

January 4, 2000

**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 4, 2000, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Jonas Bates, Mark Thorman, Leavern Guy, and Kelly McQueen, 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 Guy, to approve the minutes of the Mayor and City Council dated December 7, 1999 and December 14, 1999. 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 ACKNOWLEDGE RECEIPT OF THE PUBLIC RECORDS REPORT FOR NOVEMBER 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the Public Records Report for November 1999. 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 ACKNOWLEDGE RECEIPT OF THE MONTHLY BUDGET REPORTS FOR NOVEMBER 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the monthly Budget Reports for November 1999. The following roll call vote was taken:

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

VOTING NAY: None

REGULAR MEETING DATED JANUARY 4, 2000

ABSENT AND NOT VOTING: Councilmember Roberson

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 December 9, 1999. 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 TAX DEPARTMENT TO COLLECT PARTIAL PAYMENTS ON 1999 PROPERTY TAXES

In accordance with Section 27-41-3 of the Mississippi Code of 1972, as amended, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Tax Department to collect partial payments on the 1999 property taxes. 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 MAYOR TO SIGN QUITCLAIM DEED

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign a quitclaim deed to Charles Varnado on the following property:

Tax Year: 1985
 Amount: \$139.72
 Parcel #: 617-204-000-00-1-45
 Assessed to: Charles Varnado

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.

REGULAR MEETING DATED JANUARY 4, 2000ORDER TO CONSIDER REQUEST TO VOID TAX SALE

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to void the 1994 tax sale on parcel #617-933-000-00-5-1 assessed to Southern Tire Mart of Baton Rouge Inc. due to a double-assessment by the Pearl River County Tax Assessor. 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 MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the monthly claims docket for January 2000 in the total amount of \$351,703.38. 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 ISSUANCE OF MANUAL CHECKS

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

COP General Fund	Utility Fund	\$50,210.90
MS State Tax Commission	Utility Fund	2,756.00

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.

EMPLOYEE OF THE MONTH

Upon recommendation of the Public Works Director, Ric Story was declared Employee of the Month for January 2000. Mr. Story was presented with a savings bond from BankPlus.

ORDER TO CONSIDER REQUEST FOR FREE PORT WAREHOUSE EXEMPTION

Stephen Surlis, director of the Pearl River County Development Association (PRCDA), addressed the Mayor and Council regarding a free port warehouse tax exemption for Valspar Refinishing, Inc. Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to take the request under advisement. The following roll call vote was taken:

REGULAR MEETING DATED JANUARY 4, 2000

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 CONSIDER APPOINTMENT TO THE CEMETERY BOARD

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to table any appointments to the Cemetery Board. 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 CONSIDER APPOINTMENT TO THE LIBRARY COMMISSION

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to table any appointments to the Library Commission. 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 CONSIDER APPOINTMENTS TO THE PARK COMMISSION

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to table any appointments to the Park Commission. 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 CONSIDER APPOINTMENT TO THE VETERANS MEMORIAL COMMISSION

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

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

VOTING NAY: None

REGULAR MEETING DATED JANUARY 4, 2000

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

ORDER TO CONSIDER APPOINTMENTS TO THE CONTRACTORS BOARD

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to table any appointments to the Contractors Board. 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 CONSIDER AMENDMENT #4 TO THE BUDGET FOR THE YEAR ENDING SEPTEMBER 30, 2000

Upon request of the City Clerk, motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to approve the amendment of the following line items of the budget for the year ending September 30, 2000:

	<u>Original</u>	<u>Amended</u>
Non-revenue Receipts	\$676,000	\$1,126,000
Fire Dept. Capital Outlay	\$ 50,250	\$ 500,250

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 CONSIDER ACCEPTANCE OF CARROLL STREET SEWER PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to accept the Carroll Street Sewer Project with Twin L Construction as complete and authorize the issuance of manual checks as follows:

Twin L Construction	Utility Fund	\$109,577.07	Application for Payment #2
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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.

REGULAR MEETING DATED JANUARY 4, 2000ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT FOR AIRPORT FUEL FARM

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the following contract with Cobb Environmental & Technical Services, Inc. in the amount of \$181,280.90 for the construction of the fuel farm at the new airport based upon satisfactory completion of the contingencies required at the November 2, 1999 meeting:

CONTRACT AGREEMENT

THIS CONTRACT AND AGREEMENT made and entered into this the 4th day of January, in the year 2000, by and between the City of Picayune, Mississippi, as party of the First Part, hereinafter called the "Owner", and Cobb Environmental & Technical Services, Inc. of Tupelo, Mississippi, Party of the Second Part, hereinafter called the "Contractor".

WITNESSETH:

1. That for and in consideration of the payments to be made as hereinafter set forth, the Contractor hereby agrees to furnish all tools, labor, equipment and supplies required to construct a Fuel Farm Installation at the New Picayune Airport, Picayune, Mississippi, plus any other items of work attendant to the construction of the project. The work performed shall be in exact accordance with the Plans (on file at the office of said Owner) and specifications, Proposals and Special Provisions attached hereto, all being made ally as though copies herein, under the direct supervision and to the entire satisfaction of the Owner and in accordance with the laws of the State of Mississippi.
2. It is further agreed and understood that the owner agrees to pay and the Contractor agrees to accept as full and final compensation for the work done under this agreement, the total bid price adjusted for correction of quantities at the unit prices named in the Proposal which is hereto attached, such payment to be made in lawful money of the United States, at the time and in the manner set forth in the Specifications.
3. The Contractor agrees, for the consideration above expressed, and because TIME IS OF THE ESSENCE, to complete the work within one hundred twenty (120) consecutive calendar days from and after the NOTICE TO PROCEED. If the Contractor should fail to complete the required phases of work as specified, he shall pay to the Owner, as liquidated damages, as contained and agreed, and not in the nature of a penalty the sum of two hundred dollars (\$200.00) per day, for each day required to complete the work (in excess of the contract construction work calendar).
4. The Contractor agrees to furnish a Contract Bond, within approved Surety thereon, guaranteeing the performance of this contract, as required by the law of the State of Mississippi, and for not less than one hundred per cent (100%) of the amount of this contract. Said bond shall be conditioned on full and complete performance of the contract and for the payment of all labor and materials entering into the proposed improvement. The Surety on said bond shall be a Surety Company of financial resources satisfactory to the Owner and authorized to do business in the State of Mississippi. The bonds shall either be signed or countersigned by a Mississippi Resident Agent of the Surety Company.
5. It is also understood and agreed that the acceptance of final payment by the Contractor shall be considered as a release in full of all claims against the Owner or any of its members, officers, agents, employees or servants directly or indirectly arising out of, or by reason of, the work or labor performed or the materials, services or supplies furnished under this Contract.
6. The Contractor agrees to carry Public Liability Insurance, Property Damage Insurance, and Workman's Compensation Insurance in amounts as required by these Specifications.
7. The Contractor agrees, that only domestic steel and manufactured products will be used by the Contractor, subcontractors, materialmen, and suppliers in the performance of this contract, as defined below:
 - a. **Steel and Manufactured Products.** As used in this contract, steel and manufactured products include (1) those produced in the United States or (2) a manufactured product produced in the United States, if the cost of its components mined, produced or manufactured in the United States exceeds sixty percent (60%) of the cost of all its components and final assembly has taken place in the United States.
 - b. **Components.** As used in this contract, components means those articles, materials, and suppliers incorporated directly into steel and manufactured products.

REGULAR MEETING DATED JANUARY 4, 2000

- c. **Cost of Components.** This means the costs for production of the components, exclusive of final assembly labor costs.
- 8. In consideration of the premises, the Owner will pay to the Contractor for the said Work, when fully completed, the Contract Price of One Hundred Eighty-one Thousand Two Hundred Eighty and 90/100 Dollars (\$181,280.90).

Payments shall be made at the unit prices and/or lump sums specified for the various Bid Items in the Contractor's Schedule of Prices Bid, as provided for and upon the terms set forth in the Contract Documents. It is understood that the total amount to be paid shall be based on the said unit prices and/or lump sums contained in said Schedule of Prices Bid and made a part of this Agreement for the work actually completed in accordance with the Contract Documents.

Unless otherwise declared in an addendum hereto, Contractor warrants to Owner that no member, officer or employee of the Owner has any material interest either directly or indirectly, in the business of the Contractor to be conducted hereunder, and that no such person shall have any such interest at any time during the term hereof.

If the Contractor shall fail to comply with any of the terms, conditions, provisions, or stipulations of this Contract, according to the true intent and meaning thereof, then the Owner may avail itself of any or all remedies provided in the Contract and shall have the right and power to proceed in accordance with the provisions thereof.

This Agreement may be terminated in whole or in part in writing, by Owner, for its convenience, provided that such termination is for good cause (including, but not limited to substantial failure of the Contractor to fulfill its obligations under this Agreement through no fault of the Owner, legal or financial reasons or major changes in the work or project requirements) provided the Contractor is given no less than ten (10) calendar days of written notice to terminate and an opportunity for consultation with the owner.

In the event either party brings any action against the other under this Agreement, and prevails in said action, then the prevailing party shall be entitled to recover its reasonable fees incurred as a result of said action. Such fees shall include, but not limited to, expert witness fees, court reporter feed, court costs and attorney fees.

This Agreement and its attachments (including General Provisions) represent the entire integrated agreement between Owner and Contractor and supersedes all prior negotiations, representation or agreements, either oral or written.

This Contract shall be binding upon the Owner, its successor or successors, and upon the Contractor and its heirs, executors, administrators, successors and assigns, and is voidable and may be terminated by the Owner, in accordance with the provisions of the Contract Documents which are made a part of this Agreement, or if the provisions of the statutes relative thereto are not complied with.

WITNESS OUR HANDS THIS 4TH DAY OF JANUARY, 2000

OWNER: _____	CONTRACTOR: <u>Cobb Environmental & Technical Services, Inc.</u>
BY: _____	BY: <u>/s/ Brian Cobb</u>
TITLE: _____	TITLE: <u>President</u>
ATTEST: _____	ATTEST: <u>/s/</u>
TITLE: _____	TITLE: <u>Secretary</u>

Address For Giving Notices:
P.O. Box 1602
Tupelo, MS 38802
License No. 11666

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 #1 TO THE FUEL FARM CONTRACT

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve Change Order #1 to the contract with Cobb Environmental & Technical Services, Inc. for the construction of the fuel farm at the new airport. Change Order #1 reflects a twenty-thousand dollar (\$20,000.00) decrease to the contract for the deletion of the Aircraft Self Service Fueling system and related appurtenances. The new contract amount is \$161,280.90. 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 CONSIDER BID AWARD FOR POLICE UNIFORMS

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to accept the bid of Mid-South Uniform and Supply, Inc. for Police uniforms as follows:

<u>Item</u>	<u>Brand & Stock #</u>	<u>Price</u>
Trousers, men #1 - M(P)	Horace Small #909	30.15
Trousers, women #1 - M(P)	Horace Small #1009	30.15
Short Sleeve Shirts, men #1 - M(S/S)	Horace Small #Z960NP	28.77
Short Sleeve Shirts, women #1 - L(S/S)	Horace Small #Z975NP	28.77
Long Sleeve Shirts, men #1 - M(L/S)	Horace Small #Z920NP	31.77
Long Sleeve Shirts, women #1 - L(L/S)	Horace Small #Z905NP	31.77
Light Jacket w/liner #1 - LWJ	Horace Small #2649/M	62.00
Ultra Jacket #1 - UJ	Fechheimer #58130	151.92

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 ENTER CLOSED SESSION TO DETERMINE THE NEED FOR AN EXECUTIVE SESSION

Upon recommendation 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 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 (2) matters of potential litigation.

REGULAR MEETING DATED JANUARY 4, 2000RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember McQueen, 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 APPROVE CHANGE ORDER #2 TO FUEL FARM CONTRACT

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve Change Order #2 to the contract with Cobb Environmental & Technical Services, Inc. for the construction of the fuel farm at the new airport. Change Order #2 reflects a seventy-thousand dollar (\$70,000.00) increase to the contract for the addition of the Jet Fuel Tank System. The new contract amount is \$231,280.90. The following roll call vote was taken:

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

VOTING NAY: Councilmember McQueen

ABSENT AND NOT VOTING: Councilmember Roberson

The motion was declared carried.

ORDER TO RECESS

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to recess until January 20, 2000 at 6:00 p.m. 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.



 Woody Spiers, Mayor



 Sabrina Diamond, City Clerk

January 20, 2000

**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, January 20, 2000, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, 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 Mr. Cruthird, 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 January 4, 2000. 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 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 December 31, 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 PRIVILEGE LICENSE REPORT FOR DECEMBER 1999

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

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

VOTING NAY: None

RECESSED MEETING DATED JANUARY 20, 2000

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF PUBLIC RECORDS REQUESTS REPORT FOR DECEMBER 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the monthly Public Records Requests Report for December 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 BUDGET REPORT FOR DECEMBER 1999

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the monthly Budget Report for December 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 AUTHORIZE MAYOR TO SIGN DEED

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to execute a warranty deed and sign any other related closing documents in order to allow the City to consummate its sale of the small amount of real property unto Geonet Properties, Inc. for cash consideration of \$4,613.00, pursuant to terms and provisions of Option to Purchase Real Estate previously executed by the City and Geonet Properties, Inc. as per authority of order of Mayor and Council dated October 5, 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

At this time, Councilmember McQueen entered the meeting.

RECESSED MEETING DATED JANUARY 20, 2000ORDER TO CONSIDER REQUEST TO USE FRIENDSHIP PARK

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve the request of the Pearl River County Search and Rescue Dog Team to use the Friendship Park facilities after the park is closed to train their dogs and handlers. The motion is contingent upon the group signing a hold harmless agreement with the City and providing proof of insurance and a schedule. The following 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 PARADE PERMIT

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to grant a parade permit to The Krewe of Roses to hold a Mardi Gras parade on March 6, 2000 at 6:00 p.m. The parade route will be as follows:

Line up on Goodyear Boulevard heading east. Turn right on Highway 11 South. Turn right on Jackson Landing Road. Turn right on South Main Street. Turn left on West Canal Street. Turn right on Kirkwood Street, cross Goodyear Boulevard and disband behind Picayune High School.

The following 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

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to grant the request of Allied Heirlooms, Inc. to temporarily close and rope-off the parking spaces located in the front of their building at 210 Highway North as needed for the purpose of painting the second floor windows and exterior of their building. The approval is granted from January 15, 2000 to February 29, 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 CONSIDER REQUEST TO APPROVE THE 2000 MULTIPLE SCLEROSIS WALK

Upon request of Cathy Crenshaw of Crosby Memorial Hospital, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the route for the 2000 Multiple Sclerosis (MS) Walk to be held on April 1, 2000 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:

RECESSED MEETING DATED JANUARY 20, 2000

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

VOTING NAY: None

The motion was declared carried.

PROCLAMATION OF PICAYUNE SCHOOL DISTRICT STRATEGIC PLANNING AWARENESS MONTH

Upon request of the Picayune School District, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to proclaim the month of February 2000 as "Picayune School District Strategic Planning Awareness Month" as follows:

Proclamation
Picayune School District
Strategic Planning Awareness Month
February 2000

WHEREAS, the Picayune School District continues to provide quality educational services to the children of the community; and,

WHEREAS, the future prosperity of the community of Picayune depends to a large extent upon the quality of the educational services provided by Picayune School District; and,

WHEREAS, the members of Picayune School District have proven responsive to the community in the recent establishment of a district-wide Strategic Plan, and in seeking to serve in the best interest of both all children and the community; and

WHEREAS, the school board members of Picayune School District continually work diligently to ensure that the children and youth of this community receive the best education possible;

BE IT THEREFORE RESOLVED, that we, the members of the City Council of the City of Picayune, do hereby commend Picayune School District and its employees for the outstanding work that has been accomplished in the establishment of a Strategic Plan, we declare the month of February 2000 as Picayune School District Strategic Planning Awareness Month.

Signatures:

Mayor Woody Spiers

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.

RECOGNITION OF BO CASANOVA

Recognition was given to Bo Casanova, Superintendent of Grounds and Beautification, in connection with his retirement from the City. Mr. Casanova was presented with a certificate of appreciation for his service.

ORDER TO CONSIDER APPOINTMENTS TO THE CEMETERY BOARD

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to appoint Steve McDonald to the Cemetery Board for a 5-year term expiring January 2005. The following roll call vote was taken:

RECESSED MEETING DATED JANUARY 20, 2000

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

VOTING NAY: None

The motion was declared carried.

ORDER TO CONSIDER APPOINTMENTS TO THE LIBRARY COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table any appointments to the Library 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 CONSIDER APPOINTMENTS TO THE PARK COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to appoint John Dobson and Larry Smith to the Park Commission for 3-year terms expiring 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.

ORDER TO CONSIDER APPOINTMENTS TO THE VETERANS MEMORIAL COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table any appointments to the Veterans Memorial 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 CONSIDER APPOINTMENTS TO THE CONTRACTORS BOARD

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to appoint the following members to the Contractors Board for 1-year terms expiring January 2001:

	<u>Member</u>	<u>Alternate</u>
Home Builder	Rubin Herrin	Elgie Bennett
Plumber	Tommy Anderson	Monte Fleming
Electrician	James Kinchen	Keith Giovengo
Business/Finance	Keith Robinson	Luann Watkins
Citizen	Alan Chavers	Edward Stubbs

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Citizen
Engineer

Edwin Merwin
James Bouie

Gary Harrison
James Taylor

The following 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

The following ordinance was presented as a request to rezone property located on Highway 43 North and owned by Erwin Smith:

ORDINANCE NO. 737**AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-1, SINGLE FAMILY RESIDENTIAL TO OP, 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:

SECTION 1. Property Description.

The following described property shall be rezoned from R-1, Single Family Residential to OP, Office Professional District:

Commence at the Southwest corner of Lot 35, Crestwood Subdivision; thence South 00 degrees 03 minutes 30 seconds East for 180 feet, more or less, to the North margin of Sycamore Road; thence 89 degrees 56 minutes 30 seconds East along North margin of Sycamore Road for a distance of 472 feet, more or less, to the Southwest corner of Lot 42, Crestwood Subdivision, thence North 00.08 minutes West along the West margin of Lots 42 and 40 for a distance of 180 feet, more or less, to the Southeast corner of Lot 39 of said subdivision, thence South 89 degrees 56 minutes 30 seconds West along the South line of Lots 39,38,37,36 and 35 of said subdivision a distance of 471.39 feet, more or less to the point of beginning, and containing 2 acres, more or less, in the Northwest Quarter of Northwest Quarter, Section 12, Township 6 South, Range 17 West, Pearl River county, Mississippi, LESS AND EXCEPT part sold to highway.

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 ordinance 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 Bates, Thorman, Guy and McQueen

VOTING NAY: Councilmember Roberson

The motion was declared carried and the ordinance passed, approved and adopted.

RECESSED MEETING DATED JANUARY 20, 2000ORDER TO AUTHORIZE PURCHASING AGENT TO RE-ADVERTISE FOR BIDS FOR T-HANGARS

Upon recommendation of the Public Works Director, motion was made by Councilmember Bates, seconded by Councilmember Guy, to authorize the Purchasing Agent to re-advertise for bids for T-hangars at the new airport and return the one bid received unopened due to a change in specifications. The following 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 RAPID RESPONSE EMS, LLC

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract with Rapid Response EMS, LLC based upon the Letter of Intent between the City of Picayune and Rapid Response EMS, LLC:

CONTRACT FOR AMBULANCE SERVICE

THIS CONTRACT is executed and entered into by and between Rapid Response EMS, LLC, a Mississippi limited liability company, hereinafter referred to as "Rapid Response" and the City of Picayune, Mississippi, a Mississippi municipal corporation, acting by and through its Mayor and City Council, hereinafter referred to as "City."

WITNESSETH:

WHEREAS, Rapid Response is operating a public ambulance service available to a geographic area which includes the territorial limits of the City of Picayune, Mississippi; and

WHEREAS, the City, effective midnight February 29, 2000, will no longer be provided ambulance service by its prior provider, AAA Ambulance Service, Hattiesburg, Mississippi; and

WHEREAS, both Rapid Response and the City have heretofore on December 12, 1999, executed and entered into that certain Memorandum of Letter of Intent By and Between the City of Picayune and Rapid Response EMS, LLC setting forth their agreement to thereafter execute and enter into a formal contract stating Rapid Response's agreement to 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 for the consideration, term and pursuant to the other terms and provisions both set forth in such Memorandum of Letter of Intent and further set forth at length hereinafter; and

WHEREAS, the City is now desirous of securing the above described ambulance service for its citizens and Rapid Response is likewise agreeable to furnishing and providing such ambulance services.

NOW, THEREFORE, in consideration, as hereinafter set forth, and further the mutual benefits to accrue and inure hereunder, and mutual agreements and undertakings herein contained to be kept, observed and performed by the respective parties hereto, Rapid Response and the City do hereby agree, contract and covenant as follows, to-wit:

1. **Grant of Rights:** Subject to the terms herein, the City grants unto Rapid Response the sole and exclusive right to provide emergency and non-emergency medical transportation services within the territorial limits of the City of Picayune, Mississippi and to the City of Picayune's residents located and residing therein and that such medical transportation services shall be deemed to include transportation by means of any transportation vehicles, including but not limited to ambulances, hereinafter described, for the benefit of the general public to any healthcare provider, including, but not limited to hospitals, nursing homes, clinics, etc. and the provision of pre-hospital emergency medical services in connection with such transportation.

2. **Compliance with Federal, State and City Regulations, Laws and Ordinances:** Rapid Response agrees to immediately take the necessary action to comply with all applicable federal regulations, state law and local ordinances, including but not limited to the City of Picayune, Mississippi Ordinance No. 651A.

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3. Area of Responsibility: Rapid Response will provide ambulance service for the geographical area located within the territorial limits of the City and to the resident citizens therein.

4. Term: Unless otherwise terminated as hereinafter provided, the initial term of this Contract shall be for twelve (12) months, commencing on March 1, 2000 and terminating at midnight on February 28, 2001. If the terms of the Contract remain the same, such term shall be automatically renewed for successive terms of one year each, unless this Contract is terminated in the specific manner provided for in this Contract.

5. Compensation for Services: All compensation due Rapid Response 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. At the end of each one year term, Rapid Response will evaluate the need for a subsidy from the City based on reimbursement rule changes. Notwithstanding its schedule of charges so established, Rapid Response does hereby agree to provide free of cost unto the City any such ambulance services as are necessary to transfer inmates from the City's jail for all transports requiring emergency, non-emergency and inter-hospital services required by such inmates.

6. Services to be Furnished by Rapid Response EMS: Rapid Response shall furnish, operate and provide for the City 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) Rapid Response covenants and agrees to provide a response time performance of eight (8) minutes or less greater than ninety (90%) percent of the time.

(c) The ambulance service operated by Rapid Response shall be conducted from an established location in the City and Rapid Response will supply adequate office space, sleeping quarters and garage space, and will furnish all necessary utilities required for the ambulance service.

(d) Rapid Response agrees to maintain and keep in full force and effect during the term of this Contract 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 Rapid Response of an amount required by Mississippi law;

(iii) Fidelity bond coverage for such employees of Rapid Response for such amounts as Rapid Response, 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) Within seventy-two (72) hours following execution of this Contract by the City, an acceptable irrevocable Letter of Credit from a lending institution in the surrounding area in an amount of not less than \$700,000.00, providing that if Rapid Response should at any time during the first-year term of this Contract cease to provide the services required hereunder, the City shall have the right to draw against the letter of credit to the extent necessary to replace such service. The parties further agree that the City will consider releasing the letter of credit, based on the performance of Rapid Response during the first year of the term, and the financial condition of Rapid Response to continue such performance during the subsequent years of the term of this Contract.

Notwithstanding the foregoing insurances/bonds to be furnished by Rapid Response unto the City, Rapid Response shall further indemnify and hold the City 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 may suffer or incur by reason of any negligent actions or omissions by Rapid Response, its agents and employees in connection with or arising out of the operation by Rapid Response of the public ambulance service contemplated by this Contract.

(e) At all times during the term of this Contract, Rapid Response 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.

(f) Rapid Response 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.

(g) Rapid Response shall furnish all necessary drugs, medicines, oxygen and other emergency medical supplies required in the care of patients while being transported by the ambulances.

(h) Rapid Response shall keep and maintain records and statistical data relating to its operations of a public ambulance service in the City and its environs; and Rapid Response shall

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make periodic reports, quarterly, to the City in order that the appropriate officials of the City will remain knowledgeable of the ambulance operations in the City and its environs.

(i) Rapid Response will implement medical treatment protocol and written standing orders as approved by the Emergency Physicians of Crosby Memorial Hospital's Medical Staff, and the Emergency Medical Services Division of the Mississippi State Board of Health.

(j) Rapid Response will develop and implement an agreement with the Fire Department of the City 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 a "first responders program" for other medical emergencies. Rapid Response will assist, through coordination with the Fire Chief, fire department personnel in meeting and maintaining training requirements and certification related to emergency medical services.

(k) Rapid Response shall install at Crosby Memorial Hospital a VHS 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's staff in the field. In addition, Rapid Response will install a VHS radio system in two ambulance units to allow the units to have constant communication with and access to medical control in Picayune.

(l) Rapid Response 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 within the jurisdictional boundaries of the City; however, a charge, to be determined from time to time by the Board of Directors of Rapid Response, 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.

(m) In providing the ambulance service contemplated by this Contract, Rapid Response 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 may also respond, if needed, in an emergency situation or when prescribed by a physician to calls across any other political or jurisdictional boundary.

(n) Appropriate personnel of Rapid Response will review patient reports to assure quality patient care. To assist Rapid Response in maintaining quality patient care and to meet quality guidelines imposed by regulatory authorities, the ambulance staff of Rapid Response will attend advanced life support critique meetings with Crosby Memorial Hospital Medical Control.

7. Conditions, Agreements and Covenants to be Kept and Performed by the City:

(a) Upon meeting the requirements thereof, the City agrees to issue unto Rapid Response a permit or license for the operation of ambulance service within the jurisdictional area of the City pursuant to the provisions of Ordinance No. 651A of the Picayune Code of Ordinances.

(b) The City agrees to accept requests or calls for ambulance services on its "911 telephone line" and to initiate the response by Rapid Response by notifying Rapid Response's staff. The City shall cause a record to be made of the time at which the request was received by the City's representative and the time at which the City's representative notified Rapid Response of the request. Such records shall be made available to Rapid Response in order that Rapid Response may document and evaluate response time by it.

(c) Prior to the commencement of the term of this Contract, the City shall take any and all necessary action to effectuate the transfer of any ambulance units or other related equipment in which it still retains either an ownership or leasehold right to from its prior ambulance provider, AAA Ambulance Service, or its Lessors or assigns, unto Rapid Response.

(d) For so long as this Contract is in effect, the City shall not contract with any other ambulance service to provide ambulance service within the jurisdiction of the City.

(e) The City shall indemnify and hold Rapid Response 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 may suffer or incur by reason of, resulting from or growing out of the negligent acts or omissions of the City, its servants and employees, in connection with or arising out of the operation of Rapid Response of the public ambulance service under this Contract.

8. Subscription Service: In an effort to increase revenues and to possibly generate alternative funding for Rapid Response's operations in the City and its environs, Rapid Response, as soon as practical, shall offer a subscription service to the residents of the City and its environs similar to the AMCAP Subscription Service presently provided in the Hattiesburg and Forrest County, Mississippi, service area, with a copy of the brochure describing the subscription service to be offered by Rapid Response to be attached as Exhibit "A" unto the Contract to be executed and entered into by and between Rapid Response and the City. The City will further agree in such contract to endorse, support and assist Rapid Response's subscription service campaign and to urge the City 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 thereunder shall not be effective beyond the boundaries of the State of Mississippi.

Notwithstanding the foregoing provisions, Rapid Response shall not be required to continue such subscription service hereunder in the event that such service is hereafter adjudicated and found to constitute the equivalent of "selling and providing insurance coverage", by a Court of competent jurisdiction.

9. Right to Terminate: Either the City or Rapid Response shall have the right to terminate this Contract 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

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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.

10. Notices:

All notices to or demands upon the City or Rapid Response, 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

11. Assignment: This is a Contract to provide personal services and neither party hereto shall have the right to assign this Contract without the prior written consent of the other party.

12. Entire Agreement: This Contract and the covenants and agreements set forth herein are and shall constitute the entire Contract between the parties. Each party to this Contract hereby acknowledges and agrees that the other party has made no warranties, representations, covenants or agreements, expressed or implied, to such party other than those expressly set forth herein, and that each party in entering into and executing this Contract has relied upon no warranties, representations, covenants or agreements other than those expressly set forth herein.

13. Amendment: This Contract shall not be varied in its terms by oral amendment or representation or otherwise than by an instrument in writing of date even herewith or subsequent hereto, executed by appropriate officials of both parties.

14. Independent Contractors: It is distinctly understood, acknowledged and agreed that neither an employer-employee, nor principal-agent, nor partnership, nor joint venture relationship shall be created or exist between Rapid Response and the City, or any of their respective employees or personnel, under or by virtue of this Contract; and that the relationship between Rapid Response and the City shall at all times be that of independent contractors.

THIS CONTRACT EXECUTED IN DUPLICATE on this, the _____ day of _____, A.D., 2000, but to be effective as of March 1, 2000.

RAPID RESPONSE EMS, LLC

BY: _____
YASSER KHALED, Chief Executive Officer

ATTEST:

_____, Secretary

CITY OF PICAYUNE

BY: _____
WOODY SPEIRS, 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 CONSIDER SOLE SOURCE PURCHASE

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the sole-source purchase of two 6-inch air jammers model M-6(1100) from Environmental Bacteria Corporation at a cost of \$5,000 each. The following roll call vote was taken:

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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 LOAN AGREEMENT AND PROMISSORY NOTE FOR CAPITAL IMPROVEMENT LOAN

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to authorize the Mayor to sign the following Loan Agreement and Promissory Note with the Mississippi Department of Economic and Community Development for a Capital Improvement Loan of \$269,850.00 to be used for improvements at the new airport:

**MISSISSIPPI DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT
CAPITAL IMPROVEMENTS LOAN PROGRAM**

LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of December 16, 1999 (this "Agreement") by and between the Mississippi Department of Economic and Community Development ("DECD") and the entity set forth in Item 1 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:

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

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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.

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(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, sequesteror 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, sequesteror 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

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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.

RECESSED MEETING DATED JANUARY 20, 2000

(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.

(SEAL)

MISSISSIPPI DEPARTMENT OF
ECONOMIC AND COMMUNITY
DEVELOPMENT

Attest

/s/Janet M. Riddell
Title Associate Manager

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

(SEAL)

CITY OF PICAYUNE

Attest

Title

By
Woody Spiers
Mayor

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

Annex A
to
Loan Agreement

- Item 1 Name of Local Entity
City of Picayune
- Item 2 Description of Project:
To make water and sewer improvements as specified in their 1999 Capital Improvements Revolving Loan Application.
- Item 3 Loan Amount:
Note: Not to Exceed \$269,850.00
- Item 4 Loan Terms and Conditions
The terms of the Note shall be for 20 years following the completion of the capital improvements at 3% 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

RECESSED MEETING DATED JANUARY 20, 2000

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 16th day of December 1999, within my jurisdiction, the within named James B. Heidel, who acknowledged he is the Executive Director 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

ACKNOWLEDGMENT OF 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 city of Picayune is and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by city of Picayune so to do.

Notary Public

(SEAL)

My Commission Expires:

Name: City of Picayune
Loan: 9-297-CP-01
Estimated Payment: \$1,496.57 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

December 16, 1999

Not to Exceed \$269,850.00

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 Two Hundred Sixty-Nine Thousand Eight Hundred Fifty Dollars (\$269,850.00), together with interest on the unpaid principal balance thereof until fully and finally paid at the rate of Three Percent (3%) 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.

