the North right-of-way line of Mississippi Highway 43 (relocated) with the West right-of-way line of Interstate 59 Service Road, as both are shown on Sheet q of Right-of-Way Map, Federal Aid Project F-FG-032-1(2)/ F-FG-032-1(3), run thence North 89 degrees 37 minutes 07 seconds West along the North right-of-way line of said Mississippi Highway 43, 200 feet to a point; thence North 00 degrees 22 minutes 53 seconds East 585 feet to a point; thence South 89 degrees 37 minutes 07 seconds East 709.7 feet to a point on the West line of property owned by Mrs. Trinity Tourne Williams; thence South (00 degrees 00 minutes) along said West property line 204.0 feet to a point of the West right-of-way line of Interstate 59 Service Road; thence Southwesterly along said right-of-way line and along an arc which curves to the right and has a radius of 1095.9 feet and as initial tangent bearing of South 61 degrees 36 minutes West, for a distance of 72.33 feet to the P.C. of said curve; Thence South 65 degrees 22 minutes 53 seconds West along said right-of-way 310.16 feet to the P.T. of a curve having a radius of 200 feet; thence along said arc which curves left 226.89 feet to the P.C. of said curve; thence South 54 degrees 37 minutes 39 seconds West along said right-of-way 61.6 feet to the point of beginning, said land being situated in the Northeast Quarter of Section 13, Township 6 South Range 17 West, Pearl River County, Mississippi.

Less and Except that tract or parcel of land situated, lying and being in the City of Picayune, Pearl River County, Mississippi, and in the Northeast Quarter of Section 12, Township 6 South, Range 17 West, State of Mississippi, described as: Beginning at the intersection of the North right-of-way line of Mississippi Highway No. 43 (relocated) with the West right-of-way line of Interstate 59 service road, as both are shown on sheet 1 of right-of-way map, federal aid project F-FG-032-1(2) /F-FG-032-1(3), running thence North 89 degrees 37 minutes 07 seconds West along the North right-of-way line of said Mississippi Highway No.43 a distance of 200.0 feet to a point; thence North 00 degrees 22 minutes 53 seconds East a distance of 180.0 feet to the true point of beginning; thence continuing North 00 degrees 22 minutes 53 seconds East a distance of 405.00 feet to a point; thence South 89 degrees 37 minutes 07 seconds East a distance of 709.70 feet to a point; thence due South a distance of 204.00 feet to a point on the West right-of-way line of Interstate 59 service road; thence Southwesterly along said right-of-way line of Interstate 59 and along an arc which curves to the right and has a radius of 1095.90 feet and has initial tangent bearing of South 61 degrees 36 minutes West for a distance of 72.33 feet to the point of curvature of said curve; thence continuing along the West right-of-way line of Interstate 59 South 65 degrees 22 minutes 53 seconds West a distance of 310.16 feet to a point, said point being the point of tangency of a curve having a radius of 200 feet; thence along the arc of said curve which curves to the left a distance of 102.08 feet to a point; thence North 53 degrees 51 minutes 46 seconds West a distance of 46.45 feet to a point; thence North 89 degrees 37 minutes 07 seconds West a distance of 249.99 feet to the true point of beginning.

ALSO: Beginning 825 feet East of the Northwest corner of Northwest Quarter of Northeast Quarter of Section 24, Township 6 South, Range 17 West, thence North 170 feet to a point on the South margin of Mississippi State Highway No. 602; thence North 72 degrees 30 minutes East 172 feet; thence South 885 feet; thence West 165 feet; thence North 660 feet to the place of beginning and being a part of the Southwest Quarter of Southeast Quarter of Section 13, Township 6 South, Range 17 West, and a part of the Northwest Quarter of Northeast Quarter of Section 24, Township 6 South, Range 17 West, Pearl River County, Mississippi.

Parcel 2: Commencing at the Southeast corner of Section 13, Township 6 South, Range 17 West, Pearl River County, Mississippi; thence West 660.0 feet; thence North 366.87 feet for the Point of Beginning, said point being in the center of a public road; thence West 408.35 feet; thence North 150.59 feet, more or less, to a point on the South margin of Highway 602; thence North 72 degrees 47 minutes 21 seconds East along said margin 427.49 feet to a point in the center of a public road; thence South 277.08 feet along said center of road to the Point of Beginning. This parcel containing 2.0 acres and being a part of the Southeast Quarter of the Southeast Quarter, Section 13, Township 6 South, Range 17 West, Pearl River
County, Mississippi.

Parcel 3: Commencing at the Southeast corner of Section 13, Township 6 South, Range 17 West, Pearl River county, Mississippi; thence West 322.34 feet to the place of beginning; thence North 746.26 feet to a point in a curve on the South R.O.W. of Mississippi highway 43; thence Southwesterly 175.41 feet along said curve; thence South 72 degrees 47 minutes 21 seconds West 84.74 feet along said R.O.W.; thence South 672.34 feet; thence East 250.0 feet, more or less to the point of beginning, containing 4.08 acres, more or less, and being a part of the SE 1/4 of Section 13, Township 6 South, Range 17 West, Pearl River County, Mississippi.

Section 2. Severability, Conflict and Effective Date.

Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

Conflict in any case where a provision of this ordinance is found to be in conflict with the provisions of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety of the community, this article shall be effective immediately.

ORDINANCE NO. 733

AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM A-1, AGRICULTURE DISTRICT, TO C-3, HIGHWAY COMMERCIAL DISTRICT AND R-3, MULTI FAMILY DISTRICT

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1. Property Description.

The following described property shall be rezoned from A-1 to C-3, Highway Commercial District and R-3, Multi Family Residential District:

Commencing at the common corner of Sections 13, 14, 22 and 23 in Township 6 South, Range 17 West in Pearl River County, Mississippi; thence South along the common Section line of 23 and 24 in said Township and Range to a point where the Section line intersects the east margin of Ridge Road, said point being the Point of Beginning; thence Southerly and Southeasterly along the said margin of Ridge Road to a point where the said east margin of Ridge Road intersects the common section line of said Section 23 and 24 of said Township and Range; thence North along the common Section line between said Section 23 and 24 to the Point of Beginning.

Section 2. Severability, Conflict and Effective Date.

Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All

provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

Conflict in any case where a provision of this ordinance is found to be in conflict with the provisions of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety of the community, this article shall be effective immediately.

ORDINANCE NO. 734

AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-3 TO C-3

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1. Property Description.

The following described property shall be rezoned from R-3, Multi-family Residential to C-3, Highway Commercial District.

Commencing at the NE corner of the NE ¼ of the SE ¼ of Section 23, Township 6 South, Range 17 West, Pearl River County, Mississippi; thence South873.98 feet; thence West 268.85 feet for the point of beginning; thence South 203.71 feet to a point on the East margin of a public road; thence North 49 degrees 08 minutes 32 seconds West along said margin 184.27 feet; thence North 40 degrees 51 minutes 28 seconds East 5.0 feet to the P.C. of a curve to the right having a radius of 442.45 feet; thence along said curve an arc distance of 107.51 feet, chord bearing North 42 degrees 05 minutes 55 seconds West 107.25 feet to an existing iron pin; thence leaving road East 208.0 feet to the point of beginning, this parcel containing 0.52 acres, more or less, and being a part of the Northeast Quarter of the Southeast Quarter of Section 23, Township 6 South, Range 17 West, Pearl River County, Mississippi.

SECTION 2. Severability, Conflict and Effective Date.

Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

Conflict in any case where a provision of this ordinance is found to be in conflict with the provision of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety of the community, this article shall be effective immediately.

ORDINANCE NO. 735

AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-2 TO PUD-R

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1. Property Description.

The following described property shall be rezoned from R-2, Two Family Residential District, to PUD-R, Planned Unit District-Residential.

Commencing at the Northeast corner of the Northeast Quarter of the Southeast Quarter of Section 11, Township 6 South, Range 17 West, Pearl River County, Mississippi; thence run West 668.0 feet to the West margin of Adcox paved road at the Point of Beginning; thence run North 89 degrees 12 minutes 17 seconds West 199.53 feet; thence run 00 degrees 10 minutes 58 seconds East 21.62 feet; thence run North 88 degrees 54 minutes 16 seconds West 100.22 feet; thence run South 00 degrees 15 minutes 50 seconds East 210.49 feet; thence run South 88 degrees 35 minutes 49 seconds East 299.93 feet to the West margin of said paved road; thence run North 00 degrees 17 minutes 09 seconds

West 234.77 feet along the West margin of said paved road to the Point of Beginning, containing 1.55 acres, more or less and being situated in the Northeast Quarter of the Southeast Quarter of Section 11, Township 6 South, Range 17 West, Pearl River County, Mississippi.

SECTION 2. Severability, Conflict and Effective Date.

Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

Conflict in any case where a provision of this ordinance is found to be in conflict with the provision of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety of the community, this article shall be effective immediately.

The foregoing ordinances having first been reduced to writing, were moved upon by Councilmember Thorman, seconded by Councilmember Bates, and voted upon as follows:

VOTING YEA: Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSTAINING: Mayor Spiers

The motion was declared carried and the ordinances passed, approved, and adopted.

ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept the minutes of the Planning Commission dated September 30, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Planning Commission dated October 26, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSTAINING: Councilmember Roberson

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR FRONT YARD VARIANCE ON FIFTH AVENUE

Upon request of St. Charles Borromeo Catholic Church, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve a 15' front yard variance so that the Church may construct a 50' by 80' two-story building at the rear of their present classroom building. The new building will be used as office space and classroom space. The building will front on Fifth Avenue and will have side entrances from the parking lot and from the present classroom building. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR VARIANCES FOR COMMUNICATIONS TOWER

Upon request of GeoNet Properties, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the following variances so that GeoNet may construct a communications tower on a 55' by 65' plot of land located behind the Picayune Police Department in an I-2 zone:

1. Waive the minimum lot size of 3 acres
2. Waive the I-2 front, rear and side yard setbacks
3. Increase the maximum tower height from 150' to 190'

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

At this time, Councilmember Roberson left the meeting.

ORDER TO CONSIDER REQUEST TO ABANDON STREET

Upon request of Charles Roberson and Lucian Roberson, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to approve the abandonment of the portion of North Steele Avenue between 7th Street and 6th Street, a platted but undeveloped portion of the street. The Robersons need access to two rental units they are constructing on that portion of North Steele. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Bates, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

At this time, Councilmember Roberson entered the meeting.

ORDER TO CONSIDER REQUEST FOR STORAGE BUILDING AND FENCE ON HIGHWAY 11

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the request of GTM Building Supply to place an open storage building on the side of their present building and to allow the construction of a wooden privacy fence to be located 50' from the Highway 11 property line and 11' from the North Haugh Avenue property line. The fence shall be 7 ½' in height on all sides except on the south side of the property where it shall be 10' in height from the property line on North Haugh and continuing east approximately 50' in length. The motion further stipulates that if the property located across the street to the south of the present building is used for any type of storage in the future, it must also be fenced. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO RENUMBER ADDRESSES ON MEMORIAL BOULEVARD

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table any action on renumbering the addresses on Memorial Boulevard. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE BUDGET AMENDMENT #2

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the amendment of the following line items of the budget for the fiscal year ending September 30, 2000:

	Original	Amended
General Fund		
Intergovernmental Revenues	$3,039,500	$4,153,473
General Government – Capital Outlay	35,100	38,100
Public Safety – Police – Other Services	131,000	139,273
Public Safety – Fire – Supplies	46,200	49,685
Public Safety – Fire – Other Services	50,500	50,838
Public Safety – Fire – Capital Outlay	42,400	50,250
Public Works – Supplies	260,940	279,340
Public Works – Other Services	592,750	582,950
Public Works – Capital Outlay	611,500	2,692,609
Culture & Recreation – Capital Outlay	5,000	19,500
Utility Fund		
Administration – Capital Outlay	$ 55,000	$ 57,500
Construction – Supplies	1,072,125	1,099,161
Construction – Other Services	314,125	327,825
Construction – Capital Outlay	174,300	1,158,599
Airport Fund		
Capital Outlay	$ 322,450	$ 509,950

CDBG Drainage Fund				
Grant Revenue	$	0	$	300,036
Loan Proceeds		0		60,319
Transfers In		0		37,039
Other Services		0		34,304
Capital Outlay		0		341,223
Economic Development Fund				
Other Services	$	600	$	19,350

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER ABANDONED VEHICLE ORDINANCE

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table any action on the proposed ordinance to control to abandoned vehicles. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT FOR PROPERTY INSURANCE

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the documents related to the City's property insurance for the period of November 1, 1999 to October 31, 2000 with Stewart Sneed & Hewes and to authorize the issuance of a manual check for the premium of $11,557.50. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER BID AWARD ON FUEL FARM

Upon recommendation of the City Manager and the City's project engineer, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to award the bid on the fuel farm for the new airport to Cobb Environmental & Technical Services, Inc. in the amount of $181,280.90 subject to the following contingencies:

(1) Receipt of the requested "evidence of competency" information from Cobb Environmental & Technical Services, Inc. within ten (10) days

(2) Successful negotiation of Change Order No. 1, deleting the Aircraft Self Service Fueling system and related appurtenances for a minimum deduct to the contract of approximately $20,000 to $30,000

(3) Agreement by Cobb Environmental & Technical Services, Inc. to honor their bid prices on Alternate #1 for a period of ninety (90) days after the signing of the contract

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and Guy

VOTING NAY: Councilmember McQueen

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss two (2) matters of potential litigation.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed two (2) matters of potential litigation and took no action.

ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until November 16, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

November 3, 1999

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 in a special called meeting in the Council Chambers of City Hall in said City, Wednesday, November 3, 1999, at 6:00 p.m. with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Mark Thorman and Leavern Guy, City Manager Kay Johnson and City Clerk Sabrina Diamond.

The call for this special meeting was as follows:

NOTICE OF EMERGENCY MEETING

Notice is hereby given that an emergency City Council meeting will be held on Wednesday, November 03, 1999 at 6:00 p.m. in the Council Chambers at 203 Goodyear Boulevard, for the purpose of discussing the Jackson Landing Road Bridge Project.

/s/
Woody Spiers

/s/
Lucian Roberson

/s/
Jonas Bates

/s/
Mark Thorman

/s/
Leavern Guy

/s/
Kelly McQueen

/s/
Kay Johnson, City Manager

November 3, 1999

A POLICE OFFICER OF THE CITY OF PICAYUNE, MISSISSIPPI WILL EXECUTE AND RETURN THE ABOVE NOTICE.

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

ORDER TO CONSIDER CHANGE ORDER TO CONTRACT WITH IGC, INC. ON CDBG DRAINAGE PROJECT

Representatives of IGC, Inc., BCM Engineers, and the Mississippi Department of Environmental Quality (DEQ) addressed the Council regarding the environmental concerns found at the Jackson Landing Road Bridge site of the CDBG Drainage Project. Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve Change Order #3 with IGC, Inc. on their contract for the CDBG Drainage Project to excavate and remove the contaminated soil in the

project area. The change order reflects a $101,299.84 increase in the contract price. The total contract price is now $824,222.79. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried

There being no further business to consider, the Council adjourned the special meeting.

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter executive session to discuss one (1) matter of potential litigation. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss one (1) matter of potential litigation.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Guy, seconded by Councilmember Thorman, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed one (1) matter of potential litigation and took no action.

There being no further business to consider, the Council adjourned the special meeting.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

November 16, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, November 16, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Mark Thorman and Leavern Guy, City Manager Kay Johnson, City Attorney Gerald Cruthird, Deputy City Clerk Brenda Ford and Assistant Police Chief David Ervin.

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

Opening prayer was given by Mayor Spiers, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated November 2, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF THE PUBLIC RECORDS REQUESTS REPORT DATED FOR OCTOBER 1999

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to acknowledge receipt of the Public Records Report for October 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE ARC/PRC

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the ARC/PRC dated September 14, 1999 and October 12, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF PRIVILEGE LICENSE REPORT FOR OCTOBER 1999

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Privilege License Report for October 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO AUTHORIZE SOLICITATION OF BIDS FOR CONSTRUCTION OF T-HANGARS

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for bids for construction of T-hangars at the new airport. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO SURPLUS PROPERTY

Upon recommendation of the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to declare the following property as surplus and authorize the Purchasing Agent to advertise for bids for the sale of the property:

Lots 12 & 13 of the West Side Redevelopment Area

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO APPROVE SOLE-SOURCE PURCHASE

Upon request of the Assistant Police Chief and the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the sole-source purchase of two (2) combined camera and mount systems (Complete-Cam 3 Color XL) at a cost

of $5,050 each from Law Enforcement Specialty Products, Inc. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO APPROVE THE USE OF UNMARKED POLICE VEHICLES

Upon request of the Police Department, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the use of the following vehicles as unmarked vehicles due to the fact that the identifying marks would hinder official investigation:

Vehicle #	Year/Make	VIN#	Tag #
158	1990 Ford	1FACP5OU8LA129133	FRA 261
200	1995 Buick	1G4AG55MXS6404721	FRA 272
201	1995 Oldsmobile	1G3AJ55MOS6405639	FRA 273
202	1995 Buick	1G4NV55M2SC402387	FRA 274
208	1996 Ford	2FALP71W4TX156557	FRA 265
210	1996 Mercury	1MELM62W3TH625194	FRA 251
234	1996 Ford	2FALP71W2TX186978	FSB 764

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

At this time, Councilmember Bates entered the meeting.