RECESSED MEETING DATED JANUARY 20, 2000

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, 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 Roberson, seconded by Councilmember Thorman, to authorize the issuance of the following manual checks:

Southern Pipe & Supply	General Fund/ Airport Fund/ Utility Fund	\$ 732.92
Gerald Cruthird	General Fund	2,025.00
Reliant Energy	Utility Fund	10,695.00
El Paso Merchant Energy	Utility Fund	41,186.91
Koch Gateway Pipeline	Utility Fund	25,469.01
Williams Energy	Utility Fund	1,677.16
Center for Governmental Tech.	General Fund	55.00
Computer Network, Inc.	Utility Fund	14,862.00
Betty Graham	General Fund	50.00
B&B Electric	General Fund	8,680.00
Prior Energy	Utility Fund	11,397.92

RECESSED MEETING DATED JANUARY 20, 2000

Sonat	Utility Fund	37,200.00
Koch Gateway Pipeline	Utility Fund	9,620.14
Williams Energy	Utility Fund	734.96
Can-Do-Tree Service	Cemetery Fund	800.00

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

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Purchasing Agent to advertise for bids for aviation fuel 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 AUTHORIZE MAYOR TO SIGN CONTRACT FOR ENGINEERING FOR FACILITIES PLAN

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following contract with Compton Engineering, P.A. for preparation of the Facilities Plan that is required for the FY2000 State Revolving Loan Fund project of providing back-up power sources at City wells:

**AGREEMENT FOR PROFESSIONAL SERVICE
BETWEEN
THE CITY OF PICAYUNE
AND
COMPTON ENGINEERING, P.A.**

This AGREEMENT made this 20th day of January, 2000, by The City of Picayune, hereinafter referred to as the OWNER and Compton Engineering, P.A., hereinafter referred to as ENGINEER, WITNESSETH, that the parties hereto mutually agree as follows:

WHEREAS, the OWNER selected the ENGINEER to furnish the OWNER a FACILITIES PLAN for obtaining Mississippi Department of Environmental Quality State Revolving Loan funds, hereinafter referred to as the PROJECT, and

WHEREAS, the OWNER recognizes the need for interproject control, and

WHEREAS, the OWNER and the ENGINEER have agreed upon the scope of services to be provided by the ENGINEER under the terms set forth in this AGREEMENT.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

PURPOSE

The purpose of this AGREEMENT is to establish the ENGINEER's scope of services, payment provisions and time of completion for the PROJECT's planning related services; including, but not limited to, the writing of a facilities plan, implementation and oversight of submitting the plan for SRF funding.

RECESSED MEETING DATED JANUARY 20, 2000ARTICLE I - SCOPE OF WORK

The ENGINEER shall perform the work under this AGREEMENT in accordance with the following:

The ENGINEER shall have responsibility for and furnish all necessary labor, direct and indirect costs to perform and complete the services defined herein for the PROJECT.

1.0 PLANNING

The ENGINEER shall perform the work under this AGREEMENT in accordance with the following:

- 1.1 The ENGINEER shall develop a draft facilities plan in 45 days.
- 1.2 The ENGINEER shall have sole responsibility for and furnish all necessary labor, direct and indirect costs to perform and complete the facilities plan for the PROJECT.
- 1.3 The ENGINEER shall be responsible for and deliver to the OWNER within 60 calendar days after notification of approved funding, the facilities plan for the PROJECT.
- 1.4 The scope of work of this AGREEMENT is based upon the preparation of two (2) sets of completed quality assured documents to include maps for the OWNER'S review.
- 1.5 The professional engineer who is primarily responsible for the engineering work on the PROJECT is Geoffrey F. Clemens, License No. 14037.

ARTICLE II - OWNER'S RESPONSIBILITIES

The OWNER shall:

1. Assist ENGINEER by placing at his disposal all available information pertinent to the PROJECT including previous reports and any other data relative to construction of the PROJECT.
2. Furnish to ENGINEER, as required for performance of ENGINEER'S Basic Services, data prepared by or services of others, all of which ENGINEER may rely upon in performing his services.
3. Arrange for access to and make all provisions for ENGINEER to enter upon public and private property as required for ENGINEER to perform his services (Such as easements, etc).
4. Examine all reports, sketches, drawings, specifications, proposals and other documents presented by ENGINEER, obtain advice of an attorney, insurance counselor and other counselor and other consultants as ENGINEER deems appropriate for such examination and render in writing decision pertaining thereto within a reasonable time so as not to delay the services of ENGINEER.
5. Furnish approvals and pen-nits from all governmental authorities having jurisdiction over the PROJECT and such approvals and consents from others as may be necessary for completion of the PROJECTS.
6. Provide such accounting, independent cost estimating and insurance counseling services as may be required for the PROJECT, such legal services as OWNER may require or ENGINEER may reasonably request with regard to legal issues pertaining to the PROJECT.
7. 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 instruction, receive information, interpret and define OWNER'S policies and decisions with respect to materials, equipment, elements and systems pertinent to OWNER'S services.
8. Give prompt written notice to ENGINEER whenever OWNER observes or otherwise becomes aware of any development that affects the scope of timing of ENGINEER'S services.
9. Bear all cost incidental to compliance with the requirement of this Article II.

ARTICLE III - PERIOD OF SERVICE

1. The provisions of this Article III 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 the PROJECT. ENGINEER'S obligation to render services hereunder will extend for a period which may reasonably be required for the planning of the PROJECT including extra work and required extensions thereto.
2. Upon OWNER'S written notice to proceed ENGINEER - shall proceed with the performance of the work called for in Article 1, the Scope of Work. The work shall be completed generally in accordance with the PROJECT schedule and will terminate when each individual task has been completed and approved.
3. If OWNER has requested significant modifications or changes in the extent of the PROJECT, the time of performance of ENGINEER'S services and his various rates of compensation shall be adjusted appropriately.
4. If ENGINEER'S services during the PROJECT are delayed or suspended in whole or in part by OWNER for more than one year for reasons beyond ENGINEER'S control, or if

RECESSED MEETING DATED JANUARY 20, 2000

- ENGINEER for any reason is required to render services after PROJECT completion, the rate of compensation provided for in this AGREEMENT shall be subject to renegotiation.
5. Services excluded which would require additional scope if requested include, but are not limited to, the following:
 - 5.1 Providing services which are outside of the basic fee structure such as: Work necessary to require design.
 - 5.2 Surveys and preparation of plats for easement acquisitions or property resolutions.
 - 5.2 Providing miscellaneous consulting and other services not designated when requested by the OWNER which are required to complete the PROJECT in accordance with application regulations beyond the budget amount provided herein.

ARTICLE IV - COMPENSATION

1. As consideration for providing the services enumerated in Article I of this AGREEMENT, the OWNER shall pay the ENGINEER as listed below in Table IV-1.

TABLE IV - 1

- A. PLANNING: As consideration for providing the services outlined in Article 1, the OWNER shall pay the ENGINEER a lump sum fee of \$5,000.00.
 2. The Lump Sum Fee in "A" above has been established by negotiation.
 3. The Lump Sum Fee above is based on an estimated work effort and expense level established by negotiation. Therefore, it is hereby agreed by the OWNER and ENGINEER that if any change of scope is deemed to have occurred from the original scope, the period of performance and the amount will be adjusted.
 4. The ENGINEER may submit invoices to the OWNER once per month during the progress of the work. Such invoices shall be reviewed and approved by the OWNER for reimbursement. Payment will be made to the ENGINEER within 30 days following receipt of the invoice.
 5. Final payment of any balance due the ENGINEER will be made upon completion of the respective tasks and their acceptance by the OWNER.

ARTICLE V - LEGAL RELATIONS

1. The ENGINEER shall comply with all federal, state, and local laws, regulations, and ordinances applicable to the work to be done under this AGREEMENT.
2. The ENGINEER hereby agrees to protect, defend, and indemnify the OWNER, its employees, and agents of and from any claims, damages, compensation, suits, actions, and expenses, relating to any and all losses or damages sustained by, or alleged to have been sustained by, any person, including employees of the parties hereto, and occasioned or allegedly occasioned by the negligent acts, errors or omissions of the ENGINEER while in any way engaged in the performance of this AGREEMENT. The ENGINEER shall maintain throughout the Period of Services defined in Article III of this AGREEMENT the following coverage:
 - 2.1 Workmen's Compensation and Employer's Liability Insurance, Workmen's compensation and any other insurance coverages as may be required by law in the State of Mississippi.
 - 2.2 Comprehensive Automobile and Vehicle Liability Insurance.
This insurance shall be written in comprehensive form and shall protect the ENGINEER and the OWNER against claims for injuries to members of the public and/or damages to property of others arising from employer's use of motor vehicles or any other equipment and shall cover operation with respect to operations under this AGREEMENT, and insurance coverage shall extend to any motor vehicles or other equipment irrespective of whether the same is owned, non-owned or hired. The limits of liability shall not be less than the following:

Bodily Injury	\$100,000.00 each person
	\$300,000.00 each occurrence
Property Damage	\$100,000.00 each occurrence
 - 2.3 Comprehensive General Liability.
This insurance shall be written in comprehensive form including OWNER's and Contractors' protective products and operations insurance and shall protect the ENGINEER and the OWNER against claims arising from injuries to members of the public or damage to property of others arising out of any act or omission to act of the ENGINEER or any of its agents, employees or subcontractors. The limits of liability shall not be less than the following:

Bodily and Personal Injury	\$ 300,000.00 each person
	\$1,000,000.00 each occurrence
Property Damage	\$ 500,000.00 each occurrence
	\$ 500,000.00 aggregate
 - 2.4 The insurance coverage specified above shall constitute minimum requirements.
 3. Insurance furnished in compliance with the above must be with an insurance company either authorized to do business in the State of Mississippi or said policy shall be registered and delivered in accordance with the insurance laws of the State of Mississippi.

RECESSED MEETING DATED JANUARY 20, 2000ARTICLE VI - TERMINATION OF CONTRACT

1. Unless earlier terminated as stipulated below, this AGREEMENT shall terminate upon completion and acceptance by the OWNER of all Work specified in the AGREEMENT as it may hereafter be modified by the OWNER.
2. This AGREEMENT may be terminated in whole or in part by either party upon written notice (delivered by certified mail, return receipt requested) of intent to terminate.
3. Upon receipt of a termination action, the ENGINEER shall, (1) promptly discontinue all services affected (unless the notice directs otherwise), and (2) deliver or otherwise make available to the OWNER all data, 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. Upon termination pursuant to Article VI, paragraph 2 above, the OWNER may take over the work and may proceed with the project to completion by agreement with another party or otherwise.

ARTICLE VIII - CHANGES, AMENDMENTS

1. This AGREEMENT may be amended as mutually deemed necessary by the ENGINEER and the OWNER; such amendments shall be made a part of the AGREEMENT.
2. Nothing in the AGREEMENT shall preclude the ENGINEER and the OWNER from clarifying, adding to, or reducing the scope of the AGREEMENT and, where a change in scope is involved, from adjusting the accompanying compensation for work which is essential to achieve the objective of the AGREEMENT.

ARTICLE IX - MISCELLANEOUS

1. The materials to be furnished and the work to be performed by the ENGINEER shall be provided in strict compliance with the terms, provisions, and conditions of this AGREEMENT.
2. The ENGINEER shall furnish all materials and perform all work necessary to conduct and complete the work specified in this AGREEMENT and meet the schedule agreed to and incorporated herein.
3. All work under this AGREEMENT shall be performed in accordance with generally accepted professional standards, and shall be subject to inspection and acceptance of the OWNER. The ENGINEER shall be responsible for the technical adequacy of his work.
4. Control of means and methods of operation for all work accomplished in the ENGINEER's office, or in the field provisions for any required safety precautions, shall be the responsibility of the ENGINEER.
5. All communications regarding this AGREEMENT will be directed to the OWNER through persons designated by the OWNER as the Project Manager.
6. Copies of letters, phone memos and other authorized communications with permitting agencies, contacted directly will be available to designated Project Manager at the ENGINEER's office.
7. This AGREEMENT (consisting of Page 1 to 7 inclusive) together identified herein constitute the entire AGREEMENT between the OWNER and ENGINEER and supersede all prior written or oral understandings. This AGREEMENT may only be amended, supplemented, modified or canceled by a duly executed written instrument.
8. The Office of Pollution Control shall have access to any books, documents, papers and records related to the PROJECT and have all the right to audit the records of the PROJECT.
9. Point-of-Contacts are Bill Johnson or Geoffrey Clemens of Compton Engineering, P.A. for District to call.

IN WITNESS WHEREOF, the parties hereto have been made and executed this AGREEMENT as of the day and year first above written.

ACCEPTED FOR OWNER:
THE CITY OF PICAYUNE

Woody Spiers, Mayor

ACCEPTED FOR ENGINEER:
COMPTON ENGINEERING, P.A.

/s/Bill Johnson
Bill Johnson, Vice-President

ATTEST

/s/Stacie MyRick
Stacie MyRick

Subscribed and sworn to before me this
____ day of _____, 2000.

Notary Public - State of _____
My Commission expires: _____ (Notary Seal)

RECESSED MEETING DATED JANUARY 20, 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 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.

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter executive session to discuss a personnel matter and a 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 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 Thorman, 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.

ORDER TO ADJOURN

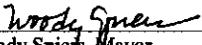
Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adjourn. The following roll call vote was taken:

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

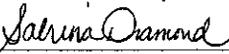
RECESSED MEETING DATED JANUARY 20, 2000

VOTING NAY: None

The motion was declared carried.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

February 1, 2000

**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 1, 2000, 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 Clerk Sabrina Diamond and Police Corporal Brian Clark.

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 Roberson, to approve the minutes of the Mayor and City Council dated January 20, 2000. 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 RETIREMENT DEVELOPMENT
ACTIVITY REPORT FOR DECEMBER 1999**

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the Retirement Development Department's monthly Activity Report for December 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 MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the monthly claims docket for February 2000 in the total amount of \$686,741.54. 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.

REGULAR MEETING DATED FEBRUARY 1, 2000

ORDER TO AUTHORIZE ISSUANCE OF MANUAL CHECKS

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

COP General Fund	Utility Fund	\$55,000.00 (NTE)
Miss. State Tax Commission	Utility Fund	3,200.00 (NTE)
Coastal Tree Service	General Fund	950.00
Mardi Gras Imports	General Fund	864.00

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 City Clerk, Michelle Webb was declared Employee of the Month for February 2000. Ms. Webb was presented with a savings bond from First Federal Bank for Savings.

At this time, Councilmember Guy entered the meeting.

PROCLAMATION OF TEEN PREGNANCY PREVENTION AWARENESS MONTH

Upon request of Ann Hammond of the Pearl River County Task Force for Out-of-Wedlock Pregnancy Prevention, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to proclaim the month of February 2000 as "Teen Pregnancy Prevention Awareness Month" as follows:

PROCLAMATION

WHEREAS, The month of February is being observed as Teen Pregnancy Prevention Awareness month in Mississippi, recognizing the cost to children, adolescents, and society when teenage pregnancy occurs; and

WHEREAS, The most recent statistics reveal that there were 125 infants born to teenage mothers in Pearl River County; and

WHEREAS, Our community is concerned about the impact of teenage pregnancy, including high rates of illness, disability and developmental problems to infants born to teen parents; and

WHEREAS, It takes a whole community to prevent teenage pregnancy including families, schools, churches, organizations, employers, healthcare providers, and government.

NOW, THEREFORE, I, Woody Spiers, Mayor of the City of Picayune, do hereby proclaim the month of February 2000 as:

TEEN PREGNANCY PREVENTION AWARENESS MONTH

in our community and I urge all citizens to take due note of this observance and to join the effort to reduce teenage pregnancy.

Woody Spiers, Mayor

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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 REQUEST TO PURCHASE ADVERTISEMENT

Upon request of the Pearl River Community College Development Foundation, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to purchase a ½-page advertisement for the River Extravaganza to promote the resources of the City and to authorize the issuance of a manual check for \$250.00 for the same. 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, City Attorney Gerald Cruthird entered the meeting.

LARRY VANNATTAN

Mr. Larry VanNattan, citizen, address the Mayor and Council regarding the fence that is being constructed by GTM Building Supply. Mr. VanNattan asked that the following items be approved by the Council pertaining to the privacy fence to be constructed adjacent to the south property line of GTM:

1. Material shall be 1" x 6" pressure treated lumber with dog-ear cut on top as stated to the City Planning Commission by GTM lumber
2. Fence to start 11 feet from the edge of North Haugh Avenue and to extend eastward 145 feet or to the east end of the block structure on GTM property
3. The first 50 feet of the fence to be 10 feet tall and the remainder to be 7.5 feet tall
4. The fence line to be marked by the City Engineer
5. Because GTM has been allowed to construct the fence approximately 20 feet from the GTM south property line on City property (closed Cemetery Road), GTM will be required to reconstruct the fence using similar dimensions and materials on their property line in the event that the City demands use of the closed street
6. Again, because GTM has been allowed to construct the fence on City property, the color of the fence shall remain a natural wood color with only a clear or wood color preservative applied

Motion was made by Councilmember Thorman to approve the items listed above. Motion died for lack of a second.

The City Manager stated that Mr. Johnson of GTM asked to go back before the Planning Commission to ask to make some changes in his plans. Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to take Mr. VanNattan's request under advisement until the entire fence situation is reviewed again by the Planning Commission. The following roll call vote was taken:

REGULAR MEETING DATED FEBRUARY 1, 2000

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 Thorman left the meeting.

ORDER TO CONSIDER APPOINTMENT TO THE LIBRARY COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember McQueen, to appoint Judy Doolittle to the Library Commission for a five (5) year term to expire in January 2005. 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 CONSIDER APPOINTMENT TO THE VETERANS MEMORIAL COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to appoint Brenda Heffner to the Veterans Memorial Commission for a four (4) year term to expire in January 2004. 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 AUTHORIZE PURCHASE OF VEHICLE

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to table the request by the Police Department to purchase a Ford Explorer at the State Contract price of \$19,397.00 from Dub Herring Ford, Inc., the local vendor. 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.

REGULAR MEETING DATED FEBRUARY 1, 2000ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to accept the minutes of the Planning Commission dated November 19, 1999. 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 ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember McQueen, to acknowledge receipt of minutes of the Planning Commission dated January 25, 2000. 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 CONSIDER AMENDMENT TO SIGN ORDINANCE

The following ordinance was presented as an amendment to the City's current sign ordinance, Ordinance No. 489:

ORDINANCE NO. 738

**AN ORDINANCE AMENDING ORDINANCE NO. 489, ARTICLE X,
REGULATIONS OF SIGNS, TO INCLUDE SECTION 1008, THE REGULATION OF
SIGNS IN THE OFFICE/PROFESSIONAL DISTRICT**

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, In Meeting Duly Assembled, that Ordinance No. 489 shall be amended to include Section 1008, Regulations of Signs in the Office/Professional District as follows:

SECTION 1008 REGULATION OF SIGNS – OFFICE/PROFESSIONAL DISTRICT**SECTION 1008.1 - SCOPE AND PURPOSE OF REGULATIONS**

The purpose of the regulations of this Section is to regulate all exterior signs and interior signs placed for exterior observance so as to protect property values, to insure light, air and open space, to reduce hazards at intersections, to prevent the accumulation of trash, to encourage attractive community appearance, and to protect health, safety, morals and general public welfare, by governing the location, size, and other characteristics of signs located in the Office/Professional District.

SECTION 1008.2 - DEFINITIONS

The following definitions relate to signs in the Office/Professional District:

Animated Sign: Any sign which moves or which appears to move by any means including fluttering or rotating. Animated signs shall include but are not limited to pennants, flags, balloons, ribbons, streamers or propellers. For purpose of this Ordinance, this term does not refer to flashing or changing signs, all of which are separately defined.

Building Face or Wall: All window and wall area of a building in one place or elevation.

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Campus Environment Office Project: A multi-building commercial development consisting of buildings with uniform architecture located within a subdivision containing covenants and restrictions and arranged with common areas and similar landscaping.

Face of sign: The entire area of a sign on which copy could be placed, and in the instance where a double faced sign is utilized, the area of the one face shall be included to determine face square footage, if both faces include the same copy.

Front Footage: The lineal width measured parallel to the street frontage of the heated and enclosed structure, not including out-building or appurtenant structures, unless said structure has no street frontage in which case the front footage shall be the structure's side width of principal entrance.

Ground level: Immediate surrounding grade.

Ground Sign: A sign mounted at or near ground level the face of which is no more than thirty-six (36) inches and no less than twenty-four (24) inches above the centerline of the adjacent street, highway or right of way.

Height of sign: The distance measured above the centerline of the adjacent street, highway, or right of way to the highest point of the sign.

Office Park: A project of one or more buildings that has been planned as an integrated unit or cluster on property that is under unified control or ownership.

Portable Signs: Any sign constructed on a trailer with wheels which may or may not be detached or which is designed to be transported from place to place by any means for temporary use and is not designed to be permanently affixed to a building or lot.

Roof Line: The apex, or highest point of the roof. If there is a series of roofs, the apex of the lowest roof will be considered.

Roof Sign: A sign that is erected, constructed, or maintained on a roof. All bracing to the roof shall be concealed (not visible from the road or ground) by the same material as the face of the sign.

Set Back: The minimum horizontal distance between either the face of curb, the edge of pavement, or the right of way line and the sign structure as specified in a particular section of this ordinance.

Sign: Any device, structure, fixture or placard using graphics, symbols, and/or written copy designed specifically for the purpose of advertising or identifying any establishments, product, good or service, activity, place, person, or any other item of information.

Sign area: The surface area of a sign computed as including the entire area with a rectangle, triangle, circle, or other regular geometric form, or aggregates thereof, encompassing all of the display area of the sign and including all of the elements of the matter displayed. Base, apron, supports, and other structural members not bearing advertising matter shall not be included in computation of surface area. Border or trim shall be included in computation of surface area.

Sign conversion: The permanent affixation to building, pole, or lot of a portable sign.

Sign structure: Any structure that supports, has supported, or is capable of supporting a sign including decorative cover.

Sign Plaza: A linear arrangement of two or more businesses or offices under one or many ownerships or management providing off-street parking and consisting of a similar of compatible architectural or graphic character of theme.

Wall sign: A sign which is fastened and parallel to or painted on the wall of a building or structure in such a manner that the wall becomes the supporting structure for or forms the background surface of the sign, and which does not extend more than twelve (12) inches from such building or structure.

Window sign: A business sign painted on or posted in window and visible from a public right of way.

SECTION 1008.3 - ALLOWABLE SIGNS

1. Wall signs. A wall sign face mounted on building wall provided said wall contains the main entrance and store front of the business or occupant. A sign on other wall of occupant in lieu of or in combination with sign of wall containing a main exterior entrance may also be allowed.
2. Ground mounted signs. In no case shall more than one ground-mounted sign be allowed per street frontage.
3. Permanent project sign. A sign used for business and address only, when there are more than four tenant businesses and when the lot is over two acres in size.
4. Traffic/Intra-site directional signs. Two (2) are allowed at each vehicular entrance to property.
5. Temporary signs. A sign which is allowed in addition to a permanent sign for a specific period of time. Permanent and temporary do not refer to method of attachment for purpose of this Ordinance.
6. Canopy signs.
7. Non-illuminating commemorative wall-mounted signs constructed of metal or wood only.

SECTION 1008.4 - SIZE OF SIGNS

1. Wall signs. A maximum total sign area of forty (40) square feet or one-half (1/2) square foot for each linear foot of building wall width or lease space on which the sign is erected, whichever results in the smaller sign area, with a minimum of twenty (20) square

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- feet. Where frontage is on more than one (1) street, only signs computed with the frontage of that street shall face the street.
2. Ground mounted signs. In lieu of or in combination with wall signs, shall conform with paragraph 1 above. Ground mounted signs shall not exceed forty (40) square feet per face and total signage shall not exceed eighty (80) square feet total of all faces.
 3. Traffic directional signs. Shall not exceed a maximum total area of 216 square inches per face (12" x 18") with a maximum of two (2) faces per sign, not to exceed a total of 432 square inches for signs denoting "enter" or "exit".
 4. Canopy signs. In lieu of or in combination with wall signs and ground-mounted signs shall conform to the restriction set forth in paragraph 1 above. Length of canopy is not to be considered in allowable signage.
 5. Multi-tenant signs. Overall sign size is to follow same wording rules governing ground mounted signs. Individual tenant signs shall be as follows:
 - a. All lettering shall be uniform in size for all tenants' names with a letter height of three (3) inches.
 - b. Color of background shall be uniform on entire sign with a dark background and color of letters shall be uniform on entire sign. If more than one sign is used, as in the case of a corner with two (2) frontages, both signs shall be uniform in color.
 - c. Individual tenant signs shall be mounted to the main sign. In no case shall individual tenant signs be allowed to hang from the main sign. Individual tenant signs must be identical in size, shape, material and color. The sign of tenant signs shall be no taller than nine (9) inches and shall be the width of the main sign background.

SECTION 1008.5 - LOCATION OF SIGNS

1. Wall signs shall be face mounted on the building wall. Wall mounted signs shall not project more than twelve (12) inches from the face of the building. Signs shall not project above the roofline unless incorporated into the roof design and only if approved by the City Council.
2. Ground mounted identification signs shall be set back a minimum of eleven (11) feet from the property line or highway right of way.
3. Logos.
4. Canopy signs shall be limited to the name of the business, address, hours, dates, instructions and primary products and services.
5. Multi-tenant signs shall be limited to the name of the building or development and/or its address and the name of each business and/or tenant. A minimum of the top twenty-five percent (25%) of the sign shall be used to identify the name of the building or development and/or its address.

SECTION 1008.7 - ILLUMINATION

Illuminated signs shall adhere to the following provisions and restrictions in addition to those stated in the sign ordinance.

1. The light for or from any illuminated sign shall be so shaded, shielded or directed that the light intensity will not be objectionable to surrounding areas.
2. No sign shall have blinking, flashing or fluttering lights or other illuminating devices that have a changing light intensity, brightness or color. Beacon lights are not permitted.
3. No colored lights shall be used at any location in any manner so as to be confused with or construed as traffic control devices.
4. No sign shall direct or reflect light from primary light sources which shall create a traffic hazard to operations of motor vehicles.
5. Exposed light bulbs shall not be used on the exterior surface of any signs.
6. Decorative lights are allowed on top of the ground-mounted signs. Lights shall not exceed more than eighteen (18) inches beyond the top of the sign but total height, including lights, shall not exceed six feet (6').
7. Electrical requirements for all signs shall conform to the pertinent requirements of the current National Electrical Code.

SECTION 1008.8 - SMALL BUSINESS LOCATION (one building/one tenant)

1. The occupant of a single business structure may have one (1) wall sign and one additional sign (either wall or street) on each street upon which the structure fronts. The total area of wall signage shall not exceed one and one-half (1½) square feet for every foot frontage of the applicable building, subject to the following instructions:
 - a. Maximum square footage wall sign allotment shall not exceed one hundred and fifty (150) square feet except as provided herein.
 - b. Where the front footage of a building would allow for more than the maximum wall sign as stated above, additional square footage may be allowed, upon approval by the Planning Commission. This additional square footage shall not exceed 1½ square feet per linear foot of building and shall not exceed a maximum wall sign size of 300 square feet.
 - c. In those instances where a building frontage is less than 100 linear feet, the Planning Commission may vary the maximum square footage allowed for a wall sign.

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2. Refer to Appendix A for height, size and setback requirements of ground signs. The base of all ground signs shall be fully landscaped with planters and/or shrubbery in all directions, not less than the dimensional width of the sign. If a single business fronts on more than one street, the allowance for a ground sign shall be determined pursuant to Appendix "A", based upon the number of lanes for each street.
3. If the occupant of a single business structure elects to use a wall sign, the wall sign shall not be higher than the roofline or face of the building.
4. If the occupant elects to use changeable copy, only one of the signs, wall or ground sign may have changeable copy. No more than one-third (1/3) of the allowable square footage of the ground or wall sign shall be changeable copy sign (manual).

SECTION 1008.9 - SINGLE OFFICE BUILDING

1. Each single office building with four (4) or less tenants shall be allowed one ground mounted project sign per street frontage.
 - a. Refer to Appendix A for height, size and setback requirements of ground signs. The base of all signs shall be fully landscaped with planters and/or shrubbery in all directions, not less than the dimensional width of the sign.
 - b. The sign shall contain the name of the project and street address and may have up to four (4) tenants, along with the owner's name on the building, and the name of the building.
2. Each business within a single office building which has an exterior entrance shall be allowed one wall mounted sign no larger than four square feet adjacent to the entrance.

SECTION 1008.10 - OFFICE PARKS

1. Office Parks shall be allowed to display one ground sign per street frontage to identify the center. Refer to Appendix A for height, size and setback requirements of ground signs. The base of all ground signs shall be fully landscaped with planters and/or shrubbery in all directions, not less than the dimensional width of the sign. The street address shall be included on the sign.
2. Each individual business within the office park shall be allowed to display one wall sign. The size of the wall sign shall be computed by taking the length of the wall of the tenant's leased area and multiplying it by 1.5 (the length of the tenant's leased wall multiplied by 1.5 equals the total allotment for the sign).
3. Private sign standards required: In the case of an office park or other grouping of five or more tenants or establishments, the developer shall prepare a set of sign standards for all exterior signs to be approved by the City's Planning Commission. Such standards shall run with all leases or sales of portions of the development. The Planning Commission, when reviewing these standards, shall consider the size, colors, materials, styles of lettering, appearance of any logo, type of illumination, and location. Sign permits shall not be issued until the Planning Commission has approved the sign standards after having been assured that the developer or owner will enforce such standards. The sale, subdivision or other partition of the site after development does not exempt the project or portions.

SECTION 1008.11 - CAMPUS ENVIRONMENT SIGNS

1. Each campus environment project shall be allowed no more than two project signs per entrance. However, in the event the entrance contains a curbed median, three project signs shall be allowed for that entrance. Multiple signs for each project entrance must maintain a uniform appearance and design. Refer to Appendix A for height, size and setback requirements of ground signs. The base of all ground signs shall be fully landscaped with planters and/or shrubbery in all directions, not less than the dimensional width of the sign.
2. A campus environment project may have a ground mounted address sign for each building. The address sign shall be out of the right of way, no higher than five (5) feet and no wider than five (5) feet.
3. Exterior directories shall be allowed for each building within a campus environment project. The purpose of the directory shall be for customer convenience, direction and safety. There shall be one directory for each main entrance to the building. The directories shall be located no more than seventy-five (75) feet from building entrances and set back at least fifteen (15) feet from curb entrance or edge of pavement. No exterior directory shall exceed thirty-two (32) square feet per face. Up to two (2) building identification signs shall be allowed for each multi-tenant building within a campus environment project which building contains at least twenty-five thousand (25,000) square feet. Each identification sign shall not exceed twenty (20) square feet per face. No ground exterior directory or identification sign shall exceed six (6) feet in height as measured from surrounding grade. Each tenant listing on the exterior directory sign shall be of identical size, shape and color. Exterior directory signs may be changeable manual copy signs.
4. Where a building within a campus environment project fronts on more than one (1) street, the building may have one wall or ground mounted identification sign per street frontage. The surface area of a wall sign may not exceed fifteen percent (15%) of the surface area of the wall to which it is attached. Provided, however, that a single tenant building which

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- is located in excess of two hundred (200) feet from the property line of the street from which it fronts may have a wall sign which surface area does not exceed twenty-five percent (25%) of the wall on which it is located.
5. In addition to any and all signage allowed in a campus environment project, each building located within a campus environment project may place a numerical identification on the exterior of the building that will not exceed sixteen (16) square feet per face. The purpose of the numerical identification shall be for customer convenience, direction and safety.
 6. No sign permit shall be issued by the Building Official, if in instances where the number and/or location of signs, as provided for above, constitute, in his judgement, a traffic hazard, nuisance or infringement upon the rights of an adjacent property owner.

SECTION 1008.12 - PROHIBITED SIGNS

1. Animated signs and signs which contain characters, cartoons, or contain statements, words or pictures of an obscene, indecent or immoral character, which would offend local public morals or decency.
2. Flashing signs having intermittent or animated illumination or moving parts. No signs shall have lights that imitate or resemble official emergency vehicle or traffic signals. Changeable copy signs (automatic) are allowed to provide time and temperature only.
3. Signs which are not securely affixed to the ground, or otherwise affixed in a permanent manner to an approved supporting structure, including but not limited to, portable signs (including sign conversions).
4. No sign or device regulated by this ordinance shall be erected or continue to be displayed in such a manner as to obstruct the free and clear vision of vehicle drivers; or in any location where, by reason of the position, shape, color, it may interfere with, obstruct the view of, or be confused with any authorized traffic or government sign, signal, or device; or any other words, phrase, symbol or Character in such manner as to interfere with, mislead, or confuse traffic.
5. Portable and flashing signs: Due to the manifest traffic safety hazards, the use of portable and/or flashing signs, with or without changeable copy board attached are declared a public nuisance and therefore prohibited. This includes not only intact portable signs, but also sign conversion.
6. Signs that advertise an activity, business, product or service not conducted on the premises upon which the sign is located, excluding churches and schools.
7. Signs which contain or consist of banners, posters, pennants, ribbons streamers, strings of light bulbs, spinners or other related items are similarly prohibited, except when allowed by special permit.
8. Signs that contain reflective type light bulbs, pulsating lights or strobe lights.
9. Signs that are made structurally sound by guy wires or unsightly bracing.
10. Changeable copy signs with interchangeable letters, except that changeable copy signs are allowed for schools and churches.