ORDER TO ACCEPT PROPERTY DEEDS

Upon recommendation of the Zoning Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the deeds on the following property that has been obtained from the State of Mississippi through the forfeited lands process:

1. Block 8, Lot 9, Williams South Side Addition
   Section 15, Township 6 South, Range 17 West
   Parcel #6175150040719, PPIN #24671
   Deed Book 155, Page 80
   Pearl River County, Mississippi
   Physically located on Jarrell Street

2. 1 Lot in NW ¼ of NW ¼
   Parcel #6175220020211
   Deed Book 235, Page 419
   Pearl River County, Mississippi
   Physically located on South Beech Street

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Guy

The motion was declared carried.

At this time, Councilmember Guy entered the meeting.

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

Upon request of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to close the meeting to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss two (2) matters involving the location of a business and one matter of potential litigation.

ORDER TO AUTHORIZE CITY MANAGER TO NEGOTIATE WITH PROSPECTIVE AMBULANCE SERVICE

While in executive session, motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to authorize the following actions related to the City's ambulance service contract:

1. Authorize the City Attorney to draft the following letter of intent with Rapid Response EMS regarding their proposal to provide ambulance service to the area located inside the City limits of the City of Picayune
2. Authorize the Mayor to sign the letter of intent with Rapid Response EMS
3. Authorize the City Manager to cancel the City's contract for ambulance service with AAA based on AAA's failure to provide the required membership program

STATE OF MISSISSIPPI)
)
COUNTY OF PEARL RIVER)

MEMORANDUM OF LETTER OF INTENT BY AND BETWEEN THE CITY OF PICAYUNE AND RAPID RESPONSE EMS, LLC

THIS Memorandum is intended by both the City of Picayune and Rapid Response EMS, LLC, a Mississippi limited liability company to accurately set forth their letter of intent to hereafter execute and enter into a contract whereby Rapid Response EMS, LLC will provide ambulance service to the geographical area located within the territorial limits of the City of Picayune, Mississippi, and to the City of Picayune's residents located and residing therein, pursuant to certain terms and provisions hereinafter set forth, as follows:

RECESSED MEETING DATED NOVEMBER 16, 1999

(1) Area of Responsibility:

Rapid Response EMS, LLC will provide ambulance service for the geographical area located within the territorial limits of the City of Picayune, Mississippi, and the resident citizens therein.

(2) Term:

For an initial twelve month term, commencing on March 1, 2000 and terminating at midnight on February 28, 2001. If the terms of the agreement remain the same, such term shall be automatically renewed for successive terms of one year each, unless this agreement is terminated in the specific manner provided for in such agreement.

(3) Compensation for Services:

All compensation due Rapid Response EMS, LLC for services rendered hereunder shall be funded from the charges to governmental, commercial and private users of such services according to the schedule of charges fixed and established, from time to time, by the Board of Directors of Rapid Response EMS, LLC. At the end of each one year term, Rapid Response EMS, LLC, will evaluate the need for a subsidy from the City of Picayune based on reimbursement rule changes. Notwithstanding its schedule of charges so established, Rapid Response EMS, LLC will agree in the parties' agreement to provide free of cost unto the City of Picayune any such ambulance services as are necessary to transfer inmates from the City of Picayune jail for all transports requiring emergency, non-emergency and inter-hospital services required by such inmates.

(4) Services to be Furnished by Rapid Response EMS, LLC

Rapid Response EMS, LLC shall furnish, operate and provide for City of Picayune residents an advanced life support ambulance service, staffed by paramedic personnel so as to provide the public with advanced life support capabilities on all transports including emergency, non-emergency and inter-hospital services, which ambulance service shall include the following:

(a) All necessary personnel, including the station supervisor, medics, clerical and office personnel, to sufficiently staff with paramedic personnel and EMT-personnel, the following described emergency vehicles, to-wit:

(i) A minimum of two ambulances 24 hours daily;

(ii) One ambulance 12 hours daily based on call volume;

(iii) One ambulance on standby; and

(iv) One Special Use Emergency Medical Services Vehicle.

(b) The ambulance service operated shall be conducted from an established location in the City of Picayune and will supply adequate office space, sleeping quarters and garage space, and will furnish all necessary utilities required for the ambulance service.

(c) Agrees to maintain and keep in full force and effect during the term of this agreement the following insurance coverages and/or bonds, to-wit:

(i) Public liability insurance covering the ambulance units, their operations and all drivers thereof for single limit coverage of not less than $500,000.00;

(ii) Workmen's Compensation insurance coverage for all employees of an amount required by Mississippi law;

(iii) Fidelity bond coverage for such employees for such amounts as Rapid Response EMS, LLC in its sole discretion, may elect and determine;

(iv) Professional liability coverage with a single limit coverage of not less than $1,000,000.00; and

(v) An irrevocable Letter of Credit from a lending institution in the surrounding area in an amount of not less than $700,000.00 conditioned upon Rapid Response EMS, LLC providing the City of Picayune with sufficient financial resources to operate such ambulance service itself for a minimum of six months following default or failure otherwise on the part of Rapid Response EMS, LLC to perform and provide service as herein contemplated.

Notwithstanding the foregoing insurances/bonds to be furnished by Rapid Response EMS, LLC unto the City of Picayune, Rapid Response EMS, LLC shall further indemnify and hold the City of Picayune free and harmless from and against any and all losses, claims, demands, actions, causes of action or expenses of whatever kind and character, including attorneys' fees, that the City of Picayune may suffer or incur by reason of any negligent actions or omissions by Rapid Response EMS, LLC, its agents and employees in connection with or arising out of the operation by Rapid Response EMS, LLC of the public ambulance service contemplated by this agreement.

(d) At all times during the term of this agreement, Rapid Response EMS, LLC shall maintain the ambulance units and their communication and other related equipment in good operating condition in compliance with the applicable rules and regulations of the Emergency Medical Services Division of the Mississippi State Board of Health.

(e) Rapid Response EMS, LLC shall obtain and keep in full force and effect all necessary certifications and permits from the Emergency Medical Services Division of the Mississippi State Board of Health for the ambulances and the medics assigned thereto at the advanced life support level.

(f) Rapid Response EMS, LLC shall furnish all necessary drugs, medicines, oxygen and other emergency medical supplies required in the care of patients while being transported by the ambulances.

(g) Rapid Response EMS, LLC shall keep and maintain records and statistical data relating to its operations of a public ambulance service in the City of Picayune and its environs; and Rapid Response EMS, LLC shall make periodic reports, at least semi-annually, to the City of Picayune in order that the appropriate officials of the City of Picayune will remain knowledgeable of the ambulance operations in the City of Picayune and its environs.

(h) Rapid Response EMS, LLC will implement medical treatment protocol and written standing orders as approved by the Emergency Physicians of Crosby Memorial Hospital's

Medical Staff, the Southeast Mississippi Air Ambulance District Medical Control and the Emergency Medical Services Division of the Mississippi State Board of Health.

(i) Rapid Response EMS, LLC will develop and implement an agreement with the Fire Department of the City of Picayune for assistance in the extrication of patients at automobile and other accidents where patients may be trapped; and will develop and implement with the Fire Department of the City of Picayune a "first responders program" for other medical emergencies. Rapid Response EMS, LLC will assist, through coordination with the Fire Chief, fire department personnel in meeting and maintaining training requirements and certification related to emergency medical services.

(j) Rapid Response EMS, LLC shall install at Crosby Memorial Hospital a VHF station radio to be used by the Emergency Physicians of Crosby Memorial Hospital's Medical Staff in their capacity as medical control for Rapid Response EMS, LLC' staff in the field. In addition, Rapid Response EMS, LLC will install a VHF radio system in two ambulance units to allow the units to have constant communication with and access to medical control in Picayune and Hattiesburg, Mississippi.

(k) Rapid Response EMS, LLC will provide, at no additional charge and on an "as available" basis, a standby ambulance at any public function, such as high school football games conducted with the jurisdictional boundaries of the City of Picayune; however, a charge, to be determined from time to time by the Board of Directors of Rapid Response EMS, LLC, will be made to the promoters thereof for standby ambulance service at private "for profit" events, such as rodeos, motorcycle races, fairs, carnivals and other similar events.

(l) In providing the ambulance service contemplated by this agreement, Rapid Response EMS, LLC shall transport patients to the hospital of their choice, or as indicated by medical treatment protocol in those instances where a patient may be unresponsive. Rapid Response EMS, LLC may also respond, if needed, in an emergency situation or when prescribed by a physician to calls across any other political or jurisdictional boundary.

(m) Appropriate personnel of Rapid Response EMS, LLC will review patient reports to assure quality patient care. To assist Rapid Response EMS, LLC in maintaining quality patient care and to meet quality guidelines imposed by regulatory authorities, the ambulance staff of Rapid Response EMS, LLC will attend advanced life support critique meetings with Crosby Memorial Hospital Medical Control.

(5) The City of Picayune agrees to and shall keep and perform the following conditions, agreements and covenants:

(a) Upon meeting the requirements therefor, the City of Picayune agrees to issue unto Rapid Response EMS, LLC a permit or license for the operation of ambulance service within the jurisdictional area of the City of Picayune pursuant to the provisions of Ordinance No. 651A of the Picayune Code of Ordinances.

(b) The City of Picayune agrees to accept requests or calls for ambulance service on its "911 telephone line" and to initiate the response by Rapid Response EMS, LLC by notifying Rapid Response EMS, LLC' staff. The City of Picayune shall cause a record to be made of the time at which the request was received by the City of Picayune's representative and the time at which the City of Picayune's representative notified Rapid Response EMS, LLC of the request. Such records shall be made available to Rapid Response EMS, LLC in order that Rapid Response EMS, LLC may document and evaluate response time by it.

(c) For so long as this agreement is in effect, the City of Picayune shall not contract with any other ambulance service to provide ambulance service within the jurisdiction of the City of Picayune.

(d) The City of Picayune shall indemnify and hold Rapid Response EMS, LLC free and harmless from and against any and all losses, claims, demands, actions, causes of action or expenses of whatever kind and character, including attorneys' fees, that Rapid Response EMS, LLC may suffer or incur by reason of, resulting from or growing out of the negligent acts or omissions of the City of Picayune, its servants and employees, in connection with or arising out of the operation of Rapid Response EMS, LLC of the public ambulance service under this agreement.

(6) Subscription Service:

In an effort to increase revenues and to possibly generate alternative funding for Rapid Response EMS, LLC's operations in the City of Picayune and its environs, Rapid Response EMS, LLC, as soon as practical, shall offer a subscription service to the residents of the City of Picayune and its environs similar to the AMCAP Subscription Service presently provided in the Hattiesburg and Forrest County service area, with a copy of the brochure describing the subscription service to be offered by Rapid Response EMS, LLC to be attached as Exhibit "A" unto the agreement to be executed and entered into by and between Rapid Response EMS, LLC and the City of Picayune. The City of Picayune will further agree in such contract to endorse, support and assist Rapid Response EMS, LLC' subscription service campaign and to urge the City of Picayune employees and their families to subscribe to the subscription service.

Subscription service membership shall not be offered and sold to non-residents of the State of Mississippi; and such subscription service and the ambulance services covered thereby and to be performed by Rapid Response EMS, LLC thereunder shall not be effective beyond the boundaries of the State of Mississippi.

(7) Right to Terminate:

Either the City of Picayune or Rapid Response EMS, LLC shall have the right to terminate this agreement if the other party defaults in the performance of any of the covenants, agreements, conditions or undertakings herein contained to be kept, observed and performed, and if such default shall continue for thirty days after notice thereof in writing by the non-defaulting party to the defaulting party has been furnished.

(8) Notices:
All notices to or demands upon the City of Picayune or Rapid Response EMS, LLC, desired or required to be given under any provisions of the agreement to be executed and entered into by and between the parties, shall be in writing and mailed by United States registered mail or United States certified mail as follows:

City Manager
City of Picayune
203 Goodyear Boulevard
Picayune, MS 39466

Rapid Response EMS, LLC
1338 Gause Boulevard, Suite 307
Slidell, LA 70458

EXECUTED IN DUPLICATE on this, the _____ day of _____, 1999.

CITY OF PICAYUNE

BY: _____
WOODY SPIERS, Mayor

RAPID RESPONSE EMS, LLC

BY: _____
YASSER KHALED, CE

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Thorman, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed two (2) matters involving the location of a business and one matter of potential litigation and took action on one matter involving the location of a business.

ORDER TO AUTHORIZE THE CITY MANAGER TO BEGIN INVESTIGATIONS RELATED TO CROSBY MEMORIAL HOSPITAL

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the City Manager to negotiate and retain attorneys and/or investigators for the purposes of initiating an investigation for any possible improper, erroneous, or illegal action taken in the sale and lease of the Crosby Memorial Hospital assets unto NAHC of Mississippi, Inc. and New American Health Care Corporation by Southern Regional Corporation and the Lower Pearl River Valley Foundation on and after October 29, 1998. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED NOVEMBER 16, 1999

ORDER TO ADJOURN

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

December 7, 1999

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 in the Council Chambers of City Hall in said City, on Tuesday, December 7, 1999, at 6:00 p.m. in regular session with the following officials present: Mayor Spiers, Councilmembers Lucian Roberson, Jonas Bates, and Leavern Guy, City Manager Kay Johnson, City Attorney Gerald Cruthird, Assistant Police Chief David Ervin and City Clerk Sabrina Diamond.

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

Opening prayer was given by Mr. Cruthird, and followed by the Pledge of Allegiance.

ORDER TO APPROVE PRIOR MINUTES

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve the minutes of the Mayor and Council dated November 3, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF PRIVILEGE LICENSE REPORT FOR NOVEMBER 1999

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Privilege License Report for November 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF PICAYUNE/PEARL RIVER COUNTY AIRPORT BOARD DATED NOVEMBER 11, 1999

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Picayune/Pearl River County Airport Board dated November 11, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF RETIREMENT DEVELOPMENT DEPARTMENT'S MONTHLY ACTIVITIES REPORT FOR OCTOBER 1999

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to acknowledge receipt of the Retirement Development Department's monthly Activities Report for October 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MONTHLY BUDGET REPORT FOR OCTOBER 1999

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Budget Report for October 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO APPROVE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to approve the monthly claims docket for December 1999 in a total amount of $509,592.20. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO APPROVE ISSUANCE OF MANUAL CHECKS

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the issuance of the following manual checks:

Gerald Cruthird	General Fund	$1,395.00
Gerald Cruthird	General Fund	753.25
MS State Tax Commission	Utility Fund	2,416.00
COP General Fund	Utility Fund	49,940.00
Compton Engineering	Utility Fund	7,719.00

U.S. Post Office	General Fund	1,700.00 (NTE)
MS State Tax Commission	General Fund	12.00
Dean Kendrick	Utility Fund	23.82
Eugene Watson	General Fund	5,000.00

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN THE CONTRACTUAL AGREEMENT FOR SUPPLEMENTAL POLICE SERVICES WITH THE PICAYUNE HOUSING AUTHORITY

Upon request of Ms. Mary Davis, Executive Director of the Housing Authority, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following agreement with the Housing Authority of the City of Picayune:

HOUSING AUTHORITY OF THE CITY OF PICAYUNE, MISSISSIPPI CONTRACT
FOR THE PROVISION OF SUPPLEMENTAL POLICE SERVICES

This Contract, made and entered into this 1st day of January, 2000 by and between the Housing Authority of the City of Picayune, Mississippi (hereinafter called the "Authority" and the City of Picayune, Mississippi (hereinafter called the "City") is for the provision of specific police services associated with the Authority's security programs.

WHEREAS, the Authority desires to contract with the City for additional police services to create a drug-and crime-free environment and to provide for the safety and protection of the residents in its public housing developments; and

WHEREAS, the City, by and through its police department, desires to assist in the effort by providing effective police services at all Authority locations;

NOW, THEREFORE, the Authority and the City agree as follows:

ARTICLE I
Scope of Services

SECTION ONE: SERVICES PROVIDED BY THE CITY

The City agrees that the services rendered by the Assigned Personnel (police and civilian) under this Contract are in addition to baseline police services. The City Agrees that it will not reduce its current level of community policing, patrol, criminal investigations, records, dispatch and special operations.

The manner and method of performance of services is specified in Article IV, Plan of Operations.

The duties and extent of services of the Assigned Personnel shall include, but shall not be limited to:

A. The City, by and through its police department, will provide a minimum of four (4) police officers to perform specialized patrols to enforce all state and local laws and the Housing Authority Rules specified in this Contract. Sworn officers shall at all times remain part of, subject to and in direct relationship with the police department's chain of command and under police department rules, regulations and standard operating procedures.

B. The City agrees to assign police officers to targeted areas during specific periods of time identified by the Authority and agreed upon by the City as high crime or high workload periods (directed patrol), such as 6:00 p.m. to 2:00 a.m. in certain areas, to maintain a police patrol presence.

C. The City agrees that the police department will employ a community policing concept and that the police department's Crime Prevention Unit (or other unit whose primary responsibility is to develop and maintain communications with residents) will assist in developing or enhancing crime prevention programs in the public housing communities.

D. The City agrees to collect and provide workload data in public housing developments.

E. It is further agreed that to the extent necessary, the Assigned Personnel will appear as witnesses in the Authority's administrative grievance procedure, civil dispossessory hearings, or other civil or court proceedings where the issue includes criminal or quasi-criminal conduct in or near public housing developments involving any resident, member of a resident's household, or any guest or guests of a resident or household member.

F. Without limiting any of the foregoing, the City agrees that with respect to the services to be performed by any police personnel in accordance with this Contract, the appropriate police department Patrol commander or Supervisor will meet with resident leadership and management representatives of the Authority on a routine basis for the purposes of reviewing the enforcement and prevention efforts and planning for future changes or modifications anticipated by this Contract. These meetings shall occur at least quarterly.

G. The City agrees that a policy manual exists to regulate police officer's conduct and activities; all police officers have been provided a copy of the policy manual; the department has a signed receipt from each officer that he/she has received and understands the contents of the manual; and personnel have been trained on the regulations and orders within the manual.

H. The City agrees that it will provide the Assigned Personnel with such basic equipment as may be necessary and reasonable in order to allow the police officers to carry out the duties anticipated under this Contract: Any additional automobiles, motor vehicles, bicycles or other equipment requested by the Authority will be furnished at the expense of and shall remain the property of the Authority. The Authority and City may mutually agree to lease equipment or vehicles.

I. The police department will provide at a minimum sixteen (16) hours of training on community relations and interpersonal communications skills.

J. The City agrees to provide, at a minimal cost to the Authority, criminal background checks of proposed applicants for public housing. This information will be provided in a manner consistent with all applicable National Crime Information Center or State laws and regulations.

K. The police department shall designate a command officer as the Administrative Liaison Officer, who will work in concert with the Executive Director of the Authority or that official's designate.

The Administrative Liaison Officer will perform the following duties:

1. Coordinate the dissemination and processing of police and security reports, provide supervisory assistance, and coordinate in resolving problems or in carrying out the provisions of this Contract;
2. Establish and maintain an ongoing line of communication with Beat/Zone Commanders and other police personnel;
3. Prepare quarterly progress reports and evaluations of services requested and provided under this Contract for review by the Executive Director, the Police Chief, appropriate Deputy Chiefs and Beat/Zone Commanders and identified community representatives; and political leadership, e.g. mayor and council members.
4. Initiate and monitor ongoing lines of communication with resident leaders to effectively employ the community policing concept and to address in a timely manner concerns raised by community leaders;
5. Coordinate security workshops and training seminars for identified residents;
6. Assist or advise the planning and implementation of other grant-funded security programs within the Authority; and
7. Establish a clearly defined process for reporting non-emergency criminal activities.

The prorated costs for these service shall be borne by the Authority.

L. The City will at all times provide supervision, control and direction of work activities and assignments of police personnel, including disciplinary actions. It is expressly understood that the Housing Authority shall be responsible for the compensation of the officers and all employee benefits except Workman's Compensation and Retirement. The City shall be responsible for any injury to officers, their property, or the City's property while on the Authority's property.

M. The Assigned Personnel shall possess and maintain POST Certification.

SECTION TWO: SERVICES PROVIDED BY THE AUTHORITY

A. The Authority will provide training of residents, Authority on-site management staff and the Assigned Personnel with workshops on community policing and crime prevention issues associated with public housing. This shall include, but not be limited to, training in the following:

1. Crime prevention and security responsibilities;
2. Community organization/mobilization against the causes of and precursors to crime;
3. Drug awareness and control;
4. Orientation and familiarization with the public housing communities for the assigned officers; and
5. Orientation to the lease contract, and lease compliance enforcement procedure and policies.

B. The Authority will provide the following in-kind accommodations, services and equipment:

1. Accommodations - The Authority will provide suitable space to be used as a satellite office at each site targeted for additional police services.
2. Services - Each satellite office will be supplied with utilities (water, heat, electricity) and routine and extraordinary maintenance by personnel of the Housing Authority.
3. Equipment - Each satellite office is to be supplied with any other additional equipment mutually agreed upon in connection with the performance of this Contract.

C. The Authority shall provide a quarterly assessment of the results achieved, as measured against the performance objectives specified in the Plan of Operations listed in Article IV of this Contract.

D. The Authority shall reserve the right to reasonably request the police department to replace any Assigned Personnel for the following reasons:

1. Neglect or non-performance of duties;
2. Disorderly conduct, use of abusive or offensive language, or fighting;
3. Criminal action;
4. Selling, consuming, possessing or being under the influence of intoxicants, including alcohol or illegal substances, while on assignment to the Authority.
5. Inadequate punctuality or attendance; or
6. Substantiated complaints from public housing resident or management.

The Authority shall provide a written enumeration of the reasons for the request for replacement of the Assigned Personnel, including documentation and witnesses to the alleged behaviors.

E. The Authority will provide the City with a Public Housing Police Activity Form(s) for assigned officers to complete. These forms are not to replace police reports utilized by the City.

F. The Authority will provide the City with the applicable Authority rules and regulations for compliance with this Contract.

G. The Authority will work with the police department to subsidize housing or rent costs for volunteer police officers to reside in a public housing development selected by the Authority.

ARTICLE II
Enforcement of Rules and Regulations

A. The City, through its police officers, is hereby empowered to enforce the following Authority rules and regulations:

1. Unauthorized visitors in unoccupied structures of the Authority shall be removed.
2. Unauthorized visitors creating disturbance or otherwise interfering with the peaceful enjoyment of lessees on Authority property shall be removed.
3. Unauthorized visitors destroying, defacing or removing Authority property shall be removed and/or criminal enforcement actions shall be taken.

With regard to the foregoing rules and regulations, the City's police officers are hereby authorized to give criminal trespass warnings to any persons found in violation of said rules or regulations, i.e., to give notice to any violators that their entry on the property or premises is forbidden, and to arrest or cause the arrest and prosecution of any violators, when appropriate.

B. The City, through its police officers, is hereby empowered to enforce the following Authority rule or regulations:

The tenant and any visitors to Authority property and premises shall refrain from, and shall cause their households to refrain from parking vehicles in any area other than parking areas designated by Authority management.

With regard to the foregoing rule or regulation, the City's police officers are hereby authorized to have removed any and all vehicles found parked in violation of said rule or regulation, pursuant to established City procedure for impounding vehicles.

C. The City, through its police officers, is hereby empowered to enforce such additional Authority rules and regulations and perform such other duties as shall be specified in any addenda attached hereto or incorporated herein now or in the future.

D. Nothing herein contained shall be construed as permitting or authorizing police officers to use any method or to act in any manner in violation of law or of their sworn obligation as police officers.

ARTICLE III
Communications, Reporting and Evaluation

A. Communications

1. Access to Information

The City agrees that the Authority will have unrestricted access to all public information which in any way deals with criminal activity in any of the Authority's communities. It is further agreed that the City police department will provide to the Authority copies of such incident reports, arrest report or other public documents which document or substantiate actual or potential criminal activity in or connected with the public housing developments. This information will be provided at no cost by the City police department on a regular basis in accordance with specific procedures that have been or will be established.

Existing procedures should be included as an Addendum to this Contract.

B. Reporting

1. Forms:

The police department will require all Assigned Personnel (police officers) to complete a daily log provided by the Authority at the conclusion of each shift and forward the original report to the Authority's designee. This report will include, but not be limited to, data as follows:

a. Hours worked: foot, bicycle, motorized, other
b. Calls/requests for service
c. Referrals to City/PHA agencies
d. Suspicious persons - name and description
e. Vehicles abandoned/towed/stolen
f. Drug paraphernalia confiscated/found
g. Arrests/citations of both residents and outsiders to include age, sex, ethnicity
h. Property recovered/stolen
i. Counseling of residents and visitors
j. Broken lights/sidewalks
k. Graffiti
l. Conflict resolution; e.g. resolved apparent or actual conflict between two or more people
m. Vehicle license number of suspicious persons
n. Weapons violations/seized

2. Media Coordination

The police department will relay to the Executive Director of his designee information related to any major crime or incident that occurs on Authority property, preferably before the media is informed, or as soon as possible.

C. Evaluation

The City and the Authority agree that any evaluation shall include:

1. Hours worked by police officers for:
   a. Foot patrol
   b. Bicycle patrol
   c. Motorized patrol
   d. Other (tactical)

2. Response times to targeted communities by City-paid officers and Authority-paid officers by Priority I (emergency), Priority II (non-emergency), and Priority III (if utilized)
3. Comparison of crime and workload in the targeted communities for 1990, 1991, 1992 and period of Grant
4. Arrests (to include drug violations)
5. Vehicles towed
6. Positive contacts
7. Referrals
8. Trespassers removed
9. All UCR or NIBRS Reports
10. Calls for service
11. Weapons seized
12. Property stolen/recovered
13. Community feedback

It is further agreed that the City will provide comparable information for the City as a whole to facilitate the evaluation to include what proportion of activities City-wide occur on Authority property.

ARTICLE IV
Plan of Operations

A. The City and the Authority shall prepare a detailed plan of operations for use in eliminating drug-related crime. The purpose of the plan is to specify the manner and method of performance by which each of the services identified is to be administered.

The plan of operations will minimally specify the following:

1. Service goals and minimum performance criteria (i.e., a definition of what is to be achieved and the expected benefits or outcomes that will be derived);
2. Staffing levels;
3. Responsibilities of key personnel;
4. Organization and resources, to include personnel, equipment, in-kind support,
5. Hours of operation, to encompass schedules of major tasks and activities; and
6. Community interface to evidence the methodology by which resident involvement will be gained and maintained during the term of the Contract

B. The plan of operations will be prepared for review and acceptance within thirty (30) days from the date of execution of this Contract by both parties. It is understood that the Authority may request reasonable modification to the initial plan of operations as it deems appropriate. The Authority must approve the plan in order for payment to begin.

C. If during the term of the Contract either party desires to amend the scope of the plan of operations, either party may request such an amendment via written notification. The Executive Director of the Authority and/or the Chief of Police shall provide final determination regarding the establishment of an amendment to the plan of operations.

ARTICLE V
Term of Contract

The term of this Contract shall be for one (1) year beginning on the date approved by both parties.

ARTICLE VI
Compensation to the City

A. All compensation to the City will be made on a cost reimbursement basis. The Authority will reimburse the City for services specified in this Contract in a total amount not to exceed Forty-seven thousand eight hundred ninety-five dollars ($47,895.), in the following expense categories:

Expense Category	Amount
Assigned Personnel Salaries and Fringe Benefits	$ 47,895.
Administrative Liaison Officer Prorated Salary and Benefits	$
Communications/Other Miscellaneous Expenses/Equipment	$

B. The Authority shall reimburse the police department on a monthly basis, upon receipt of performance of the proposed services and evidence of authorized expenditures.

C. The percent of overtime authorized under this Contract for court appearances or other hearings is _____.

D. The City shall provide the following documentation in requesting reimbursement:

1. Copies of Certified Payroll Time Reports documenting names, employee identification, hours worked in public housing developments, supervisory approval of the report, and supervisory verification of the necessity for any overtime worked.
2. Copies of receipts for other allowable communications and other miscellaneous expenses shall be subject to pre-approval, and shall be accompanied, at the time of reimbursement request, by a brief explanation of the expense incurred.

E. All requests for reimbursement are subject to the approval of the Executive Director, or that official's designee, and the Authority shall thereafter make payment of the approved amount within thirty days of receipt of the request for reimbursement.

ARTICLE VII
Termination

A. The Authority may terminate this Contract upon the provision of thirty (30) days written notice to the City. Such notice shall be delivered by Certified Mail, Return Receipt Requested to the address specified in Article VIII.

B. The City may terminate this Contract upon the provision of thirty (30) days written notice to the Authority. Such notice shall be delivered by Certified Mail, Return Receipt Requested to the address specified in Article VIII.

ARTICLE VIII
Notices

Any notices required pursuant to the terms of this Contract shall be sent by United States Certified Mail to the principal place of business of each of the parties hereto, as specified below:

Authority: Picayune Housing Authority
P.O. Drawer 40
Picayune, MS 39466
Attn: Executive Director

City: City of Picayune
203 Goodyear Blvd.
Picayune, MS 39466
Attn: City Manager

ARTICLE IX
Construction of Laws

This Contract is made and entered into in the City. Any and all questions of law arising hereunder shall be construed in accordance with the laws of the State in which the City is located.

ARTICLE X
Entire Contract

The Contract shall consist of the following component parts:

(a) This Contract;

(b) Any subsequent addenda agreed to by both parties.
The City, by and through its police department will provide a minimum of four (4) police officers to perform specialized patrol to enforce all state and local laws and the Housing Authority Rules specified in this Contract, through working for and compensated by the Picayune Housing Authority. Sworn officers shall at all times remain part of, subject to and in direct relationship with the police department's chain of command and under police rules, regulation and standard operating procedures.

/s/ Mary E. Davis
EXECUTIVE DIRECTOR
THE HOUSING AUTHORITY
OF THE CITY OF PICAYUNE,
MISSISSIPPI

MAYOR
CITY OF PICAYUNE

CITY ATTORNEY

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN THE MISSISSIPPI TRANSPORTATION ENHANCEMENT TREE PLANTING PROGRAM GRANT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Bates, to authorize the Mayor to sign the following Mississippi Transportation Enhancement Tree Planting Program Grant with the Mississippi Forestry Commission providing for $2,550.00 of grant funding:

Mississippi Transportation Enhancement Tree Planting Program

Agreement for Tree Planting

This agreement is made and entered into by and between the Mississippi Forestry Commission (MFC) and the City of Picayune, hereinafter referred to as the grantee, for the purpose of planting trees utilizing Federal Surface Transportation Enhancement Funds, as available through the Mississippi Department of Transportation (MDOT) and the Federal Highway Administration (FHWA).

Situation and Justification
Trees supply multiple benefits to transportation corridors. Enhancement of these benefits is the justification for this agreement. The impact of the project will correlate to the amount of planted ground that currently is not growing trees.

Purpose:
The purpose of this agreement is to establish the responsibilities between the MFC and the grantee in regard to the funding and completion of projects under the Mississippi Transportation Tree Planting Program.

Agreement Period:
The agreement period shall be December 1, 1999 through April 15, 2000.

SECTION 1. THE GRANTEE AGREES:

To complete the project as described in the project proposal no later than April 15, 2000.

To adhere to the allowable costs described in the project proposal and to provide the local contribution.

To pay for all contractual services, materials, and other expenses associated with completion of the project and secure receipts and/or proper documentation.

To adhere to the minimum technical specifications and tree maintenance requirements attached.

All trees will be planted on land owned or controlled by state or local government, and in close proximity to (in sight of) a public transportation corridor or facility.

If any work is to be performed on a Mississippi Department of Transportation (MDOT) right of way, the grantee must acquire a permit from the appropriate MDOT District Engineer prior to beginning planting of any trees.

The nonfederal contribution will not include any value attributable to the land on which the trees will be planted, nor will any part of the grant be used to pay for land or land charges.

No part of the grant or matching funds will be used to pay for maintenance or expenses beyond the four month installation period.

To notify the Mississippi Forestry Commission as to the exact start and planned completion dates of the project and to accommodate field inspectors.

To follow all applicable purchasing laws.

To complete scheduled maintenance for a term of at least three (3) years and insure at least 80% survival at the end of the three year period.

To comply with all applicable laws and regulations including, but not limited to, civil rights, equal employment opportunity, migrant labor, child labor, employment, wage and hour, workers compensation, drug free workplace, and federal regulations pertaining to federal grants. No person under age 12 is permitted to take part in the project.

SECTION 2. THE MISSISSIPPI FORESTRY COMMISSION AGREES TO:

Pay the grantee 75% of the approved cost of the project up to the maximum amount of $ 2,550.00 upon project completion and certification by an authorized MFC employee, and upon completing and submitting the following documentation:

- billing invoice to the MFC for the amount agreed to in Section 2,
- completed and signed Certification of Completion,
- project completion report as described in Section 3.

SECTION 3. REPORTS

Reports are due within 30 days after the end of the project, and no later than May 15, 2000. Reports should be submitted to Mississippi Forestry Commission 301 North Lamar Street, Suite 300 Jackson, MS 39201 Attn. Urban Forestry

Financial reports will include a cost breakdown by line item of actual financial expenditures and all in-kind or donated contributions.

The project completion report must include the following:

- a brief statement highlighting the improvements accomplished with the grant, including number of trees planted by species and size,
- the amount of and reasons for slippage if established objectives were not met,
- an explanation of difficulties encountered and recommendations if any,
- a detailed account of all expenditures, donations, and in-kind match.

SECTION 4. RECORDS

The grantee agrees to maintain adequate records and documentation for all expenditures claimed and agrees to provide this information upon request for a period of up to three (3) years from project completion, or until final audit findings are made. Records shall be available for review by the MFC, MDOT, and/or the FHWA.

The grantee agrees to maintain and be responsible for employment records for all individuals working on the project.

SECTION 5. ADVANCE UNDERSTANDINGS:

The grantee agrees that all properties reforested or planted with funds made available under this agreement shall be available for inspection by the grantor at such intervals as the Mississippi Forestry Commission shall require. Periodic inspections will be made at random of all tree planting projects. A final inspection by an authorized MFC employee is required prior to payment.

The grantee agrees that no changes will be made to the project without prior approval of the MFC. No interest in the Agreement shall be assigned to any individual or agency not a party hereto without prior approval of the MFC.

The grantee agrees that it is responsible for any and all liability or claims of liability that arise out of or are related in any way to the project activities, the work, the contracting, or subcontracting for said project and/or work related to this agreement and agrees to hold the Mississippi Forestry Commission harmless.

Signatures

_____ _____

State Forester, Mississippi Forestry Commission Date

_____ _____

Authorized Signature for Grantee Date

MISSISSIPPI TRANSPORTATION ENHANCEMENT TREE PLANTING PROGRAM

MINIMUM TECHNICAL SPECIFICATIONS

Species/Site Selection
Trees must be suited to the climate and soil at your site. Trees should be either native species or proven adapted to the plant hardiness zone.