SECTION 1008.13 - STANDARDS FOR VARIANCES

The Planning Commission shall not grant a variance unless it makes finding based upon evidence presented to it as follows:

1. The particular physical surrounding shape, topographical or location conditions of the specific property or structure involved would result in a particular hardship upon the owner as distinguished from a mere inconvenience, if the strict application of the Ordinance is carried out.
2. The conditions upon which the petition for a variance is based would not be applicable, generally, to other property or structure in the same general area.
3. The request for variance is based upon a clause in a lease executed and effective prior to the effective date of this ordinance or upon the subsequent renewal of said lease; if the original lease contains an automatic renewal clause.
4. The variance will not authorize signs, sign structures, or other sign-related activities other than those permitted by this ordinance.
5. Financial returns only shall not be considered as a basis for granting a variance.
6. Any person having an interest in the sign, sign structure, or property after the effective date of the ordinance has created the alleged difficulty or hardship requested.
7. The granting of the variance requested will not confer on this application any special privilege that is denied by the ordinance to other land structures, signs, sign structure or buildings similarly situated.
8. The variance is the minimum variance that will make possible the reasonable use of the land, building or structure for sign purposes.
9. The granting of the variance will not be detrimental to the public welfare or injurious to other property or improvements in the area that the sign is located.
10. The proposed variance will not impair an adequate supply of light and air to adjacent property, substantially increase congestion in the public streets, increase the danger of fire, endanger the public safety or substantially diminish or impair property values within the area.

REGULAR MEETING DATED FEBRUARY 1, 2000**SECTION 1008.14 - CONDITIONS AND RESTRICTIONS BY THE PLANNING COMMISSION**

The Planning Commission may impose such conditions and restrictions upon the property, sign, or sign structure as may be necessary to comply with the provisions set out in the above section, to reduce or minimize the injurious effects of such variation upon surrounding property and better carry out the general intent of this ordinance. The Planning Commission may establish expiration dates as a condition or as a part of the variances.

SECTION 1008.15 - GENERAL CONDITIONS

All signs and components thereof shall be kept in good repair and in safe, neat, clean and attractive conditions.

Abandoned signs shall be removed, by the owner, when the business, which it advertises, is no longer conducted on the premises.

SECTION 1008.16 - 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 or 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 become effective thirty (30) days after its adoption and publication by the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi.

Appendix A**Allowance for Ground Signs**

Roadway	Setback	Max. Height (feet)	Max. Sign Area
2 Lane	11 feet	8 feet	32 sq. ft.
3 Lane	11 feet	8 feet	32 sq. ft.
4 Lane*		11 feet	10 feet

* 4-Lane Roadway excludes Goodyear Boulevard.

Height includes the measurement from grade to the top of the sign, including the base area.

Setback distance is measured from leading edge of the sign to the roadway right of way.

The foregoing ordinance, having first been reduced to writing, was moved upon by Councilmember Roberson, seconded by Councilmember McQueen, and voted upon as follows:

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 and the ordinance passed, approved and adopted.

ORDER TO CONSIDER REQUEST FOR CONDITIONAL USE

Upon request of James and Merle Beverley, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve a conditional use for the upstairs office area at 116 East Canal Street to be used as an apartment. The following roll call vote was taken:

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

VOTING NAY: None

REGULAR MEETING DATED FEBRUARY 1, 2000

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

ORDER TO CONSIDER REQUEST FOR BUILDING ADDITION IN A C-2 ZONE

Upon request of Elder Bobby Dailey of Weems Chapel United Methodist Church, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve the construction of an 8'x12' wheelchair-accessible bathroom addition to the home of Mr. and Mrs. Charlie Jones at 1114 East Canal Street, C-2 zone. 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.

At this time, Councilmember Bates entered the meeting via a phone hookup.

At this time, Mayor Spiers recused himself from the meeting.

ORDER CONSIDER APPROVAL OF THE FINAL PLAT FOR THE GARDEN DISTRICT SUBDIVISION

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to approve an amendment to the final plat for The Garden District subdivision that changes several lot sizes, to approve and accept the final plat for The Garden District subdivision and to set the amount of the required maintenance bond or irrevocable letter of credit at \$25,000.00. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Bates and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Thorman

The motion was declared carried.

At this time, Mayor Spiers returned to the meeting.

ORDER TO CONSIDER APPROVAL OF THE FINAL PLAT FOR TWELVE OAKS SUBDIVISION

Motion was made by Councilmember McQueen, seconded by Councilmember Guy, to approve and accept the final plat for Twelve Oaks subdivision and to set the amount of the required maintenance bond or irrevocable letter of credit at \$50,000.00. The following roll call vote was taken:

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

VOTING NAY: None

REGULAR MEETING DATED FEBRUARY 1, 2000

ABSENT AND NOT VOTING: Councilmember Thorman

The motion was declared carried.

At this time, Councilmember Bates left the meeting.

ORDER TO SET DATE FOR PUBLIC HEARING FOR SRF FACILITIES PLAN AND SEWER SYSTEM EVALUATION SURVEY

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to set the date and time of March 7, 2000 at 6:00 p.m. for the public hearing required for the SRF Facilities Plan and Sewer System Evaluation Survey. 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 AUTHORIZE MAYOR TO SIGN LETTER OF UNDERSTANDING WITH THE MISSISSIPPI POLICE CORPS

Upon recommendation of the Police Chief, motion was made by Councilmember Roberson, seconded by Councilmember McQueen, to authorize the Mayor to sign the following Letter of Understanding with the Mississippi Police Corps:

August 20, 1999

Chief Brenda Smith
Picayune Police Department
328 S. Main Street
Picayune, MS 39466

RE: LETTER OF UNDERSTANDING BETWEEN THE MISSISSIPPI POLICE CORPS AND THE PICAYUNE POLICE DEPARTMENT

Dear Chief Smith:

The Mississippi Police Corps was created to address violent crime in Mississippi by helping police and sheriffs departments increase the number of officers with advanced education and training assigned to community patrol. The program is designed to recruit highly qualified college students on a competitive basis and to train them to be effective community police officers.

The purpose of this letter is to prescribe the terms and conditions for the Picayune Police Department (PPD) to participate in the Mississippi Police Corps program.

The Mississippi Department of Public Safety (MDPS), Office of the Board on Law Enforcement Officers Standards and Training (BLEOST) is the State's "Lead Agency" for the Mississippi Police Corps Program. Pursuant to written agreement between MDPS, BLEOST and the University of Southern Mississippi (USM), USM has been delegated the responsibility for recruitment, training and placement of all Police Corps officers in the State of Mississippi. USM shall also ensure that participating law enforcement agencies employ Police Corps officers in conformity with applicable U.S. Department of Justice (DOJ) guidelines.

Police and sheriff's departments that employ Police Corps officers receive \$10,000 per Police Corps officer for each year of required service, or \$40,000 for each Police Corps officer who fulfills the 4-year service obligation. By statute, however, no department may receive this payment for any year in which the average size of its force (excluding Police Corps officers) has declined by more than 2% since January 1, 1993, or in which it has laid off officers.

REGULAR MEETING DATED FEBRUARY 1, 2000

PPD RESPONSIBILITIES: As a participant in the Mississippi Police Corps program, PPD agrees to abide by all applicable DOJ and BLEOST guidelines. Additionally, for each Police Corps officer hired, PPD agrees to:

1. Provide medical examinations, psychological testing and background investigations in accordance with BLEOST and Police Corps guidelines;
2. Provide any additional pre-employment testing or screening as may be required by JPD;
3. Provide to Police Corps officers the same pay and benefits, health care, insurance, retirement and other benefits received by other PPD police officers of the same rank and tenure;
4. Assign Police Corps officers to community patrol; and
5. Furnish to USM all such reports as are reasonably necessary to allow USM to monitor and evaluate the performance and effectiveness of Police Corps officers.

TERM: This letter of understanding shall be in force when PPD participates in hiring Police Corps officers, unless revoked for good cause shown or if necessary in order to satisfy regulations or guidelines of the DOJ or BLEOST. It can only be amended by agreement of USM

/s/ Keith Oubre
Director
The Mississippi Police Corps

Agreed to by:

Mayor
The City of Picayune, MS

Chief of Police
The City of Picayune, MS

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 CONSIDER BUDGET AMENDMENT

Upon recommendation of the City Clerk, motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to approve amending the following line items of the budget for the year ending September 30, 2000 as follows:

	<u>Original</u>	<u>Amended</u>
Intergovernmental Revenues	\$4,153,473	\$4,156,023
Public Works – Supplies	279,340	281,515
Public Works – Other services	582,950	583,350

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.

REGULAR MEETING DATED FEBRUARY 1, 2000ORDER 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 McQueen, 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.

Motion was made by Councilmember Roberson, seconded by Councilmember McQueen, to enter executive session to discuss a personnel matter, a matter involving the location of a business, and a matter of potential litigation. 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 personnel matter, a matter involving the location of a business, and 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 personnel matter, a matter involving the location of a business, and a matter of potential litigation and took no action.

ORDER TO APPOINT PUBLIC DEFENDER

Motion was made by Councilmember Guy, seconded by Councilmember Roberson to appoint Joseph C. Stewart as Public Defender at a fee of one thousand dollars (\$1,000.00) per month. 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 RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to recess until February 15, 2000 at 6:00 p.m. The following roll call vote was taken:

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

REGULAR MEETING DATED FEBRUARY 1, 2000

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Thorman

The motion was declared carried.

Woody Spiers
Woody Spiers, Mayor

Sabrina Diamond
Sabrina Diamond, City Clerk

February 15, 2000

**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 15, 2000, 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 Elder David Simmons, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to approve the minutes of the Mayor and City Council dated February 1, 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 ACKNOWLEDGE RECEIPT OF PUBLIC RECORDS REQUESTS REPORT FOR JANUARY 2000

Motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to acknowledge receipt of the Public Records Requests Report for January 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 ACKNOWLEDGE RECEIPT OF RETIREMENT DEVELOPMENT ACTIVITY REPORT FOR JANUARY 2000

Motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to acknowledge receipt of the Retirement Development Department's monthly Activity Report for January 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 FEBRUARY 15, 2000ORDER TO ACKNOWLEDGE RECEIPT OF PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to acknowledge receipt of the minutes of the Pearl River County Development Association dated November 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 ACKNOWLEDGE RECEIPT OF MONTHLY BUDGET REPORTS FOR JANUARY 2000

Motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to acknowledge receipt of the monthly budget reports for January 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.

CONSIDER REQUEST FOR PARADE PERMIT FOR ROSE OF SHARON CHURCH

Upon request of Elder David Simmons, pastor of Rose of Sharon Church, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve a parade permit for the Church Processional on March 5, 2000 from 10:30 a.m. until 11:30 a.m. The route will be from the Church's current location at 511 Rosa Street to its new location at 500 North Beech 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.

PRCDA

Billie Edwards and Stephen Surlis of the Pearl River County Development Association (PRCDA) gave the Council an update of their activities for the last quarter of 1999. Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the issuance of a manual check for \$750, representing the budgeted amount for the first quarter of fiscal year 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 FEBRUARY 15, 2000ORDER TO CONSIDER REQUEST FOR FREE PORT WAREHOUSE EXEMPTION

Stephen Surles, director of the Pearl River County Development Association (PRCDA), addressed the Mayor and Council regarding a free port warehouse tax exemption for Valspar Refinishing, Inc. Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt a resolution of intent to grant a free port warehouse tax exemption to Valspar. 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.

After further discussion about conditions that Valspar must meet to maintain the exemption, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to reconsider the request for exemption. The following 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 POLICE DEPARTMENT REQUEST TO PURCHASE VEHICLE

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the purchase of a 2000 Ford Explorer 4.0L V-6 as equipped in the State of Mississippi Contract #070-91-3623-0 from Dub Herring Ford at the contract price of \$19,397.00. The vehicle will be for the Police Department and will be paid for with Tobacco Grant 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.

CONSIDER REQUEST FOR STREET CLOSURE

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to approve the request of the Boys and Girls Club to close Goodyear Boulevard from Quince Street to Magnolia Street on April 29, 2000 from 10:30 a.m. until 4:00 p.m. in order to accommodate the

The following 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 FEBRUARY 15, 2000ORDER TO RECOGNIZE THE BOYS & GIRLS CLUB BY PROCLAIMING "BOYS & GIRLS CLUB DAY"

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to recognize the Boys & Girls Club of Picayune by proclaiming April 29, 2000 as "Boys & Girls Club Day" in 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.

CONSIDER REQUEST FOR STREET CLOSURE

Upon request of Main Street, motion was made by Councilmember Guy, seconded by Councilmember Bates, 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 31, 2000 at 8:00 p.m. until April 2, 2000 at 6:30 p.m. 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.

ORDER TO SET DATE FOR PUBLIC HEARING FOR SRF FACILITIES PLAN AND SEWER SYSTEM EVALUATION SURVEY

Upon request of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to set the date, time and place of April 5, 2000 at 6:00 p.m. in the Council Chambers of City Hall for the public hearing required for the SRF Facilities Plan and Sewer System Evaluation Survey. The public hearing was originally set for March 7, 2000, but needed to be changed so that all publishing requirements could be met. The following 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 ADVERTISE FOR BIDS FOR KNUCKLEBOOM TRUCKS

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Purchasing Agent to advertise for bids for two (2) new knuckleboom trucks for the Sanitation 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.

RECESSED MEETING DATED FEBRUARY 15, 2000

Upon recommendation of the City Clerk, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Purchasing Agent to obtain lease-purchase quotes on the knuckleboom trucks. The following 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 ADVERTISE FOR SEMI-ANNUAL BIDS FOR SUPPLIES

Motion was made by Councilmember Bates, seconded by Councilmember Guy, 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.

ORDER TO SET DATE FOR PUBLIC HEARING FOR PROPERTY CLEANUP

Upon request of the Community Development Director, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to set the date and time of March 21, 2000 at 6:00 p.m. for a property cleanup public hearing on 113 West Sycamore Road and owned by James and Marie Adcox. The following 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 ADVERTISE FOR PROPOSALS TO STUDY THE FEASIBILITY OF UPGRADING THE SEWER TREATMENT PLANT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for proposals to study the existing sewer treatment plant and possible upgrades to the facility in order to determine the feasibility and the cost of upgrades as well as the new treatment capacity. The following 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 FEBRUARY 15, 2000ORDER TO AUTHORIZE PURCHASE OF VEHICLES

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the purchase of the following vehicles from the State Contract vendor:

2000 Dodge Ram 1500 – ½ ton, long wheel base, 5.2L V8	\$13,953	Utility Construction
2000 Dodge Dakota – mid-size extended cab, 3.9L V6	\$13,752	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 APPROVE ISSUANCE OF MANUAL CHECKS

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

Reliant Energy	Utility Fund	\$11,718.00
Sonat	Utility Fund	71,687.81
Koch Gateway Pipeline	Utility Fund	23,213.77
Williams Energy Services	Utility Fund	1,545.12
Lorraine Westbrook	Utility Fund	250.00
Rose Mitchell	Utility Fund	250.00
Jennifer Kellar	Utility Fund	250.00
Michelle Webb	Utility Fund	250.00
Sabrina Diamond	Utility Fund	250.00

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 GRANT A CERTIFICATE OF NECESSITY FOR AN AMBULANCE SERVICE LICENSE TO RAPID RESPONSE, LLC

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to grant a Certificate of Necessity for an Ambulance Service License to Rapid Response, LLC in accordance with City of Picayune Ordinance No. 651A. The following 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 FEBRUARY 15, 2000

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.

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter executive session to discuss a matter involving the purchase, sale or lease of 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.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter involving the purchase, sale or lease of property.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Thorman, 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 purchase, sale or lease 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

March 7, 2000

**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 7, 2000, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, 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 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 February 15, 2000. 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

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the following quitclaim deeds:

<u>To</u>	<u>Parcel</u>	<u>Tax Year</u>	<u>Assessed to</u>
USDA Rural Development	1531-00-0	1983	Mary C. Bonhomme
Cellular XL Assoc.	616-306-000-00-027-01	1996	Cellular XL Assoc.

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 RETIREMENT DEVELOPMENT MONTHLY ACTIVITIES REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the monthly activities report of the Retirement Development Department for January 2000. The following roll call vote was taken:

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

REGULAR MEETING DATED MARCH 7, 2000

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

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 March 2000 in the total amount of \$446,312.97. 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.

CONSIDER GIRL SCOUTS' REQUEST TO USE FRIENDSHIP PARK FACILITIES

Upon request of Frances Kelly of the Pearl River Service Unit of the Girl Scouts, 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 13, 2000 from 7:00 a.m. until 6:00 p.m. for their "Girl Scouts Fun Day." 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.

PRESENTATION BY THE BAHA'IS OF PICAYUNE

Members of Baha'is of Picayune presented the Council with "The Vision of Race Unity – America's Most Challenging Issue" and offered their help and support to the Council. No official action was taken.

At this time Councilmember McQueen entered the meeting.

CONSIDER REQUEST FOR STREET CLOSURE FOR CROSBY MEMORIAL HOSPITAL HEALTH & SAFETY FAIR

Upon request of Crosby Memorial Hospital, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the closure of Magnolia Street between Sixth Avenue and Goodyear Boulevard on May 6, 2000 from 8:00 a.m. until 2:00 p.m. for the Crosby Memorial Hospital Health and Safety Fair. The following roll call vote was taken:

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

REGULAR MEETING DATED MARCH 7, 2000

VOTING NAY: None

The motion was declared carried.

REQUEST FOR STREET CLOSURE FOR PRESERVATION DAY

Upon request of the Mainstreet/Downtowners Association, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the closure of West Canal Street from Ruby Street to Main Street from 8:30 a.m. until 2:00 p.m. on May 13, 2000 for the Preservation Day Festivities. The following 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 Thorman, seconded by Councilmember Roberson, to approve a parade permit for the Mainstreet/Downtowners Association for a Preservation Day parade on May 13, 2000. The parade route is as follows:

Begin on West Canal at Ruby Street, right on Quince Street, right on Goodyear Boulevard, across Highway 11 to Second Street, right on Haugh Street, right on East Canal Street, end on West Canal Street at Rester 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.

REQUEST FOR STREET CLOSURE FOR SAV-A-LIFE WALK-A-THON

Upon request of Sav-A-Life of the Pearl River Area, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the closure of Goodyear Boulevard from Pine Street to Quince Street for a walk-a-thon on June 3, 2000 from 8:00 a.m. until 12:00 noon and to approve the group's use of Jack Reed Park and the walking track on that day. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

PRESENTATION BY THE BOY SCOUTS OF AMERICA, PINE BURR AREA COUNCIL

Tony Haines of the Pine Burr Area Council of the Boy Scouts of America addressed the Council regarding the use of the matching funding provided by the City in the prior fiscal year and addressed their list of accomplishments in the Picayune area. Mr. Haines further asked the Council to consider matching funding for the Boy Scouts in any amount up to \$5,000.00 in the current fiscal year. No official action was taken.

REGULAR MEETING DATED MARCH 7, 2000REQUEST FOR FUNDING FROM PICAYUNE MAIN STREET, INC.

Billie Edwards, Vice President of the Picayune Main Street Board of Directors, addressed the Council regarding their request for funding of \$7,500.00 to be used to perform a feasibility study on options for The Hermitage. The study is currently being performed through the Southwest Museum Service in Houston, Texas. Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to appropriate \$7,500.00 as a grant from the UDAG Majestic Inn Fund to be used for the study of The Hermitage and to authorize a manual check for the same. 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 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 February 22, 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 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 January 25, 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.

CONSIDER REQUEST FOR HOME OCCUPATION LICENSE

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to grant a home occupation license to James R. Seal, 615 Laird Street, for an investigator service. The following 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 MARCH 7, 2000CONSIDER REQUEST FOR BACK YARD VARIANCE

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to grant the request of Roy Wilson for a seven (7) foot rear yard variance at 211 Williams Avenue, Lot 3, Block 2, R.J. Williams 1st Addition in order for Mr. Wilson to erect a building to house a printing shop. The old shed that is now located on the property line will be torn down. The following 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 REQUEST TO PLACE FENCE IN THE FIRE DISTRICT

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to grant the request of Michael Ladner, owner of Picayune Sports & Swim Shop, to place a board fence on his property located at 422 Highway 11 North. The property is located within the fire district, but the fence has been approved by the Fire Marshal because it poses no hazard to adjoining property due to the distances between this property and adjoining structures. The following 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 Thorman left the meeting.

CONSIDER REQUEST FOR PARKING VARIANCES

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to grant the request of Dub Herring Ford, Inc. for a parking variance at the new car dealership located on Memorial Boulevard to allow the use of 9' x 18' parking spaces in lieu of the 10' x 20' spaces required by City 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.

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT FOR NATURAL GAS PURCHASES

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to authorize the Mayor to sign the following contract with Prior Energy Corporation for natural gas purchases:

REGULAR MEETING DATED MARCH 7, 2000**BASE CONTRACT FOR SHORT-TERM
SALE AND PURCHASE OF NATURAL GAS**

This Base Contract is entered into as of the following date: April 1, 2000
The parties to this Base Contract are the following:

PRIOR ENERGY CORPORATION
605 Bel Air Blvd., Suite 400
Mobile, AL 36606
200

Duns # 177-240-850
Contract #
Attn: Kim McKnight, Contract Administrator
Telephone: (334) 470-0321
Fax: (334) 470-0703
Federal Tax ID#: 13-3385775

CITY OF PICAYUNE, MISSISSIPPI
c/o Williams Energy Services
One Jackson Place, 188 E. Capitol St., Suite

Jackson, MS 39201-2127
Duns #787-237-718
Contract #27375
Attn: Jim Rigby
Telephone: (601) 948-2360 x 27
Fax: (601) 352-0521
Federal Tax ID#: 64-6000972

Invoices and Payments:
605 Bel Air Blvd., Suite 400
Mobile, AL 36606
Attn: Accounting Department
Telephone: (334) 470-0321
Fax: (334) 470-0703
Wire Transfer or ACH Nos. (if applicable)
SouthTrust Bank of Mobile
ABA# 062000080 Account # 60884741

188 East Capitol St., Suite 200
Jackson, MS 39201-2127
Attn: Accounting
Telephone: (601) 948-2360 x 27
Fax: (601) 352-0521
Wire Transfer or ACH Nos. (if applicable)

This Base Contract incorporates by reference for all purposes the General Terms and Conditions for Short-Term Sale and Purchase of Natural Gas published by the Gas Industry Standards Board. The parties hereby agree to the following provisions offered in said General Terms and Conditions (select only one from each box, but see "Note" relating to Section 2.24):

Section 1.2 Transaction Procedure	<input checked="" type="checkbox"/> Oral <input type="checkbox"/> Written	Section 6. Taxes	<input checked="" type="checkbox"/> Buyer Pays At and After Delivery Point <input type="checkbox"/> Seller Pays Before and At Delivery Point
Section 2.4 Confirm Deadline	<input checked="" type="checkbox"/> 2 Business Days after receipt (default) <input type="checkbox"/> Business Days after receipt	Section 7.2 Payment Date	<u>10 days after receipt of invoice</u>
Section 2.5 Confirming Party	<input type="checkbox"/> Seller <input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Prior Energy Corp.	Section 7.2 Method of Payment	<input checked="" type="checkbox"/> Wire Transfer (WT) <input type="checkbox"/> Automated Clearinghouse (ACH) <input type="checkbox"/> Check
Section 3.2 Performance Obl.	<input checked="" type="checkbox"/> Cover Standard <input type="checkbox"/> Spot Price Standard	Section 13.5 CHOICE OF LAW: <u>Alabama</u>	
<i>Note: The following Spot Price Publication applies to both of the immediately preceding standards and must be filled in after a Standard is selected.</i>			
Section 2.24 Spot Price Publication:			
<input checked="" type="checkbox"/> Special Provisions: 1 page			

IN WITNESS WHEREOF, the parties hereto have executed this Base Contract in duplicate.

PRIOR ENERGY CORPORATION

CITY OF PICAYUNE, MISSISSIPPI
c/o Williams Energy Services

By _____
Title President

By _____
Title _____

**GENERAL TERMS AND CONDITIONS
BASE CONTRACT FOR SHORT-TERM
SALE AND PURCHASE OF NATURAL GAS**

SECTION 1. PURPOSE AND PROCEDURES

1.1. These General Terms and Conditions are intended to facilitate purchase and sale transactions of Gas on a Firm or Interruptible basis. "Buyer" refers to the party receiving Gas and "Seller" refers to the party delivering Gas.

The parties have selected either the "Oral" version or the "Written" version of transaction procedure as indicated on the Base Contract.

REGULAR MEETING DATED MARCH 7, 2000Oral Transaction Procedure:

1.2 The parties will use the following Transaction Confirmation procedure. Any Gas purchase and sale transaction may be effectuated in an EDI transmission or telephone conversation with the offer and acceptance constituting the agreement of the parties. The parties shall be legally bound from the time they so agree to transaction terms and may each rely on thereon. Any such transaction shall be considered a "writing" and to have been "signed". Notwithstanding the foregoing sentence, the parties agree that Confirming Party shall, and the other party may, confirm a telephonic transaction by sending the other party a Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means. Confirming Party adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation as the identification and authentication of Confirming Party.

Written Transaction Procedure:

1.2 The parties will use the following Transaction Confirmation procedure. Should the parties come to an agreement regarding a Gas purchase and sale transaction for a particular Delivery Period, the Confirming Party shall, and the other party may, record that agreement on a Transaction Confirmation and communicate such Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of non-conflicting Transaction Confirmations or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.

1.3 If a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section 1.2., such receiving party shall notify the sending party via facsimile by the Confirm Deadline, unless such receiving party has previously sent a Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction, then neither Transaction Confirmation shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the Transaction Confirmations. The entire agreement between the parties shall be those provisions contained in both the Base Contract and any effective Transaction Confirmation. In the event of a conflict among the terms of (i) a Transaction Confirmation, (ii) the Base Contract, and (iii) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

SECTION 2 DEFINITIONS

- 2.1. "Base Contract" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein.
- 2.2. "British thermal unit" or "Btu" shall have the meaning ascribed to it by the Receiving Transporter.
- 2.3. "Business Day" shall mean any day except Saturday, Sunday or Federal Reserve Bank holidays.
- 2.4. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received, or if applicable, on the Business Day agreed to by the parties in the Base Contract; provided, if the Transaction Confirmation is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 2.5. "Confirming Party" shall mean the party designated in the Base Contract to prepare and forward Transaction Confirmations to the other party.
- 2.6. "Contract" shall mean the legally-binding relationship established by (i) the Base Contract and (ii) the provisions contained in any effective Transaction Confirmation.
- 2.7. "Contract Price" shall mean the amount expressed in U.S. Dollars per MMBtu, as evidenced by the Contract Price on the Transaction Confirmation.
- 2.8. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as set forth in the Transaction Confirmation.
- 2.9. "Cover Standard", if applicable, shall mean that if there is an unexcused failure to take or deliver any quantity of Gas pursuant to this Contract, then the non-defaulting party shall use commercially reasonable efforts to obtain Gas or alternate fuels, or sell Gas, at a price reasonable for the delivery or production area, as applicable, consistent with: the amount of notice provided by the defaulting party; the immediacy of the Buyer's Gas consumption needs or Seller's Gas sales requirements, as applicable; the quantities involved; and the anticipated length of failure by the defaulting party.
- 2.10. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Receiving Transporter in a particular transaction.
- 2.11. "Delivery Period" shall be the period during which deliveries are to be made as set forth in the Transaction Confirmation.
- 2.12. "Delivery Point(s)" shall mean such point(s) as are mutually agreed upon between Seller and Buyer as set forth in the Transaction Confirmation.
- 2.13. "EDI" shall mean an electronic data interchange pursuant to an agreement entered into by the parties, specifically relating to the communication of Transaction Confirmations under this Contract.
- 2.14. "EFP" shall mean the purchase, sale or exchange of natural Gas as the "physical" side of an exchange for physical transaction involving gas futures contracts. EFP shall incorporate the meaning and remedies of "Firm".
- 2.15. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; provided, however, that during Force Majeure interruptions, the party invoking Force Majeure may be responsible for any Imbalance Charges as set forth in

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Section 4.3. related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.

2.16. "Gas" shall mean any mixture of hydrocarbons and non-combustible gases in a gaseous state consisting primarily of methane.

2.17. "Imbalance Charges" shall mean any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balance and/or nomination requirements.

2.18. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability, except such interrupting party may be responsible for any Imbalance Charges as set forth in Section 4.3. related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by Transporter.

2.19. "MMBtu" shall mean one million British thermal units which is equivalent to one dekatherm.

2.20. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.

2.21. "Payment Date" shall mean a date, selected by the parties in the Base Contract, on or before which payment is due Seller for Gas received by Buyer in the previous Month.

2.22. "Receiving Transporter" shall mean the Transporter receiving Gas at a Delivery Point, or absent such receiving Transporter, the Transporter delivering Gas at a Delivery Point.

2.23. "Scheduled Gas" shall mean the quantity of Gas confirmed by Transporter(s) for movement, transportation or management.

2.24. "Spot Price" as referred in Section 3.2 shall mean the price listed in the publication specified by the parties in the Base Contract, under the listing applicable to the geographic location closest in proximity to the Delivery Point(s) for the relevant Day; provided, if there is no single price published for such location for such Day, but there is published a range of prices, then the Spot Price shall be the average of such high and low prices. If no price or range of prices is published for such Day, then the Spot Price shall be the average of the following: (i) the price (determined as stated above) for the first Day for which a price or range of prices is published that next precedes the relevant Day; and (ii) the price (determined as stated above) for the first Day for which a price or range of prices is published that next follows the relevant Day.

2.25. "Transaction Confirmation" shall mean the document, substantially in the form of Exhibit A, setting forth the terms of a purchase and sale transaction formed pursuant to Section 1. for a particular Delivery Period.

2.26. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point pursuant to a particular Transaction Confirmation.

SECTION 3 PERFORMANCE OBLIGATION

3.1. Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as specified in the Transaction Confirmation.

The parties have selected either the "Cover Standard" version or the "Spot Price Standard" version as indicated on the Base Contract.

Cover Standard

3.2. In addition to any liability for Imbalance Charges, which shall not be recovered twice by the following remedy, the exclusive and sole remedy of the parties in the event of a breach of a Firm obligation shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the positive difference, if any, between the purchase price paid by Buyer utilizing the Cover Standard for replacement Gas or alternative fuels and the Contract Price, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller for such Day(s); or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in an amount equal to the positive difference, if any, between the Contract Price and the price received by Seller utilizing the Cover Standard for the resale of such Gas, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually taken by Buyer for such Day(s); or (iii) in the event that Buyer has used commercially reasonable efforts to replace the Gas or Seller has used commercially reasonable efforts to sell the Gas to a third party, and no such replacement or sale is available, then the exclusive and sole remedy of the non-breaching party shall be any unfavorable difference between the Contract Price and the Spot Price, adjusted for such transportation to the applicable Delivery Point, multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller and received by Buyer for such Day(s).

Spot Price Standard:

3.2. In addition to any liability for Imbalance Charges, which shall not be recovered twice by the following remedy, the exclusive and sole remedy of the parties in the event of a breach of a Firm obligation shall be recovery of the following (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the Contract Price from the Spot Price; (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the applicable Spot Price from the Contract Price.

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3.3 EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED HEREIN, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS CONTRACT, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES.

SECTION 4. TRANSPORTATION, NOMINATIONS AND IMBALANCES

4.1. Seller shall have the sole responsibility for transporting the Gas to the Delivery Point(s) and for delivering such Gas at a pressure sufficient to effect such delivery but not to exceed the maximum operating pressure of the Receiving Transporter. Buyer shall have the sole responsibility for transporting the Gas from the Delivery Point(s).

4.2. The parties shall coordinate their nomination activities, giving sufficient time to meet the deadlines of the affected Transporter(s). Each party shall give the other party timely prior notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered and purchased each Day. Should either party become aware that actual deliveries at the Delivery Point(s) are greater or lesser than the Scheduled Gas, such party shall promptly notify the other party.

4.3. The parties shall use commercially reasonable efforts to avoid imposition of any Imbalance Charges. If Buyer or Seller receives an invoice from a Transporter that includes Imbalance Charges, the parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Buyer's actions or inactions (which shall include, but shall not be limited to, Buyer's failure to accept quantities of Gas equal to the Scheduled Gas), then Buyer shall pay for such Imbalance Charges, or reimburse Seller for such Imbalance Charges paid by Seller to the Transporter. If the Imbalance Charges were incurred as a result of Seller's actions or inactions (which shall include, but shall not be limited to, Seller's failure to deliver quantities of Gas equal to the Scheduled Gas), then Seller shall pay for such Imbalance Charges, or reimburse Buyer for such Imbalance Charges paid by Buyer to the Transporter.