When choosing species to be planted, consideration should also be given to insect and disease resistance; maintenance costs; space available for root growth; space available for top growth; soil drainage; reflected heat and light; wind extremes, duration, and direction; ice and storm damage potential; mechanical damage potential; pollutants, and functional uses and design criteria.

Species diversity is important to strive for in order to help prevent outbreaks of disease and insect problems. Communities should strive to have no more than 15 percent of its total urban forest made up of a single species.

The following criteria are established for tree planting under the Mississippi Transportation Enhancement Tree Planting Program. Exceptions to these criteria may be allowed for specific design needs, but must be approved by the Mississippi Forestry Commission.

- Trees will be planted far enough from the highway pavement to satisfy federal "clear zone" safety requirements. In many cases this means at least 30 feet from the edge of the pavement. The clear zone is the area adjacent to the highway pavement that should be kept clear of any obstructions that might be dangerous to motorists that leave the pavement. This safety recovery zone varies in width depending on speed, curve of the road, terrain and/or slope. Check with MDOT District Engineers for the exact distance for your location.

- Trees will not be planted within 20 feet of utility poles or fire hydrants.

- Trees should be planted at least 20 feet apart, large trees even farther apart.

- If planting small trees, or in combination with shrubs or other complimentary plants, and a closer spacing is desired, plant in beds where all existing vegetation has been killed and mulch covers all of the space between the plants.

- No tree which will attain a mature trunk diameter greater than 12 inches will be planted in a tree lawn (grassy area between sidewalk and curb) less than three feet wide.
- Trees will not be planted within 30 feet of an intersection or within 15 feet of driveways and alleys.

- In business districts, trees must be planted a minimum of 30 inches from curbs to prevent damage from bumpers and doors.

- Trees will be placed so they won't block a legal sign even when the tree reaches its mature size.

- Only trees with mature heights less than 30 feet will be planted under utility lines.

It shall be the responsibility of the grant recipient to identify and avoid underground utilities.

Planting Stock Selection and Care
The following specifications are for container grown or balled and burlapped planting stock. Specifications for bare root trees are described in the Mississippi Forestry Commission's seedling care and handling procedures. A copy of the procedures are available upon request.

Trees will be obtained from a recognized nursery using sound horticultural practices. All trees will be healthy, vigorous stock grown under climatic conditions similar to conditions in the locality of the project and free of injury, disease or disfigurement. Trees will have an appropriate rootball size in relation to stem caliper and height. Planting stock will, as a minimum, meet the specifications of the American Association of Nurseryman's *American Standard for Nursery* Stock. Trees of the same species shall be uniform in size and shape.

The recommended planting size for most species is 1 1/2 to 2 inches in hunk diameter measured at 6 inches above the ground. Some species, like pines and crape myrtles, are specified by height The recommended height is five to seven feet.

All trees are to be delivered from the growing site to the planting site with special care so as to prevent the rootball from excess drying and limit wind damage to the foliage. Tarps or covered vehicles are recommended.

AL WAYS pick up the tree by the container or rootball, never by the trunk.

Trees will be stored out of direct sunlight and in their containers until planting. If planting is delayed more than six hours after delivery, the root area shall be covered with moist soil or mulch. Trees will be watered as necessary until planting.

Tree Quality
Trees will have good branch structure in accordance with the natural form for the species. Branching will be plentiful and uniformly spaced along the trunk and have firm, strong attachments with the bunk. Trees with a natural excurrent growth form will have only one main larger than 4 inches shall be broken up or removed from the backfill. The planting hole will be free of trash. Never apply high nitrogen fertilizer at planting time. It may burn tender roots.

Settle the soil in the hole by gently firming the earth around the tree to hold it in place and to eliminate air pockets. Settle the soil around the roots with water and add soil to the hole to bring the tree to its original growing level. Take care in tamping around the tree base so as not to break feeder roots or compact the soil and inhibit the spread of roots. Rake a ridge of soil around the margin of the hole (outside the root area) to create a reservoir when watering.

Staking
Staking is NOT required. The decision to use protective barriers should be based on an analysis of site conditions and species to be planted. On windy sites, or areas adjacent to fast moving traffic, evergreens and large trees may require staking for the first growing season. If a tree requires staking, enough flexibility should remain to allow the stem and root system to develop strength and support of their own. Three guys should be used for trees 6 inches in diameter and larger. For trees of 2 - 6 inch diameter, use two to three guys. Trees of less than 2 inch diameter should be supported by two tall stakes, with the tree held between the stakes with webbing or other fabric that will not damage the trunk or constrict growth. Use of a single stake can damage the tree trunk during windy conditions.

Care should be taken when staking to avoid bark damage. A broad, soft strapping material such as woven belt fabric or padded wire should be used. Stakes should be driven into the ground outside the perimeter of the planting hole, spacing them an equal distance apart. Stakes should be of a type that can be removed without damage to the tree's root system.

Strapping material should be attached to the tree at the lowest possible place to maintain it upright. Stakes should be removed as soon as the tree has firmly rooted itself in the soil and should not remain for more than one year.

Mulch
Establish a four inch layer of organic mulch in a six foot diameter circle around the newly planted tree. This will conserve soil moisture and protect the tree roots from hot and cold temperatures. Pull mulch away from the tree trunk to provide aeration. Mulch may be organic material such as shredded bark and twigs, pine straw, or bark and wood chips.

Watering
Trees should be watered immediately after planting. Saturate the fresh backfill around the tree with water in an amount that will insure the entire rootball becomes wet. Drainage should be provided for so as not to allow a tree to stand in water.

MISSISSIPPI TRANSPORTATION ENHANCEMENT
TREE PLANTING PROGRAM

TREE MAINTENANCE REQUIREMENTS

Mulch
A two to four inch layer of mulch shall be maintained around all trees to help conserve soil moisture and protect the trees. The mulch may be bark, wood chips, pine straw, or other organic material. Plastic mulches will not be allowed. It should be pulled away from direct contact with the trunk. The mulch will cover an area larger than the width of the planting hole. The mulch layer must be replenished as necessary. The mulched area shall be kept free of weeds, grass, and insects.

Weed Control
Keep grass and weeds from growing around the trees. Weeds may be pulled by hand or herbicides can be used. If herbicides are used, consult a professional for recommendations.

Watering
Trees should be watered immediately after planting. For the first year, trees should be watered every 7 to 10 days unless there has been one inch of rainfall during that period. During the months of July, August and September, the trees may need to be watered twice a week. Water during the entire growing season from the time the buds open until mid-September. Trees, especially evergreens, also should be watered during dry winter periods. Watering may be decreased annually.

Water should be applied slowly. Always examine the soil moisture beneath the mulch before watering. If the soil is damp four inches below the surface, the soil is probably moist enough to skip that watering.

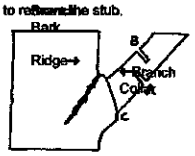
Staking
All staking will be removed after the tree has been in the ground one year.

Pruning
Pruning should be done only if a specific purpose for pruning has been identified. Reasons to prune include: to remove dead, broken or diseased branches; remove double leaders, V-crotches and crossing or rubbing branches, or to create a more natural tree form appearance for the species. All pruning cuts will be made using natural target pruning techniques leaving the branch collar and branch bark ridge intact. No topping or tipping of branches will be permitted unless prior approval is received in writing from an authorized Mississippi Forestry Commission employee. *This includes tip and top pruning of crape myrtle.*

Fertilization
Fertilization is not a requirement of the grant. Trees will not be fertilized at planting time. Fertilization practices may begin one year after planting. Caution should be taken to avoid fertilizers with weed killers and soil active herbicides. Professionals should be consulted on the type and rate of application of fertilizer. Fertilizers with weed killers and soil-active herbicides shall not be used near trees.

NATURAL TARGET PRUNING

Pruning cuts are made just outside the branch bark ridge and branch collar, without leaving a branch stub. Branches over 2 inches in diameter are removed in 3 steps. First, an undercut is made at A, then an overcut at B. The weight of the limb will be removed. A final cut is made at C to remove the stub.



Protection
Trees will be protected from string trimmers, lawnmowers, other equipment and vandalism. Damage to the bark at the base of a tree hunk will stunt its growth and may even kill the tree. All equipment should be kept out of the dripline of the trees. Trees should be monitored on a regular schedule for vandalism, insects, disease and other damaging agents. Professionals should be consulted concerning pest control.

Duration of Care
Tree maintenance is required to be carried out for three years after planting. A minimum of 80% of the trees must be surviving at the end of the three years. The applicant is responsible for replacing any trees that die or are seriously injured to insure the 80% survival rate.

A minimum 80 percent survival rate must be maintained for three years. A final grant inspection will be performed in the spring of the third year. Any tree replacements required to *meet the minimum 80 percent survival rate should be done prior to that time.*

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN LEASE PURCHASE AGREEMENT WITH HANCOCK BANK

Upon request of the City Clerk and the Purchasing Agent, motion was made *Councilmember Bates, seconded by Councilmember Guy, to authorize the Mayor to sign the* following lease purchase agreement with Hancock Bank for purchase of the Ladder Truck for the Fire Department:

MUNICIPAL LEASE AND OPTION AGREEMENT

Lessor: HANCOCK BANK
P.O. BOX 4019
GULFPORT MS 39502

Lessee: CITY OF PICAYUNE
203 GOODYEAR BLVD
PICAYUNE MS 39466

This MUNICIPAL LEASE AND OPTION AGREEMENT (the "Agreement") entered into between **Hancock Bank**, a corporation duly organized and existing under the laws of the State of Mississippi ("Lessor"), and **CITY OF PICAYUNE** (Lessee), a body, corporate and politic, duly organized and existing under the laws of the State of Mississippi ("State").

WITNESSETH

WHEREAS, Lessor desires to lease the Equipment, as hereinafter defined, to Lessee, and Lessee desires to lease the Equipment from Lessor, subject to the terms and conditions of, and for the purposes set forth in, this Agreement; and

WHEREAS, Lessee is authorized under the Constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Covenants of Lessee. Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:

(a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.

(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(c) Lessee is authorized under the Constitution and laws of the state to enter into this Agreement and the transaction contemplated hereby, and to perform all of its obligations hereunder.

(d) Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, attached hereto as Exhibit "A", or by other appropriate official approval, and further represents, covenants and warrants that all requirements have been met, and procedures have occurred in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. Lessee shall cause to be executed an opinion of its counsel substantially in the form attached hereto as Exhibit "B".

(e) During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.

(f) During the period this Agreement is in force, Lessee will provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be reasonably requested by Lessor or its assignee.

(g) The Equipment will have a useful life in the hands of the Lessee that is substantially in excess of the Original Term and all Renewal Terms.

(h) The Equipment is, and shall remain during the period this Agreement is in force, personal property and when subject to use by Lessee under this Agreement, will not be or become fixtures.

ARTICLE II

Definitions: The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" - means this Municipal Lease and Option Agreement, including the Exhibits attached hereto, as the same may be supplemented or amended from time to time in accordance with the terms hereof.

"Commencement Date" - is the date when the term of this Agreement begins and Lessee's obligation to pay rent accrues, which date shall be the date on which the Equipment is accepted by Lessee as indicated on the Certificate of Acceptance attached hereto as Exhibit "F".

"Equipment" - means the property described in Exhibit "D" and which is the subject of this Agreement.

"Lease Term" - means the Original Term and all Renewal Terms provided for in this Agreement under Section 4.0 1, *but in no event longer than the number of months set forth in Exhibit "E" of* the Agreement.

"Lessee" - means the entity which is described in the first paragraph of this Agreement and which is leasing the Equipment from Lessor under the provisions of this Agreement.

"Lessor" - means (i) Hancock Bank, a corporation, acting as Lessor hereunder; (ii) Any surviving, resulting or transferee corporation; and (iii) Except where the context requires otherwise, any assignee(s) of Lessor.

"Original Term" - means that period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.

"Purchase Price" - means the amount which Lessee may, in its discretion, pay to Lessor in order to purchase the Equipment, as set forth in Exhibit "E" hereto.

"Renewal Term(s)" - means the automatic renewal terms of this Agreement as provided for in Article IV of this Agreement, each having a duration of one (1) year and a term co-extensive with the Lessee's fiscal year except the last of such automatic renewal terms which shall end on the anniversary of the Commencement Date therein.

"Rental Payments" - means the basic rental payments payable by Lessee pursuant to the *provisions of this Agreement during the Lease Term, payable in consideration of the right of* Lessee to use the Equipment during the then current portion of the Lease Term. Rental Payments shall be payable by Lessee to the Lessor or its assignee in the amounts and at the times during the Lease Term as set forth in Exhibit "E" of this Agreement.

"Vendor" - means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment.

ARTICLE III

Lease of Equipment. Lessor hereby demises, leases and lets to Lessee, the Lessee rents, leases and hires from Lessor, the Equipment, in accordance with the provisions of this Agreement, to have and to hold for the Lease Term.

ARTICLE IV

LEASE TERM

Section 4.01 Commencement of Lease Term

The original Term of this Agreement shall commence on the Commencement Date as indicated in Exhibit "F" and shall terminate the last day of Lessee's current fiscal year.

The Lease Term will be automatically renewed at the end of the Original Term or any Renewal Term for an additional one (1) year, unless the Lessee gives written notice to Lessor not less than sixty (60) days prior to the end of the Original Term or Renewal Term then in effect, or such greater notice as may be provided in Article VI, of Lessee's intention to terminate this Agreement at the end of the Original Term or the then current Renewal Term pursuant to Article XI or Article VI, as the case may be. The terms and conditions during the Original Term, except that the Rental Payments shall be as provided in Exhibit "E" of this Agreement.

Section 4.02 Termination of Lease Term

The Lease Term will terminate upon the earliest of any of the following events:

(a) The expiration of the Original Term or any Renewal Term of this Agreement and the non-renewal of this Agreement in the event of non appropriation of funds pursuant to Section 6.06;

(b) The exercise by Lessee of the option to purchase the Equipment granted under the *provisions of Articles IX or XI of this Agreement;*

(c) A default by Lessee and Lessor's election to terminate this Agreement under Article XIII; or

(d) The payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder.

ARTICLE V

Enjoyment of Equipment. Lessor hereby covenants to provide Lessee during the Lease Term with quiet use and enjoyment of the Equipment, and Lessee shall during the Lease Term peaceably and quietly have and hold and enjoy the Equipment, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement.

Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

ARTICLE VI

Rental Payments

Section 6.01 Rental Payments to Constitute a Current Expenses of Lessee.

Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

Section 6.02 Payment of Rental Payments.

Lessee shall pay Rental Payments, exclusively from legally available funds in lawful money of the United States of America to Lessor, or in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in Exhibit "E" hereto. Rental Payments shall be in consideration for Lessee's use of the Equipment during the applicable year in which such payments are due.

Section 6.03 Interest and Principal Components

A portion of each Lease Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal. Exhibit "E" hereto sets forth the interest component and the principal component of each Rental Payment during the Lease Term.

Section 6.04 Rental Payments to be Unconditional.

The obligations of Lessee to make payment of the Rental Payments required under this Article VI and other sections hereof, and to perform and observe the covenants and agreements contained herein, shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, and Vendor or any other person, Lessee shall make all payments of Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of setoff or counterclaim against its obligation to make such payments required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or the then current Renewal Term shall not be abated through accident or unforeseen circumstances.

Section 6.05 Continuation of Lease Term by Lessee.

Lessee intends, subject to the provisions of Section 6.06 to continue the Lease Term through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds of an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. Lessee further intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each bi-annual or annual budget submitted and adopted in accordance with applicable provisions of state law, to have such portion of the budget approved.

Section 6.06 Nonappropriation.

In the event sufficient funds shall not be appropriated for the payment of the Rental Payments required to be paid in the next occurring Renewal Term, and if Lessee has no funds legally available for Rental Payments from other sources, then Lessee may terminate this Agreement at the end of the then current Original Term or Renewal Term, and Lessee shall not be obligated to make payment of the Rental Payments provided for in this Agreement beyond the then current original or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at Least sixty (60) days prior to the end of the then current Original or Renewal Term. If this Agreement is terminated under this Section 6.06, Lessee agrees, at Lessee's cost and expense, peaceably to deliver the Equipment to Lessor at the location specified by Lessor. To the extent lawful, Lessee shall not, until the date on which the next occurring Renewal Term would have ended, expend any funds for the purchase or use of Equipment similar to the Equipment subject to this Agreement.

ARTICLE VII

TITLE TO EQUIPMENT; SECURITY INTEREST

Section 7.01 Title To The Equipment

During the Term of this Agreement, title to the Equipment any and all additions, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement. In the event of default as set forth in Section 13.02 or nonappropriation as set forth in Section 6.06, Title to the Equipment shall immediately vest in Lessor, and Lessee will reasonably surrender possession of the Equipment to Lessor. Lessee, irrevocably, hereby designates, makes, constitutes and appoints Lessor (and all persons designated by Lessor) as Lessee's true and lawful attorney (and agent-in-fact) with power, at such time of default or nonappropriation or times thereafter as Lessor in its sole and absolute discretion may determine, in Lessee's or Lessor's name, to endorse the name of Lessee upon any Bill of Sale, document, instrument, invoice, freight bill, bill of lading or similar document relating to the Equipment in order to vest title in Lessor and transfer possession to Lessor.

Section 7.02 Security Interest.

To secure the payment of all Lessee's obligations under this Agreement, Lessee grants to Lessor a security interest constituting a first lien on the Equipment and on all additions, attachments, accessions and substitutions thereto, and on any proceeds therefrom. Lessee agrees to execute such additional documents, including financing statements, certificates of title, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest, and upon assignment, the security of any assignee of Lessor, in the Equipment.

ARTICLE VIII

Maintenance; modification taxes, insurance and other charges.

Section 8.01 Maintenance of Equipment by Lessee.

Lessee agrees that at all times during the Lease Term, Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. Lessor shall have no responsibility in any of these matters or for the making of improvements or additions to the Equipment. The Lessee may from time to time add further parts or accessories to any item of leased Equipment, provided such addition does not affect or impair the value or utility of such item of Equipment. Any part or accessory so added, if not required as a replacement hereunder, shall remain the property of the Lessee and may be removed at any time prior to the expiration of the lease term of such item, provided such removal does not affect or impair the value or utility of such item of Equipment. Any parts of accessories not so removed shall become the property of the Lessor.

Section 8.02 Taxes, Other Governmental Charges and Utility Charges.

The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay during the Lease Term, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any Equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or modification, improvement or addition to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and all other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as have accrued during the time this Agreement is in effect.

Section 8.03 Provisions Regarding Insurance.

At its own expense, Lessee shall cause casualty, public liability and property damage insurance to be carried and maintained sufficient to protect the Full Insurable Value (as that term is hereinafter defined) of the Equipment, and to protect Lessor from liability in all events. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. Lessee shall furnish to Lessor Certificates evidencing such coverage throughout the Lease Term.

Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies which cover not only the Equipment, but other properties.

The term "Full Insurable Value" as used herein shall mean the full replacement value of the Equipment or the then applicable Purchase Price, whichever is greater.

Any insurance policy pursuant to this Section 8.03 shall be written with Hancock Bank as an additional insured. The Net Proceeds (as defined in Section 9.01) of the insurance required in this Section 8.03 shall be applied as provided in Article IX hereof. Each insurance policy provided for in this Section 8.03 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of Lessor without first giving written notice thereof to Lessor at least ten (10) days in advance of such cancellation.

Section 8.04 Advances.

In the event Lessee shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Equipment in good repair and operating condition or shall fail to pay any such taxes or charges referenced in Section 8.02, Lessor may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements which are necessary and provide for payment thereof or may pay any such taxes or charges referenced in Section 8.02; and all amounts so advance therefore by Lessor shall become additional rent for the then current Original Term or Renewal Term which amounts Lessee agrees to pay on demand, together with interest thereon at the rate of twelve (12%) per cent per annum or the highest rate permitted by applicable law, whichever is less. The obligation of Lessee to pay additional rent together with interest, including, but not limited to, circumstances wherein Lessor pays, subsequent to termination of this Agreement, any such taxes or charges referenced in Section 8.02 accrued during the time in which this Agreement is in effect, shall survive the termination of this Agreement.

ARTICLE IX

DAMAGES, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS

Section 9.01 Damages, Destruction and Condemnation.

Unless Lessee shall have exercised its option to purchase the Equipment by making payment of the Purchase Price as provided herein, if prior to the termination of the Lease Term; (A) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty; or (B) title to, or the temporary use of, the Equipment of any part thereof or the estate of Lessee or Lessor in the Equipment or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to Lessee's obligations pursuant to Section 9.02 hereof.

For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award deducting all expenses (including attorney's fees) incurred in the collection of such claim or award.

Section 9.02 Insufficiency of Net Proceeds.

Provided, the Equipment is not deemed to be a total loss, Lessee shall if Lessee is not in default hereunder, cause the repair, replacement or restoration of the Property and pay the cost thereof.

In the event of total destruction or damage to the Equipment, whether or not Lessee is in default, at Lessor's option, Lessee shall pay to Lessor on the rent payment due date next succeeding the date of such loss ("Rent Payment Due Date") the amount of the Purchase Price applicable to such Rent Payment Due Date, plus the Rental Payment due on such date, plus any other amounts payable by Lessee hereunder, and, upon such payment, the Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate as provided in Article XI of this Agreement. The amount of the Net Proceeds in excess of the then applicable Purchase Price, if any, may be retained by Lessee. Lessee agrees that if the Net proceeds are insufficient to pay in full Lessee's obligations hereunder, Lessee shall make such payments to the extent of any such deficiency. Lessee shall not be entitled to any reimbursement therefore from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article VI hereof.

ARTICLE X

DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE EQUIPMENT

Section 10.01 Disclaimer of Warranties.

Except as made in Section 14.01, Lessor makes no warranty or representation whatsoever, either express or implied. Without limiting the generality of the foregoing, Lessor makes no warranty or representation and specifically disclaims any warranty or representation as to the value, design, condition, mechanism, fitness for particular purposes, fitness for use of the Equipment, Year 2000 compliance, readiness or certification or use in a Year 2000 environment. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising

out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item or products or services provided for in this Agreement.

Section 10.02 Vendor's Warranties.

Lessor hereby agrees to assign to Lessee solely for the purpose of making and prosecuting any such claim against Vendor, all of the rights which Lessor has against Vendor for breach of warranty or other representation respecting the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against the Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive fully and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 10.03 Use of the Equipment.

Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdiction in which its operations involving any item of Equipment may extend and any legislative, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

ARTICLE XI

Option to Purchase. At the request of Lessee, Lessor's security interest in the Equipment will be terminated and this Agreement shall terminate:

(a) At the end of the Lease Term (including Renewal Terms), upon payment in full Rental Payments and other amounts payable by Lessee hereunder; or

(b) At the end of the Original Term or any Renewal Term upon payment by Lessee of the then applicable Purchase Price; or

(c) If the Lease Term is terminated pursuant to Article IX of this Agreement.

ARTICLE XII

ASSIGNMENT: SUBLEASING: INDEMNIFICATION: MORTGAGING AND SELLING

Section 12.01 Assignment by Lessor.

This Agreement, and the obligations of Lessee to make payments hereunder, may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor at any time subsequent to its execution, without the necessity of obtaining the consent of Lessee. Lessor agrees to give notice of assignment to Lessee and upon receipt of such notice Lessee agrees to make all payments to the assignee designated in the assignment, notwithstanding any claim, defense, set off or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor, or the assignee. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements which may be reasonably requested by Lessor or its assignee to protect their interests in the Equipment and in this Agreement.

Section 12.02 No Sale, Assignment or Subleasing by Lessee.

This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

Section 12.03 Release and Indemnification Covenants.

To the extent permitted by the laws and Constitution of the State, Lessee shall protect, hold harmless and indemnify Lessor from and against any and all liability obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into of this Agreement, the ownership of any item of the Equipment, the ordering acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person. The indemnification arising under this paragraph shall continue in

full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason. Lessee agrees not to withhold or abate any portion of the payments required pursuant to this Agreement by reason of any defects, malfunctions, breakdowns, or infirmities of the Equipment.

ARTICLE XIII

EVENTS OF DEFAULT BY LESSEE AND REMEDIES THEREUPON

Section 13.01 Events of Default by Lessee Defined.

With respect to Lessee, the following shall by "Events of Default" under this Agreement and the terms "Event of Default" and "Default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein; or

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 13.01(a), for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied as given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected; or

(c) Breach of any material representation or warranty by Lessee under this Agreement; or

(d) Commencement by Lessee of a case or proceeding under the Federal bankruptcy laws or filing by Lessee of any petition or answer seeking reorganization, arrangement, composition, readjustment, liquidation or similar relief under any existing or future bankruptcy, insolvency or other similar law or any answer admitting or not contesting the material allegations of a petition filed against Lessee in any such proceeding; or

(e) A Petition against Lessee in a proceeding under any existing or future bankruptcy, insolvency or other similar law shall be filed and not withdrawn or dismissed within thirty (30) days thereafter.

The foregoing provisions of this Section 13.01 are subject to (i) the provisions of Section 6.06 hereof with respect to nonappropriation; and (ii) if by reason of force majeure Lessee is unable in whole or in part to carry out its agreement on its part herein contained, other than the obligations on the part of the Lessee contained in Article VI hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: Acts of God strikes, lockouts or other industrial disturbances; acts of public enemies, order or restraints of any kind of the government of the United States of America or of the State wherein Lessee is located or any of their department, agencies or officials, or any civil or military authority; insurrections; riot, landslides; earthquakes; fire, storms; droughts; floods; or explosions.

Section 13.02 Remedies on Default.

Whenever any event of default referred to in section 13.01 hereof shall have happened and be continuing, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) With or without terminating this Agreement, retake possession of the Equipment and sell, lease or sublease the Equipment for the account of Lessee, to be applied to Lessee's obligations hereunder, holding Lessee liable for the Purchase Price applicable on the rent payment due date immediately preceding the date of default, plus the Rental payments due on such date, plus any other amounts payable by Lessee hereunder, including, but not limited to, attorney's fees expenses and costs of repossession;

(b) Require Lessee at Lessee's risk and expense to promptly return the Equipment in the manner and in the condition set forth in Section 6.06 and 8.01 hereof;

(c) If the Lessor is unable to repossess the Equipment for any reason, the Equipment shall be deemed a total loss and Lessee shall pay to Lessor the amount due pursuant to Article IX hereof; and

(d) Lessee agrees that Lessor may setoff any amounts owed to Lessor under this Agreement against any and all deposits and any and all accounts, joint or otherwise, which Lessee has with Lessor now and in the future. The herein referenced right to setoff shall survive the termination of this Agreement.

(e) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment.

Section 13.03 No Remedy Exclusive

No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power and may be exercised from time to time and as often as may be deemed expedient.

ARTICLE XIV

LESSOR'S WARRANTIES

Section 14.01 Lessor's Warranties.

As to each item of leased Equipment to be leased hereunder, the Lessor warrants that:

(a) It has the right to lease the same to Lessee.
(b) It will keep each item of leased Equipment free of security interests except for the security interest provided for in Section 7.02 of this Agreement.
(c) It will do nothing to disturb Lessee's full right of possession and enjoyment thereof and the exercise of Lessee's rights with respect to the Equipment leased hereunder subject to compliance by Lessee of the terms of this Agreement.

ARTICLE XV

MISCELLANEOUS

Section 15.01 Notices.

All notices, certificates of other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid, to the parties at their respective places of business.

Section 15.02 Binding Effect.

This Agreement shall insure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 15.03 Severability.

In the event and provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 15.04 Amendments.

The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee; nor shall any such amendment that affects the rights of Lessor's assignee be effective without such assignee's consent.

Section 15.05 Execution in Counterparts.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15.06 Applicable Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi.

Section 15.07 Captions.

The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of sections of the Agreement.

Section 15.08 Entire Agreement.

This Agreement constitutes the entire Agreement between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed

by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not specified herein regarding this Agreement or the Equipment lease hereunder. Any terms and conditions of any purchase order or other document (with the exception of Supplements) submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Lessor and Lessee by their signatures acknowledge that each has read this Agreement, understands it, and agrees to be bound by its terms and conditions, and certifies that each signature is duly authorized and the signers are empowered to execute this Agreement on behalf of their respective principals.

IN WITNESS WHEREOF, Lessor has executed this Agreement in its corporate name with its corporate seal hereunder affixed and attested by its duly authorized officers, and Lessee has caused this Agreement to be executed in its corporate name with its corporate seal hereunto affixed and attested by its duly authorized officers. All of the above occurred as of the date first written below.

LESSOR: HANCOCK BANK
By:_____
Tim Sansone
Title: **Loan Officer**
Date: _____

ATTEST:
By: _____
Title: _____
Date: _____

LESSEE: CITY OF PICAYUNE
By: _____
J. WOODY SPIERS, JR.
Title: **MAYOR, CITY OF PICAYUNE**
Date: _____

ATTEST:
By: _____
SABRINA DIAMOND
Title: **CITY CLERK**
Date: _____

ESSENTIAL USE/SOURCE OF FUNDS LETTER

TO: HANCOCK BANK

RE: Municipal Lease and Option Agreement

Gentlemen:

Reference is made to that certain Municipal Lease and Option Agreement, dated December 7, 1999 ("Lease"), between Lessor and us, **CITY OF PICAYUNE** as Lessee, leasing the personal property ("Property") described in Exhibit "D" to such Lease. This confirms and affirms that the Property is essential to the functions of the undersigned as or to the service we provided to our citizens.

Further, we have an immediate need for, and expect to make immediate use of, substantially all the Property, which need is not temporarily or expected to diminish in the foreseeable future. The Property will be used by us only for the purpose of performing one or more of the governmental or proprietary functions consistent with the permissible scope of our authority.

We expect and anticipate adequate funds to be available for all future payments of rent due after the current fiscal year in as much as there will be a continued need for such property.

Very truly yours,

CITY OF PICAYUNE

By: _____
J. WOODY SPIERS JR.
MAYOR, CITY OF PICAYUNE

REGULAR MEETING DATED DECEMBER 7, 1999

By: _____
SABRINA DIAMOND
CITY CLERK, CITY OF PICAYUNE

EXHIBIT "A"

Councilmember Bates moved the adoption of the following resolution and order:

A RESOLUTION OF THE CITY OF PICAYUNE FINDING THAT IT IS NECESSARY TO ACQUIRE EQUIPMENT FOR GOVERNMENTAL OR PROPRIETARY PURPOSES AUTHORIZED BY LAW: FINDING THAT IT WOULD BE IN THE PUBLIC INTEREST TO ACQUIRE SUCH EQUIPMENT UNDER THE TERMS OF A LEASE PURCHASE AGREEMENT RATHER THAN PURCHASING SUCH EQUIPMENT OF CASH OR BY THE ISSUANCE OF EQUIPMENT NOTES: FINDING THAT THE HANCOCK BANK, GULFPORT, MISSISSIPPI, HAS OFFERED TO ACQUIRE SUCH EQUIPMENT AND TO LEASE SUCH EQUIPMENT TO CITY OF PICAYUNE FINDING THAT SUCH PROPOSAL IS IN THE INTEREST OF SUCH CITY OF PICAYUNE AND AUTHORIZING THE MAYOR, CITY OF PICAYUNE AND CITY CLERK, CITY OF PICAYUNE DIRECTING CITY OF PICAYUNE TO EXECUTE A LEASE AGREEMENT PURCHASE WITH THE HANCOCK BANK TO THE END THAT SUCH EQUIPMENT SHALL BE ACQUIRED-BY SUCH BANK AND LEASED TO CITY OF PICAYUNE SUCH ON THE TERMS AND CONDITIONS EXPRESSED IN SUCH LEASE.

WHEREAS, THE CITY OF PICAYUNE HAS HERETOFORE DETERMINED BY RESOLUTION DATED THAT IT IS NECESSARY TO ACQUIRE:

Serial Number	Description	Quantity	Unit Price	Total Price
4EN3AAABXX1000757	G069 AERIAL LADDER EMERGENCY ONE G069 75' AERIAL MOUNTED ON C2 CHASSIS	1	449,876.00	449,876.00

for use by the CITY OF PICAYUNE and for purposes authorized by law: and

WHEREAS, such CITY OF PICAYUNE had by these presents determined that it would be in the public interest to acquire such equipment through a Lease Purchase Agreement as provided under Section 31-7-13(e)Miss. CODE ANN. (1972) as amended for a term not to exceed five (5) years; and

WHEREAS, such Board anticipates that the CITY OF PICAYUNE will not issue more than $10,000,000.00 of qualified tax-exempt obligations during calendar year 1999; and;

WHEREAS, to the best knowledge and belief of the Board, this lease qualifies as a qualified project bond within the meaning of the Tax Reform Act of 1986; and

WHEREAS, such Board caused to be published in PICAYUNE ITEM newspaper having a general circulation in such county, notice to bidders of not less than two consecutive weeks as required by Section 31-7-13(e) MISS. CODE ANN. (1972): as amended; and

WHEREAS, on the 10TH day of JANUARY, 1999 appointed for receipt of bids, such Board received such bids for the sale of such equipment and determined that the lowest and best bid for such equipment was $449,876.00; and

WHEREAS, the Hancock Bank of Gulfport, Mississippi, has proposed to acquire such equipment at the offered price and to lease such equipment to the CITY OF PICAYUNE at a rate of 4.82% per annum; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF PICAYUNE AS FOLLOWS:

SECTION 1: The MAYOR, CITY OF PICAYUNE AND CITY CLERK, CITY OF PICAYUNE are hereby authorized and directed to execute a Lease and Option Agreement together with all exhibits incorporated therein.

SECTION 2: Upon delivery and acceptance by such CITY OF PICAYUNE of such equipment, THE MAYOR, CITY OF PICAYUNE AND CITY CLERK, CITY OF PICAYUNE are authorized and directed to execute a Certificate of Acceptance of such equipment and as provided in Section 4.01 of such Lease, the lease term shall commence on the date of acceptance.

SECTION 3: The MAYOR, CITY OF PICAYUNE AND CITY CLERK, CITY OF PICAYUNE, are further authorized and directed to execute on behalf of such CITY OF PICAYUNE a Financing Statement and all other documents as provided for under Section 7.02 of such Lease to establish and maintain the security interest of Hancock Bank in such equipment.

SECTION 4: Prior or at the time of acceptance by the CITY OF PICAYUNE of such equipment, the CITY OF PICAYUNE shall deliver to Hancock Bank, Certificates of Insurance

assuring to Hancock Bank and naming Hancock Bank as additional insured that such property has been insured against loss from any casualty of whatever kind or nature. Such Certificates shall certify that such policy will not be cancelled without first giving written notice thereof to Hancock Bank at least ten (10) days in advance of such cancellation.