SECTION 5. QUALITY AND MEASUREMENT

All Gas delivered by Seller shall meet the quality and heat content requirements of the Receiving Transporter. The unit of quantity measurement for purposes of this Contract shall be one MMBtu dry. Measurement of Gas quantities hereunder shall be in accordance with the established procedures of the Receiving Transporter.

SECTION 6. TAXES

The parties have selected either the "Buyer Pays At and After Delivery Point" version or the "Seller Pays Before and At Delivery Point" version as indicated on the Base Contract.

Buyer Pays At and After Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses, or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas at the Delivery Point(s) and all Taxes after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

Seller Pays Before and At Delivery Point

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s) and all Taxes at the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas after the Delivery Point(s). If a party is required to remit or pay Taxes which are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

SECTION 7. BILLING, PAYMENT AND AUDIT

7.1. Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas. The invoiced quantity will then be adjusted to the actual quantity on the following Month's billing or as soon thereafter as actual delivery information is available.

7.2. Buyer shall remit the amount due in the manner specified in the Base Contract, in immediately available funds, on or before the later of the Payment Date or 10 days after receipt of the invoice by Buyer; provided that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date. If Buyer fails to remit the full amount payable by it when due, interest on the unpaid portion shall accrue at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum from the date due until the date of payment; or (ii) the maximum applicable lawful interest rate. If Buyer, in good faith, disputes the amount of any such statement or any part thereof, Buyer will pay to Seller such amount as it concedes to be correct; provided, however, if Buyer disputes the amount due, Buyer must provide supporting documentation acceptable in industry practice to support the amount paid or disputed.

7.3. In the event any payments are due Buyer hereunder, payment to Buyer shall be made in accordance with Section 7.2. above.

7.4. A party shall have the right, at its own expense, upon reasonable notice and at reasonable times, to examine the books and records of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Contract. This examination right shall not be available with respect to proprietary information not directly relevant to transactions under this Contract. All invoices and billings shall be conclusively presumed final and accurate unless objected to

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in writing, with adequate explanation and/or documentation, within two years after the Month of Gas delivery. All retroactive adjustments under Section 7, shall be paid in full by the party owing payment within 30 days of notice and substantiation of such inaccuracy.

SECTION 8. TITLE, WARRANTY AND INDEMNITY

8.1. Unless otherwise specifically agreed, title to the Gas shall pass from Seller to Buyer at the Delivery Point(s). Seller shall have responsibility for and assume any liability with respect to the Gas prior to its delivery to Buyer at the specified Delivery Point(s). Buyer shall have responsibility for and any liability with respect to said Gas after its delivery to Buyer at the Delivery Point(s).

8.2. Seller warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold hereunder and delivered by it to Buyer, free and clear of all liens, encumbrances, and claims.

8.3. Seller agrees to indemnify Buyer and save it harmless from all losses, liabilities or claims including attorneys' fees and costs of court ("Claims"), from any and all persons, arising from or out of claims of title, personal injury or property damage from said Gas or other charges thereon which attach before title passes to Buyer. Buyer agrees to indemnify Seller and save it harmless from all Claims, from any and all persons, arising from or out of claims regarding payment, personal injury or property damage from said Gas or other charges thereon which attach after title passes to Buyer.

8.4. Notwithstanding the other provisions of this Section 8., as between Seller and Buyer, Seller will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Seller to meet the quality requirements of Section 5.

SECTION 9. NOTICES

9.1. All Transaction Confirmations, invoices, payments and other communications made pursuant to the Base Contract ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.

9.2. All Notices required hereunder may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

9.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission, if the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered two Business Days after mailing.

SECTION 10. FINANCIAL RESPONSIBILITY

10.1. When reasonable grounds for insecurity of payment or title to the Gas arise, either party may demand adequate assurance of performance. Adequate assurance shall mean sufficient security in the form and for the term reasonably specified by the party demanding assurance, including, but not limited to, a standby irrevocable letter of credit, a prepayment, a security interest in an asset acceptable to the demanding party or a performance bond or guarantee by a creditworthy entity. In the event either party shall (i) make an assignment or any general arrangement for the benefit of creditors; (ii) default in the payment obligation to the other party; (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); or (v) be unable to pay its debts as they fall due; then the other party shall have the right to either withhold and/or suspend deliveries or payment, or terminate the Contract without prior notice, in addition to any and all other remedies available hereunder. Seller may immediately suspend deliveries to Buyer hereunder in the event Buyer has not paid any amount due Seller hereunder on or before the second day following the date such payment is due.

10.2. Each party reserves to itself all rights, set-offs, counterclaims, and other defenses which it is or may be entitled to arising from the Contract.

SECTION 11. FORCE MAJEURE

11.1. Except with regard to a party's obligation to make payment due under Section 7, and Imbalance Charges under Section 4, neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 11.2.

11.2. Force Majeure shall include but not be limited to the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption of firm transportation and/or storage by Transporters; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars; and (v) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, or regulation promulgated by a governmental authority having jurisdiction. Seller and Buyer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.

11.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary firm transportation unless primary, in-path, firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or

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obligations with reasonable dispatch; or (iii) economic hardship. The party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges.

11.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be entirely within the sole discretion of the party experiencing such disturbance.

11.5. The party whose performance is prevented by Force Majeure must provide notice to the other party. Initial notice may be given orally; however, written notification with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written notification of Force Majeure to the other party, the affected party will be relieved of its obligation to make or accept delivery of Gas as applicable to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

SECTION 12. TERM

This Contract may be terminated on 30 days' written notice, but shall remain in effect until the expiration of the latest Delivery Period of any Transaction Confirmation(s). The rights of either party pursuant to Section 7.4., the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the Base Contract or any Transaction Confirmation.

SECTION 13. MISCELLANEOUS

13.1. This Contract shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Contract shall run for the full term of this Contract. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning party, which consent will not be unreasonably withheld or delayed; provided, either party may transfer its interest to any parent or affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any transfer and assumption, the transferor shall not be relieved of or discharged from any obligations hereunder.

13.2. If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.

13.3. No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach.

13.4. This Contract sets forth all understandings between the parties respecting each transaction subject hereto, and any prior contracts, understandings and representations, whether oral or written, relating to such transactions are merged into and superseded by this Contract and any effective Transaction Confirmation(s). This Contract may be amended only by a writing executed by both parties.

13.5. The interpretation and performance of this Contract shall be governed by the laws of the state specified by the parties in the Base Contract, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction.

13.6. This Contract and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of any Federal, State, or local governmental authority having jurisdiction over the parties, their facilities, or Gas supply, this Contract or Transaction Confirmation or any provisions thereof.

13.7. There is no third party beneficiary to this Contract.

13.8. Each party to this Contract represents and warrants that it has full and complete authority to enter into and perform this Contract. Each person who executes this Contract on behalf of either party represents and warrants that it has full and complete authority to do so and that such party will be bound thereby.

ATTACHMENT A
TO

BASE CONTRACT FOR SHORT TERM SALE
AND PURCHASE OF NATURAL GAS

Section 2. Definitions

2.27. Notwithstanding the language of 2.18 above, "Interruptible" gas purchased and sold hereunder may be reduced, interrupted or terminated by receipt of proper scheduling notice as provided in Sections 4 and 9; provided that no such reduction, interruption, or termination shall be permitted at any time because a more favorably priced sales marker for such gas becomes available to Seller or a more favorably priced replacement supply becomes available to Buyer. If requested by the affected party, the other party shall provide, in writing, a specific description of the caused relied upon for the reduction, interruption or termination and the estimated duration of such event as soon as reasonably possible after the request is made.

Section 4. Transportation, Nominations and Imbalances

Section 4.2 shall now read as follows: The parties shall coordinate their nomination activities, giving sufficient time to meet the deadlines of the affected Transporter(s). Each party shall give the other party timely prior notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of gas to be delivered and purchased each Day. Specifically, nominations for baseload gas shall be made no later than 6 business days prior to the beginning of the month. Nominations for swing Gas shall be made no later than 8:30 a.m. on the day preceding the day of delivery. Nominations made after deadlines are subject to price adjustments based on cost of gas, plus 2%.

Section 7. Billing, Payment and Audit

7.5 If payment for any month is past due, Prior Energy may add \$0.05 to the price per MMBtu of any Gas in all subsequent months under the contract, while at the same time, offering a \$0.05 discount for timely payment. No discounts will be allowed if payments are not received by the due date hereunder.

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Section 10. Financial Responsibility

10.3.1 In addition to the remedies contained in Section 10, the parties hereby agree that in the event Buyer is unable to unwilling to provide adequate financial assurances to Seller, when reasonable notice and request by Seller, Seller may either withhold and/or suspend deliveries until such financial assurances are provided by Buyer to Seller.

Section 14. Attachments and Changes

14.1.1 Neither party shall alter the terms and provisions of the copyright 1996 Gas Industries Standard Board form in any manner unless specifically set forth in a specially noted Attachment A to such base contract form. If any party amends or changes such base contract form and such amendment or changes is not noted on Attachment A, the amendment or change shall not be binding on any party thereto.

Section 15. Recording of Transactions

15.1 The parties to this Contract consent to the recording of telephone conversations in which an agreement to the transaction terms is reached. Any such recording shall be considered to be a "writing" and to have been "signed" by the parties for the purposes of Section 2-201(1) of the Uniform Commercial Code and may be introduced as evidence to prove the fact or terms of an agreement. The parties agree not to contest or assert a defense to the validity of enforceability of agreements entered into accordance with the terms of this Contract under laws relating to (i) whether certain agreements are to be in writing or signed by the parties; or (ii) the authority of any employee of a party if the employee's name is stated in the recording.

Section 16. Disclaimer or Warranty

Seller makes no warranties of merchantability or fitness for particular purpose with respect to any gas sold hereunder.

Section 17. Resolution of Disputes

Any controversy or claim related to or arising out of the matters covered by this Contract or its breach will be finally settled by binding arbitration on a confidential basis pursuant to the American Arbitration Association Commercial Rules. Any decision or award resulting from any arbitration proceeding will include assessment of costs, expenses and reasonable attorney's fees and will be binding and enforceable in any court with jurisdiction, no decision or award resulting from any arbitration proceeding may include incidental, consequential, special or punitive damages. Absent written agreement contrary, one arbitrator, who is knowledgeable with respect to the subject matter of this Contract, will conduct the arbitration.

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 AND CITY CLERK TO SIGN DOCUMENTS FOR EMPLOYEE HEALTH INSURANCE

Upon recommendation of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Bates, to authorize the Mayor and the City Clerk to sign all necessary documents for employee health insurance with Blue Cross Blue Shield of Mississippi. 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 7, 2000

At this time, Councilmember Thorman entered the meeting.

ORDER TO AUTHORIZE MAYOR TO SIGN APPLICATION FOR PAYMENTS FROM MEMA FROM HURRICANE GEORGES

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the application for payment from the Mississippi Emergency Management Agency (MEMA) for public assistance funds of \$29,746.00 from Hurricane Georges. The following 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 AGREEMENT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Mayor to sign the following grant agreement with the Mississippi Department of Economic and Community Development (MDECD) for additional CDBG grant funds of \$100,000.00 for the drainage improvement project:

**SPECIAL CONDITIONS
PUBLIC FACILITIES**

- I. **CONDITIONS THAT REQUIRE WRITTEN CLEARANCE FROM THE COMMUNITY SERVICES DIVISION, DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT.**
 - A. **Cash Draw Down**
Adequate documentation to verify matching funds must be presented to MDECD and approved before any CDBG funds can be drawn down.
 - B. **Mississippi State Department of Health Approval**
If applicable, prior to the release of any CDBG funds for water improvement construction, the Subgrantee shall provide written documentation that the plans and specifications have been approved by the Mississippi State Department of Health.
 - C. **Department of Environmental Quality Approval**
If applicable, prior to the release of any CDBG funds for wastewater or solid waste improvement construction, the Subgrantee shall provide written documentation that the plans and specifications have been approved by the Mississippi Department of Environmental Quality, Office of Pollution Control.
 - D. **Mississippi Public Service Commission Approval**
If applicable, prior to the release of CDBG funds for water, sewer, and gas system construction, the Subgrantee shall provide evidence that the Mississippi Public Service Commission has issued a "Certificate of Public Convenience and Necessity" for improvements in an uncertificated and/or unserved area, and/or the transfer of ownership of a system.
- II. **OTHER SPECIAL CONDITIONS**
 - A. **Scope of Work**
The scope of work for this project shall be as stated in the approved 1997 Public Facilities CDBG application.
 - B. **Fair Housing Plan**
The Subgrantee shall have on file a plan for promoting Fair Housing.

REGULAR MEETING DATED MARCH 7, 2000

- C. **Building Standards**
If applicable, all building construction shall comply with the applicable codes and standards approved by the Southern Building Code and Congress International, Inc., or to locally adopted codes, whichever are more stringent.
- D. **State Aid Standards**
If applicable, streets or access roads shall be designed and constructed at least to minimum State Aid standards or to local subdivision standards, whichever are more stringent.
- E. **Budget Revision Acceptance**
The Subgrantee agrees and accepts all changes to the budget pages of its CDBG application; and the revised budget forms attached to this contract shall constitute the true and correct budget for the Subgrantee's CDBG project, and are hereby incorporated by reference herein and made a part of this contract.
- F. **Audit**
The Subgrantee shall be responsible for providing a copy of the audit of this project to the Department of Economic and Community Development, Community Services Division. Additionally, the State will pay audit costs for Small Municipality Subgrantees, up to \$2,000. This money can be used on single audit costs provided the Subgrantee has received over \$300,000 in federal funds during the fiscal year.
- G. **In-Kind Services**
If applicable, any in-kind services to be performed by the Subgrantee or others designated as local match funds must be adequately documented or make actual dollar contributions to provide for the local match funds.
- H. **Leveraged Funds**
1. The local government is held to its leveraged fund commitment as stated in the approved application.
 2. Should a portion of the matching funds not be required, (i.e., low bids, MDECD approved change in scope of work), the Department of Economic and Community Development, Community Services Division, will reduce the grant proportionately so that the leveraging ratio holds constant regardless of how funds are budgeted.
- I. **Third Party Contracts**
1. **Right to Audit**
The Subgrantee shall include in all contracts with Participating Parties receiving grant funds provisions requiring that (i) each such Participating Party keep and maintain books, records, and other documents relating directly to the receipt and disbursement of such grant funds; and (ii) any duly authorized representative of the Community Services Division, Department of Economic and Community Development, the U.S. Department of Housing and Urban Development (HUD), and/or the Controller General of the United States shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all such books, records, and other documents of such Participating Party until the completion of all close-out procedures respecting this grant and the final settlement and conclusion of all issues arising out of this grant.
 2. **Access to Project**
The Subgrantee shall include in all contracts with Participating Parties a provision that each Participating Party agrees that any duly authorized representative of the Community Services Division, Department of Economic and Community Development, the U.S. Department of Housing and Urban Development (HUD), and/or the Controller General of the United States shall, at all reasonable times, have access to any portion of the Project in which such Participating Party is involved until the completion of all close-out procedures respecting this grant. Records shall be retained for at least three years following the close-out of the project.
- J. **Change in Scope of Work**
Should a change in the scope of work be necessary, the Subgrantee shall provide the Department of Economic and Community Development, Community Services Division, with updated information regarding beneficiaries and cost benefit ratio on any MDECD approved change in scope.
- K. **LMI Hook-Ups**
Low- and moderate-income persons must actually be hooked up to the system in order to be counted as beneficiaries on water, sewer, or gas projects. CDBG funds cannot be used to install nor connect service lines if the property is owned by a person who is not of low- or moderate-income, even if the renter is of low- or moderate-income. The cost of connecting LMI property owners to the service lines can be paid from CDBG or other funds, but the connection to the system must be at no cost to the LMI beneficiaries.

REGULAR MEETING DATED MARCH 7, 2000

- L. Availability of Funds
This contract is contingent on the availability of funds from the U.S. Department of Housing and Urban Development.
- M. Section Three Employment Requirements
It is the responsibility of the local government to comply with the Section Three employment requirements as required by the federal regulations.
- N. Lease of Buildings Funded Through Public Facilities
Funds awarded through the Public Facilities category for the construction of buildings for public services, i.e., human services, mental health, county health departments, medical clinics, etc., cannot be leased. No income can be generated from the use of a building, which was constructed with CDBG grant funds.
- O. Generators and Auxiliary Power Sources
CDBG funds may not be used for the purchase of generators or auxiliary power sources in water or sewer improvement projects.

**STATE OF MISSISSIPPI
COMMUNITY DEVELOPMENT BLOCK GRANT
ASSURANCES**

The applicant hereby assures and certifies that:

- (a) It possesses legal authority to apply for the grant and to execute the proposed program.
- (b) Its governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the filing of the application.
- (c) Its application program has been developed so as to give maximum feasible priority to activities which will benefit low- and moderate-income families, or aid in the prevention or elimination of slums or blight, or meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available to meet such needs.
- (d) It will:
- (1) Comply with Section 104(f) of the Housing and Community Development Act of 1974, as amended, which requires compliance with the policies of the National Environmental Policy Act of 1969 (NEPA) and other provisions of law which further the purposes of the National Environmental Policy Act. Such other provisions of law which further the purposes of the NEPA are specified in regulations issued pursuant to Section 104(f) of the Housing and Community Development Act of 1974, as amended, and are contained in 24 CFR Part 58; and
 - (2) Assume all of the responsibilities for environmental review, decision making, and action as specified and required in regulations issued by the Secretary of Housing and Urban Development pursuant to Section 104(f) of the Housing and Community Development Act of 1974, as amended, and published in 24 CFR Part 58.
- (e) Its chief executive officer or other officer of applicant:
- (1) Consents to assume the status of a responsible federal official under the National Environmental Policy Act of 1969 (NEPA) and other provisions of federal law, as specified in 24 CFR part 58; and
 - (2) Is authorized and consents on behalf of the applicant and himself/herself to accept the jurisdiction of the federal courts for the purpose of enforcement of his/her responsibilities as such an official.
- (f) It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of the Archeological and Historic Data Act of 1966 (16 U.S.C. 469 a-1, et seq) by:
- (1) Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects of the proposed activities; and
 - (2) Complying with all requirements established by HUD to avoid or mitigate adverse effects upon such properties.
- (g) It will comply with the regulations, policies, guidelines, and requirements of 24 CFR Part 85 and 24 CFR Part 87, as they relate to the application and use of federal funds.
- (h) It will comply with:
- (1) Title VI of the Civil Rights Act of 1964 (Public Law 88-352) and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits;

REGULAR MEETING DATED MARCH 7, 2000

- (2) Title VIII of the Civil Rights Act of 1968 (Public Law 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services;
- (3) Executive Order 11063, as amended by Executive Order 12259, on equal opportunity in housing and nondiscrimination in the sale or rental of housing built with federal assistance;
- (4) Executive Order 11246 and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60), which provide that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of federal or federally assisted construction contracts. Contractors and subcontractors on federal and federally assisted construction contracts shall take affirmative action to ensure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training and apprenticeship.
- (i) It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended (24 CFR, Part 135), requiring that opportunities for training and employment be given to low-income residents in the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the area of the project.
- (j) It will comply with the Uniform Relocation Assistance and Real Property acquisition policies Act of 1970, as amended, and Federal Implementing regulation at 49 CFR Part 24, and the requirements of Section 570.496a (including the requirement to provide a certification that the recipient is following a residential antidisplacement and relocation assistance plan under Section 104(d)) of the Act.
- (k) It will establish a written Code of Standards of Conduct to prohibit any of its officers, employees, and agents from using his/her position in any manner or matter which would have the purpose or effect of a conflict of interest, real or apparent. In order to properly implement this provision, it will fully comply with the requirements of 24 CFR, Part 85.36.
- (l) It will comply with the provisions of the Hatch Act 5 U.S.C. 1501 et seq), which limits the political activity of employees.
- (m) It will give the State of Mississippi, HUD, and the Controller General, through any authorized representatives, access to and the right to examine all records, books, papers, or other documents related to the grant.
- (n) It will comply with Section 110 of the Housing and Community Development Act of 1974, as amended, which requires that all laborers and mechanics employed by contractors or subcontractors on construction work assisted under the Act shall be paid at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), and it will comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq). (However, these requirements apply to the rehabilitation of residential property only if such property is designed for residential use of eight or more families.)
- (o) It will comply with the applicable requirements of the Copeland Act (40 U.S.C. 276c).
- (p) It will comply with Section 109 of the Housing and Community Development Act of 1974, as amended, which requires that no person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any programs or activities funded in whole or in part with community development funds made available pursuant to the Act. Section 109 further provides that any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq), or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), shall also apply to any such program or activity.
- (q) It will comply with Title IV of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831), which prohibits the use of lead-based paints in residential structures constructed or rehabilitated with federal assistance in any form.
- (r) It will adopt and enforce a policy of prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
- (s) The recipient shall remain fully obligated under the provisions of the "Statement of CDBG Award," notwithstanding its designation of any third party or parties for the undertaking of all or any parts of the program with respect to which assistance is being provided under the "Statement of CDBG Award" to the recipient. Any recipient who is not the applicant shall comply with all lawful requirements of the applicant necessary to ensure that the program, with respect to which assistance is being provided under the "Statement of CDBG Award" to the recipient, is carried out in accordance with the applicant's assurances and certifications to comply with all applicable laws, regulations, and other requirements.
- (t) The chief elected official certifies, to the best of his or her knowledge and belief, that:
- (1) No federally appropriated funds have been paid or will be paid, by or on behalf of the chief elected official, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer of employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering

REGULAR MEETING DATED MARCH 7, 2000

- into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the chief elected official shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - (3) The subgrantee shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

GENERAL TERMS AND CONDITIONS

Award is hereby made in the amount and for the period shown above of a grant under The Housing and Community Development Act of 1981 - Public Law 97-35, and as amended by the Housing and Urban-Rural Recovery Act of 1983, to the above mentioned recipient, in accordance with the plan set forth in the application of the above mentioned recipient and subject to any attached revisions or special conditions.

This contract is subject to all applicable rules, regulations, conditions, and assurances as prescribed by the Department of Economic and Community Development's Block Grant Program Final Statement, as well as the U.S. Department of Housing and Urban Development's Community Development Block Grants: State's Program Final Rule (24CFR Part 570), and to each and every Federal and State Statute and guideline affecting the application for, receipt of, and expenditure of Community Development Block Grant funds. It is also subject to such further rules, regulations, and policies as may be reasonably prescribed by the State or Federal Government consistent with the purposes and authorization of P.L. 97-35 and P.L. 98-8.

This contract is also made subject to any and all conditions, special conditions, and assurances attached hereto and made a part hereof at the time of the award of these funds. The application submitted for these funds is incorporated by reference herein and made a part hereof, including any changes, modifications, deletions, or amendments contained therein.

Any unauthorized change or amendment by the recipient to the provisions of this contract shall be considered invalid, and the Department of Economic and Community Development reserves the right not to reimburse the recipient for any expenses or costs associated with such an unauthorized change or amendment.

The Department of Economic and Community Development reserves the right to withhold grant funds or to terminate this contract for cause, if the recipient fails to fulfill in a timely and proper manner the obligations under this contract or if the recipient should violate any of the covenants, agreements, conditions, special conditions, or assurances of this contract, by giving written notice to the recipient of the suspension or termination, specifying the effective date thereof, at least five (5) days before the effective date thereof.

The recipient hereby agrees that the project and activities for which these grant funds are awarded shall constitute a fully completed and operative project upon conclusion, and the recipient further agrees that in the event the costs of the project exceed the funds awarded under this contract, then such costs shall be borne by the recipient from its own local resources.

This grant shall become effective on the beginning date of the grant period provided that this contract shall have been fully completed, executed by the recipient, and received in the office of the Department of Economic and Community Development.

The following 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 REQUEST HELP TO BUILD RAILROAD OVERPASS

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to direct the City Manager to write Senator Trent Lott, Senator Gene Taylor and Representative

REGULAR MEETING DATED MARCH 7, 2000

Thad Cochran to ask for financial help in building an overpass over the railroad tracks at Bruce 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 ACCEPT CARROLL STREET SEWER PROJECT AS COMPLETE

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve and authorize the Mayor to sign Change Order #1 to the contract with Twin L Construction for the Carroll Street sewer rehabilitation project. The change order reflects a decrease of \$28,853.33 for a new contract total of \$263,916.67. The following 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 Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the Carroll Street sewer rehabilitation project as complete, authorize final payment of \$26,391.67 to Twin L Construction 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 AUTHORIZE THE PURCHASE OF VEHICLES

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the purchase of the following vehicles from the State Contract vendor:

2000 Dodge Ram 1500 – ½ ton long wheel base, 5.2L V8	\$13,953	Utility
2000 Dodge Ram 1500 – ½ ton long wheel base, 5.2L V8	\$13,953	Utility
2000 Dodge Ram 1500 – ½ ton long wheel base, 5.2L V8	\$13,953	Streets & Drainage

The following 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 MARCH 7, 2000ORDER TO CONSIDER BUDGET AMENDMENT #6

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve amending the following line items of the budget for the year ending September 30, 2000 as follows:

	<u>Original</u>	<u>Amended</u>
CDBG FUND		
Grant revenues	\$300,036	\$400,036
Loan proceeds	60,319	73,000
Transfers in	37,039	140,308
Other services & charges	34,304	86,904
Capital outlay	341,223	504,574

The following 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:

COP General Fund	Utility Fund	\$50,363.45
MS State Tax Commission	Utility Fund	3,324.00
Computer Network, Inc.	Utility Fund	29,724.00
IGC, Inc.	CDBG Fund	70,985.38
Mun. Clerks & Collectors Assoc.	General Fund	60.00
Kay Johnson	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 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.

REGULAR MEETING DATED MARCH 7, 2000

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter executive session to discuss a matter involving the sale, purchase or lease of land and two (2) items 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 a matter involving the sale, purchase or lease of land and two (2) items 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 involving the sale, purchase or lease of land and two (2) items of potential litigation and took no action.

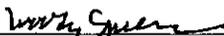
ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until March 21, 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.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

March 21, 2000

**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 21, 2000, 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 Gerald 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 March 7, 2000. 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 BUDGET REPORTS FOR FEBRUARY 2000

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly budget reports for February 2000. 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 RETIREMENT DEVELOPMENT MONTHLY ACTIVITIES REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly activities report of the Retirement Development Activity for February 2000. The following roll call vote was taken:

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

RECESSED MEETING DATED MARCH 21, 2000

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO AUTHORIZE TAX REFUND TO BROCKWAY STANDARD, INC.

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Tax Collector to issue a refund to Brockway Standard, Inc. of \$12,831.51 for 1996 and \$8,143.95 for 1997 personal property taxes due to an incorrect reporting of inventory located within the county. 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.

DECA

Members of DECA from Picayune Memorial High School addressed the Mayor and Council about their accomplishments and their trip to national competition in April. Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to advertise the resources of the City by providing funding of \$1,000 to the DECA group to help with their travel expenses to the national competition 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, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

RECOGNITION OF COUNCILMEMBER GUY

Mayor Spiers addressed the Council regarding Councilmember Guy's accomplishments upon being elected President of the Mississippi Black Caucus of Local Elected Officials. No official action was taken.

DELIVERY OF ANNUAL AUDIT REPORT BY MOORE & POWELL CPAS, P.A.

Steve Dockens of Moore & Powell CPAs, P.A. delivered the audited financial statements and audit report for the year ended September 30, 1999. No official action was taken.

ORDER TO ADOPT RESOLUTION OF INTENT TO GRANT AD VALOREM TAX EXEMPTION TO VALSPAR REFINISH, INC.

After negotiations with Valspar Refinish, Inc., Councilmember Thorman offered and moved the adoption of the following resolution:

RECESSED MEETING DATED MARCH 21, 2000

RESOLUTION DECLARING THE INTENTION AND AGREEMENT
OF THE PICAYUNE CITY COUNCIL
TO GRANT CERTAIN AD VALOREM TAX
EXEMPTIONS TO VALSPAR REFINISH, INC.

WHEREAS, the City Council of the City of Picayune, (the "Council"), acting for and on behalf of the City of Picayune, Mississippi (the "city"), does hereby find, determine and adjudicate as follows:

1. That, Valspar Refinish, Inc. a Mississippi corporation (the "Firm"), is qualified to do business in the State of Mississippi;
2. That, the Firm is engaged in negotiations with the City and has committed to representatives of the City its intention to expend considerable funds on capital improvements, which will all be done using local contractors at the location of 210 Crosby Street, within the City of Picayune, Mississippi, (the "Facility");
3. That, the Firm's fixed assets and inventory amount to approximately \$859,342 for 1999, total expenditures for local goods and services for 1999 reached a total of \$266,246.77 and 1996 through 1998 capital expansion at facility resulted in \$1,930,776.10 in capital projects using local contractors;
4. That, the Firm currently employs one hundred ten (110) workers, with an annual payroll of \$2.6 million and has doubled average compensation for employees since 1995;
5. That, the Firm shall provide permanent full-time employment for not less than thirty (30) production employees at this location, and shall certify in writing to the Mayor and Council annually, on the anniversary date of the later of the Resolution or Final Order granting the ad valorem tax exemptions, the number of employees currently employed and the annual payroll for the year preceding;
6. That, as an inducement to the Firm to expend additional capital improvements, the Firm requests certain tax incentives in the form of certain exemptions on ad valorem real and personal property taxes (the "Taxes") with such inducements and commitments (the "Inducement") being summarized and contained herein and subject to formal approval of the City of Picayune City Council;
7. That, the Council is authorized and empowered by the provisions of Section 27-31-51 through 27-31-61 of the Mississippi Code of 1972, as amended (the "Code") to grant certain exemptions (the "Exemptions") from taxes to the Firm with respect to the building improvements, furniture and fixtures, machinery and equipment, and inventory, all within the City; and
8. That, the Firm wishes to obtain satisfactory assurances from the City that the City will, upon proper applications and proof of qualifications being filed thereof with the City by the Firm, grant such Exemptions for three (3) years.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COUNCIL, AS FOLLOWS:

Section 1. The Council, acting for and on behalf of the City and by the virtue of such authority as may now or hereafter be conferred upon it by the Statutes and by an other applicable laws of the State of Mississippi (the "Laws"), in consideration of the above premises and in order to provide certain ad valorem property tax incentives, does hereby declare its intention and agreement to grant such Exemptions for the maximum term permitted by the Statutes upon the submission by the Firm or its successors of proper applications, pursuant to applicable Mississippi Law.

Section 2. The Council hereby acknowledges its intention to implement this Resolution of Intent consistent with and in order to give full effect to this stated intention of the Council upon the filing by the Firm of its applications for the Exemptions and the consideration by the Council thereof.

Section 3. The Clerk of this Council be, and is hereby directed to spread a copy of this Resolution on the minutes of this Council.

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

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

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion having received the affirmative vote of the majority of the members present, the Mayor declared the motion carried, and the resolution adopted on this the 21st day of March, 2000.

RECESSED MEETING DATED MARCH 21, 2000ORDER TO SET DATE FOR PUBLIC HEARING FOR PROPERTY CLEANUP

Upon recommendation of the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to set the date of April 18, 2000 as the date for a public hearing for property cleanup on the following properties:

Martha Mitchell	901 Jarrell Street
Bobby Whitfield	120 South Haugh Avenue
Calvenia Bowens	609 Jarrell Street

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 Guy left the meeting.

ORDER TO AUTHORIZE THE MAYOR TO SIGN THE AIRPORT LAYOUT PLAN

Upon recommendation of the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the Airport Layout Plan as submitted by Charles Willis & Assoc. in order to file the plan with the Federal Aviation Administration (FAA). 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.

CONSIDER BID AWARDS ON SEMI-ANNUAL BIDS FOR SUPPLIES

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to award the bids for semi-annual bids for supplies as follows:

Diesel Oil #2 Series, 30W 12 qts/case	\$12.60	APG, Inc.
Diesel Oil #2 Series, 30W 55 gallon	218.90	APG, Inc.
Diesel Oil 15W-40 55 gallon	226.50	Allison Oil Co.
Diesel Oil 15W-40 12 qts/case	15.21	APG, Inc.
Diesel Oil 15W-40 6 gal/case	27.00	APG, Inc.
Transmission Fluid Dextron II 12 qts/case	13.44	APG, Inc.
Transmission Fluid Type F 12 qts/case	13.50	Allison Oil Co.
Motor Oil 10W-30 HD 12 qts/case	13.47	APG, Inc.
Motor Oil 10W-30 HD 55 gallon	226.50	Allison Oil Co.
Motor Oil 10W-40 12 qts/case	13.47	APG, Inc.
Motor Oil 10W-40 55 gallon	218.90	APG, Inc.
Motor Oil 30W ND 12 qts/case	10.05	APG, Inc.
Motor Oil 30W ND 55 gallon	135.95	Allison Oil Co.
Motor Oil 5W HD	13.50	Allison Oil Co.