Councilmember Guy seconded the motion and after a full discussion, the following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried this 7th day of December 1999.

CITY OF PICAYUNE

By: _____
J. WOODY SPIERS JR.
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK, CITY OF PICAYUNE

EXHIBIT "B"

December 7, 1999

Hancock Bank
P. 0. Box 4019
Gulfport, MS 39502

Re: Lease-Purchase of G069 Aerial Ladder Emergency One 75 Foot Aerial Mounted on C-2 Chassis by City of Picayune

Gentlemen:

Pursuant to your request, I hereby render the following opinion regarding the Master Equipment Lease-Purchase Agreement (the "Agreement"), dated December 7, 1999, and the Equipment Lease Schedule between City of Picayune (the "Lessee") and Hancock Bank (the "Lessor").

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

Based on such examination, am of the opinion that:

1. Lessee has full power, authority and legal right to purchase the equipment as defined in the Agreement, and to execute, deliver and perform the terms of the Agreement. The purchase of the equipment and the execution, delivery and performance of the Agreement has been duly authorized by all necessary action on the part of Lessee and any other governing authority and does not require the approval of or giving of notice to any other federal, state, local or foreign governmental authority and does not contravene any law binding on Lessee or contravene any indenture, credit agreement or other agreement to which Lessee is a party or by which it is bound. The Agreement grants the Lessor a valid, first priority security interest in the equipment.

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

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

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

   (a) The Agreement is a conditional sales agreement which qualifies as an obligation for purposes of Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and Treasury regulations and rulings thereunder.
   (b) The interest portion of the rental payments under the terms of the Agreement is exempt from federal income taxation pursuant to Section 103(a) of the Code and the Treasury regulations and rulings thereunder. The interest portion of the rental payments under the terms of the Agreement is exempt from Mississippi Income Taxation.

5. The Lessee has designated the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986.

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

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

Sincerely,
/s/ G. Gerald Cruthird

GGC:dlw

EXHIBIT "C"
CERTIFICATE AS TO ARBITRAGE

We, the undersigned, **CITY OF PICAYUNE** (the "Lessee") being the person duly charged, with others, with responsibility for issuing the Lessee's obligation in the form of that certain agreement entitled "Municipal Lease and Option Agreement" (the "Agreement") dated December 7, 1999 and issued said date hereby certify that:

1. The Agreement was issued by the Lessee under and pursuant to SEC. 31-7-13(e) MISS. CODE ANN. (1972) Law to finance the acquisition of certain equipment described therein.

2. Pursuant to the Agreement, the Lessee is entitled to receive said equipment in consideration for the obligation of the Lessee under the Agreement. Said equipment will be used in furtherance of the public purposes of the Lessee. The Lessee does not intend to sell equipment or said Agreement or to otherwise dispose of said equipment during the term of the Agreement. The Lessee will not receive any monies, funds, or other "proceeds" as a result of the Agreement.

3. The Lessee expects to make payments under the Agreement from its general funds on the basis of annual appropriations in amount equal to the required payments under the Agreement. The remaining general funds of the Lessee are not reasonably expected to be used to make such payments and no other monies are pledged to the Agreement or reasonably expected to be used to pay principal and interest on the Agreement.

4. The Lessee has not received notice that its Certificate may not be relied upon with respect to its own issues nor has it been advised than any adverse action by the Commissioner of Internal Revenue is contemplated.

To the best of our knowledge, information and belief the expectations herein expressed are reasonable and there are no facts, estimates or circumstances other than those expressed herein that would materially affect the expectations herein expressed.

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of _____, 1999.

CITY OF PICAYUNE

By: _____
J. WOODY SPIERS JR.
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK. CITY OF PICAYUNE

EXHIBIT "D"
DESCRIPTION OF EQUIPMENT

The Equipment which is the subject of the attached Municipal Lease and Option Agreement is as follows:

Serial Number	Description	Quantity	Unit Price	Total Price
4EN3AAABXXI000757	G069 AERIAL LADDER EMERGENCY ONE G069 75' AERIAL MOUNTED ON C2 CHASSIS	1	449,876.00	449,876.00

Lessee hereby certifies that the description of the personal property set forth above constitutes an accurate description of the "Equipment", as defined in the attached Municipal Lease and Option Agreement.

CITY OF PICAYUNE

By: _____
J. WOODY SPIERS JR.
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK, CITY OF PICAYUNE

EXHIBIT "E"
RENTAL PAYMENTS

Annual rentals on this agreement are $69,300.71. The first rental on this agreement will be due on the 22nd day of September 2000 and subsequent annual rentals will be due on the 22nd day of September each year thereafter. The lease term of this agreement is 8 years with a $1.00 Purchase Option available to the Lessee at contract end. The purchase price during the original or any renewal term shall be the amount set forth as the "balance" or "outstanding balance" on the following schedule plus $1.00 plus accrued but unpaid interest amounts as set forth on the attached schedule plus other amounts payable by lessee under the terms of the lease.

SEE ATTACHED LEASE EARNINGS SCHEDULE

(Note: Amortization Schedule is not included in Minute Book but is part of the original contract)

EXHIBIT "F"
ACCEPTANCE CERTIFICATE

The undersigned, **CITY OF PICAYUNE** as Lessee under the Municipal Lease and Option Agreement (the "Agreement") dated December 7, 1999 with HANCOCK BANK ("Lessor"), acknowledges receipt in good condition of all of the equipment described in the Agreement and Exhibit "D" thereto this _____, and certifies that Lessor has fully and satisfactorily performed all of its covenants and obligations required under the Agreement to date.

Lessee confirms that the Commencement Dated of the Agreement is December 7, 1999 and it will commence payment in accordance with Article VI of the Agreement.

The undersigned Lessee hereby reaffirms in all respects the Certificate as Arbitrage attached as Exhibit "C" to the Agreement, and represents that, to the best of their knowledge, information and belief, the expectations therein expressed were reasonable as of the date on which they were made and are reasonable as of the Commencement Date, and that there were, and are as of the Commencement Date, no facts, estimates or circumstances other than those expressed therein that would materially affect the expectations expressed therein.

CITY OF PICAYUNE

By: _____
J. WOODY SPIERS, JR.
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK, CITY OF PICAYUNE

REGULAR MEETING DATED DECEMBER 7, 1999

EXHIBIT "G"
CERTIFICATE WITH RESPECT TO
QUALIFIED TAX-EXEMPT OBLIGATION

We, the undersigned, **CITY OF PICAYUNE** (the "Lessee") being the persons duly charged, with others, with responsibility for issuing the Lessee's obligation in the form of that certain agreement entitled "Municipal Lease and Option Agreement" (the "Agreement") dated December 7, 1999 and issued said date hereby certify that:

1. This Certificate is executed for the purpose of establishing that the Lease has been designated by Lessee as a qualified tax-exempt obligation of Lessee for purposes of the Tax Reform Act of 1986.

2. The Lease being issued by Lessee is in calendar year 1999.

3. No portion of the gross proceeds of the Lease will be used to make or finance loans to persons other than governmental units or be used in any trade or business carried on by any person other than a governmental unit.

4. To the best knowledge and belief of Lessee the Lease is issued to provide financing as a qualified project bond within the meaning of the Act.

5. Including the Lease herein so designated, Lessee has not designated more than $10,000,000.00 of obligations issued during calendar year 1999 as qualified tax-exempt obligations.

6. Lessee reasonably anticipates that the total amount of qualified tax-exempt obligations to be issued by lessee during calendar year 1999 will not exceed $ 10,000,000.00.

To the best of our knowledge, information and belief the expectations herein expressed are reasonable and there are no facts, estimates or circumstances other than those expressed herein that would materially affect the expectations herein expressed.

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of _____, 1999.

CITY OF PICAYUNE

By: _____
J. WOODY SPIERS JR.
MAYOR, CITY OF PICAYUNE

By: _____
SABRINA DIAMOND
CITY CLERK, CITY OF PICAYUNE

HANCOCK BANK

AGREEMENT TO PROVIDE INSURANCE

LESSEE
CITY OF PICAYUNE
203 GOODYEAR BLVD
PICAYUNE, MS 39466

INSURANCE AGENT

203 GOODYEAR BLVD
PICAYUNE, MS 39466

Leased Equipment

Serial Number	Description	Quantity	Unit Price	Total Price
4EN3AAABXXI000757	G069 AERIAL LADDER EMERGENCY *ONE G069 75' AERIAL MOUNTED ON C2 CHASSIS*	1	449,876.00	449,876.00

Total Cost $ 449,876.00

I do agree to provide **HANCOCK BANK** with an insurance policy that indicates the leased equipment insured with physical damage coverage and **HANCOCK BANK** is named as additional insured for the term of my lease. It is a requirement of my contract and the regulations make it necessary that **HANCOCK BANK** has evidence of coverage in their files.

I agree and accept these terms.

The City of Picayune is self-insured.

_____
CITY OF PICAYUNE

_____
Date

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO CONSIDER PROPOSED BUDGET AMENDMENT

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the amendment of the following line items of the budget for the year ending September 30, 2000:

	Original	Amended
Economic Development Fund		
Other Services	$19,350	$39,350

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN ENGINEERING CONTRACT WITH NEEL-SCHAFFER ENGINEERS FOR CONCESSION STANDS AT FRIENDSHIP PARK

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract with Neel-Schaffer Engineers for engineering services for the concessions stands at Friendship Park:

December 15, 1999

Mr. Dean Kendrick
Public Works Director
City of Picayune
203 Goodyear Boulevard
Picayune, Mississippi 39466-2524

REFERENCE: FRIENDSHIP PARK IMPROVEMENTS — PICAYUNE, MISSISSIPPI
PROPOSED BASEBALL COMPLEX CONCESSIONS BUILDINGS

Dear Mr. Kendrick:

Neel-Schaffer is pleased to offer this Letter Agreement to provide engineering services for the referenced project. Our work will consist of providing construction plans and specifications as needed to receive bids from contractors. The project will consist of two-two story structures of approximately 2,000 square feet each. The concessions buildings will be of two different designs and constructed at two locations. The first structure will house a concessions area and storage. The second structure will house concessions, storage, and bathrooms. Neel-Schaffer will not provide surrounding grades and elevations to the structures or details to utility connections. Finished floor elevations will set by the owner.

We anticipate the following schedule for the project:

Advertise project for bidding:	May 11, 2000
Receive bids from contractors:	June 12, 2000
Make recommendation for award:	June 20, 2000
Notice to Proceed:	July 10, 2000
Final Completion:	September 8, 2000

We will provide our services for engineering design in accordance with the attached Exhibit A, "General Terms and Conditions" for a fixed fee cost of $20,000.00.

If authorized in writing by the city of Picayune, Neel-Schaffer will provide bidding services and construction engineering for the project. These services may be performed on an hourly basis with compensation based on the attached Exhibit B, "1999 Hourly Rate Schedule for Professional Services". We anticipate weekly inspections during a four month construction contract time.

Neel-Schaffer will bill you monthly for work performed on the project at the time of the billing. Payment for our services will be due within 30 days of the invoice date and is not dependent on any factor except our ability to provide services in accordance with generally accepted standards of the engineering profession.

Neel-Schaffer, Inc. appreciates the opportunity to work with you on this project. If this Letter Agreement is acceptable, please execute both documents and return one copy to us.

Sincerely,

NEEL-SCHAFFER, INC.

/s/ Charles H. Hill
Charles H. Hill, P.E.
Manager, Engineering Projects

CHH/br

Attachments

ACCEPTED: CITY OF PICAYUNE, MISSISSIPPI

Printed Name: _____

Signature: _____

Title: _____

Date: _____

EXHIBIT A
NEEL-SCHAFFER, INC.
GENERAL TERMS AND CONDITIONS

1. **Relationship Between Engineer and Client.** Engineer shall serve as Client's professional engineering consultant in those phases of the Project to which this Agreement applies. The relationship is that of a buyer and seller of professional services and it is understood that the parties have not entered into any joint venture or partnership with the other. The Engineer shall not be considered to be the agent of the Client.

2. **Responsibility of the Engineer.** Engineer will strive to perform services under this Agreement in a manner consistent with that standard of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. No other representation, express or implied, and no warranty or guarantee is included or intended in this Agreement or in any report, opinion, document, or otherwise.

   Notwithstanding anything to the contrary which may be contained in this Agreement or any other material incorporated herein by reference, or in any agreement between the Client and any other party concerning the Project, the Engineer shall not have control of and shall not be responsible for the means, methods, techniques, sequences or procedures of construction; or the safety, safety precautions or programs of the Client, the construction contractor, other contractors or subcontractors performing any of the work or providing any of the services on the Project. Nor shall the Engineer be responsible for the acts or omissions of the Client, or for the failure of the Client, any contractor or subcontractor, or any other engineer, architect or consultant not under contract to the Engineer to carry out their respective responsibilities in accordance with the Project documents, this Agreement or any other agreement concerning the Project.

   Engineer shall determine the amounts owing to the construction contractor and recommend in writing payments to the contractor in such amounts. By recommending any payment, the Engineer will not thereby be deemed to have represented that exhaustive, continuous or detailed reviews or examinations have been made to check the quality or quantity of the contractor's work.

3. **Responsibility of the Client.** Client shall provide all criteria and full information as to his requirements for the Project, including budgetary limitations. Client shall arrange for Engineer to enter upon public and private property and obtain all necessary approvals and permits required from all governmental authorities having jurisdiction over the Project.

   Client shall give prompt written notice to the Engineer whenever Client observes or otherwise becomes aware of any development that affects the scope or timing of Engineer's services, or any defect or nonconformance in the work of any construction contractor.

   Client shall examine all documents presented by Engineer, obtain advice of an attorney or other consultant as Client deems appropriate for such examinations and provide decisions pertaining thereto within a reasonable time so as not to delay the services of the Engineer.

4. **Designation of Authorized Representatives.** Each party shall designate one or more persons to act with authority in its behalf with respect to appropriate aspects of the Project. The persons designated shall review and respond promptly to all communications received from the party.

5. **Ownership of Documents.** Drawings, specifications, reports and any other documents prepared by Engineer in connection with any or all of the services furnished hereunder shall be the property of Client. Engineer shall have the right to retain copies of all documents and drawings for its files.

6. **Reuse of Documents.** All documents, including drawings and specifications furnished by Engineer pursuant to this Agreement, are intended for use on the Project only. They should not be used by Client or others on extensions of the Project or on any other project. Any reuse, without written verification or adaption by Engineer, shall be at Client's sole risk, and Client shall indemnify and hold harmless Engineer from all claims, damages, losses and expenses, including attorney's fees arising out of or resulting therefrom.

7. **Opinions of Cost.** Since the Engineer has no control over the cost of labor, materials, equipment or services furnished by the contractor, or over the contractor's methods of determining prices, or over competitive bidding or market conditions, the Engineer cannot and does not guarantee that proposals, bids or actual construction costs will not vary from his opinions or estimates of construction costs.

8. **Changes.** Client reserves the right by written change order or amendment to make changes in requirements, amount of work, or engineering time schedule adjustments; and Engineer and Client shall negotiate appropriate adjustments in fee and/or schedule acceptable to both parties to accommodate any changes.

9. **Delays.** If the Engineer's services are delayed by the Client, or for other reasons beyond the Engineer's control, for more than one year, the fee provided for in this Agreement shall be adjusted equitably.

10. **Subcontracts.** Engineer may subcontract portions of the services, but each subcontractor must be approved by Client in writing.

11. **Suspension of Services.** Client may, at any time, by written order to Engineer, require Engineer to stop all, or any part, of the services required by this Agreement. Upon receipt of such an order, Engineer shall immediately comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the services covered by the order. Client, however, shall pay all costs associated with suspension including all costs necessary to maintain continuity and the staff required to resume the services upon expiration of the suspension of work order. Engineer will not be obligated to provide the same personnel employed prior to suspension when the services are resumed in the event the period of any suspension exceeds 30 days. Client will reimburse Engineer for the costs of such suspension and remobilization.

12. **Termination.** This Agreement may be terminated by either party upon 30 days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. This Agreement may be terminated by Client, under the same terms, whenever Client shall determine that termination is in its best interests. Cost of termination, including salaries, overhead and fee, incurred by Engineer either before or after the termination date shall be reimbursed by Client.

13. **Notices.** Any notice or designation required to be given by either party hereto shall be in writing and, unless receipt of such notice is expressly required by the terms hereof, it shall be deemed to be effectively served when deposited in the mail with sufficient first class postage affixed and addressed to the party to whom such notice is directed at such party's place of business or such other address as either party shall hereinafter furnish to the other party by written notice as herein provided.

14. **Indemnification.** Engineer shall indemnify and hold harmless Client from Client's loss or expense, including reasonable attorney's fees for claims for personal injury (including death) or property damage arising out of the sole negligent act, error or omission of Engineer.

    Client shall indemnify and hold harmless Engineer from Engineer's loss or expense, including reasonable attorney's fees, for claims for personal injuries (including death) on property damage arising out of the sole negligent act, error or omission of Client.

    In the event of joint or concurrent negligence of Engineer and Client, each shall bear that portion of the loss or expense that its share of the joint or concurrent negligence bears to the total negligency (including that of third parties) which caused the personal injury or property damage.

    Client shall not be liable to the Engineer, and the Engineer shall not be liable to the Client, for any special, incidental or consequential damages, including, but not limited to, loss of use and loss of profit, incurred by either party due to the fault of the other, regardless of the nature of this fault, or whether it was committed by the Client or the Engineer or their employees, agents or subcontractors, by reason of services rendered under this Agreement.

15. **Legal Proceedings.** In the event Engineer's employees are at any time required by Client to provide testimony, answer interrogatories or otherwise provide information ("testimony") in preparation for or at a trial, hearing, proceeding on inquiry ("proceeding") arising out of the services that are the subject of this Agreement, where Engineer is not a party to such proceeding, Client will compensate Engineer for its services and reimburse Engineer for all related direct costs incurred in connection with providing such testimony. This provision shall be of no effect if the parties have agreed in a separate agreement or an amendment to this Agreement to terms which specifically supersede this provision, nor shall this provision apply in the event Client engages Engineer to provide expert testimony or litigation support, which services shall be the subject of a separate agreement or an amendment to this Agreement.

16. **Successors and Assigns.** The terms of this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided however, that neither party shall assign this Agreement in whole or in part without the prior written approval of the other.

17. **Insurance.** Within the context of prudent business practices, Engineer shall endeavor to maintain workmen's compensation and unemployment compensation of a form and in an amount as required by state law; comprehensive general liability with maximum limits of $500,000/ $1,000,000; automotive liability with maximum limits of $500,000/ $500,000; and professional liability insurance with an annual limit of $500,000. Client recognizes that insurance market is erratic and Engineer cannot guarantee to maintain the coverages identified above.

18. **Information Provided by the Client.** The Engineer shall indicate to the Client the information needed for rendering of services hereunder. The Client may elect to provide this information (including services by others) to the Engineer. In this case, the Client recognizes that the Engineer cannot assure the sufficiency of such information. Accordingly, the Engineer shall not be liable for any claims for injury or loss arising from errors, omissions or inaccuracies in documents or other information provided by the Client. In addition, the Client agrees to compensate the Engineer for any time spent or expenses incurred in defending such claim or in making revisions to his work as a direct or indirect result of information provided by the Client which is insufficient.

19. **Subsurface Conditions and Utilities.** Client recognizes that a comprehensive sampling and testing program implemented by trained and experienced personnel of Engineer or Engineer's subconsultants with appropriate equipment may fail to detect certain hidden conditions. Client also recognizes that actual environmental, geological and geotechnical conditions that Engineer properly inferred to exist between sampling points may differ significantly from those that actually exist.

    Engineer will locate utilities which will affect the project from information provided by the Client and utility companies and from Engineer's surveys. In that these utility locations are based, at least in part, on information from others, Engineer cannot and does not warrant their completeness and accuracy.

20. **Hazardous Materials.** When hazardous materials are known, assumed or suspected to exist at a project site, Engineer is required to take appropriate precautions to protect the health and safety of his personnel, to comply with the applicable laws and regulations and to follow procedures deemed prudent to minimize physical risks to employees and the public. Client hereby warrants that, if he knows or has any reason to assume or suspect that hazardous materials may exist at the project site, he will inform Engineer in writing prior to initiation of services under this Agreement.

    Hazardous materials may exist at a site where there is no reason to believe they could or should be present. Client agrees that the discovery of unanticipated hazardous materials constitutes a changed condition mandating a renegotiation of the scope of work or termination of services. Engineer agrees to notify Client as soon as practically possible should unanticipated hazardous materials or suspected hazardous materials be encountered.

    Client waives any claim against Engineer and agrees to indemnify, defend and hold Engineer harmless from any claim or liability for injury or loss arising from Engineer's encountering unanticipated hazardous materials or suspected hazardous materials. Client also agrees to compensate Engineer for any time spent and expenses incurred by Engineer in defense of any such claim.

21. **Risk Allocation.** The Client recognizes that Engineer's fee includes an allowance for funding a variety of risks which affect the Engineer by virtue of his agreeing to perform services on the Client's behalf. One of these risks stems from the Engineer's potential for human error. In order for the Client to obtain the benefits of a fee which includes a lesser allowance for risk funding, the Client agrees to limit the Engineer's liability to the Client and all construction contractors arising from the Engineer's professional acts, errors or omissions, such that the total aggregate liability of the Engineer to all those named shall not exceed $50,000 or the Engineer's total fee for the services rendered on this project, whichever is greater.

22. **Anticipated Change Orders.** Client recognizes and expects that a certain amount of imprecision and incompleteness is to be expected in construction contract documents; that contractors are expected to furnish and perform work, materials and equipment that may reasonably be inferred from the contract documents or from the prevailing custom or trade usage as being required to produce the intended result whether or not specifically called for; and that a certain amount of change orders are to be expected. As long as Engineer provides services in a manner consistent with that standard of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions, client agrees not to make any claim against Engineer for cost of these change orders unless these costs become a significant part of the construction contract amount. In no case will Client make claim against Engineer for costs incurred if the change order work is a necessary part of the Project for which Client would have incurred cost if work had been included originally in the contract documents unless Client can demonstrate that such costs were higher through issuance of the change order than they would have been if originally included in the contract documents in which case any claim of Client against Engineer will be limited to the cost increase and not the entire cost of the change order.

23. **Payment.** Engineer shall submit monthly statements to Client. Payment in full shall be done upon receipt of the invoice. If payments are delinquent after 30 days from invoice date, the Client agrees to pay interest on the unpaid balance at the rate of one percent per month. Payment for Engineer's services is not contingent on any factor except Engineers ability to provide services in a manner consistent with that standard of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions.

24. **Force Majeure.** Neither Client nor Engineer shall be liable for any fault or delay caused by any contingency beyond their control, including, but not limited to, acts of God, wars, strikes, walkouts, fires, natural calamities, or demands or requirements of governmental agencies.

25. **Compliance with Laws.** To the extent they apply to its employees or its services, the Engineer shall comply with all applicable United States, state, territorial and commonwealth laws, including ordinances of any political subdivisions or agencies of the United States, any state, territory or commonwealth thereof.

26. **Separate Provisions.** If any provisions of this Agreement are held to be invalid or unenforceable, the remaining provisions shall be valid and binding.

27. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the principal place of business of the Engineer.

28. **Amendment.** This Agreement shall not be subject to amendment unless another instrument is executed by duly authorized representatives of each of the parties.

29. **Entire Understanding of Agreement.** This Agreement represents and incorporates the entire understanding of the parties hereto, and each party acknowledges that there are no warranties, representations, covenants or understandings of any kind, matter or description whatsoever, made by either party to the other except as expressly set forth herein. Client and Engineer hereby agree that any purchase orders, invoices, confirmations, acknowledgments or other similar documents executed or delivered with respect to the subject matter hereof that conflict with the terms of this Agreement shall be null, void and without effect to the extent they conflict with the terms of this Agreement.

EXHIBIT B
NEEL-SCHAFFER, INC.
1999 RATE SCHEDULE FOR PROFESSIONAL SERVICES

EMPLOYEE CLASSIFICATION	HOURLY RATE
Principal Engineer	$115.00
Engineer Manager	100.00
Senior Engineer/Project Manager	96.00
Senior Planner/Professional/Landscape Architect/GIS Specialist	80.00
Engineer	80.00
Planner	65.00
Engineer Intern (EI)	65.00
Assistant Planner	55.00
GIS Specialist	65.00
Assistant GIS Specialist	55.00
Landscape Architect	70.00
Assistant Landscape Architect	56.00
Designer	72.00
Information Systems Coordinator	55.00
Supervisory Technician/Inspector	56.00
Senior Technician/GIS Technician/Inspector	52.00 *
Technician/GIS Technician/Inspector	46.00 *
Assistant Technician/GIS Technician/Inspector	35.00 *
Clerical	32.00 *
Four-Man Survey Party	99.00 *
Three-Man Survey Party	88.00 *
Two-Man Survey Party	73.00 *
Professional Land Surveyor (PLS)	55.00
Supervisory Surveyor	70.00

* HOURLY RATES INDICATED FOR THESE NON-EXEMPT CLASSIFICATIONS APPLY TO REGULAR TIME. IF OVERTIME WORK IS REQUIRED TO MEET CLIENT'S SCHEDULE, NEEL-SCHAFFER RESERVES THE RIGHT TO NEGOTIATE AN OVERTIME RATE.

REIMBURSABLE EXPENSE SCHEDULE

EXPENSE	COST
Vehicle Mileage	$ 0.31/mile
Computer	10.00/hour
CADD	25.00/hour
Traffic Counter	10.00/day

IN-HOUSE REPRODUCTION/PRINTING

Vellum	$2.00/sheet
Film Positive	5.00/sheet
Bond	1.00/sheet
Blueline	1.00/sheet
Photocopies	0.20/sheet

ALL OTHER EXPENSES, INCLUDING CONTRACT REPRODUCTION/PRINTING, TRAVEL AND SUBSISTENCE, PARKING, COMMUNICATIONS, EQUIPMENT RENTAL, POSTAGE AND OVERNIGHT MAIL, AND SUPPLIES WILL BE REIMBURSED AT ACTUAL COST.

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO APPROVE MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve the minutes of the Planning Commission dated October 26, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO CONSIDER REQUEST TO PLACE MOBILE UNIT IN AN R-2 ZONE

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve the request of Maranatha Church to install a triple-wide mobile unit on the rear of their property on Cayten Street to be used as educational space with the stipulations that the building will be made to look like a permanent building and blend with the neighborhood by changing the roof, removing the tongue and wheels, and meeting all building codes. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO CONSIDER FUNDING TO PRCDA

Mr. Bill Edwards and Mr. Stephen Surles addressed the Mayor and Council regarding the activities of the Pearl River County Development Agency for the period of July through September 1999 and requested the budgeted quarterly funding for that time period. Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the issuance of a manual check to PRCDA for $750.00 for the budgeted quarterly funding. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE CHANGE IN MINUTE ENTRY OF ACTION TO ABANDON STREETS EAST OF HAUGH AVENUE

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to amend prior action set forth in minute entry dated November 17, 1998, as follows to grant the request of St. Francis Academy, Inc., Johnny F. Smith and Bogue Falaya Plaza, Inc. to close and vacate that portion of Seal Street and any other streets lying and being situated on the property owned by Johnny F. Smith and Bogue Falaya Plaza, Inc. described as follows:

TRACT I:

Commencing at the Southwest corner of Section 14, Township 6 south, Range 17 West, Pearl River County, Mississippi; thence North 89 degrees 58 minutes 43 seconds East 1141.00 feet to a 1" pipe for the point of beginning; thence North 211.77 feet; thence West 273.00 feet; thence North 160.00 feet; thence West 144.59 feet to a ½" iron pipe on the East margin of Haugh Avenue thence along said thence along said margin North 42.12 feet; thence leaving said margin East 145.00 feet; thence North 300.00 feet to a ½" iron pipe; thence West 145.00 feet to the East margin of Haugh Avenue; thence along said margin North 00 degrees 00 minutes 28 seconds West 135.91 feet; thence leaving said margin East 145.00 feet; thence North150.00 feet; thence West 145.00 feet to the East margin of

Haugh Avenue; thence North along the East margin of Haugh Avenue 10.0 feet; thence East 150 feet to a point; thence North 40.0 feet to a point; thence East 456.33 feet to a point; thence North 00 degrees 02 minutes 24 seconds West 259.62 feet to a ½" iron pipe; thence along a fence and the forty line which is the same boundary as Woodglen Subdivision, Picayune, Mississippi, North 89 degrees 57 minutes 40 seconds East 738.98 feet; thence south 646.77 feet to a ½" iron pipe; thence South 00 degrees 40 minutes 10 seconds West 672.48 feet; thence West 383.00 feet to a 1 ½" iron pipe; thence South 89 degrees 58 minutes 43 seconds West 552.06 feet to the point of beginning. This parcel containing 26.31 acres and being a part of the Southwest Quarter of Section 14, Township 6 South, Range 17 West, Pearl River County, MS.

TRACT II:

A parcel of land situated in the SW ¼ of the SW ¼ of Section 14-T6S-R17W, Pearl River Co., MS, and being more fully described as follows:

Commencing at the SW corner of Section 14-T6S-R17W, Pearl River Co., MS; thence N 89 degrees 58' 43" E along South line of said Section 14 a distance of 1141.14' to a point; thence North 209.00' to a point; thence West 273.00' to a point; thence North 160.00' to a point; thence West 145.00' to a point; thence North 41.00' to a point; thence East 145.00' to a point; thence North 300.00' to a point; thence West 145.00' to a point; thence North 140.00' to a point; thence East 145.00' to a point; thence North 150.00' to a point; thence West 145.00' to a point on the East R.O.W. line of Haugh Ave., thence North along said East R.O.W. line of Haugh Ave. 50' to a point; thence East 145.00' to P.O.B.; thence North 250.00' to a point; thence West 145.00' to a point on the East R.O.W. line of Haugh Ave.; thence North along said East R.O.W. Line of Haugh Ave., 20.00' to a point; thence East 445.00' to a point; thence South 270.00' to a point; thence West 300.00' to P.O.B., containing 1.93 acres of land, more or less.

TRACT III:

A parcel of land situated in the SW ¼ of the SW ¼ of Section 14-T6S-R17W, Pearl River County, Mississippi, and being more fully described as follows:

Commencing at the SW corner of Section 14-T6S-R17W, Pearl River County, Mississippi; thence N 89 degrees 58' 43" E along south line of said Section 14 at a distance of 1,141.14' to a point; thence North 209.00' to a point; thence west 273.00' to a point; thence North 160.00' to a point; thence West 145.00' to a point; thence North 41.00' to a point; thence East 145.00' to a point; thence North 300.00' to a point; thence West 145.00' to a point; thence North 140.00' to a point; thence East 145.00' to a point; thence North 150.00' to a point; thence West 145.00' to a point on the east R.O.W. line of Haugh Avenue; thence North along said east R.O.W. line of Haugh Avenue 50.00' to a point; thence East 445.00' to P.O.B.; thence North 270.00' to a point on the south line of Woodglen S/D; thence East along south line of Woodglen S/D 161.33' to a point; thence South 270.00' to a point; thence West 161.33' to the P.O.B.; containing 1.0 acres, more or less.

which includes the property being purchased for the construction of Bridgeway Apartments. The streets abandoned are that portion of Seal Street and any other streets located on the above described property lying 150 feet east of Haugh Avenue. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

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

Upon request of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter closed session to determine the need for an executive session. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss three (3) matters involving the prospective purchase, sale or lease of lands and one (1) matter of potential litigation.

ORDER TO AUTHORIZE MAYOR TO SIGN ACCESS AUTHORIZATION WITH THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

During executive session, motion was made by Councilmember Roberson, seconded by Councilmember Guy to authorize the Mayor to sign the following access authorization with the United States Environmental Protection Agency:

ACCESS AUTHORIZATION

1. Woody Spiers, Mayor of the City of Picayune, Mississippi, have the authority to sign this authorization.

2. I grant authorization to the United States Environmental Protection Agency (EPA), its officers, employees, contractors and other authorized representatives access to the property which runs from the comer of Rosa Street and Davis Street west to the comer of Rosa Street and Jackson Landing, the "park". EPA's activities at the Site may include, but not be limited to, the following:

    a. the installation of a six foot fence that will border the creek that runs adjacent to the property;
    b. the collection of surface, subsurface soil, sediment, air and waste samples as may be determined to be necessary;
    c. inspecting, sketching, photographing, and /or video taping the premises;
    d. transportation and disposal of hazardous substances to an EPA approved facility;
    e. transporting equipment onto and about the Site, as necessary to accomplish the activities listed above;
    f. temporary storage of equipment on and throughout the site, as necessary, to accomplish the activities listed above;
    g. securing and controlling all public access prior to and during response activities, as necessary, to preclude public access to contaminated areas of the Site.

3. The consent for access and use granted herein will commence on Wednesday, December 8, 1999 and will continue until EPA completes the removal action.

4. I, Woody Spiers, realize that these actions by EPA are undertaken pursuant to its response and enforcement responsibilities under the Comprehensive Environmental Response, Compensation and Liability Act (Superfund), 42 U.S.C. Section 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986 (SARA) (Public Law 99499).

_____ _____

Signature Date
Woody Spiers, Mayor

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Bates and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed three (3) matters involving the prospective purchase, sale or lease of lands and one (1) matter of potential litigation and took action only on one (1) matter of potential litigation.

ORDER TO SET RENTAL RATES FOR PICAYUNE MUNICIPAL AIRPORT PROPERTY

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to set the value of the rental rates for tie-downs and ground leases at the new Picayune Municipal Airport as follows:

Tie-Downs	$25.00 per month
Ground Leases	$.15 per square foot

The rental rates are set at amounts less than the average of the appraisals obtained in order to be competitive with other area airports. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE CITY MANAGER TO NEGOTIATE PURCHASE OF PROPERTY

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the City Manager to begin negotiations for the purchase of property to be used for a new fire station. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO RECESS

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to recess until December 14, 1999 at 6:00 p.m. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson , Bates, and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

Woody Spiers

Woody Spiers, Mayor

Sabrina Diamond

Sabrina Diamond, City Clerk

December 14, 1999

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 in the Council Chambers of City Hall in said City, Tuesday, December 14, 1999, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Chief Brenda Smith.