RECESSED MEETING DATED MARCH 21, 2000

Gear Oil 90wt. 55 gallon	240.35	APG, Inc.
Chassis Grease tube 10 per ctn	8.80	Allison Oil Co.
Chassis Grease bulk 5 gallon	22.20	Allison Oil Co.
Hydraulic Fluid TDH 5 gallon	16.95	Allison Oil Co.
Hydraulic Fluid TDH 55 gallon	170.50	Allison Oil Co.
Hydraulic Oil 68 55 gallon	164.99	Allison Oil Co.,
Chlorine in 150 lb cylinder, including Delivery to sewerage treatment plant	59.70	Industrial Chemicals
Oxygen - Welding 244 cu ft per cylinder	6.00	Nordan Smith
Acetylene - 100 cu ft	15.00	Nordan Smith
Cylinder rent per month	5.25	Nordan Smith
Hot Bituminous Surface Plantmix Asphalt		
SC-1 per ton	31.00	Huey Stockstill Inc.
SC-2 per ton	31.00	Huey Stockstill Inc.
Hot Mix Asphalt lay & haul inside City per ton	39.41	Huey Stockstill Inc.
Hot Mix Sand Asphalt lay & haul inside City per ton	36.91	Huey Stockstill Inc.
EA-4 for tack per square yard	1.50	Huey Stockstill Inc.
30x36 Trash Bags, 1.5 Mill, black or brown, 52 per box or roll	2.79	Dynapak
Concrete Pipe		
12" reinforced	10.00	Choctaw
15" reinforced	10.50	Choctaw
18" reinforced	12.00	Choctaw
21" reinforced	16.00	Choctaw
24" reinforced	19.00	Choctaw
27" reinforced	22.00	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	26.70	Choctaw
36" x 23" reinforced arch pipe	32.40	Choctaw
44" x 27" reinforced arch pipe	46.60	Choctaw
58" x 36" reinforced arch pipe	73.30	Choctaw
65" x 40" reinforced arch pipe	89.90	Choctaw
73" x 45" reinforced arch pipe	110.90	Choctaw
88" x 54" reinforced arch pipe	155.00	Choctaw
51" x 31" reinforced arch pipe	57.80	Choctaw
Concrete per yard 2,500-lb mix	55.98	Huey Stockstill Inc.
Concrete per yard 3,000-lb mix	57.98	Huey Stockstill Inc.
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	98.00	Choctaw
48" precast concrete flat slab top	95.00	Choctaw
4" concrete adjusting ring	13.20	Choctaw
6" concrete adjusting ring	20.00	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 (per foot)		
8" diam smooth interior pipe	1.79	Park Supply
10" diam smooth interior pipe	1.96	Park Supply
12" diam smooth interior pipe	2.70	Park Supply

RECESSED MEETING DATED MARCH 21, 2000

15" diam smooth interior pipe	3.74	Park Supply
18" diam smooth interior pipe	5.45	Park Supply
24" diam smooth interior pipe	9.31	Park Supply
30" diam smooth interior pipe	14.68	Park Supply
36" diam smooth interior pipe	18.50	Advanced Drainage
42" diam smooth interior pipe	26.98	Park Supply
48" diam smooth interior pipe	33.18	Park Supply
Mosquito Pesticide		
Biomist 31 + 66 (gal)	260.00	Quality Unlimited Products
Biomist 4 + 4 (gal)	42.00	Quality Unlimited Products
Enviro Tech 13 Mineral Oil (gal)	3.50	Quality Unlimited Products
Aqua-Neslin (gal)	200.00	Adapco, Inc.
Permanone 31 + 66 (gal)	238.00	Adapco, Inc.
ULV Oil (gal)	4.10	Adapco, Inc.
Sun Par 100% Mineral Oil (gal)	2.25	Van Waters & Rogers

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 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 February 22, 2000. 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 PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Planning Commission dated March 16, 2000. 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.

RECESSED MEETING DATED MARCH 21, 2000ORDER TO CONSIDER REQUEST FOR LOT SIZE VARIANCES ON TELLY ROAD

After review of the Planning Commission action, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve a lot size variance on the following lots in the Lakewillow Estates Subdivision, R-1 zone:

Phase I – Lots 1, 2, 8, 9, 11, 12, 15, 16, 17, 18, 19, 22, 23, 24, 25, 26 and 27

Phase II – Lots 1, 2, 3, 4, 5, 6, 8, 18

The variance is granted so that those lots below the minimum requirement of 10,000 square feet may be approved for building a single-family dwelling. All buildings must comply with the setbacks in the R-1 zone, and no other variances shall be granted for the buildings. 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 AUTHORIZATION TO BID

Upon request of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Purchasing Agent to advertise for bids for materials to construct a four-inch (4") gas main for 5,880 feet on Cooper Road. 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 ISSUANCE OF MANUAL CHECKS

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

Reliant Energy	Utility Fund	\$12,093.00
Sonat	Utility Fund	44,972.16
Koch Gateway Pipeline	Utility Fund	22,175.31
Williams Energy	Utility Fund	1,472.32
LA Gas Assoc.	Utility Fund	105.00
Blue Cross Blue Shield	General Fund	47,294.14
Superintendent of Documents	Utility Fund	39.00
Southeastern Public Works Officials	Utility Fund	260.00
Delta Airlines	Utility Fund	151.00
Johnny L. Ingram	General Fund	688.11

The following roll call vote was taken:

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

VOTING NAY: None

RECESSED MEETING DATED MARCH 21, 2000

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN USE OF FACILITIES AGREEMENT WITH PICAYUNE SCHOOL DISTRICT

Upon request of the Police Department, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the "Use of Facilities Agreement" with the Picayune School District so that the Police Department may use the School auditorium to host a gang seminar on April 11, 2000. 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 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 and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and Guy

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter executive session to discuss a matter regarding the purchase of property. 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.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter regarding the purchase of property.

ORDER TO AUTHORIZE THE CITY ATTORNEY TO NEGOTIATE PURCHASE OF PROPERTY

While in executive session, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the City Attorney to begin negotiations for the purchase of 1.44 acres of property located on East Canal Street to be used for park property. The property description is as follows:

RECESSED MEETING DATED MARCH 21, 2000

1.44 acres in SE ¼ of SW ¼ of NE ¼ of Section 14 Township, 6 South, Range 17 West

The Attorney is authorized to offer \$2,021.52 to MLA Properties Inc. and up to \$1,000.00 to the children of Troy Boone to obtain quitclaim deeds on the property and consummate such transfers according to such terms. The City Clerk is authorized to issue manual checks for these amounts as requested by the City Attorney. 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

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 regarding the purchase of property and took action on the matter.

ORDER TO ADJOURN

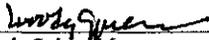
Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to adjourn. The following roll call vote was taken:

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.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

April 4, 2000

**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 4, 2000, at 6:00 p.m. in regular 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, 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 Roberson, seconded by Councilmember Thorman, to approve the minutes of the Mayor and City Council dated March 21, 2000. 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.

ORDER TO AUTHORIZE THE MAYOR TO SIGN QUITCLAIM DEED

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following quitclaim deed:

<u>Deed Name</u>	<u>Parcel #</u>	<u>Year</u>	<u>Amount</u>	<u>Assessed To</u>
Gwendolyn Wilcox Kirby	085-0-15-003-000	1987	\$38.54	Verne Kirby

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.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Pearl River County Development Association dated January 31, 2000. The following roll call vote was taken:

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

VOTING NAY: None

REGULAR MEETING DATED APRIL 4, 2000

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE CEMETERY BOARD

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Cemetery Board dated March 3, 2000. 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.

ORDER TO APPROVE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to approve the monthly claims docket for April 2000 in a total amount of \$246,251.22. 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.

ORDER TO APPROVE ISSUANCE OF 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:

COP General Fund	Utility Fund	\$55,000.00 (NTE)
MS State Tax Commission	Utility Fund	4,000.00 (NTE)
2000 Tree City USA	General Fund	70.00
Hampton Inn	General Fund	136.00
Barbara McGrew	General Fund	65.55

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.

CONSIDER GIRL SCOUTS' REQUEST TO USE FRIENDSHIP PARK FACILITIES

Upon request of Frances Kelly of the Pearl River Service Unit of the Girl Scouts, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the use

REGULAR MEETING DATED APRIL 4, 2000

of the Friendship Park facilities at no charge by the Girl Scouts on July 24, 2000 from 7:00 a.m. until 6:00 p.m. for their "Girl Scouts Fun Day" instead of June 13, 2000 as approved at the March 13, 2000 meeting. 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.

ORDER TO AUTHORIZE MAYOR TO SIGN RENTAL AGREEMENT WITH EDDIE YOUNG GYMNASTICS

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following agreement with Eddie Young Gymnastics regarding the rental of a portion of the old National Guard Armory:

**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, includes the main center hall area and shared restrooms.

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 which 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.

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

REGULAR MEETING DATED APRIL 4, 2000

4. Keep doors in working and lockable condition
5. Mr. Young will be responsible for all maintenance items which cost under the amount of \$500.
6. Mr. Young shall not have access to the kitchen area or the rear yard.
7. Mr. Young shall not have access to the three side rooms being used by the City of Picaune.
8. Mr. Young will be responsible for maintaining the parking area in front of the facility.
9. Mr. Young will be responsible for the repair of vandalism within the area which he has access to. Repairs will be made according to City specifications.
10. Mr. Young must provide adequate supervision at all times when the facilities are in use.
11. When requested by the City, render to the City all accounting of all sums received and disbursed in connection with projects undertaken.
12. Mr. Young will not sublease any portion of the said premises.
13. Rent in the amount of \$213 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 Picaune 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 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. Young further agrees to assume full responsibility and liability for, and to indemnify the City of Picaune 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 Picaune, 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 Picaune, 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 or 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 Picaune 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, 2000 to March 31, 2001.

Signed and dated _____

For Eddie Young

For the City of Picaune

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.

REGULAR MEETING DATED APRIL 4, 2000ORDER TO AUTHORIZE MAYOR TO SIGN REQUEST FOR FUNDS FOR GRANT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign "Request for Funds" for CDBG Grant #8-297-PF-97 on an "as needed" basis. 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.

ORDER TO AUTHORIZE MAYOR TO SIGN REQUEST FOR FUNDS FOR LOAN

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign "Request for Funds" for MDECD Airport Revitalization Loan #AP-013 on an "as needed" basis. 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.

ORDER TO AUTHORIZE MAYOR TO SIGN FORM RWD-700-9 FOR MEMORIAL BOULEVARD STP PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the required Form RWD-700-9 related to the Memorial Boulevard STP Project. 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.

ORDER TO AUTHORIZE MAYOR TO SIGN LAT 12 REPORT FOR GAS INVENTORY

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the LAT 12 Report for natural gas inventory in the Bistineau Facility of Bienville Parish, Louisiana for 1999. The following roll call vote was taken:

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

VOTING NAY: None

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ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN LETTER OF RELEASE TO B&B UTILITY CONTRACTORS, INC. IN CONNECTION WITH THE TELLY ROAD TRAFFIC SIGNAL PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign a letter to B&B Utility Contractors, Inc. that notifies them of their conditional release of further maintenance and public liability on items of their contract for the Telly Road Traffic Signal Project completed in accordance with the contract effective December 13, 1999. Final acceptance of the project is deferred until all duties and obligations imposed under the contract have been fulfilled. 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.

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT FOR CONSTRUCTION ENGINEERING FOR THE JERUSALEM/BLANKS TRAFFIC SIGNAL PROJECT

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 construction engineering on the Jerusalem/Blanks Traffic Signal Project:

CONTRACT AGREEMENT FOR CONSTRUCTION ENGINEERING SERVICES

THIS AGREEMENT is entered into this 4th day of April 2000, between Neel-Schaffer, Inc., Post Office Box 982, Hattiesburg, Mississippi 39403-0982 (hereinafter designated as the ENGINEER) and the Local Public Agency (LPA), City of Picayune, 203 Goodyear Boulevard, Picayune, Mississippi, County of PEARL RIVER, MISSISSIPPI (hereinafter designated as the LPA.)

WITNESSETH THAT:

WHEREAS, the LPA desires to engage the ENGINEER to provide construction engineering services in connection with the **Traffic Signal Installation, Memorial Boulevard and Jerusalem/Blanks Avenue, Surface Transportation Project No. 49-9601-00-002-10/STP-9601(2)**,

NOW THEREFORE:

The ENGINEER and the LPA agree as follows:

- I. CONSULTING ENGINEERING SERVICES:** The ENGINEER will furnish consulting services during construction of **Federal Aid Project No. STP-9601(2)**, LPA of City of Picayune, County of Pearl River, Mississippi, to include the following: construction engineering for the construction contract, which shall be in accordance with the approved plans, specifications and contract documents, all of which are incorporated in and made a part of this AGREEMENT.
- II. ENGINEERING ADMINISTRATION:** The engineering administration of construction will be the responsibility of the LPA acting through the ENGINEER, and will be subject to inspection and approval of the Chief Engineer of the MISSISSIPPI D.O.T., (hereinafter designated as the DEPARTMENT), and of the Federal Highway Administration (FHWA) or their representatives.
- III. CONSTRUCTION ENGINEERING SERVICES:** *Construction engineering services*

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shall consist of all engineering work involved from the contract stage, beginning with the date of FHWA concurrence in award of the construction contract, through the preparation and submission of the final estimate and supporting documents to the DEPARTMENT, and shall include the following:

- A. Setting of stakes to control the work, and resident project representation and other controls to review the work to determine in general if it is performed in accordance with the plans and specifications. All materials to be used in the construction of this project shall be tested and certified by the ENGINEER as meeting the requirements of the approved plans and specifications in accordance with Federal Aid Policy Guide (FAPG) 23CFR637B, Construction Inspection and Approval.
 - B. The ENGINEER shall promptly prepare, verify and recommend payment, if appropriate, of all eligible Contractor's estimates: he shall maintain a project diary as the official project record for each project, showing the Contractor's daily operation; and the engineering daily activities by names, function performed and hours worked. He shall maintain records of the ENGINEER'S out-of-pocket plus additives for profit and overhead items. He shall review the quantities of all materials incorporated in the project; and shall make prompt preparation and submission of the final estimate and supporting documents to the LPA for approval and payment. He shall likewise make such records available at all reasonable times during the contract period, and for three (3) years from the date of payment of the final estimate. These records, documents, and data shall be available for inspection by the LPA, DEPARTMENT, and the Federal Highway Administration and any other authorized representative of the Federal Government, and copies thereof shall be furnished if requested.
 - C. For work involved in Items (a), (b), and (d) the LPA will pay to the ENGINEER monthly for work done the previous month an amount equal to the ENGINEER'S out-of-pocket cost plus additives for profit and current overhead items (payroll, taxes, insurance, etc.) as provided for in Appendix "A" which is attached hereto and made part of this AGREEMENT. Monthly payments will be made on the basis of Certified Time Records. The maximum amount payable under this agreement shall be \$13,611.57 including a fixed fee of \$1,260.17 beyond which no funds will be authorized for payment without a Supplement-Agreement to this Agreement. Each monthly billing will be reduced by 5 percent, which shall be retained until final acceptance of the project by MDOT and FHWA.
 - D. The duties, responsibilities, and limitations of authority of the resident project representative(s) are listed in Appendix B, which is attached to and made a part of this AGREEMENT.
 - E. The responsible engineer employed by the ENGINEER is Charles H. Hill, P.E., Mississippi Registration No. 11087.
- IV. COVENANT AGAINST CONTINGENT FEES:** The ENGINEER warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the ENGINEER, to solicit or secure this contract, and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the ENGINEER, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award of the making of this contract. For breach or violation of this warranty, the DEPARTMENT shall have the right to annul this contract price, or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or other contingent fee.
- V. OWNERSHIP OF DOCUMENTS:** All project documents, including tracings, drawings, estimates, specifications, field notes investigations, studies, etc., as instruments of service are to become the property of the LPA. During the performance of the engineering services herein provided for, the ENGINEER shall be responsible for any loss of or damage to the documents herein enumerated while they are in his/her possession, and any such loss or damage shall be restored at his/her expense.
- VI. CHANGES IN WORK:** A Supplemental Agreement may be entered into between the LPA and the ENGINEER to increase the maximum amount payable under this contract for additional labor costs and expenses, provided there is a change in scope, character or complexity of the work to be performed. This Supplemental Agreement must be approved by the DEPARTMENT and the Federal Highway Administration prior to the performance of the additional work by the ENGINEER for which reimbursement will be requested.
- VII. DELAYS AND EXTENSIONS:** Engineering services shall be performed on a reasonable schedule for both the construction contract and for the preparation of reports and estimates and final documents. Approval of a delay of the submission must be requested by letter through the DEPARTMENT, giving reasons for the request and the approximate date proposed for submission of that data.
- VIII. TERMINATION OR SUSPENSION:** The terms of this contract shall be binding upon the parties hereto until the work has been completed and accepted by the LPA and all

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payments required to be made to the ENGINEER have been made; but this contract may be terminated under any or all of the following conditions:

- A. By mutual agreement and consent of the parties hereto.
 - B. By the LPA as a consequence of the failure of the Engineer to comply with the terms, progress or quality of work in a satisfactory manner. Proper allowance will be made for circumstances beyond the control of the ENGINEER.
 - C. By either party upon failure of the other party to fulfill its obligations as set forth in this contract.
 - D. By this LPA due to the departure for whatever reason of any principal member or members of the ENGINEER firm.
 - E. By satisfactory completion of all services and obligations described herein.
 - F. By the LPA giving thirty (30) days notice to the ENGINEER in writing and paying fees which both parties, the Department and FHWA, agree are due for completed work. If termination is made by the LPA Under Condition F. after work has started, the ENGINEERS will be paid for actual service rendered on the basis of their certified and itemized direct payroll cost plus the applicable percentage rates to cover payroll and overhead costs plus direct costs; however, the fixed fee will be adjusted to allow the same percentage of the original agreed upon fixed fee that the amount earned is of the original estimated cost of the work. Upon termination, the ENGINEER shall deliver to the LPA all documents specified in Section V, and the LPA shall pay in full for all work accomplished up to the date of termination, including any retained percentage earned to date. Should the LPA desire to suspend the work but not definitely terminate the contract, this may be done by thirty (30) days notice in writing to that effect.
- IX. DISPUTES AND LAW VIOLATIONS:** Any disputes will be mediated by LPA and ENGINEER and concurred in by the DEPARTMENT. Violations of the law will be referred to the local, state, or federal authority having proper jurisdiction.
- X. RESPONSIBILITIES FOR CLAIMS AND LIABILITY:** The ENGINEER will indemnify and save harmless the LPA, and the DEPARTMENT, its officers and employees from or occasioned by, any act of or omission of the ENGINEER, his/her employees, agents or servants, resulting in bodily injury, property damage or death of any party.
- In the event of joint or concurrent negligence of ENGINEER and LPA, each shall bear that portion of the loss or expense that its share of the joint or concurrent negligence bears to that total negligence (including that of third parties) which caused the personal injury or property damage.
- XI. SUBLETTING, ASSIGNMENT OR TRANSFER OF WORK:** The ENGINEER is expressly prohibited from subletting, assigning or transferring any part of these engineering services, other than the testing of materials, to any other person, firm or engineering consultant.
- XII. FEDERAL PROVISIONS:** See Appendix C, which is hereby made a part of this AGREEMENT.
- XIII. ENERGY CONSERVATION:** The Engineer warrants that he/she will conduct his/her office and field operations in an energy efficient manner in compliance with the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-165).
- XIV. TIME OF PERFORMANCE:** The construction engineering services of the ENGINEER shall start with date of FHWA concurrence in the award of the construction contract by the LPA, and be completed within 60 calendar days after the final inspection and acceptance of the construction work performed by others. The services of the ENGINEER are anticipated to be needed and completed in an expedient manner. It is understood that construction progress of force account work by the LPA and/or contractor's work shall influence the time period for the ENGINEER's services. Therefore, it is necessary that construction be completed in accordance with the original time limit set forth in the original construction schedule. When it become evident to the LPA that the maximum amount payable under Section III (c) will be depleted due to the need for more man-hours of work than estimated, a Supplement Agreement will be processed to provide for reimbursement to the ENGINEER for out-of-pocket expense including overhead costs as provided for in Appendix A. The need for an adjustment in the fixed fee will be determined and made a part of the Supplemental Agreement if appropriate. This Supplemental Agreement must be approved by the DEPARTMENT and the Federal Highway Administration prior to the performance of additional work by the ENGINEER for which additional reimbursement will be requested. The estimated fees in Appendix A are based on the initial construction time estimate as included in the Contract Documents. If the construction time extends beyond the contract time, through no fault of the ENGINEER, the LPA agrees to pay the ENGINEER for the construction engineering services to complete the project with or without Federal participation, subject to approval by MDOT and FHWA.

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XV. LIMITATION OF ENGINEER'S SERVICES: It is understood that the Construction Engineering furnished by the ENGINEER under this agreement will endeavor to protect the LPA against defects and deficiencies in the work of the contractor but the ENGINEER does not guarantee the contractor's performance, nor assume any duty to supervise construction and safety procedures followed by any contractor or subcontractor, nor the LPA in the case of force account work performed directly by the LPA or their respective employees or by any other person, nor for any public liability for property damage caused through acts of the contractor, subcontractor, the LPA and of their employees or any other person.

XVI. SUBSURFACE CONDITIONS AND UTILITIES: LPA 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. LPA 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 LPA 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.

XVII. 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. LPA hereby warrants that, if he knows 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. LPA 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 LPA as soon as practically possible should unanticipated hazardous materials or suspected hazardous materials be encountered. The LPA and the ENGINEER each binds himself, his partners, successors, administrators, and assigns to the other party to this AGREEMENT, and to the partners, successors, executors, administrators and assigns of each other party in respect of all of the covenants of this AGREEMENT.

The LPA and ENGINEER hereby agree to full performance of the covenants contained herein and it is understood that the work under this agreement is not eligible for Federal Aid participation until approved by the DEPARTMENT AND FHWA.

IN WITNESS WHEREOF, they have executed this AGREEMENT the day and year first mentioned.

BY: _____
Authorized LPA Official

Title

For the Consultant

Title

RECOMMENDED FOR APPROVAL:

APPROVED:

Chief Engineer, MDOT

Executive Director, MDOT

DATE: _____

DATE: _____

APPROVED: FEDERAL HIGHWAY ADMINISTRATION

BY: _____

DATE: _____

APPENDIX "A"
 AGREEMENT FOR ENGINEERING SERVICES
 FEDERAL-AID PROJECT 49-9601-00-002-10(STP-9601(2))
 CITY/COUNTY City of Piscaunus - Pearl River - County
 ESTIMATED CONSTRUCTION ENGINEERING COSTS - ESTIMATED 90 WORKING DAYS (CONTRACT TIME)

CLASSIFICATION	Basic Hourly Rate *	Total Overhead **	Total Hourly Rate	Estimated Number of Hours	Estimated Cost
Project Manager	\$ 25.72	\$ 34.75	\$ 60.47	4	\$ 241.88
Project Engineer	25.70	\$ 34.73	\$ 60.43	80	\$ 4,834.40
Resident Project Representative	18.44	\$ 24.92	\$ 43.36	120	\$ 5,203.20
Clerical	11.80	\$ 15.94	\$ 27.74	8	\$ 221.92
SUBTOTAL LABOR COST					\$ 10,501.40
Fixed Fee					1,260.17
Direct Expenses					
Estimated Travel Mileage*** of 5000 Miles at \$0.30/Mile					1,500.00
Other Expenses (Reproductions, etc.)					100.00
Commercial Testing Laboratory Expense (Only if Federal-Aid Participating)					250.00
Estimate = \$74,000	at 15%	11,100.00	TOTAL CONSTRUCTION ENGINEERING COST		\$ 13,611.57

Notes:

- * Basic hourly rate is direct salary rate. Hourly basic rate does not include any premium or overtime costs nor are premium or overtime costs included in other payroll cost or overhead.
- ** See attached form of percentages added for "other payroll costs" and "overhead."
- *** Mileage Records: Keep a daily record of miles traveled and places visited to support mileage reimbursements.
Sustenance Records: Secure receipts for meals and lodging and submit for reimbursement.

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NEEL-SCHAFFER, INC.
HOME/FIELD OFFICE OVERHEAD ALLOCATION
FISCAL YEAR ENDED DECEMBER 31, 1996

	ALLOCATION				% ALLOCATED TO FIELD OFFICE
	ALLOWABLE EXPENSES PER AUDIT	MDOT ADJUSTMENT	HOME	FIELD	
DIRECT LABOR	<u>3,740,302.00</u>		<u>3,496,981.00</u>	<u>243,321.00</u>	6.51%
FRINGE BENEFITS					
Bonuses **	1,161,119.00	(232,992.85)	867,705.14	60,421.01	6.51%
Insurance - Employee	287,330.00		268,624.82	18,705.18	6.51%
Payroll Taxes	432,150.00		404,017.03	28,132.97	6.51%
	<u>1,880,599.00</u>	<u>(232,992.85)</u>	<u>1,540,346.99</u>	<u>107,259.16</u>	
GEN. OVERHEAD					
Computer Expenses	(21,994.00)		(21,525.41)	(468.59)	2.13%
Continuing Education	104,324.54		102,102.43	2,222.11	2.13%
Depreciation	275,102.80		269,243.11	5,859.69	2.13%
Dues & Subscriptions	33,962.32		33,238.92	723.40	2.13%
Insurance-Business	224,770.17		219,982.57	4,787.60	2.13%
Indirect Salaries	1,701,208.00		1,590,459.36	110,748.64	6.51%
Miscellaneous	23,260.41		22,764.96	495.45	2.13%
Professional Services	177,824.93		174,037.26	3,787.67	2.13%
Rent-Building	402,254.00		393,685.99	8,568.01	2.13%
Rent-Equipment	39,084.00		38,251.51	832.49	2.13%
Repair & Maintenance	51,199.00		50,108.46	1,090.54	2.13%
Supplies/Office Exp	147,108.00		143,974.60	3,133.40	2.13%
Taxes/Licenses/Fees	17,341.36		16,971.99	369.37	2.13%
Telephone	82,902.37		81,136.55	1,765.82	2.13%
Travel	71,567.32		70,042.94	1,524.38	2.13%
Bad Debts	0.00		0.00	0.00	2.13%
Contributions	0.00		0.00	0.00	2.13%
Interest	0.00		0.00	0.00	2.13%
Other Unallowed	0.00		0.00	0.00	2.13%
	<u>3,329,915.22</u>		<u>3,184,475.24</u>	<u>145,439.98</u>	

** LDOTD applied its salary caps to compensation. MDOT does not have salary caps; however, to comply with F.A.R. Subpart 31.205-6 regarding reasonableness and distribution of profit, MDOT disallows \$232,992.85.

Indirect salaries were allocated to the Field Office on the basis of Field Office Direct Labor divided by Total Direct Labor:
(243,321/3,740,302) = 6.51%

Indirect expenses supporting field office for support of the indirect salaries were allocated to the Field Office on the basis of the allocated indirect salaries as determined above, divided by Total Home Office salaries:
110,748.64/(3,496,981 + 1,701,208) = 2.13%

	Home Office	Field Office
Fringe Benefits	1,540,346.99 = 44.05%	107,259.16 = 44.09%
	3,496,981.00	243,321.00
General O/H	3,184,475.24 = 91.07%	145,439.98 = 59.78%
	3,496,981.00	243,321.00
Total O/H	135.12%	103.87%

APPENDIX B**A LISTING OF THE DUTIES, RESPONSIBILITIES AND LIMITATIONS OF AUTHORITY OF THE RESIDENT PROJECT REPRESENTATIVE.**

The ENGINEER shall furnish a Resident Project Representative (RPR), assistants and other field staff to assist the ENGINEER in inspecting performance of the Work of the CONTRACTOR. Through more extensive on-site inspections of the Work in progress and field checks of materials and equipment by the RPR and assistants, the ENGINEER shall endeavor to provide further protection for the LPA against defects and deficiencies in the Work; but, the furnishing of such services will not make the ENGINEER responsible for or guarantee the CONTRACTOR'S performance, nor resume any duty to supervise construction and safety procedures followed by the CONTRACTOR or subcontractors. The duties and responsibilities of the RPR are limited to those of the ENGINEER in the ENGINEER'S agreement with the LPA and in the construction Contract Documents, and are further limited and described as follows:

I. General:

The RPR is the ENGINEER'S agent at the site, will act as directed by and under the supervision of the ENGINEER, and will confer with the ENGINEER regarding RPR'S actions. The RPR'S dealings in matters pertaining to the on-site work shall in general be

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with the ENGINEER and CONTRACTOR, keeping the LPA advised as necessary. The RPR'S dealings with subcontractors shall only be through or with the full knowledge and approval of the CONTRACTOR. The RPR shall generally communicate with the LPA with the knowledge of and under the direction of the ENGINEER.

- II. Duties and Responsibilities of the RPR:
- A. Schedules:
Review progress schedule of Shop Drawing submittals and schedule of values prepared by the CONTRACTOR and consult with the ENGINEER concerning acceptability.
- B. Conferences and Meetings: Attend meetings with the CONTRACTOR, such as pre-construction conferences, progress meetings, job conferences and other project-related meetings, and prepare and circulate copies of minutes thereof.
- C. Liaison:
1. Serve as the ENGINEER'S liaison with the CONTRACTOR, working principally through the CONTRACTOR'S superintendent and assist in understanding the intent of the Contract Documents; and assist the ENGINEER in serving as the LPA'S liaison with the CONTRACTOR when the CONTRACTOR'S operations affect the LPA'S on-site operations.
2. Assist in obtaining from the LPA additional details or information, when required for Proper execution of the work.
- D. Shop Drawings and Samples:
1. Record the date of receipt of Shop Drawings and samples.
2. Take samples and receive samples which are furnished at the site by the CONTRACTOR, and notify the ENGINEER of availability of samples for examination.
3. Advise the ENGINEER and the CONTRACTOR of the commencement of any Work requiring a Shop Drawing or sample if the submittal has not been approved by the ENGINEER.
- E. Review of Work, Rejection of Defective Work, Inspections and Tests:
1. Conduct on-site observations of the Work in progress to assist the ENGINEER in determining if the Work is in general proceeding in accordance with the Contract Documents.
2. Report to the ENGINEER whenever the RPR believes that any Work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise the ENGINEER of Work that the RPR believes should be corrected or rejected for should be uncovered for observation, or requires special testing, inspection or approval.
3. Verify that tests, equipment and systems startups and operating and maintenance training are conducted in the presence of appropriate personnel, and that the CONTRACTOR maintains adequate records thereof; and observe, record and report to ENGINEER appropriate details relative to the test procedures and startups.
4. Accompany visiting inspectors representing the public or other agencies having jurisdiction over the Project, record the results of these inspections and report to the ENGINEER.
- F. Interpretation of Contract Documents:
Report to the ENGINEER when clarifications and interpretation of the Contract Documents are needed and transmit to the CONTRACTOR clarifications and interpretations as issued by the ENGINEER.
- G. Modifications:
Consider and evaluate the CONTRACTOR'S suggestions for modifications in Drawings or Specifications and report with the RPR'S recommendations to the ENGINEER. Transmit to the CONTRACTOR decisions as issued by the ENGINEER.
- H. Records:
1. Maintain at the job site orderly files for correspondence, reports of job conferences, Shop Drawings and samples, reproductions of original Contract Documents including all Work Directive Changes, Addenda, Change Orders, Field Orders, additional Drawings issued subsequent to the execution of the Contract, ENGINEER'S clarification and interpretations of the Contract Documents, progress reports, and other Project related documents.
2. Keep a diary signed daily, recording the CONTRACTOR hours on the job site, weather conditions, data relative to questions of Work Directive Changes, Change Orders or changed conditions, list of job site visitors, daily activities of the prime contractors and all subcontractors, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to the ENGINEER.
3. Record names, addresses and telephone numbers of all CONTRACTORS, subcontractors and major suppliers of materials and equipment.
- I. Reports:
1. Furnish the ENGINEER periodic reports as required of progress of the Work and of the CONTRACTOR'S compliance with the progress schedule and schedule of Shop Drawing and sample submittals.
2. Consult with the ENGINEER in advance of scheduled major tests, inspections

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- or start of important phases of the Work.
3. Draft proposed Supplemental Agreements, Quantity Adjustments and Work Directive Changes, obtaining backup material from the CONTRACTOR; and recommend Supplemental Agreements, Quantity Adjustments, Work Directive Changes, and Field Orders to the ENGINEER.
 4. Report immediately to the ENGINEER and to the LPA upon the occurrence of any accident.
- J. Payment Requests:

Review applications for payment with the CONTRACTOR for compliance with the established procedure for their submission and forward with the RPR's recommendations to the ENGINEER, noting particularly the relationship of the payment requested to the schedule of values and Work completed and materials and equipment delivered to the site but not incorporated in the Work.
 - K. Certificates, Maintenance and Operation Manuals:

During the course of the Work verify that certificates, maintenance and operations manuals and other data required to be assembled and furnished by the CONTRACTOR are applicable to the items actually installed and in accordance with the Contract Documents, and have this material delivered to the ENGINEER for review and forwarding to the LPA prior to final payment for the Work.
 - L. Completion:
 1. Before the ENGINEER issues a Certificate of Substantial Completion, submit a list of observed items requiring completion or correction to the Contractor.
 2. Conduct a final inspection in the company of the ENGINEER, the LPA, the CONTRACTOR, the MDOT, & FHWA, and prepare a final list of items to be completed or corrected.
 3. Observe that all items on the final list have been completed or corrected and make recommendations to the ENGINEER concerning acceptance.
- III. Limitations of Authority
- The Resident Project Representative:
- A. Shall not authorize any deviation from the Contract Documents or substitution of materials or equipment, unless authorized by the ENGINEER.
 - B. Shall not exceed the limitations of the ENGINEER'S authority as set forth in the Contract Documents.
 - C. Shall not undertake any of the responsibilities of the CONTRACTOR, subcontractors or the CONTRACTOR's superintendent.
 - D. Shall not advise on, issue directions relative to, or assume control over any aspect of the means, method, techniques, sequences or procedures of construction unless such advise or directions are specifically required by the Contract Documents.
 - E. Shall not advise on, issue directions regarding, or assume control over safety precautions and programs in connection with the Work.
 - F. Shall not accept Shop Drawing or sample submittals from anyone other than the Contractor.
 - G. Shall not authorize the LPA to occupy the Project in whole or in part.
 - H. Shall not participate in specialized field or laboratory tests or inspections conducted by others except as specifically authorized by ENGINEER.

**APPENDIX C
FEDERAL PROVISIONS**

The following required contract provisions shall apply to this CONTRACT and AGREEMENT:

- I. CIVIL RIGHTS ACT: The CONSULTANT will comply with the regulations of the Department of Transportation relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21.
 - A. The CONSULTANT agrees to comply: All contracts and subgrants in excess of \$10,000 shall include provisions for compliance with Executive Order No. 11246, entitled, "Equal Employment Opportunity," as supplemented in Department of Labor Regulations (41 CFR, Part 60). Each contractor or subgrantee shall be required to have an affirmative action plan which declares that it does not discriminate on the basis of race, color, religion, creed, national origin, sex, and age and which specifies goals and target dates to assure the implementation of that plan. The grantee shall establish procedures to assure compliance with this suspected or reported violations are promptly investigated.
 - B. The CONSULTANT agrees to comply with Title VI of the Civil Rights Act of 1964 as amended by 49 CFR 21 through Appendix C and 23 CFR 710.405 (b).
 - C. Pursuant to Section 23.43 of 49 CFR Part 23, the following statements regarding disadvantaged business enterprises are included in, and made a part of this CONTRACT and AGREEMENT:
 1. (1) "Policy. It is the policy of the Department of Transportation 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 the Federal funds under this agreement. Consequently the DBE requirements of 49 CFR Part 23 apply to this statement.
 - (2.) "DBE Obligation. The DEPARTMENT and the CONSULTANT agree 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

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subcontractors financed in whole or in part with federal funds provided under this AGREEMENT. In this regard the DEPARTMENT and the CONSULTANT 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. The DEPARTMENT and the CONSULTANT shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of DOT-assisted contracts."

2. The DEPARTMENT shall advise the CONSULTANT that failure to carry out the requirements set forth in 23.43 (a) shall constitute a breach of contract and, after the notification of the DOT, may result in termination of the contract by the DEPARTMENT or such remedy as the DEPARTMENT deems appropriate.
- II. CONSTRUCTION ENGINEERING SERVICES – In accordance with 23 CFR 1204, Supp. D, Paragraphs e., f., and g., Attachment 0, and 49 CFR Part 18C, Paragraphs 12 and 13:
- A. All contracts and subgrants for construction or repair shall include a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. §74) as supplemented in Department of Labor regulations (29 CFR, Part 3). This Act provides that each contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The grantee shall report all suspected or reported violations to the grantor agency.
 - B. When required by the Federal grant program legislation, all construction contracts awarded by grantees and subgrantees in excess of \$2,000 shall include a provision for compliance with the Davis Bacon Act (40 USC 276a to a7) and as supplemented by Department of Labor regulations (29 CFR, Part 5). Under this Act contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less often than once a week. The grantee shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The grantee shall report all suspected or reported violations to the grantor agency.
 - C. Where applicable, all contracts awarded by grantees and subgrantees in excess of \$2,000 for construction contracts and excess of \$2,500 for other contracts which involve the employment of mechanics or laborers shall include a provision for compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR, part 5). Under section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of 8 hours and a standard work week of 40 hours. Work in excess of the standard workday or work week is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basis rate of pay for all hours worked in the excess of 8 hours in any calendar day or 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety, and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
 - D. Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15) (Contracts, subcontracts, and subgrants of amounts in excess of \$10,000).
 - E. Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163).
- III. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS
Certification in accordance with 49 CFR Part 29, Subpart E, Section 29.510, Appendix A:
- A. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
 3. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
 4. Have not within a three-year period preceding this application/proposal had one or more public transaction (Federal, State, or local) terminated for cause or default.
 - B. Where the prospective primary participant is unable to certify to any of the statements in

REGULAR MEETING DATED APRIL 4, 2000

this certification, such prospective participant shall attach an explanation to this proposal.

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.

ORDER TO AUTHORIZE MAYOR TO SIGN RESPONSE FORM FOR JUVENILE ACCOUNTABILITY INCENTIVE BLOCK GRANT

Upon recommendation of the Police Department and the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign the "Response Form for Municipalities" in connection with the application for a Juvenile Accountability Incentive Block Grant of \$15,561. Local match would be a 10% cash match of the total cost. 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.

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 28, 2000. 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.

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 16, 2000. 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

REGULAR MEETING DATED APRIL 4, 2000

The motion was declared carried.

CONSIDER REQUEST TO REZONE PROPERTY LOCATED ON HIGHWAY 43 NORTH

After a proper public hearing was held by the Planning Commission at their March 28, 2000 meeting, the following ordinance was presented to the Council as part of a request to rezone property located on Highway 43 North and owned by David Allison:

ORDINANCE NO. 739**AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-1, SINGLE FAMILY RESIDENTIAL, AND C-1, NEIGHBORHOOD COMMERCIAL DISTRICT, 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. That the following R-1, Single Family Residential and C-1, Neighborhood Commercial described property shall be rezoned to OP, Office Professional:

Commencing 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 628.33 feet; thence West 1410.25 feet to a 2" iron pipe at a 8" fence corner for the Point of Beginning; thence South 14 degrees 07 minutes 07 seconds East along said fence 608.56 feet to a Point on the North margin of Mississippi State Highway No. 43 North, a paved public road; thence North 89 degrees 44 minutes 18 seconds West along said margin 280.20 feet; thence leaving margin, North 07 degrees 26 minutes 30 seconds West 300.00 feet said; thence West 434.79 feet; thence North 22 degrees 59 minutes 00 seconds West 14.11 feet to a 6" fence corner, thence North 281.25 feet; thence South 89 degrees 44 minutes 10 seconds East on and along said fence 610.90 feet to the Point of Beginning. This parcel containing 6.144 acres and being a part of the Northeast Quarter of the Northwest Quarter and a part of the Northwest Quarter of the Northeast Quarter both in Section 12, Township 6 South, Range 17 West, Pearl River County, Mississippi.

LESS AND EXCEPT: Parcel 11 commencing 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 628.33 feet; thence West 1410.25 feet to a 2" iron pipe and a 8" fence corner for the Point of Beginning; thence along a fence South 14 degrees 07 minutes 07 seconds East 300.50 feet; thence leaving said fence West 176.15 feet to the centerline of the AT&T easement; thence along said centerline North 07 degrees 26 minutes 30 seconds West 294.55 feet; thence leaving said centerline South 89 degrees 44 minutes 10 seconds East 141.00 feet to the Point of Beginning. This parcel containing 1.06 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.

ALSO: Parcel 12 commencing 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 628.33 feet; thence West 1410.25 feet to a 2" iron pipe and a 8" fence corner; thence along a fence South 14 degrees 07 minutes 07 seconds East 300.50 feet for the Point of Beginning; thence along said fence South 14 degrees 07 minutes 07 seconds East 308.06 feet to a point of the North margin of Mississippi State Highway 43 North, a paved, public road; thence leaving said fence and along said margin North 89 degrees 44 minutes 18 seconds West 212.41 feet to the centerline of the AT&T easement; thence leaving said margin and along said centerline North 07 degrees 26 minutes 30 seconds West 300.31 feet; thence leaving said centerline East 176.15 feet to the Point of Beginning. This parcel containing 1.33 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.

- 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.

REGULAR MEETING DATED APRIL 4, 2000

- b. 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.
- c. 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 Thorman, seconded by Councilmember Bates, and voted upon as follows:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion having received the affirmative vote of the majority of the members present, the Mayor declared the motion carried and the ordinance passed, approved and adopted.

CONSIDER REQUEST TO REZONE PROPERTY LOCATED ON GOODYEAR BOULEVARD

After a proper public hearing was held by the Planning Commission at their March 28, 2000 meeting, the following ordinance was presented to the Council as part of a request to rezone property located on Goodyear Boulevard and owned by Nathan Farmer:

ORDINANCE NO. 740**AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-1, SINGLE FAMILY RESIDENTIAL, TO C-2, DOWNTOWN COMMERCIAL DISTRICT**

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, In Meeting Duly Assembled:

Section 1. That the following described property shall be rezoned from R-1, Single Family Residential, to C-2, Downtown Commercial District:

Block 45, Lot 13, Williams Goodyear Addition
Section 15, Township 6 South, Range 17 West.

Section 2. Severability, Conflict and Effective Date:

- a. Should any section, clause, paragraph, 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 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. 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 Roberson, seconded by Councilmember Thorman, and voted upon as follows:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

REGULAR MEETING DATED APRIL 4, 2000

The motion having received the affirmative vote of the majority of the members present, the Mayor declared the motion carried and the ordinance passed, approved and adopted.

CONSIDER REQUEST TO SUBDIVIDE LOT LOCATED ON FARRELL STREET

Motion was made by Councilmember Bates, seconded by Councilmember Thorman, to approve the subdividing of a lot owned by Mr. Charles Rasmussen and located at 112 Farrell Street into two conforming lots sized 70' by 100'. One new lot will front on Farrell Street, and the other new lot will front on Willow Street. 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.

CONSIDER REQUEST OF GTM BUILDING SUPPLY, INC. TO CHANGE THE SPECIFICATIONS OF THEIR FENCE

Daniel Burge of GTM Building Supply, Inc. presented the following proposed changes in the specifications of the wooden fence to be placed on their property:

1. To come from existing corner of fence on Highway 11 down approximately 20' on North Haugh Avenue
2. To come from existing fence in back of property in curve west 40'

The fence was required by the Council at their November 2, 1999 meeting in their approval of the request of GTM Building Supply to place an open storage building on the side of their present building. There was to be constructed 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 was to be 7 1/2' in height on all sides except on the south side of the property where it was to be 10' in height from the property line on North Haugh and continuing east approximately 50' in length. The action further stipulated 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.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the changes as proposed by GTM Building Supply, Inc, leaving an approximately 150' opening in the fence along the south side of the property on North Haugh Avenue. The motion stipulates that the fence must be constructed of wood and that all other terms of the original motion are still enforceable. 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.

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, Bates and Thorman

REGULAR MEETING DATED APRIL 4, 2000

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter executive session to discuss a matter involving the sale, lease or purchase of property and a matter of potential litigation. 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.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter involving the sale, lease or purchase of property and a matter 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 a matter involving the sale, lease or purchase of property and a matter of potential litigation and took no action.

ORDER TO RECESS

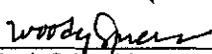
Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to recess until April 10, 2000 at 6:00 p.m. The following roll call vote was taken:

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.



 Woody Spiers, Mayor



 Sabrina Diamond, City Clerk

April 10, 2000

**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, Monday, April 10, 2000, 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, and Deputy City Clerk Brenda Ford.

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

ORDER TO CONSIDER PARTICIPATION IN PROGRAM FOR ADVANCE PURCHASE OF NATURAL GAS

The Mayor and City Council of the City of Picayune took up the matter of declaring its intent to participate in a program for advance purchase of a supply of natural gas through the Municipal Gas Authority of Mississippi. After discussion of the subject, Councilmember Thorman offered and moved the adoption of the following resolution:

RESOLUTION DECLARING THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE'S INTENT TO PARTICIPATE IN A PROGRAM FOR ADVANCE PURCHASE OF A SUPPLY OF NATURAL GAS AND FOR RELATED PURPOSES

WHEREAS, the Mayor and City Council (the "Council") of the City of Picayune (the "City"), hereby finds, determines, adjudicates and declares as follows:

1. The City is a municipality as defined under Section 77-6-1 et seq. of the Mississippi Code of 1972, as amended.
2. The Municipal Gas Authority of Mississippi (the "Authority") has announced a plan to structure and implement a program to provide for the advance purchase of natural gas to supply participating municipalities with the objective of assuring a guaranteed natural gas supply arrangement below market price and with the advance purchase of natural gas supply by the Authority to be funded through the issuance of Bonds through the Mississippi Development Bank.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE AS FOLLOWS:

SECTION 1. That with the adoption of this resolution the City declares its intent to participate in the program and the Authority is authorized and directed to include the City in its calculation and planning for the implementation of the program as a participating municipality for a guaranteed supply of natural gas at a volume of 250,000 MMBtu per year.

SECTION 2. The City's obligation to execute a contract with the Authority to participate in the program for a guaranteed gas supply is contingent upon a contract at Inside FERC Gas Market Report applicable pipeline monthly index minus five (5) cents with said terms and conditions of said contract to be approved by the City.

SECTION 3. That upon adoption of this resolution the Authority will keep the City informed of all steps and plans toward implementation and make available at the appropriate time all necessary documents for the City's participation.

Following the reading of the foregoing resolution, Councilmember Bates seconded the motion for its adoption. The following roll call vote was taken:

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

RECESSED MEETING DATED APRIL 10, 2000

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried and the resolution adopted.

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 Thorman

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter executive session to discuss two (2) matters involving the prospective sale, lease or purchase of property and one (1) matter of potential litigation. 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.

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss two (2) matters involving the prospective sale, lease or purchase of property and one (1) matter of potential litigation.

ORDER TO AUTHORIZE THE CITY MANAGER TO NEGOTIATE WITH CYPRESS DEVELOPMENT FOR DEVELOPMENT AT NEW AIRPORT

While in executive session, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the City Manager to negotiate with Cypress Development related to a land lease at the new airport based on the following guidelines:

1. Lease value of the property is \$0.15 per square foot for the footprint of the building, approximately 37,000 square feet
2. Lease term is 40 years and renewable for 40 years if legally possible
3. Tax exemption for the building will be negotiated based on the value of the economic impact to the community
4. Negotiations will remain open for a period of 30 days

The following roll call vote was taken:

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

VOTING NAY: None

RECESSED MEETING DATED APRIL 10, 2000

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Thorman, seconded by Councilmember Roberson, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed two (2) matters involving the prospective sale, lease or purchase of property and one (1) matter of potential litigation and took action on one (1) matter involving the prospective sale, lease or purchase of property.

ORDER TO AUTHORIZE OFFICIAL TRAVEL FOR MAYOR AND COUNCIL

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to authorize travel for the Mayor, Council, City Manager and City Attorney to New York City on June 10, 2000 for the 21st Annual Mississippi Picnic in Central Park sponsored by the New York Society for the Preservation of Mississippi Heritage. 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.

ORDER TO RECESS

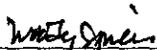
Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to recess until April 12, 2000 at 6:30 p.m. The following roll call vote was taken:

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

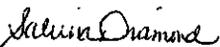
VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Guy and McQueen

The motion was declared carried.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

April 12, 2000

**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, Wednesday, April 12, 2000, 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, and City Clerk Sabrina Diamond.

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

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

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, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, 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 Roberson, seconded by Councilmember McQueen, and unanimously carried, the Mayor reopened the meeting. The Mayor stated that while in executive session the Council discussed one matter of potential litigation and took no action.

ORDER TO RECESS

Motion was made by Councilmember McQueen, seconded by Councilmember Bates, to recess until April 18, 2000 at 6:00 p.m. The following roll call vote was taken:

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

RECESSED MEETING DATED APRIL 12, 2000

VOTING NAY: None

The motion was declared carried.

Woody Spiers
Woody Spiers, Mayor

Sabrina Diamond
Sabrina Diamond, City Clerk

April 18, 2000

**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 18, 2000, 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 Councilmember Guy, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the minutes of the Mayor and City Council dated April 4, 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 ACKNOWLEDGE RECEIPT OF MINUTES OF THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Pearl River County Development Association (PRCDA) dated February 28, 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 ACKNOWLEDGE RECEIPT OF PUBLIC RECORDS REQUESTS REPORTS FOR FEBRUARY AND MARCH 2000

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to acknowledge receipt of monthly Public Records Requests Reports for February and March 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 APRIL 18, 2000ORDER TO ACKNOWLEDGE RECEIPT OF ACTIVITIES REPORT FOR RETIREMENT DEVELOPMENT DEPARTMENT

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to acknowledge receipt of the monthly Activities Report for the Retirement Development Department for March 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.

CONSIDER REQUEST TO WAIVE FRIENDSHIP PARK FEES

Upon request of Ms. Willie Pearl Magee, Administrator for the Picayune Head Start Complex, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to waive the \$5 per hour fee for use of the gazebo at Friendship Park on May 11 and 12, 2000 from 9:00 a.m. until noon each day. The Head Start Center is planning an end-of-year fun day for the children. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

EMPLOYEES OF THE MONTH

Upon recommendation of the City Clerk, Jennifer Kellar, Rose Mitchell and Lorraine Westbrook were declared Employees of the Month for April 2000. They were presented with savings bonds from First National Bank, BankPlus and Union Planters Bank.

SERVICE RECOGNITION

Susan Brumfield was recognized by the Mayor and Council on her retirement from the Police Department with 20 years of service to the City.

PUBLIC HEARING FOR PROPERTY CLEANUP

A public hearing on property cleanup was held on the following properties:

<u>Address</u>	<u>Owner</u>
901 Jarrell Street	Martha Mitchell
609 Jarrell Street	Calvenia Bowens
120 South Haugh	Bobby Whitfield

The Grants Administrator stated that some cleanup had been done on the property at 120 South Haugh but that there was still some work to be done. Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to table any action on the property cleanup for 120 South Haugh until the next Council meeting. The following roll call vote was taken:

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

RECESSED MEETING DATED APRIL 18, 2000

VOTING NAY: None

The motion was declared carried.

The Grants Administrator stated that no substantial work had been done at either property located on Jarrell Street. Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to proceed with the property cleanup on the properties located at 901 South Jarrell Street and 609 South Jarrell Street and assess the cost of cleaning the properties to the taxes of the owner. The following 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 REQUEST FOR EXTENSION ON AIRPORT REVOLVING LOAN AGREEMENT, AP-013

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the request to the Mississippi Department of Economic and Community Development (MDECD) on the Airport Revolving Loan Agreement, AP-103, to extend the project completion date to September 30, 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 APPOINT MEMBERS TO THE PRIDE STEERING COMMITTEE

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to appoint the following members to the PRIDE Steering Committee for a 3-year term to expire in May 2003:

Sheila Wallace
Marvin Foxworth
Vienna Snodgrass
Chief Brenda Smith
Elder David Simmons
Kristen Hartford

The following 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 18, 2000ORDER TO AUTHORIZE PURCHASE VEHICLE FROM AUCTION

Upon request of the Public Works Director, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Purchasing Agent to attend vehicle auctions to purchase an 8-10 passenger van with less than approximately 50,000 miles to be used by the Grounds Department at a cost not to exceed \$14,000 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.

ORDER TO AUTHORIZE MAYOR TO SIGN GRANT APPLICATION

Upon recommendation of the Police Department and the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign the Police Department's Juvenile Accountability Incentive Block Grant application to apply for grant funds of \$15,405.00. The City's cash match will be \$1,540.50. 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 MAYOR AND CITY CLERK TO SIGN APPLICATION FOR CITY CREDIT CARD

Upon recommendation of the City Manager, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Mayor and City Clerk to sign necessary applications to obtain a City credit card from Hancock Bank with no setup or annual 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 CONSIDER ADOPTION OF RESOLUTION RELATING TO AIRPORT REVITALIZATION REVOLVING LOAN

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 Guy offered and moved the adoption of the following resolution:

RECESSED MEETING DATED APRIL 18, 2000

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 ten 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

RECESSED MEETING DATED APRIL 18, 2000

be held at its regular meeting place at City Hall in Picayune, Mississippi at 6:00 p.m. on the 16th day of May, 2000, 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 protest 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 than twenty-one (21) days prior to May 16, 2000, and the last publication shall be made not more than seven (7) days prior to such date, said Resolution to be published on April 21 and 28 and May 5 and 12, 2000.

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 Thorman seconded the motion to adopt the foregoing Resolution, and the vote thereupon was as follows:

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

VOTING NAY: Councilmember McQueen

The motion and resolution were declared carried and adopted.

ORDER TO CONSIDER BID AWARD

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 materials for the gas line extension on Cooper Road to the low bidder, Louisiana Utilities Supply Co., in the amount of \$11,194.40. The following 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 Guy, to approve the issuance of the following manual checks:

Reliant Energy	Utility Fund	\$13,020.00
Sonat Marketing	Utility Fund	76,956.88
Koch Gateway Pipeline	Utility Fund	5,919.24
Williams Energy	Utility Fund	532.56
State Tax Commission	General Fund	12.00

The following roll call vote was taken:

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

RECESSED MEETING DATED APRIL 18, 2000

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.

Motion was made by Councilmember Thorman, 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 Roberson, seconded by Councilmember Thorman, and unanimously carried, 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.

ORDER TO AUTHORIZE CITY ATTORNEYS TO MAKE REQUEST TO SOUTHERN REGIONAL CORPORATION REGARDING CONSTRUCTION OF NEW HOSPITAL

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the City attorneys to make a request to Southern Regional Corporation for their written assurance by May 1, 2000 that Article 6.25 of the lease-purchase agreement regarding the construction of a new hospital facility will not be modified. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

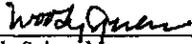
RECESSED MEETING DATED APRIL 18, 2000ORDER TO ADJOURN

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

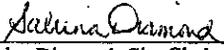
VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

May 2, 2000

**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 2, 2000, 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 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 April 10, 12 and 18, 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 THE PURCHASE OF CEMETERY PLOTS

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the purchase of the following cemetery plots and issue manual checks for the same as listed below:

Lot 38, N ½ of NE ¼, Block S, Palestine Cem.	\$150.00	Nancy Baker
Lot 12, N ½ of SW ¼, Block T, Palestine Cem.	\$150.00	Edward S. Rourke
Lot 32, SW ¼, Block U, Palestine Cem.	\$300.00	W.H. Parsons

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 MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the monthly claims docket for May 1999 in the total amount of \$394,589.13. The following roll call vote was taken:

REGULAR MEETING DATED MAY 2, 2000

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.

EMPLOYEE OF THE MONTH

Upon recommendation of the Public Works Director, Fred Lumpkin was declared Employee of the Month for May 2000. Mr. Lumpkin was presented with a savings bond from 1st Federal Bank.

CONSIDER REQUEST TO ADVERTISE THE RESOURCES OF THE CITY

Upon request of Miss Hospitality Carrie Fuller Seal, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to purchase a full-page advertisement for in the Mississippi Miss Hospitality program in order to advertise the resources of the City and to authorize the issuance of a manual check for \$300.00 for the same. 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 BY THE U.S. ARMY CORPS OF ENGINEERS REGARDING THE HOBOLOCHITTO BRIDGE ON HIGHWAY 43

Representatives of the U.S. Army Corps of Engineers gave a summary of their study, HEC-RAS Model Highway 43 Hobolochitto Creek, dated September 1999. The study compared the old bridge structure at the Highway 43 crossing of the Hobolochitto Creek versus the new bridge structure. The determination of the Corps was that there is no significant difference between the hydraulic performance of the two bridges.

No official action was taken.

PRESENTATION BY PICAYUNE MAIN STREET, INC. REGARDING THE FEASIBILITY STUDY OF THE HERMITAGE

Alan Auter, representatives of the Picayune Main Street Board of Directors, addressed the Council regarding the recent Feasibility Study of The Hermitage. Mr. Auter stated that the study provided several broad options for the building and grounds and that Main Street is now pursuing the acquisition of the property.

No official action was taken.

ORDER TO PROCLAIM WWII VETERANS APPRECIATION WEEK

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson to adopt the following proclamation related to WWII Veterans Appreciation Week:

REGULAR MEETING DATED MAY 2, 2000**WWII VETERANS PROCLAMATION**

Whereas, the Citizens of this City are extremely proud of this Nation's more than 200 year Heritage of Freedom and are loyal to the ideals, traditions and institutions which have made our nation so great, and

Whereas, WWII Veterans' obvious dedication to our way of life is indicative of a continued desire to preserve the priceless American heritage, and

Whereas, they will be proud to stand up and publicly declare their determination toward actively and positively safeguarding our freedoms against any foreign or domestic enemies.

Now, therefore, the Mayor and City Council of the City of Picaune, hereby call upon all our fellow citizens to take full advantage of the special occasion known as WWII Veterans Appreciation Week, celebrated throughout the City on May 20-29, 2000, as an incentive for every true American to reaffirm his and her love for our Veterans of WWII, and we urge that all individuals, schools, churches, organizations, business establishments and homes within our official jurisdiction display proudly the Flag of the United States of America and participate in public appreciation of our WWII Veterans activities which are to be co-sponsored by the Veterans of Foreign Wars, American Legion, Disabled Veterans, and others on WWII Veterans Appreciation Week.

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.

PRESENTATION BY THE PEARL RIVER COUNTY TASK FORCE FOR OUT-OF-WEDLOCK PREGNANCY PREVENTION

Anne Hammond, representative of the Pearl River County Task Force for Out-of-Wedlock Pregnancy Prevention, addressed the Council regarding their adoption program for "Remember Me Dolls" or cardboard babies to help remind people of teen pregnancy prevention. Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to adopt a doll for the 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.

PUBLIC HEARING ON PROPERTY CLEANUP

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to table any action on the property cleanup for 120 South Haugh Avenue. The following roll call vote was taken:

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

VOTING NAY: None

REGULAR MEETING DATED MAY 2, 2000

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

MDOT/NORFOLK SOUTHERN RAILROAD

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to take under advisement the request of the Mississippi Department of Transportation (MDOT) and Norfolk Southern Corporation to consolidate and/or close certain railroad crossings in 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 ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Planning Commission dated April 25, 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 ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to accept the minutes of the Planning Commission dated March 28, 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.

CONSIDER RECOMMENDED CHANGE TO ZONING ORDINANCE

The following ordinance was presented as an amendment to the City's current zoning ordinance:

ORDINANCE NO. 741

**AN ORDINANCE AMENDING ORDINANCE NO. 489, ARTICLE XII, SECTION 1202 –
REPORT FROM PLANNING COMMISSION**

REGULAR MEETING DATED MAY 2, 2000

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. 489, Article XII, Section 1202 – Report from Planning Commission shall be amended to read as follows:

Section 1202 Report from Planning Commission

Before taking any action on any proposed amendment, supplement, or change, the City Council shall submit the same to the Planning Commission for a public hearing and for study, review, recommendation and report. Failure of the Commission to report within 45 days following the public hearing held on a proposed amendment, supplement or change shall be considered approval. The City Council may grant an extension to the Planning Commission of the 45-day period for continued study and review of the proposed change.

Section 2. Severability, Conflict and Effective Date.

Should any section, clause, paragraph, 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 become effective thirty (30) days after its adoption and publication by the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi.

The foregoing ordinance, having first been reduced to writing, was moved upon by Councilmember Guy, seconded by Councilmember Roberson, and voted upon as follows:

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 and the ordinance adopted.

CONSIDER REQUEST TO SELL USED CARS AT 501 HIGHWAY 11 NORTH

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to approve the request of Mr. Jack Nail to sell used cars on his property located at 501 Highway 11 North. The approval is granted as an exception to the City ordinance that states that used cars may not be sold at a service station. The location is no longer used as a service station and will be used only as a used car dealership. 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 MAY 2, 2000ORDER TO AUTHORIZE MAYOR TO SIGN APPLICATION FOR FY99 LOCAL LAW ENFORCEMENT BLOCK GRANT III

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 FY99 Local Law Enforcement Block Grant III application to apply for grant funds of \$17,062.00 with a local cash match of \$1,896.00. 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 COPS MORE '98 CIVILIAN RENEWAL REQUEST

Upon recommendation of the Police Chief and the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign the COPS More '98 Civilian Renewal Request. The Renewal amount is \$16,799.00 with a local cash match of \$5,593.00. 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 GRANT APPLICATION FOR AIRPORT IMPROVEMENTS

Upon recommendation of the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the Mayor to sign an FAA grant application for \$180,000.00 for a taxiway extension and a non-directional beacon. 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 GRANT APPLICATION FOR TRAIN DEPOT

Upon recommendation of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to authorize the Mayor to sign a grant application or necessary documentation with the Southern Rapid Rail Transit Commission asking for funds of approximately \$651,000 to construct a train depot. The following roll call vote was taken:

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

VOTING NAY: None

REGULAR MEETING DATED MAY 2, 2000

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

ORDER TO SET DATE FOR PUBLIC HEARINGS FOR PROPERTY CLEANUP

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to set the date and time of June 20, 2000 at 6:00 p.m. for the public hearings for property cleanup on the following property:

510 Third Street	Clara Mulligan/College Investment
211 Weems Street	Loynelle Key/American Public Finance

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 THE FOLLOWING PROPERTY FROM THE STATE OF MISSISSIPPI

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the following Land Patents from the State of Mississippi:

Lot 9, Block 8, Williams South Side Addition	617-515-004-07-019
Lot in NW ¼ NW ¼	617-522-002-02-011
Lots 11, 12, 13, 14, Block 3 Rosa Park Addition	617-515-003-01-006.06

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 THE PURCHASING AGENT TO ADVERTISE FOR PROPOSALS FOR FUEL SERVICES AT NEW AIRPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for proposals for fuel services at the new airport. 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 MAY 2, 2000ORDER TO AUTHORIZE 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:

COP General Fund	Utility Fund	\$52,000.00 (Not to exceed)
MS State Tax Commission	Utility Fund	4,000.00 (Not to exceed)
Lucilla Jenkins	General Fund	100.00
APWA	Utility Fund	100.00
APWA	Utility Fund	175.00

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.

DISCUSSION INVOLVING POLICE DEPARTMENT

Several citizens voiced complaints that they or people they know have been harassed by Police Officers. The Police Chief responded to the citizens and 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 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 and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter executive session to discuss one (1) matter of potential litigation and one (1) matter involving the prospective purchase, sale or lease of land.

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 one (1) matter of potential litigation and one (1) matter involving the prospective purchase, sale or lease of land.

REGULAR MEETING DATED MAY 2, 2000ORDER TO AUTHORIZE AN EXTENSION OF TIME ON THE NEGOTIATIONS WITH CYPRESS DEVELOPMENT FOR DEVELOPMENT AT THE NEW AIRPORT

While in executive session, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to approve a 90-day extension on negotiations with Cypress Development related to a land lease at the new airport. 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.

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 one (1) matter of potential litigation and one (1) matter involving the prospective purchase, sale or lease of land and took action on the matter involving the prospective purchase, sale or lease of land.

ORDER TO AUTHORIZE CITY ATTORNEYS TO TAKE LEGAL CONCERNING THE SALE OF CROSBY MEMORIAL HOSPITAL

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the City's attorneys to take any legal action or make such legal filings in behalf of the City at the appropriate time(s) as necessary to protect the interest of the citizenry of Picayune in Crosby Memorial Hospital and the consideration and/or funds received from the lease/sale of Crosby Memorial Hospital and its assets to New American Health Care of Mississippi. 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

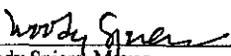
Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to recess until May 16, 2000 at 6:00 p.m. The following roll call vote was taken:

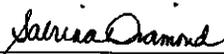
VOTING YEA: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Bates and McQueen

The motion was declared carried.


Woody Spiers, Mayor


Sabrina Diamond, City Clerk

May 9, 2000

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, Tuesday, May 9, 2000, at 6:00 p.m. 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.

The call for this special meeting was as follows:

NOTICE OF SPECIAL MEETING

Notice is hereby given that a Special Meeting of the Mayor and City Council of the City of Picayune, Mississippi, is hereby called and will be held in the Council Chambers of City Hall, 203 Goodyear Boulevard, 6:00 p.m. on the 9th day of May, 2000. The purpose of the meeting is to discuss a strategy session regarding pending litigation.

May 8, 2000
Date

/s/
Kay Johnson, City Manager

A POLICE OFFICER OF THE CITY OF PICAYUNE, MISSISSIPPI WILL EXECUTE AND RETURN THE ABOVE NOTICE.

We, the undersigned Mayor and Councilmembers of the City of Picayune, Mississippi, hereby acknowledge service of the above call upon us personally.

/s/
Woody Spiers, Mayor

/s/
Lucian Roberson

/s/
Jonas Bates

/s/
Mark Thorman

/s/
Leavern Guy

/s/
Kelly McQueen

I have personally served notice upon the person of each of the above-signed Councilmembers.

Date

/s/ Paul Acker
Picayune Police Officer

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

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

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:

May 16, 2000

**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 16, 2000, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, 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 Councilmember Guy, 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 May 2, 2000 and May 9, 2000. 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 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 (PRCDA) dated March 27, 2000. 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 PUBLIC RECORDS REQUESTS REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the Public Records Requests Report for April 2000. The following roll call vote was taken:

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

VOTING NAY: None

RECESSED MEETING DATED MAY 16, 2000

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MONTHLY BUDGET REPORTS

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to acknowledge receipt of the monthly budget reports for April 2000. 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.

DISCUSSION BY KEVIN R. ROBERTS, PROSECUTOR

City Prosecutor, Kevin R. Roberts, addressed the Council regarding the need to solicit proposals for a public defender to handle appeal cases to the Circuit Court from City court. No official action was taken.

At this time, Councilmember McQueen entered the meeting.

PUBLIC HEARING ON PROPERTY CLEANUP

The Grants Administrator reported that the property at 120 South Haugh Avenue was cleaned and that no further action is necessary at this time.

DISCUSSION BY POLICE CHIEF BRENDA SMITH

Chief Smith addressed the Council regarding the complaints against the Police Department at the previous Council meeting. She stated that she has tried to contact all of the individuals that were present at that meeting to handle their problems individually. She stated that some of them had met with her and that some of them would not return her calls. No official action was taken.

ORDER TO AUTHORIZE THE PUBLIC WORKS DIRECTOR TO SIGN CHANGE ORDER #4 ON CDBG DRAINAGE PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Public Works Director to sign Change Order #4 to the contract with IGC, Inc. on the CDBG Drainage Project. The Change Order is an increase of \$37,238.48; the new contract total is \$861,461.27. The following 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 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:

Entex	Utility Fund	\$13,860.00
Prior Energy	Utility Fund	19,078.50
Koch Gateway Pipeline	Utility Fund	5,255.17
Williams Energy	Utility Fund	487.68
State Tax Commission	General Fund	72.00
Building Official Assoc. of MS	General Fund	65.00
Neel-Schaffer, Inc.	Airport Fund	3,000.00
Neel-Schaffer, Inc.	Airport Fund	1,475.00
Cobb Environmental & Technical	Airport Fund	31,880.25
Cobb Environmental & Technical	Airport Fund	65,700.00
IGC, Inc.	CDBG Fund	37,238.48
IGC, Inc.	CDBG Fund	103,219.71
MDECD	General Fund	2,293.21
Robert G. Wilcox	Airport Fund	181.50

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 MAYOR TO SIGN MEMORANDUM OF UNDERSTANDING WITH THE JUNIOR AUXILIARY OF PICAYUNE

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following Memorandum of Understanding with the Junior Auxiliary of Picayune related to the rental of a portion of the old National Guard Armory:

**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.

RECESSED MEETING DATED MAY 16, 2000

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 or 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, 2000 to May 31, 2001.

Signed and dated May 16, 2000.

Junior Auxiliary of Picayune

For the City of Picayune

Beverly Walley, 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 MEMORANDUM OF UNDERSTANDING WITH THE CIVIC WOMAN'S CLUB OF PICAYUNE

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following Memorandum of Understanding with the Civic Woman's Club of Picayune related to the rental of a portion of the old National Guard Armory:

**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.
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

RECESSED MEETING DATED MAY 16, 2000

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 or 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, 2000 to May 31, 2001.

Signed and dated May 16, 2000.

Civic Woman's Club of Picayune

For the City of Picayune

Vera Beech, 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 SURPLUS PROPERTY

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Bates, to surplus Lots 54 and 55 in the Rosa Street Redevelopment area and to authorize the Grants Administrator and the Purchasing Agent to advertise for bids on the 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.

RESOLUTION OF NO PROTEST

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

RECESSED MEETING DATED MAY 16, 2000

having a general circulation in the City on April 21 and 28, 2000 and May 5 and 12, 2000, 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 April 18, 2000 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 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 April 21 and 28, 2000 and May 5 and 12, 2000, 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 May 16, 2000, 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 May 16, 2000, 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 (\$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.

RECESSED MEETING DATED MAY 16, 2000

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 was declared carried and the resolution adopted.

ORDER TO AUTHORIZE THE MAYOR TO SIGN AIRPORT REVOLVING LOAN FUNDS APPLICATION

Upon request of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign an Airport Revolving Loan Funds application with the Mississippi Department of Economic and Community Development for a loan in the amount of \$269,850 to be used for infrastructure improvements 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 APPROVE CHANGE ORDER #6 FOR AIRPORT PROJECT 0497

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve Change Order #6 to the contract with Huey Stockstill, Inc. on the airport project #0497. The Change Order is an increase of \$2,908.70. The new contract total is \$1,078,496.15. 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 APPROVE CHANGE ORDER #1 FOR AIRPORT PROJECT 0598

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve Change Order #1 to the contract with Huey Stockstill, Inc. on the airport project #0598. The Change Order is a decrease of \$2,908.70. The new contract total is \$352,754.81. The following roll call vote was taken:

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

RECESSED MEETING DATED MAY 16, 2000

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE POLICE DEPARTMENT TO HOLD A PUBLIC HEARING

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Police Department to hold a public hearing for public input in developing activities for Local Law Enforcement Block Grants 1998 and 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 ADOPT RESOLUTION OF SUPPORT FOR POLICE DEPARTMENT SAFE COMMUNITIES GRANT RENEWAL

The following resolution was offered related to the Safe Communities Grant Project of the Police Department:

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 16th day of May, 2000, 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 \$36,805.56 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 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.

Councilmember Thorman offered the foregoing resolution and moved its adoption. The motion was seconded by Councilmember Bates, and voted upon as follows:

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

RECESSED MEETING DATED MAY 16, 2000

VOTING NAY: None

The motion was declared carried and the resolution adopted.

ORDER TO AUTHORIZE THE MAYOR TO SIGN GRANT APPLICATION WITH ARIZONA CHEMICAL

Upon recommendation of the Grants Administrator and the Police Chief, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign a grant application for grant funds of \$10,000.00 from Arizona Chemical to be used for support of the National Night Out program conducted by the Police 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 APPROVE BUDGET AMENDMENT

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve amendment to the following line items of the budget for the fiscal year ending September 30, 2000:

	<u>Original</u>	<u>Amended</u>
Public Safety – Police – Capital Outlay	\$158,900	\$160,100
Public Works – Supplies	281,515	278,015
Public Works – Capital Outlay	2,692,609	2,696,109

The following 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 ECONOMIC DEVELOPMENT GRANT APPLICATION

Upon recommendation of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign a grant application with Southern Regional Planning District for grant funds of \$2,500,000 to be used for airport infrastructure. The following 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 16, 2000ORDER 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.

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter executive session to discuss a matter of potential litigation and a personnel matter. The following 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 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.

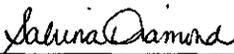
ORDER TO ADJOURN

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, 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.



Sabrina Diamond, City Clerk



Woody Spiers, Mayor

June 6, 2000

**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 6, 2000, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, 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 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 May 16, 2000. 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 MONTHLY ACTIVITIES REPORT OF RETIREMENT DEVELOPMENT DEPARTMENT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Activities Report of the Retirement Development Department for April 2000. 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 TRAVEL TO MISSISSIPPI MUNICIPAL LEAGUE CONVENTION

In accordance with Section 25-3-41 of the Mississippi Code, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize travel for the Mayor and Council, City Manager, City Attorney and City Clerk to the Mississippi Municipal League convention in Biloxi, MS on June 26-29, 2000. The following roll call vote was taken:

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

VOTING NAY: None

REGULAR MEETING DATED JUNE 6, 2000

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO AUTHORIZE THE 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 following quitclaim deed:

<u>Deed Name</u>	<u>Parcel Number</u>	<u>Assessed To</u>	<u>Tax Years</u>
Southern Land & Cattle Co.	096-0-08-001.000	International Paper Co.	1992, 1993, 1994 & 1995

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 "CERTIFICATION OF LOCAL JURISDICTION" FOR JERUSALEM/BLANKS TRAFFIC SIGNAL PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the "Certification of Local Jurisdiction" required by MDOT on the Jerusalem/Blanks Traffic Signal Project. 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 SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to set the date and time of July 18, 2000 at 6:00 p.m. to hold a property cleanup public hearing on property located at 310 Weems Street and owned by Otis Banks. 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.

REGULAR MEETING DATED JUNE 6, 2000CONSIDER APPROVAL OF MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the monthly claims docket for June 2000 in the total amount of \$405,476.44. 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.

EMPLOYEE OF THE MONTH

Upon recommendation of the Police Chief, Officer Andy James was declared Employee of the Month for June 2000. Officer James was presented with a savings bond from Hancock Bank.

ORDER TO AUTHORIZE MAYOR TO SIGN EPA/HUD GRANT APPLICATION FOR SANITARY SEWER REHAB WORK

Upon request of the Public Works Director, motion was made by Councilmember Thorman seconded by Councilmember Bates, to authorize the Mayor to sign an EPA/ HUD Grant application for sanitary sewer rehab work. The application requests funds of \$ 900,000.00. *sd*
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 PURCHASING AGENT TO SOLICIT BIDS ON CONCESSION STANDS AT FRIENDSHIP PARK

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Purchasing Agent to solicit bids for construction of two (2) concession stand facilities at Friendship Park. 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 Guy left the meeting.

REGULAR MEETING DATED JUNE 6, 2000ORDER 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 April 25, 2000. 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.

ORDER TO ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Planning Commission dated May 23, 2000. 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, Councilmembers Guy and McQueen entered the meeting.

CONSIDER REQUEST FOR SPECIAL USE VARIANCE

Upon request of Seniority Housing, Inc., motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve a special use variance for Seniority Housing, Inc. to place two (2) residential buildings on each lot their proposed development, Stephens Village, located off Neal Road and formerly referred to as Avery Subdivision. The development will be used for senior housing and will consist of 126 units. Both buildings on each lot will be placed within the required setbacks. The following 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 REQUEST TO APPROVE DEVELOPMENT PLAN

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to approve the development plan for Phase I of Heritage Oaks Subdivision to be located on Highway 11 South and owned by Huey Stockstill. Phase I of the subdivision will contain 152 lots, and the entire subdivision will contain 560 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 AUTHORIZE MAYOR TO SIGN 911 AGREEMENT

Upon recommendation of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table any action on the proposed E911 Agreement 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 SET DATE FOR PUBLIC HEARING TO HEAR OBJECTIONS TO PROPERTY ASSESSMENT FROM CONDEMNATION

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to set the date of June 20, 2000 as the date to hear any objections to the proposed assessment of \$2,300 to be placed as a lien on 319 Fannie Avenue. The assessment is a result of the property going through the condemnation process and being demolished. The following 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 BY RIVER OAKS PROPERTY OWNERS ASSOCIATION

Members of the River Oaks Property Owners Association addressed the Council regarding their opposition to Main Street's development of The Hermitage as a commercial venture. Their concerns include increased traffic to the narrow streets, having a commercial business so close to their PUD residential neighborhood, and having pedestrian traffic overflow from The Hermitage in their backyards. The Mayor and other Councilmembers stated that the City is not involved in the project other than with the funding of the original feasibility study and that Main Street is handling all the planning. No official action was taken.

ORDER TO APPROVE ISSUANCE OF 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:

COP General Fund	Utility Fund	\$52,000.00
MS State Tax Commission	Utility Fund	4,000.00
Kay Johnson	General Fund	455.75
MBC/LEO	General Fund	50.00
Hattaway Engineering	CDBG Westside Fund	4,000.00
Billy McQueen	Utility Fund	100.00
Marriott's Grand Hotel	Utility Fund	637.20
MS Natural Gas Association	Utility Fund	325.00

The following roll call vote was taken:

REGULAR MEETING DATED JUNE 6, 2000

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

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE ADVERTISEMENT OF INTENTION TO CHANGE MEETING LOCATION

Upon recommendation of the Public Works Director and the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the advertisement of the Council's intention to adopt an ordinance to change the location of their meetings as required in Section 21-17-17 of the Mississippi Code. The following 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 AMEND MINUTE ENTRY RELATED TO SALE OF PROPERTY LOCATED NEXT TO 619 FIFTH STREET

Upon recommendation of the City Attorney, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to amend the minute entries of October 6, 1998 and October 19, 1999 to show that the it was the intent of the Council to surplus and sell unto the high bidder all of Lot 2, Block 23 of the J.W. Simmon's Second Addition. The property is located next to 619 Fifth Street and is the site of the old City Barn. The following 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.

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:

REGULAR MEETING DATED JUNE 6, 2000

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 Thorman, seconded by Councilmember Guy, and unanimously carried, 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.

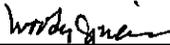
ORDER TO RECESS

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to recess until June 20, 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.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

June 14, 2000

**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, June 14, 2000, at 1:30 p.m. with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates and Leavern Guy, City Attorney Gerald Cruthird and City Clerk Sabrina Diamond.

The call for this special meeting was as follows:

NOTICE OF SPECIAL MEETING

Notice is hereby given that a Special Meeting of the Mayor and City Council of the City of Picayune, Mississippi, is hereby called and will be held in the Council Chambers of City Hall, 203 Goodyear Boulevard, 1:30 p.m. on the 14th day of June, 2000. The purpose of the meeting is to provide guidance to the attorneys regarding the issue of removal of the Crosby Memorial Hospital suit to Federal Court.

June 14, 2000
Date

/s/
Woody Spiers, Mayor

**AN EMPLOYEE OF THE CITY OF PICAYUNE, MISSISSIPPI WILL EXECUTE AND
RETURN THE ABOVE NOTICE.**

We, the undersigned Mayor and Councilmembers of the City of Picayune, Mississippi, hereby acknowledge service of the above call upon us personally.

/s/
Woody Spiers, Mayor

/s/
Lucian Roberson

/s/
Jonas Bates

/s/
Mark Thorman

/s/
Leavern Guy

/s/
Kelly McQueen

I have personally served notice upon the person of each of the above-signed Councilmembers.

June 14, 2000
Date

/s/ Brenda Ford
City of Picayune Employee

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

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

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:

SPECIAL MEETING DATED JUNE 14, 2000

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.

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 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 one (1) matter of potential litigation.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Roberson, seconded by Councilmember Bates, 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.

RESOLUTION RELATING TO CROSBY MEMORIAL HOSPITAL

It was moved by Councilmember Guy, seconded by Councilmember Bates, and thereafter resolved as follows:

1. The City takes the position that any new lessee of the Crosby Memorial Hospital will promote the highest possible provision of local health care, which it believes is not promoted by participation in a system dependent on the direction of patients or resources to facilities outside of Pearl River County.
2. The City intends to save the taxpayers' money and to seek full adjudication of its suit against Southern Regional Corporation and the Lower Pearl River Valley Foundation, whether before the Chancellor in the Mississippi state courts or in the United States District Court for the Southern District of Mississippi, or the Bankruptcy Court for this district. The City will vigorously oppose transfer of any action related to its suit to Tennessee.
3. The City does not believe that it has done anything to impair merchantable title to Crosby Memorial Hospital or its assets. It makes known to all bidders that under certain terms if necessary it will amend the pleadings and parties in its pending litigation to ensure that no remedy sought by the City would affect the successful bidder's ability to operate a hospital in Picayune.
4. Last, and most important, the City remains unwavering in its commitment to ensure that the moneys received from the 1998 sale of the L.O. Crosby Memorial Hospital are accounted for and are all expended solely for the benefit of the health care of the citizens of Picayune and its surrounding areas.

The following roll call vote was taken:

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

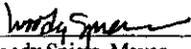
VOTING NAY: None

SPECIAL MEETING DATED JUNE 14, 2000

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

There being no further business to consider, the Council adjourned the special meeting.



Woody Spiets, Mayor



Sabrina Diamond, City Clerk

June 20, 2000

**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 20, 2000, 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. John Brock, followed by the Pledge of Allegiance.

ORDER TO APPOINT POLICE CHAPLAIN

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to appoint Rev. John Brock as Police Chaplain. Rev. Brock will receive training for his position but no annual salary. The following 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 PREVIOUS MINUTES

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the minutes of the Mayor and City Council dated June 6, 2000 and June 14, 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 ACKNOWLEDGE RECEIPT OF MINUTES OF THE PRCDA

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Pearl River County Development Association (PRCDA) dated April 24, 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 JUNE 20, 2000ORDER TO ACCEPT MINUTES OF THE CEMETERY BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to accept the minutes of the Cemetery Board dated March 3, March 28, April 25 and June 1, 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 ACKNOWLEDGE RECEIPT OF MINUTES OF THE CEMETERY BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Cemetery Board dated June 6, 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 SET CEMETERY POLICIES

Upon recommendation of the Cemetery Board, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to adopt the following policies for the City cemeteries:

1. Only headstones and footstones are allowed to be placed on graves.
2. No slabs may be placed on graves.
3. No coping may be used around graves.
4. No rocks may be placed on graves.
5. No figurines may be placed on graves.
6. No benches may be placed in the cemeteries.
7. No other outdoor ornamental items may be placed in the cemeteries.
8. No trees may be planted in the cemeteries.
9. No chemicals may be used to kill grass on or around headstones or graves.

The following 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 recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to void the 1997 and 1998 tax sales on parcel #617-515-004-07-019-00 assessed to Will Carter due to an incorrect assessment by the Pearl River County Tax Assessor. The property matured to the State of Mississippi for 1991 taxes and should not have been assessed for 1997 or 1998 taxes. The following roll call vote was taken:

RECESSED MEETING DATED JUNE 20, 2000

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

VOTING NAY: None

The motion was declared carried.

READING OF OFFICIAL PRESS RELEASE BY THE MAYOR

The Mayor read a press release composed by the Mayor and Council as follows:

As the Mayor and City Council of the City of Picayune, we are charged under applicable Mississippi law with certain duties and responsibilities to assure and protect the general health, safety and welfare of the citizenry of Picayune, Mississippi. We believe that we are obligated by such duties and responsibilities to take any necessary action to maintain and preserve the availability of hospital care and services to the citizenry of Picayune, Mississippi, either within or closely located to the territorial boundaries of Picayune, Mississippi.

The Southern Regional Corporation, or SRC, has spent a considerable amount of money on ads attacking the City. The City has filed suit against the SRC for two things: to force SRC to account for the money it has spent, and to ensure that the money SRC has taken from the Crosby Memorial Hospital is in fact used for health care in this area.

SRC has purchased several expensive ads in the local newspaper, claiming that the City is "making a roadblock" to the provision of health care, or jeopardizing a new hospital. In these ads, SRC claims that the City would not support the old hospital. Many claims in these ads are false and misleading, and the people who placed these ads know they are false, as do the citizens who attended the public forum on the hospital last year. The City has not only spent considerable amounts of money to support the Crosby Hospital, including purchasing a specialized fire engine, but also has never refused to work with the old Crosby Hospital board or any of the many successor companies it has created. In fact, the City has taken great pains to ensure that its lawsuit against Southern Regional will have no effect on any of the bidders in the current auction of the hospital's lease being held by SRC's bankrupt partner in Tennessee.

Why is Southern Regional trying so hard to make you think that the City has jeopardized a new hospital, or "seriously compromised" anything, when the City has not? What are they hiding?

Immediately following the lease/sale of Crosby Memorial Hospital, SRC took the necessary action to amend the corporate charter of Lucius O. Crosby Memorial Hospital to enlarge the purposes stated in the charter to include grants and expenditures to entities and organizations other than those dedicated primarily for healthcare purposes.

Therefore, the City believes the taxpayers have the right to know what has happened to the hospital's monies, which were gifts from the Crosby family, our other citizens, and taxpayer contributions. The City has merely asked that SRC tell all of us what has happened with the money. Why won't they tell us?

The City is concerned that the money has been spent on a variety of projects that have little or nothing to do with health care. Since the SRC won't open their books without a court order, the City has been forced to take legal action to obtain the financial information. The City has asked that the money SRC has taken from the hospital be used for health care in this City, and only that. Why won't they agree?

The City is concerned that the management partner SRC has chosen, which is now bankrupt, may have diminished the hospital's ability to function as an independent health care center. The City is also concerned that the next management company of the hospital, which was once entrusted to the management of SRC, might turn it into a satellite facility of its competition in Slidell or Hattiesburg. Nothing SRC or its partners has done has reassured the City's officials or the taxpayers that we will have as strong a facility as we had a decade ago.

Instead, there is a very real danger that Crosby Memorial Hospital may become a victim of the negligent or irresponsible actions of SRC and its "business associates" much like the unfortunate developments involving the Poplarville and Stone County hospitals in recent years.

Certainly the amendments to the original lease/sale agreement now being considered eliminate the reality of the new hospital, promised the citizens of Picayune by SRC as a result of its sale of Crosby Hospital to New America Healthcare Corporation.

This tax-exempt corporation has fought the elected City officials to keep SRC's expenditures a secret. They have also spent money from the sale of the hospital to purchase false

RECESSED MEETING DATED JUNE 20, 2000

and misleading ads to lobby for political pressure. We think this is an interesting way for a supposedly non-profit corporation to behave.

If SRC is half as serious about health care in this area as it claims to be, it can do four things:

1. Open its books to a full, independent audit.
2. Work with the City to appoint independent trustees to administer the money taken from the Crosby Memorial Hospital.
3. Agree to work with the City to reform its agreements with its partner corporations in Tennessee to ensure that we don't lose our hospital.
4. Stop spreading intentionally false statements regarding the history of the City's cooperation with the Crosby Hospital board of trustees and its successors.

Before irreparable damages are suffered by the citizenry of Picayune, the individual directors of SRC and LPRVF who live among us in Picayune need to look within themselves and demonstrate "good faith" by working to assure that the interests of the citizens of Picayune and surrounding areas in Crosby Memorial Hospital instead of special interests or their own individual interests, are protected.

No official action was taken.

RAPID RESPONSE - QUARTERLY REPORT

Keim Davis of Rapid Response gave their quarterly update on the ambulance service. He reported that they have been making their response times as required by the contract. He also reported that the transition between AAA and Rapid Response had gone smoothly. No official action was taken.

E-911 AGREEMENT

Upon recommendation of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve a 90-day extension of the E911 agreement in order to provide time to work out the remaining details of a new agreement. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

PETITION BY DR. DONALD R. BERRY

Dr. Donald Berry addressed the Council regarding the City's lawsuit against the Southern Regional Corporation concerning Crosby Memorial Hospital. Dr. Berry requested that his comments be placed on record that he was in opposition to the suit. He stated that he felt that the SRC had been unfairly treated and that the suit should be dropped. Comments from the Mayor and other Councilmembers followed stating that the City had tried to gain information from SRC, but SRC board members would not communicate with the Council. Dr. Berry stated that the agenda should be to work with the hospital owners to bring about the best possible health care for the community. The Mayor stated that the reason for the lawsuit is to force the SRC to account for the money it has spent and to ensure that the money SRC has taken from the Crosby Hospital sale is in fact used for health care in this area. No official action was taken.

PUBLIC HEARING ON PROPERTY CLEANUP AT 310 THIRD STREET

A public hearing was held on property cleanup for property at 510 Third Street assessed to Clara Mulligan or College Investment. The Grants Administrator reported that no cleanup had been done and that the condition of the property constitutes a menace to the public health and safety of the area. Motion was made by Councilmember Roberson, seconded by Councilmember

Thorman, to authorize the City to have the property cleaned and the cost charged against the 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.

PUBLIC HEARING ON PROPERTY CLEANUP AT 211 WEEMS STREET

A public hearing was held on property cleanup for property at 211 Weems Street assessed to Loynelle Key or American Public Finance. The Grants Administrator reported that no cleanup had been done and that the condition of the property constitutes a menace to the public health and safety of the area. Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the City to have the property cleaned and the cost charged against the 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 SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 1309 EVANGELINE DRIVE

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to set the date and time of July 18, 2000 at 6:00 p.m. for a public hearing on property cleanup for property located at 1309 Evangeline Drive and owned by Dan McCorkle. The following 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.

CONSIDER REQUEST FOR PROPERTY CLEANUP EXTENSION BY PROPERTY OWNER AT 818 FOURTH STREET

Upon request of Donald Hart, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to grant a 30-day extension for Mr. Hart to remove the debris from clearing the lot located at 818 Fourth Street. Mr. Hart is in violation of Section 3 of Ordinance #334, and the Code Enforcement Officer has given Mr. Hart 48 hours to remove the debris. The following roll call vote was taken:

VOTING YEA: Councilmember Bates

VOTING NAY: Mayor Spiers, Councilmembers Roberson, Thorman and Guy

ABSENT AND NOT VOTING: Councilmember McQueen

RECESSED MEETING DATED JUNE 20, 2000

The motion failed.

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to grant a 14-day extension for Mr. Hart to remove the debris from clearing the lot located at 818 Fourth Street. 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.

PUBLIC HEARING ON ASSESSMENT OF COST OF DEMOLITION AND REMOVAL OF BUILDING AT 319 FANNIE AVENUE

Upon request of the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to postpone the public hearing that was scheduled on property located at 319 Fannie Avenue until July 5, 2000 at 6:00 p.m. The hearing was scheduled to discuss the proposed assessment of cost of demolition and removal of the building on property. 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 and the resolution adopted.

ORDER TO AUTHORIZE THE MAYOR TO SIGN AIRPORT LOAN AGREEMENT WITH THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Mayor to sign the following loan agreement with the Mississippi Department of Economic and Community Development for a loan to be used for airport infrastructure improvements:

**MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
AIRPORT REVITALIZATION LOAN PROGRAM****LOAN AGREEMENT**

THIS LOAN AGREEMENT, dated as of May 16, 2000 (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 57-61-4j) 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 request 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

RECESSED MEETING DATED JUNE 20, 2000

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 said 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. Representation 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 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

RECESSED MEETING DATED JUNE 20, 2000

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 executive 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 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, 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. 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.

(f) 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.

RECESSED MEETING DATED JUNE 20, 2000

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 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 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 Senate 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:

RECESSED MEETING DATED JUNE 20, 2000

(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, judgements, 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 and 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 Substance 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, 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.

(SEAL)

MISSISSIPPI DEPARTMENT OF
ECONOMIC AND COMMUNITY
DEVELOPMENT

Attest

/s/

Bill Barry, Director, Financial

By/s/

J.C. Burns, Executive Director

RECESSED MEETING DATED JUNE 20, 2000

(SEAL)

WOODY SPIERS, MAYOR
CITY OF PICAYUNE

Attest

By _____

Sabrina Diamond
City ClerkAnnex 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: \$479,550.00
Note: \$479,550.00
- 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

**MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT –
AIRPORT REVITALIZATION LOAN PROGRAM
EXHIBIT A****PROMISSORY NOTE**

May 16, 2000

\$479,550.00

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 of 479,550.00, together with interest on the unpaid balance thereof until fully and finally paid at the rate of three percent (3%) per annum, together with all taxes levied or assessed on this Note or the debt evidenced hereby against the holder hereof and 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 repayment on 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 direction 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.

The Local Entity joins in this Note to acknowledge its obligations under the terms of the Agreement and pursuant to Section 57-61-15 of the Act.

RECESSED MEETING DATED JUNE 20, 2000

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.

(SEAL)

PICAYUNE MUNICIPAL AIRPORT

Attest

WOODY SPIERS

Sabrina Diamond, City Clerk

By
Mayor, City of Picayune

**EXHIBIT B
CITY OF PICAYUNE AIRPORT
\$479,550 LOAN NUMBER AP-014**

<u>Pav Due Date</u>	<u>Beg Bal</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>New Bal</u>
001 09/30/01	479,550.00	56,217.90	41,831.40	14,386.50	437,718.60
	Subtotals for year	56,217.90	41,831.40	14,386.50	
002 09/30/02	427,718.60	56,217.90	43,086.34	13,131.56	394,632.26
	Subtotals for year	56,217.90	43,086.34	13,131.56	
003 09/30/03	394,633.26	56,217.90	44,378.93	11,838.97	350,253.33
	Subtotals for year	56,217.90	44,378.93	11,838.97	
004 09/30/04	350,253.33	56,217.90	45,710.30	10,507.60	304,543.03
	Subtotals for year	56,217.90	45,710.30	10,507.60	
005 09/30/05	304,543.03	56,217.90	47,081.61	9,136.29	257,461.42
	Subtotals for year	56,217.90	47,081.61	9,136.29	
006 09/30/06	257,461.42	56,217.90	48,494.06	7,723.84	208,967.36
	Subtotals for year	56,217.90	48,494.06	7,723.84	
007 09/30/07	208,967.36	56,217.90	49,948.88	6,269.02	159,018.48
	Subtotals for year	56,217.90	49,948.88	6,269.02	
008 09/30/08	159,018.48	56,217.90	51,447.35	4,770.55	107,571.13
	Subtotals for year	56,217.90	51,447.35	4,770.55	
009 09/30/09	107,571.13	56,217.90	52,990.77	3,227.13	54,580.36
	Subtotals for year	56,217.90	52,990.77	3,227.13	
010 09/30/10	54,580.36	56,217.77	54,580.36	1,637.41	0.00
	Subtotals for year	56,217.77	54,580.36	1,637.41	
	Loan totals	562,178.87	479,550.00	82,628.87	

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 GRANT APPLICATION FOR POLICE DEPARTMENT VEST GRANT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Mayor to sign a grant application with the U.S. Justice Department for grant funds of \$2,730 to be used for bulletproof vests for the Police Department and to provide matching funds of \$2,730. 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 LOCAL LAW ENFORCEMENT BLOCK 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 agreement for a Local Law Enforcement Block Grant of \$17,062:

**LOCAL LAW ENFORCEMENT
BLOCK GRANT
1999 AWARD**

Applicant Jurisdiction Name:	Picayune City
Jurisdiction OJP Vendor Number:	646000973
Jurisdiction Address Line 1:	203 Goodyear Boulevard
Line 2:	328 South Main Street
City:	Picayune
State:	Mississippi
ZIP:	39466
Jurisdiction CEO:	Mr. Woody Spiers
Jurisdiction CEO Title:	Mayor

FY 1999 AWARD INFORMATION

* FY 1999 LLEBG Final Award Information:	\$17,062
Matching Amount:	\$1,896

Special Conditions – Picayune City

Local Jurisdiction not in compliance w/PSOHB

1. The recipient agrees to comply with the financial and administrative requirements set forth in the current edition of the Office of Justice Programs (OJP) Financial Guide.
2. The recipient agrees to comply with the organizational audit requirements of OMB Circular, A-133, Audits of States, Local Governments and Non-Profit Organizations, as further described in OJP's Financial Guide, Chapter 19.
3. The recipient shall submit one copy of all reports and proposed publications resulting from this agreement twenty (20) days prior to public release. Any publications (written, visual, or sound), whether published at the recipient's or government's expense, shall contain the following statement: (NOTE: This excludes press releases, newsletters, and issue analysis.)
"This project was supported by Grant No. 1999-LB-VX-8066 awarded by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. Points of view in this document are those of the author and do not necessarily represent the official position or policies of the U.S. Department of Justice."
4. The recipient agrees to provide information required for any national evaluation conducted by the U.S. Department of Justice.
5. The recipient acknowledges that failure to submit an acceptable Equal Employment Opportunity Plan (if recipient is required to submit one pursuant to 28 CFR 42.302), that is approved by the Office of Civil Rights, is a violation of its Certified Assurances and may result in funds from the award being frozen, until such time as the recipient is in compliance.
6. The recipient agrees to provide and expend a 10 percent cash match (calculated as 1/9 of the Federal award amount \$1,896) before the end of the 24 month grant expenditure period. The recipient is reminded that the matching funds are auditable under Special Condition #2, and will be binding to the recipient.
7. The recipient is required to establish a trust fund account. This fund may not be used to pay debts incurred by other activities beyond the scope of the Local Law Enforcement Block Grants Program. The recipient also agrees to expend the grant funds in the trust fund (including any interest earned) during the 24 month grant expenditure period. *Grant funds (including any interest earned) not expended by the end of the 24 month period must be returned to the Bureau of Justice Assistance (BJA) along with the final submission of the Financial Status Report (SF-269A) by the end of the 27 month.*

RECESSED MEETING DATED JUNE 20, 2000

8. The recipient agrees, if the funds are used for the hiring and employing of new, additional law enforcement officers and support personnel, as described in the applicable purpose area of Subpart A section 101 (a) (2), that the recipient unit of local government will achieve a net gain in the number of law enforcement officers who perform non-administrative public safety service.
9. The recipient agrees, if the funds are used for the hiring and employing of new, additional law enforcement officers and support personnel, that the unit of local government will establish procedures to give members of the Armed Forces who, on or after October 1, 1990, were or are selected for involuntary separation (as described in section 1141 of Title 10, United States Code), approved for separation under section 1174a or 1175 of such title, or retired pursuant to the authority provided under section 4403 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 10 U.S.C. 1923 note), a suitable preference in the employment of persons as additional law enforcement officers or support personnel.
10. The recipient agrees, if funds are used for enhancing security or crime prevention, that the unit of local government --
 - (a) has an adequate process to assess the impact of any enhancement of a school security measure that is undertaken under subparagraph (B) of section 101 (a)(2), or any crime prevention programs that are established under subparagraphs (C) and (E) of section 101(a)(2), on the incidence of crime in the geographic area where the enhancement is undertaken or the program is established;
 - (b) will conduct such an assessment with respect to each such enhancement or program; and
 - (c) will submit to the BJA an annual assessment report, via the Internet system.
11. The recipient agrees that prior to expenditure of any LLEBG funds, at least one (1) public hearing will be held regarding the proposed use(s) of the grant funds. The recipient must also provide verification to BJA of the public hearing. At the hearing, persons shall be given an opportunity to provide written and oral views to the recipient, on the proposed use(s) of the grant funds. The recipient will hold the public hearing at a time and place that allows and encourages public attendance and participation. *The recipient may not request a drawdown of funds until these requirements are met and the formal budget allocations are adopted by the recipient.*
12. The recipient agrees that prior to expenditure of any LLEBG funds, a previously designated or newly established advisory board will meet to discuss the proposed use(s) of the grant funds. The recipient will designate the advisory board to make nonbinding recommendations on the use(s) of funds under the LLEBG Program. Membership on the advisory board must include a representative from the following, however it may be broader:
 - a) the local police department or sheriff's department;
 - b) the local prosecutor's office;
 - c) the local court system;
 - d) the local school system; and
 - e) a local nonprofit, educational, religious, or community group active in crime prevention or drug use prevention or treatment.

The recipient may not request a drawdown of funds until these requirements are met and the formal budget allocations are adopted by the recipient.

FOR LOUISIANA PARISH RECIPIENTS:

The recipient agrees that prior to expenditure of any LLEBG funds, a previously designated or newly established advisory board will meet to discuss the proposed use(s) of the grant funds. The recipient will designate the advisory board to make *binding* recommendations on the use(s) of funds under the LLEBG Program. Membership on the advisory board must include a representative from the following, however it may be broader:

- a) the local police department or sheriff's department;
- b) the local prosecutor's office;
- c) the local court system;
- d) the local school system; and
- e) a local nonprofit, educational, religious, or community group active in crime prevention or drug use prevention or treatment.

The recipient may not request a drawdown of funds until these requirements are met and the formal budget allocations are adopted by the recipient.

13. The recipient has certified it is not in compliance with the Public Safety Officers' Health Benefits Provision of the Omnibus Consolidated and Emergency Supplement Appropriations Act for 1999. Therefore, the recipient will receive not more than 90 percent of the eligible award amount (or, if less than the eligible amount was requested, of that amount). This provision makes no allowances for a unit of local government to come into compliance during the life of the award, consequently BJA will not consider requests to adjust the adjusted award amount.
14. Criminal Intelligence Systems operating with support of Federal funds, must comply with 28 CFR, Part 23, if the recipient chooses to implement this project.
15. At the Request for Drawdown, the recipient must submit to BJA a budget for approved purpose area allocations via the Internet system.
16. The recipient agrees this award document constitutes the obligation of Federal funds for use by the recipient in execution of the program or project covered by the award. Such obligation

may be terminated without further cause if the recipient fails to affirm its timely utilization of the award by accepting the award and special conditions *within 45 days* from the date of award.

- 17. The recipient agrees to one 24 month obligation and expenditure period that will begin on the day of the recipient's submission of a Request for Drawdown through the Internet system. All funds must be expended by the end of this 24 month period with no exceptions. Six months from the date of the beginning of the expenditure period, the recipient agrees to submit a semiannual progress report through the Internet system, and to report every six months until all funds are expended or the grant period ends.

U.S. DEPARTMENT OF JUSTICE OFFICE OF JUSTICE PROGRAMS:

Bureau of Justice Assistance

AWARD:
Grant

Grantee Name and Address: (Including Zip Code)
Piscataway City
203 Goodyear Boulevard 328 South Main Street
Piscataway, MS 39466

Grantee: IRS/VENDOR NO. 64000973

PROJECT TITLE:

FY 1999 Local Law Enforcement Block Grant (LLEBG) Program

AWARD NUMBER: 1999-LB-VX-8066

PROJECT PERIOD: FROM	10/01/1999	TO	09/30/2001
BUDGET PERIOD: FROM	10/01/1999	TO	09/30/2001

AWARD DATE: 09/30/1999

ACTION: INITIAL

PREVIOUS AWARD AMOUNT: \$0.00

AMOUNT OF THIS AWARD: \$17,062

TOTAL AWARD: \$17,062

SPECIAL CONDITIONS: The above grant project is approved subject to such conditions or limitations as are set forth on the attached &<CF_ATTACH_PAGES>PAGES

STATUTORY AUTHORITY FOR GRANT:
Omnibus Consolidated and Emergency Supplement Appropriations Act, 1999 (Public Law 105-277)

METHOD OF PAYMENT:
The grantee will receive cash via a letter of credit: No

TYPED NAME AND TITLE OF APPROVING OJP OFFICIAL
Nancy E. Gist, Director
Bureau of Justice Assistance

TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL
Woody Spiers
Mayor

SIGNATURE OF AUTHORIZED GRANTEE: DATE:

The following roll call vote was taken:

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

RECESSED MEETING DATED JUNE 20, 2000

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO CONSIDER PROPOSALS TO PROVIDE AVIATION FUEL FOR THE NEW AIRPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept the proposal of The Hiller Group, an authorized supplier/marketer of Branded Chevron Aviation Products in Mississippi, to provide fuel services to the new airport. 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 ON KNUCKLEBOOM TRASH LOADER AND TRASH DUMP BODY

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to award the bid on the knuckleboom trash loader and 18ft. 20-cubic yard trash dump body to Truck Equipment Sales, Inc. in the amount of \$33,165.00. 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.

CONSIDERATION OF BUDGET AMENDMENT #8

Upon recommendation of the City Clerk, Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to amend the following line items of the budget for the year ending September 30, 2000:

	<u>Original</u>	<u>Amended</u>
<u>CDBG Westside Redevelopment Fund</u>		
Sale of lots	\$ 0	\$17,000
Interest income	0	800
<u>CDBG Drainage Improvements</u>		
Interest income	0	1,300
Transfers in	140,308	137,000
Other services & charges	86,904	2,000
Capital outlay	504,574	587,569

RECESSED MEETING DATED JUNE 20, 2000UDAG Majestic Inn Fund

Interest income	11,800	14,000
Other services & charges	3,500	7,500

Economic Development Fund

Intergovernmental revenues	165,000	210,000
Support to other organizations	3,000	3,750
Other services & charges	39,350	36,000
Capital outlay	0	300,000

Walmart Bond Fund

Interest income	0	4,000
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Utility Fund

Charges for services	3,030,000	2,767,000
Non-revenue receipts	7,500	14,500
Interest income	90,000	115,000
Utility Administration – Other services	88,250	77,050
Utility Administration – Capital outlay	57,500	59,500
Utility Construction – Personnel	766,400	788,200
Utility Construction – Supplies	1,099,161	1,039,876
Utility Construction – Other services	327,825	352,575
Utility Construction – Capital outlay	1,158,599	509,269

Cemetery Fund

Miscellaneous income	0	2,500
Personnel	61,000	75,300
Capital outlay	18,000	27,000

Long-term Debt Fund

Transfers in	407,061	410,325
Principal & interest payments	407,061	410,325

The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

CONSIDERATION OF EXPLODING OF FIREWORKS OVER JULY 4 HOLIDAY

The following resolution was presented for the Council for their consideration:

RESOLUTION OF THE CITY OF PICAYUNE

WHEREAS, the holiday time of the 4th of July is approaching; and

WHEREAS, the Code of Ordinances of the City of Picayune allow the use of fireworks from June 15 to July 5 of each year; and

WHEREAS, the Mayor and City Council recognize that the City is under extreme drought conditions; and

WHEREAS, the safety of our community is of utmost importance; and

WHEREAS, the Mayor and City Council recognize the danger of structure and grass fires caused by the use of fireworks.

RECESSED MEETING DATED JUNE 20, 2000

BE IT RESOLVED, THEREFORE, by the Mayor and City Council of the City of Picayune that citizens of Picayune are hereby encouraged to refrain from using or exploding all fireworks including but not limited to firecrackers, roman candles, torpedoes, skyrockets during this holiday.

ADOPTED this 20th day of June 2000.

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond, City Clerk

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve the foregoing resolution. The following 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 Roberson, to authorize the issuance of the following manual checks:

Entex	Utility Fund	\$15,298.50
Prior Energy	Utility Fund	13,833.75
Koch Gateway Pipeline	Utility Fund	9,419.96
Williams Energy	Utility Fund	737.52
Cobb Environmental	Airport Fund	31,822.56

The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

PETITION BY DAY STAR WOMEN'S MINISTRIES, INC.

Mrs. Libby Garcia, Vice President of Day Star Women's Ministries, Inc., addressed the Council regarding their grant from the Lower Pearl River Valley Foundation. She asked the Council to consider allowing their grant funds to be disbursed to them in case the funds of the Lower Pearl River Valley Foundation are frozen in connection with the City's lawsuit. No official action was taken.

ORDER TO AUTHORIZE OFFICIAL TRAVEL

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize travel to Nashville, Tennessee, for the Mayor, City Council, City Manager and City

Attorney to represent the City's interest in the bankruptcy proceedings related to Crosby Hospital. The following 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 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, Mayor



Sabrina Diamond, City Clerk

July 5, 2000

**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 5, 2000, 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 Bates, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated June 20, 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 ACKNOWLEDGE RECEIPT OF MONTHLY ACTIVITIES REPORT OF RETIREMENT DEVELOPMENT DEPARTMENT

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to acknowledge receipt of the monthly activities report for May 2000 of the Retirement Development 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 SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 2217 EAST CANAL STREET

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to set the date and time of August 15, 2000 at 6:00 p.m. for a public hearing on property cleanup for property located at 2217 East Canal Street and owned by Hershel Foster. The following roll call vote was taken:

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

REGULAR MEETING DATED JULY 5, 2000

VOTING NAY: None

The motion was declared carried.

ORDER TO SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 701 DAVIS STREET

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to set the date and time of August 15, 2000 at 6:00 p.m. for a public hearing on property cleanup for property located at 701 Davis Street and owned by James Bowen. The following 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 Bates, seconded by Councilmember Roberson, to authorize the Mayor to sign the following quitclaim deed:

<u>Deed Name</u>	<u>Parcel Number</u>	<u>Tax Year</u>	<u>Assessed To</u>
Timothy Bass	517-306-000-00-007-04	1996	Rodney Davis

The following 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 Thorman, seconded by Councilmember Guy, to approve the monthly claims docket for July 2000 in the total amount of \$416,539.79. 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.

CONSIDER REQUEST TO ADVERTISE THE RESOURCES OF THE CITY

Upon request of the Picayune Touchdown Club, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to purchase a full-page ad in the Picayune High School football program in the amount of two hundred dollars to advertise the resources of the City and authorize the issuance of a manual check for the same. The following roll call vote was taken:

REGULAR MEETING DATED JULY 5, 2000

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

VOTING NAY: None

The motion was declared carried.

CONSIDER REQUEST TO ADVERTISE THE RESOURCES OF THE CITY

Upon request of Picayune Big Dawgs girls' softball team, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to advertise the resources of the City by sponsoring the team in the national USSSA tournament beginning July 20, 2000 in Nashville and to authorize the issuance of a manual check for \$700.00 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.

CONSIDER REQUEST TO ADVERTISE THE RESOURCES OF THE CITY

Upon request of the Pearl River County Development Association (PRCDA), motion was made by Councilmember Thorman, seconded by Councilmember Bates, to advertise the resources of the City by sponsoring the annual "Salute to Industry" banquet to be held July 20, 2000 and to authorize the issuance of a manual check for \$500.00 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.

PUBLIC HEARING ON ASSESSMENT OF COST OF DEMOLITION AND REMOVAL OF BUILDING AT 319 FANNIE AVENUE

A public hearing was held on the proposed assessment of the cost of demolition and removal of the building on property located at 319 Fannie Avenue. The following resolution was presented:

RESOLUTION DETERMINING COST OF DEMOLITION AND REMOVAL OF BUILDING

WHEREAS, at a public hearing held on the 5th day of July, 2000, after notice given to the property owner as required by law, the Mayor and Council determined that the buildings on the property of Lillie Clark at 319 Fannie Avenue, being legally described as

Lot 5, Block C
Browns Addition to the City of Picayune,
As per official map or plat thereof on file in the
Office of the Chancery Clerk of Pearl River County, Mississippi,

were in such a condition because of dilapidation and disrepair as to be dangerous or injurious to the health or safety of the public as authorized by Section 43-35-105, Mississippi Code of 1972, as amended, and Section 8-274 of the Code of Ordinances of the City of Picayune; and

REGULAR MEETING DATED JULY 5, 2000

WHEREAS, after determining that all of the requirements of said statute to be performed by the City of Picayune were met and that the owner would not or did not repair or remove said buildings, the building official did then proceed to have the buildings demolished and removed as hereinafter specified.

NOW THEREFORE, BE IT RESOLVED by the Mayor and Council that the actual cost of such demolition of said property is adjudicated to be as follows, to-wit:

Contract for demolition and removal of debris	\$2,300.00
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BE IT FURTHER RESOLVED that the actual cost of said demolition and removal as aforesaid be assessed against the hereinabove described real property and that the City of Picayune, Mississippi, shall have a lien against the hereinabove described real property in the amount of \$2,300.00, and that by virtue of the provisions of Section 43-35-105(e) this lien shall be filed and enrolled in the Office of the Circuit Clerk of Pearl River County, Mississippi, as other judgments are recorded.

ADOPTED this 5th day of July, 2000.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the foregoing resolution. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried and the resolution approved.

ORDER TO ADOPT ORDINANCE FIXING THE TIME OF MEETINGS OF THE MAYOR AND CITY COUNCIL

The following ordinance was presented for consideration:

ORDINANCE NO. 742

AN ORDINANCE FIXING THE TIME OF THE MEETINGS OF THE MAYOR AND COUNCIL OF THE CITY OF PICAYUNE

Be it Ordained by the Mayor and Council of the City of Picayune, Pearl River County, Mississippi, in meeting duly assembled:

SECTION 1. Meeting Place and Time.

Hereafter, regular public meetings of the Mayor and Council of the City of Picayune shall be held on the first Tuesday of each month at the hour of six o'clock p.m. in the Court Room of the Criminal Justice Center located at 328 South Main Street.

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 or any other section, clause,

REGULAR MEETING DATED JULY 5, 2000

paragraph, provision, or part of this ordinance. All provisions of this ordinance shall be considered separate provisions, and completely severable from all other portions.

All other ordinances in conflict with the provisions hereof are hereby repealed with special reference to Ordinance No. 366. Conflict in any case where a provision of this 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, this Ordinance shall be in force from and after adoption and publication.

The foregoing Ordinance, having first been reduced to writing, was moved upon by Councilmember Thorman, seconded by Councilmember Guy, and voted upon as follows:

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

VOTING NAY: None

The motion having received the affirmative vote of the majority of the members present, the Mayor declared the motion carried and the ordinance passed, approved, and adopted.

ORDER TO CONSIDER ACTION ON AGREEMENT TO PURCHASE AVIATION FUEL WITH THE HILLER GROUP, INC.

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to table any action on the proposed agreement with The Hiller Group, Inc. to purchase aviation fuel 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.

CONSIDER REQUEST FOR AUTHORIZATION TO BID FOR EXCAVATOR

Upon request of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Purchasing Agent to solicit bids for a hydraulic excavator for use in the Streets & Drainage 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 ACKNOWLEDGE THAT THE MOTOR VEHICLE ASSESSMENT SCHEDULE IS AVAILABLE FOR REVIEW

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the Motor Vehicle Assessment Schedule for 2000-2001 from the State Tax Commission and to acknowledge that the schedule is open for inspection and examination by any interested taxpayer. The following roll call vote was taken:

REGULAR MEETING DATED JULY 5, 2000

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

VOTING NAY: None

The motion was declared carried.

CONSIDER BID AWARD

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to accept the bid on and approve the sale of surplus property of Lot 54, Rosa Street Redevelopment to Carolyn Vaughn for \$3,310.00. 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.

CONSIDER BID AWARD

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to accept the bid on and approve the sale of surplus property of Lot 55, Rosa Street Redevelopment to Carolyn Vaughn for \$3,320.00. 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

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to accept the minutes of the Planning Commission dated May 23, 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 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 27, 2000. The following roll call vote was taken:

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

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VOTING NAY: None

The motion was declared carried.

CONSIDER REQUEST FOR CONDITIONAL USE FOR 505 WILLIAMS AVENUE

Upon request of Kent and Stephanie Martinez, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve a conditional use for property located at 505 Williams Avenue, R-2 zone, to be used as a professional or medical 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.

CONSIDER REQUEST FOR ANNEXATION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table the request of Jonathan Pearson to annex his property of 4.082 acres located on Frontage Road behind Rainbow Vans. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

MGAM RESOLUTION FOR PURCHASE OF NATURAL GAS

The Mayor and the City Council of the City of Picayune, Mississippi, took up for consideration the matters of declaring its intent to participate in a program for advance purchase of a supply of natural gas through the Municipal Gas Authority of Mississippi and approving the form of and execution of a Natural Gas Supply and Transportation, Storage, and Load Management Agreement. After a discussion of the subject, Councilmember Guy offered and moved for the adoption of the following resolution:

RESOLUTION DECLARING THE INTENT OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE TO PARTICIPATE IN A PROGRAM FOR ADVANCE PURCHASE OF A SUPPLY OF NATURAL GAS AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A NATURAL GAS SUPPLY AND TRANSPORTATION, STORAGE, AND LOAD MANAGEMENT AGREEMENT BY AND BETWEEN THE MUNICIPAL GAS AUTHORITY OF MISSISSIPPI ("MGAM") AND THE CITY OF PICAYUNE, MISSISSIPPI (THE "AGREEMENT").

WHEREAS, the Municipal Gas Authority of Mississippi, a local distribution company of the State of Mississippi, organized and existing under the laws of the State of Mississippi, ("MGAM") is created to maximize the benefits of public ownership of gas systems in the State of Mississippi (the "State") by providing reliable and cost-effective gas supply and management services pursuant to Sections 77-6-1, *et seq.*, of the Mississippi Code Annotated of 1972, as amended (the "Act");

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WHEREAS, MGAM has announced a plan to structure and implement a program to provide for the advance purchase of natural gas to supply participating municipalities with the objective of assuring a guaranteed natural gas supply arrangement below market price (the "2000 Natural Gas Supply Project") and with the advance purchase of natural gas supply by the Authority to be funded through a loan from the Mississippi Development Bank (the "Loan");

WHEREAS, the City of Picayune (the "City") is a municipality under the Act;

WHEREAS, MGAM has determined that it is necessary to acquire supplies of gas from time to time to meet the gas requirements of the City and other municipalities and that the most economical and reliable means of acquiring such supplies is through the Loan;

WHEREAS, in connection with the foregoing, it is necessary to approve the form of and the execution of the Natural Gas Supply and Transportation, Storage, and Load Management Agreement; and

WHEREAS, the Mayor and the City Council of the City (the "Governing Body"), having made due investigation, find, determine and declare that it is in the public interest that the City participate in the 2000 Natural Gas Supply Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI:

SECTION 1. That with the adoption of this resolution the City declares its intent to participate in the 2000 Natural Gas Supply Project and MGAM is authorized and directed to include the City in its calculation and planning for the implementation of the program as a participating municipality.

SECTION 2. That the Governing Body hereby approves the form of the Agreement in the form attached hereto as Exhibit A, and hereby authorizes the Mayor and the City Clerk to sign the Agreement in substantially the same form for and on behalf of the Governing Body.

SECTION 3. That the Loan and the issuance of the Note shall be subject to the following parameters: (i) the Loan shall not exceed the aggregate principal amount of One Hundred Seventy Five Million Dollars (\$175,000,000); (ii) the net interest cost shall not exceed nine percent (9.00%); (iii) an amortization schedule for a term not to exceed twelve (12) years; and (iv) the Gas Revenue Note shall be a special obligation of MGAM, payable solely from the revenues, income and receipts of MGAM derived from the Project.

SECTION 4. The Mayor and the City Clerk are further authorized and directed to execute and deliver additional documents and certificates which are required in connection with the Agreement, the Loan and the issuance of the Gas Revenue Note, including, but not limited to, certifications as to materials provided by the municipality relating to the respective cities in the offering document for the Bonds.

SECTION 5. All orders, resolutions or proceedings of the Governing Body in conflict with the provisions of this resolution shall be and are hereby repealed, rescinded and set aside, only to the extent of such conflict.

SECTION 6. For cause, this resolution will become effective immediately upon the adoption thereof.

EXHIBIT A**NATURAL GAS SUPPLY AGREEMENT**

This Natural Gas Supply Agreement (hereinafter the "Agreement") is made and entered into this ___ day of _____, 2000, by and between the City of Picayune, Mississippi, a political subdivision organized and existing under the laws of the State of Mississippi (hereinafter "Municipality"), and the Municipal Gas Authority of Mississippi (hereinafter "MGAM"), an authority created as a local distribution company of the State of Mississippi by the Mississippi Legislature in Chapter 515 of the Laws of Mississippi, 1988, approved May 16, 1988, and codified at Section 77-6-1 et seq., Mississippi Code Annotated (hereinafter the "Municipal Gas Authority

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Law"). Municipality and MGAM are sometimes hereinafter referred to collectively as the "parties" or individually as a "party."

WHEREAS MGAM is an authority created by the Legislature of the State of Mississippi to function without profit in developing, obtaining and promoting for the public good adequate, dependable and economical sources and supplies of natural gas for the municipal gas distribution systems in the State; and

WHEREAS MGAM's statutory purposes under the Municipal Gas Authority Law include the planning, financing, development and acquisition of gas supply projects; and

WHEREAS MGAM has the authority under Section 77-6-15 of the Municipal Gas Authority Law to negotiate and enter into contracts for the purchase and sale of natural gas with any municipality in the State of Mississippi or any other state; and

WHEREAS MGAM has planned and developed a gas supply project under which it will finance the acquisition of an annual average of approximately 19,000-25,000 MMBtu per day of gas supplies for sale to member municipalities and other project participants so as to bring the benefits of secure, reliable and economical gas supplies to Mississippi municipalities and their citizens, inhabitants and customers; and

WHEREAS Municipality owns and operates a natural gas system under authority of the laws of the State of Mississippi for the distribution, sale and delivery of natural gas within its service area, and holds firm transportation and storage capacity rights on the interstate pipeline system operated by Koch Gateway Pipeline Company; and

WHEREAS Municipality has the authority to enter into a contract for the purchase of natural gas under the laws of the State of Mississippi; and

WHEREAS Municipality has elected through the action of its governing body to participate in this gas supply project with MGAM; and

WHEREAS, subject to the terms and conditions set forth in this Agreement, Municipality desires to purchase natural gas from MGAM on a firm basis in the quantities specified in this Agreement and MGAM desires to sell to Municipality on a firm basis such supplies of natural gas purchased by MGAM.

NOW, THEREFORE, in consideration of the promises and mutual covenants set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MGAM and Municipality agree as follows:

ARTICLE I
DEFINITIONS

Unless another definition is expressly stated in this Agreement, the following terms and abbreviations, when used in this Agreement, are intended to and shall mean as follows:

1.1 "British thermal unit" or "Btu" means the amount of energy required to raise the temperature of one pound of pure water one degree Fahrenheit (1° F) from fifty-nine degrees Fahrenheit (59° F) to sixty degrees Fahrenheit (60° F).

1.2 "Business day" means any day except Saturdays, Sundays, and Federal Reserve Bank holidays.

1.3 "Cubic foot" means the amount of gas required to fill a cubic foot of space when the gas is at an absolute pressure of 14.73 pounds per square inch and at a temperature of sixty degrees Fahrenheit (60° F).

1.4 "Daily Quantity" means the daily quantity of gas in MMBtu that MGAM agrees to sell and deliver and Municipality agrees to purchase and receive each day during each month, as specified in Section 2.2 of this Agreement, throughout the term of this Agreement.

1.5 "Day" or "gas day" means a period of 24 consecutive hours as defined in Pipeline's FERC Gas Tariff. The date of the day shall be the date at the beginning of the day.

1.6 "Excess gas" means a quantity of gas, purchased and received by Municipality on any day during the term of this Agreement, equal to the amount by which Municipality's purchases and receipts exceed its Daily Quantity on such day.

1.7 "FERC" means the Federal Energy Regulatory Commission and any successor thereto.

1.8 "Firm" means the unqualified obligation on the part of MGAM to tender for sale and delivery and the unqualified obligation on the part of Municipality to purchase and receive the Daily Quantity of gas in accordance with and subject to the terms of this Agreement unless the tender for sale and delivery by MGAM or purchase and receipt by Municipality are excused because of an event of force majeure.

1.9 "Firm transportation" means the transportation services designated in Pipeline's FERC Gas Tariff as firm transportation rate schedules.

1.10 "Force majeure" shall have the meaning provided for such term in Section 15.2 of this Agreement.

1.11 "Gas" or "natural gas" means any mixture of hydrocarbons or of hydrocarbons and non-combustible gaseous state, consisting essentially of methane and conforming to the quality specifications contained in Pipeline's FERC Gas Tariff, as it may be amended from time to time.

1.12 "Interruptible transportation" means the transportation services provided by Pipeline other than firm transportation as defined in Section 1.9 of this Agreement.

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- 1.13 "Mcf" means one thousand (1,000) cubic feet of gas.
 1.14 "MMBtu" means one million (1,000,000) Btus.
 1.15 "Month" means the period of time beginning at the beginning of the first day of a calendar month and ending immediately prior to the commencement of the first day of the next calendar month.
 1.16 "Pipeline" means Koch Gateway Pipeline Company, the interstate natural gas pipeline company which provides transportation of natural gas to Municipality's city gate station.
 1.17 "Year" means a period of 12 consecutive months beginning at the beginning of the first day of a calendar month and ending immediately prior to the commencement of the first day of the same calendar month in the next calendar year.

ARTICLE II
SERVICE OBLIGATIONS

2.1 **Gas Supply Service.** Beginning April 1, 2001, and continuing for the term of this Agreement, MGAM shall make available to Municipality each day on a firm basis, and Municipality shall purchase and receive from MGAM on a firm basis, the Daily Quantity as specified in Section 2.2 of this Agreement. From time to time, Municipality may request and MGAM will attempt to make available excess gas, subject to mutual agreement of the parties as to the terms and conditions of delivery and the availability of capacity on Pipeline's systems to effect such delivery.

2.2 **Daily Quantity.** The Daily Quantity for each month of the year during the term of this Agreement is as follows:

<u>Month</u>	<u>MMBtu per Day</u>
January	1,175
February	820
March	665
April	475
May	355
June	310
July	295
August	380
September	510
October	500
November	850
December	1,320

2.3 **Optional Transportation, Storage, and Load Management Services.** Upon a minimum of 90 days written notice to MGAM, Municipality may elect to have MGAM perform the transportation, storage, and load management services described in this Section 2.3, as follows: Subject to the delegation of rights set forth in Section 2.4 of this Agreement, MGAM agrees to perform all services necessary to deliver gas to Municipality, including but not limited to arrangement of transportation, nominations, scheduling, balancing, confirmations, and load management. MGAM shall make arrangements for all transportation services required to effect the re-delivery of gas to Municipality at its city gate station. Municipality and MGAM shall use reasonable efforts to communicate periodically and consistently with one another so that MGAM may anticipate Municipality's gas needs and thereby minimize or eliminate any scheduling and imbalance penalties or similar charges that may be assessed by Pipeline and avoid or ameliorate such other operational difficulties as may from time to time arise; provided, however, that MGAM shall be responsible for seeking and obtaining all such information as MGAM may require in connection with its obligations under this Section 2.3. In the event Municipality elects to have MGAM perform the services described in this Section 2.3, MGAM shall charge and Municipality shall pay MGAM's then-effective administrative fee charged to its member municipalities for performing such services.

2.4 **Delegation of Rights.** As a condition precedent to MGAM's obligations pursuant to Section 2.3 of this Agreement, Municipality shall delegate to MGAM, in a manner consistent with the requirements of Pipeline's FERC Gas Tariff, Municipality's firm transportation and storage capacity on Pipeline's systems and all rights to use such capacity under blanket agency authority or other authority acceptable to MGAM (including without limitation scheduling, nominating, billing, etc.). The parties understand and agree that the delegation contained in this Section 2.4 is for management purposes only, and that (i) any revenues that may be accrued by MGAM pursuant to such delegation shall be flowed through by MGAM to Municipality and (ii) MGAM shall not have the right to change Municipality's transportation or storage entitlements on Pipeline's systems unless Municipality directs MGAM to do so in writing.

ARTICLE III
DELIVERY POINTS

MGAM shall sell and deliver the gas supplies to Municipality provided for in this Agreement at the supply receipt points on the Pipeline's system agreed to between MGAM and Municipality. Municipality shall delegate to MGAM, consistent with the provisions of Pipeline's FERC Gas Tariff, all rights to use its primary and alternate receipt points on Pipeline's system for purposes of effectuating the sale and delivery of gas supplies under this Agreement by MGAM. Municipality's primary receipt points are set forth in Exhibit A of this agreement, which is hereby incorporated into this Agreement by this reference for all purposes. Municipality agrees to

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maintain such primary receipt points throughout the term of this Agreement, or such other primary receipt points on Pipeline's system as are acceptable to MGAM.

ARTICLE IV**PRICE**

4.1 **Charge per MMBtu Delivered.** Beginning on April 1, 2001, for each MMBtu of gas sold and delivered under this Agreement, except for any excess gas, Municipality shall pay MGAM a charge equal to the "Index Price," as hereinafter defined in this Section 4.1, minus a discount determined at the time of closing of the financed gas supply acquisition program described in this Section 4.1 in accordance with the formula described in Exhibit B hereof, equal to five cents (\$0.05) per MMBtu, provided, however, if MGAM fails to complete the financing of an incremental gas supply acquisition program to meet the supply requirements of Municipality and other participants in such gas supply acquisition program on or before April 1, 2001, then this Agreement shall terminate on that date subject to Article V. The net savings below the Index Price shall be computed by MGAM and reviewed by the Municipality. The Index Price minus the discount per MMBtu as calculated in accordance with such formula shall be the Contract Price. The Index Price shall be a charge equal to the first monthly spot price index reported in Inside F.E.R.C.'s Gas Market Report for prices of spot gas delivered to pipelines, for Pipeline in the zone or supply area into which MGAM delivers gas to or for the account of Municipality. In the event Inside F.E.R.C.'s Gas Market Report ceases to publish such first of the month index prices or ceases to be published entirely during the term of this Agreement, the parties shall mutually agree upon a price for deliveries into Pipeline by reference to industry-recognized publications or market quotations.

4.2 **Fixed Price Conversion Option.** Not later than three weeks prior to the nomination deadline for first-of-the-month deliveries on Pipeline, Municipality may elect a fixed price to be applicable to any portion of the quantities of gas purchased under this Agreement during a future month or months. Under this option, Municipality shall make its request in writing to MGAM for a fixed price quote covering specific quantities of gas for a specific future month or months. Within two business days after receipt of Municipality's request