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

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated November 16, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PRCDA

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Pearl River County Development Association (PRCDA) dated October 25, 1999. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO RECOMMENDATION OF CHANGES TO CURRENT DRAINAGE ORDINANCE

Upon recommendation of the Public Works Director, the following ordinance that would amend the current drainage ordinance was presented for consideration:

ORDINANCE NO. 736

AN ORDINANCE TO AMEND ORDINANCE NO. 671, SECTION 2, WHICH REQUIRES TECHNICAL REVIEW AND APPROVAL OF ANY CREATION OF NEW OR THE MODIFICATION OF EXISTING DRAINAGE WITHIN THE CITY OF PICAYUNE

Be it ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

Section 1. That Ordinance No. 671, Section 2., shall read as follows:

2. Any person, or other legal entity, desiring to develop or alter or modify existing surface water drainage at any place whatsoever within the municipality and wheresoever located shall apply to the City of Picayune for approval thereof by filing a drainage plan with the City Engineering Department.
   (a) For sites three (3) acres and larger the drainage plan shall at a minimum include the following information. Sites less than three (3) acres shall not be required to conform to these regulations, except for item (1) below.
      (1) Site plan showing direction of proposed runoff, grades, and pipe sizes as necessary.
      (2) Calculations showing pre-development runoff quantities and rates and post-development runoff quantities and rates.
      (3) Detailed information on the controls proposed to be used to achieve a "zero increase" in the runoff rate. This means the runoff rate after development shall be no greater than the runoff rate prior to development. The difference in runoff rate, and the volume of water that it represents, shall be controlled and stored on site.
      (4) The Rational Method or the Regression Method of calculating the runoff rates may be used for sites of three (3) to twenty-five (25) acres. The Regression Method shall be used for sites twenty-five point one (25.1) acres or larger.
      (5) The design event shall be a ten (10) year, twenty-four (24) hour storm event, as identified by the USGS. The time period to be used to calculated the volume of water to be stored shall be the time of concentration for the site or ten (10) minutes, whichever is greater.

SECTION 2. Severability, Conflict and Effective Date.

Should any section, clause, paragraph, provision, or part of this ordinance for any reason be held invalid or unconstitutional by any Court of competent jurisdiction, this act shall not affect the validity of any other section, clause, paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

Conflict in any case where a provision of this ordinance is found to be in conflict with the provision of any other ordinance or code of the City of Picayune, Mississippi, existing on the effective date of this ordinance, the provisions of this ordinance shall take precedence.

Because the adoption of this ordinance is necessary for the immediate and temporary preservation of the public peace, health and safety of the community, this article shall be effective immediately.

The foregoing ordinance having first been reduced to writing, was moved upon by Councilmember Thorman, seconded by Councilmember Bates, and voted upon as follows:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried and the ordinance passed, approved, and adopted.

ORDER TO AUTHORIZE THE MAYOR TO SIGN THE FY2000 STATE REVOLVING LOAN FUND APPLICATION

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign the FY2000 State Revolving Loan Fund application requesting loan funds of $297,150.00 to be used to increase and/or provide back-up power sources at City wells. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

RECESSED MEETING DATED DECEMBER 14, 1999

ORDER TO APPROVE CHANGE ORDER #5 TO PAVING CONTRACT FOR NEW AIRPORT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve Change Order #5 to the paving contract with Huey Stockstill, Inc. for paving at the new airport, FAA Project #93-1-3-28-0060-0497 for a net increase of $1,189.15. The new contract total is $1,075,561.15. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ACCEPT THE SUBSTANTIAL COMPLETION OF PAVING CONTRACTS FOR THE NEW AIRPORT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept as substantially complete the paving and lighting projects at the new airport as contracted with Huey Stockstill, Inc. The projects include the pavement of the entire runway, all the taxiways (A through F) and installation of runway lights and navigational aids. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE ISSUANCE OF MANUAL CHECKS

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the issuance of manual checks in amounts not to exceed the following:

Huey Stockstill, Inc.	Paving Contract	Airport Fund	$110,992.17
Huey Stockstill, Inc.	Lighting Contract	Airport Fund	$ 43,492.66

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE THE SOLE-SOURCE PURCHASE OF COMPUTER SOFTWARE

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the sole-source purchase of utility billing software, UMS 2000, from Computer Network, Inc. in a total amount of $49,540.00 and to authorize the Mayor to sign the following contract:

RECESSED MEETING DATED DECEMBER 14, 1999

SECTION IX: CONTRACT TERMS AND CONDITIONS

UMS 20000 Purchase and Sales Agreements

AN AGREEMENT BETWEEN
COMPUTER NETWORK, INC., and THE CITY OF PICAYUNE
FOR THE PURCHASE OF COMPUTER HARDWARE
AND THE LICENSING OF
APPLICATION SOFTWARE PRODUCTS

Entered into this 15th day of December 1999 by and between Computer Network, Inc., hereby referred to as CNI, an Alabama Corporation, with offices at 225 U.S. Highway 278 East Cullman, AL 35055, (Seller), and CITY OF PICAYUNE hereby referred to as City, a Municipal Utility Board with its principal offices at 203 Goodyear Boulevard, Picayune, MS 39466.

I. SCOPE

Subject to the terms and conditions set forth herein, the Buyer agrees to buy and/or accept license from the Seller and the Seller agrees to sell and/or grant license to the Buyer, the products and related services described **in The Investment Analysis (Exhibit 1).**

II. LICENSES

Whereas ownership of the Software products listed in The Executive Summary Proposal remains with the Seller, the Seller grants License to the Buyer to use these products according to the terms of the Buyer's Licensing Agreement (Exhibit 2).

III. PRICE

The total financial obligation of the Buyer to the Seller for the delivery of the hardware and software products listed in the Investment Analysis shall not exceed **$ 49,540 dollars, (Annual Maintenance fees excluded)** except by written amendment to this agreement. Said price shall be payable by the Buyer to the Seller as provided in Section IV hereof All applicable sales tax, use tax or excise tax, shall be paid by the Buyer and shall be paid over to the proper authorities by the Buyer or reimbursed by the Buyer to the Seller on demand in the event that Seller is responsible or demand is made on the Seller for the payment thereof If tax exempt, the Buyer must provide the Seller with a tax exempt number or form.

Expenses:

Actual, billable as incurred for mileage, lodging and meals of CNI employees traveling to and from **CITY OF PICAYUNE.**

- Lodging per day — $ 50.00 Per Day or Actual Cost
- Meals per day — 22.00 per employee
- Mileage — .35 Cents per Mile

Additional related services not specified in the Investment Analysis Executive Summary, will be billed at the then current rate for the services, as they are incurred.

IV. OBLIGATIONS DEFINED

Data Conversion:
As part of the agreement between CNI and City, representatives of CNI will do their utmost to optimize the converted data to your new system. This process will require ongoing assistance from the City personnel in order to be successful and completed in a timely manner.

Training:
As outlined in the Investment Analysis (Exhibit 1), City will have three weeks of on site training. Training will be defined as on site services provided to install, setup and train PUD personnel. CNI will provide at no additional fee the training of designated personnel at CNI's facility in Cullman, AL. PUD is responsible for the expenses related to travel, meals and hotel while receiving training in Cullman, AL.

CNI will begin on-site training for the City after the data conversion has been completed. Representatives of CNI will be made available to the City based upon an **eight-hour workday. Anything beyond this limit can be addressed on an individual basis and must be approved by CNI Management.** These representatives will report to the head of the Software Department throughout the training process. The City will be notified in advance if any additional training will be necessary. Additional training will be available at the rate of $75.00 per hour or $ 500.00 per day. Training will be invoiced after each two week period for exact days of training and related expenses.

V. PAYMENT AND ACCEPTANCE

Upon acceptance and signing of this Agreement, the Seller will provide Buyer a tape of the software applications listed in The Executive Summary Proposal to be held by Buyer until which time as the full system can be installed. Upon delivery of this tape, the Buyer will remit to Seller an initial **payment** of **$14,862.**

A second payment of **$ 29,724** that represents 60% of the Purchase Price, will be made upon delivery of the items listed in The Executive Summary Proposal. After **completion of a successful billing cycle,** the remaining balance of **$ 4,954** which represents the **final 10%, will be due.** Acceptance will require that each phase of the system has been fully delivered, installed and performs in accordance with the Sellers Specifications. For the purpose of this agreement "Specifications" shall be defined as the written descriptions found in the Seller's proposal to the Buyer, the Seller's marketing material and the user manuals for the current revision of the software. The Buyer shall have at its option and expense, the right to submit requests to the Seller to have specific routines or programs demonstrated. Such requests shall be submitted in writing seventy-two (72) hours prior to the requested demonstration to allow for related files to be built and installed.

Annual Maintenance Fees are billed on a quarterly basis for the UMS Software. UMS 2000 Software Maintenance shall be billed at **$ 1,800 per year.** The Annual Maintenance fee of one thousand and eight hundred dollars is guaranteed not to increase in monies during the next three-year period. After the three-year period CNI guarantees that the Annual Maintenance Fee shall not increase by more than five percent per year over the next four-year period.

VI. WARRANTIES OF SELLER

A). Seller warrants that all System hardware products supplied under this Agreement shall be free from defects in materials or workmanship and operating failure from normal use and agrees that it will pass through to Buyer any and all warranties from any manufacturer or Supplier of any of the hardware.

B). Seller warrants that it is their intent that all software products delivered under this Agreement be free from defects in materials or workmanship and further agrees to Furnish promptly and without additional charge, all labor and parts necessary to remedy Any such defects that it is notified of in writing within three months of installation of the Products.
After this initial three-month period, this warranty will continue to remain in effect, as long as, the Buyer maintains a current Software Support Agreement with the Seller.
The Buyer acknowledges that this warranty is limited to software products installed and used on the Buyer's computer system listed in The Executive Summary Proposal. Buyer further acknowledges that modifications made to the software programs by the Buyer will void Seller's warranty of the programs, unless specifically stated otherwise in writing by the Seller.

C). The Seller warrants that it is, and at all relevant times will be, authorized by the Manufacturer of all software products, listed in the Investment Analysis, to grant licenses or sublicenses to such software.

D). The Seller warrants that the software and software products do not infringe any patents, Copyright, trade secret, or other property rights held by any other person or entity.

E). The Seller's obligation for breach of warranty shall include correction or replacement of the software product which fails to conform to such warranty.
In no event shall the Seller be liable for special, incidental, or consequential damages including any damages resulting from loss of use, or loss of data arising out of or in connection with the use of the software or hardware products. In no event shall the Seller be liable for any breach of warranty unless notice thereof is given to the Seller within three months after acceptance of the software product of the Buyer.

F). The Seller shall defend, indemnify and hold harmless the Buyer and its agents and employees from any claim or proceedings brought against the Buyer, and from any cost damages and expenses finally awarded against the Buyer, which are attributable to any claim that is based on an assertion that the buyer's use of the software products under this Agreement constitutes an infringement of any United States patent, copyright, trade secret, trademark, or other property interest rights, provided that the Buyer notifies the Seller promptly of any such claim or proceeding and gives the Seller full and complete authority, information, and assistance to defend such claim or proceeding and further provided that the Seller shall have sole control of the defense of any claim or proceeding and all *negotiations for its compromise or settlement, provided that the Seller shall* consult with the Buyer regarding such defense.
In the event that the software products are finally held to be infringing and its use by the Buyer is enjoined, the Seller shall, at is election; (1) procure for the Buyer the right to continue the use of the software products; (2) modify or replace the software products so that they become non-infringing.
The Seller shall have no liability hereunder if the Buyer modified the software products in any manner without the prior written consent of the Seller and such modification is determined by a court of competent jurisdiction to be a contributing cause of the infringement.

The foregoing states the Seller's entire liability, and the Buyer's exclusive remedy, with respect to any claims of infringement of any copyright, patent, trade secret, trademark, or other property interest rights by software products, or any part thereof, or use thereof

G). The warranties contained in this Section are in lieu of all other warranties, expressed or implied. The Seller's express warranties shall not be enlarged, diminished or affected by, and no obligations or liabilities shall arise out of the Seller's rendering of technical or other advice or service in connection with the products listed in The Executive Summary Proposal.

VII. CONFIDENTIALITY

Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take appropriate action to prevent such disclosure by its employees or agents.

It is further acknowledged that complaint issues relating to the products listed on The Executive Summary Proposal of this Agreement may directly involve personnel of both parties, therefore any initial meeting to discuss complaints resulting from the performance of the products covered in this Agreement will take place in a closed session.

VIII. RESOLUTION OF DISPUTES

In the event of a dispute between the parties under this Agreement pertaining to pecuniary damages or losses, the matter shall be settled in accordance with the then prevailing rules of the American Arbitration Association.

IX. CANCELLATION OR MODIFICATION

This Agreement may not be canceled or modified except by the written mutual consent of both parties or as otherwise provided in this Agreement.

X. SEVERABILITY

If any term or provision of this Agreement or the application thereof, to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

XI. NOTICES

All notices required or permitted to be given hereunder shall be in writing and shall be delivered in hand or sent by first class mail, postage prepaid, to the parties at the following addresses or other such address or addresses as to which a party shall have notified the other party in accordance with this Section:

If to Seller:	If to Buyer:
Mr. Robert Hearin	Mr. Woody Spiers, Mayor
Computer Network, Inc.	CITY OF PICAYUNE
225 US Hwy 278 E	203 Goodyear Boulevard
Cullman, AL 35055	Picayune, MS 39466

XII. ENTIRE AGREEMENT

This Agreement represents the entire agreement of the Buyer and the Seller with respect to the hardware and software products and related services and supersede's any prior agreements, understandings and representations, whether written or oral.

XIII. GOVERNING LAW

This Agreement shall be governed by and constructed in accordance with the laws of the State of Alabama and shall take effect as an instrument under seal.

IN WITNESS WHEREOF, the parties to this Agreement have hereunto set their hands and seals effective as of the date first set forth above.

Seller:	Buyer:
COMPUTER NETWORK, INC.	**CITY OF PICAYUNE**
By: _____	By: _____
Robert Hearin	Mr. Woody Spiers
Partner	Mayor

RECESSED MEETING DATED DECEMBER 14, 1999

By: _____
Ms. Sabrina Diamond
City Clerk

City of Picayune Utilities Department
Investment Analysis
December 13, 1999

Executive Summary – Exhibit I	
Software Configuration	$19,490
Payment Station Configuration	$ 4,770
Hand Held Configuration	$13,980
System Installation & Configuration	$ 1,800
Data Conversion with C.A.S.S. Certification	$ 2,000
On-Site Training (Three Weeks)	$ 7,500
Two Days Training at CNI	N/C
TOTAL INSTALLATION	$49,540

The installation price of $49,540 includes 90 days of toll free telephone support and three weeks of on-site training. With the addition of our Annual Extended Support, after the 90 day installation phase, you will receive the toll free telephone support, all upgrades to the software and discounted on-site training.

By offering the security of 90 days of toll free support, four weeks training and thereafter a discounted hourly fee, we request that you reimburse CNI for the actual associated expenses of travel, meals and lodging.

Extended Support Information

UMS Annual Extended Support Contract $ 1,800
Included All Updates & Upgrades
Toll Free Telephone Support

Software Configuration

Utility Billing and Management Software $18,000
UMS2000 v4.0 Software written by CNI
Windows 32-Bit GUI Interface
Generates Complete Accounts Receivable System
Complete Utility Management System
Includes Pro Forma What If Analysis
Includes Work Order Processing
Meter and Deposit Management

Pervasive Btrieve Database Software $ 995
Client/Server Database Engine
True 32-Bit Windows
Version 7
10 User Version

Crystal Reports by Seagate $ 495
Report Writer for UMS4
Crystal Reports for Pervasive Btrieve

Payment Station Configuration

Automated Payment Stations 3 @ $895 $2,685
Receipt Printer – Epson TM-340
Automated Software Integration

Barcode System Laser Handheld Barcode Scanner Barcode Software	3 @ $695	$2,085

**The above equipment does not include the computer. We will provide all equipment needed to turn a workstation into a payment station; City of Picayune Utilities will provide the computers.*

Hand Held Configuration

Hand Held System Radix FW-200 2.25MB DOS Unit 16 Line Display Complete Integration with Utility Billing 1000 Account Capacity User Definable Comment Codes Multiple Search Options	3 @ 3,995	$11,985
FLX-5 Rack Loader Charger Five Bay FW-200 Loader/Charger RS-232 Interface w/12 Pin Connector Upload/Download and Charges with One Cable		$ 1,995

UMS 2000 License Agreement
EXHIBIT 2
LICENSE AGREEMENT FOR
UMS 2000 SOFTWARE

Agreement is made this the 15th day of December 1999 by and between **CITY OF PICAYUNE,** 203 Goodyear Boulevard, Picayune, MS 39466 (Licensee), and CNI (Licensor), 225 U.S. Highway 278 East Cullman, AL 35055.

The headings used in the Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

Now, therefore, the Licensor and Licensee agree as follows:

1. Terms of Agreement
This Agreement is effective as of the date of software installation and shall remain in force until 90 days from installation. The terms and conditions of this License shall then continue so long as Licensee maintains a current License and Support Agreement with the Licensor.

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LICENSOR
COMPUTER NETWORK, INC
By: _____
Robert Hearin
Partner

LICENSEE
CITY OF PICAYUNE
By: _____
Mr. Woody Spiers
Mayor
By: _____
Ms. Sabrina Diamond
City Clerk

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The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO APPROVE ISSUANCE OF MANUAL CHECK

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the issuance of a manual check to:

Myers Underground Utilities, Inc.	Utility Fund	$27,538.15

The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

ORDER TO ADJOURN

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

RECESSED MEETING DATED DECEMBER 14, 1999

VOTING NAY: None

The motion was declared carried.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk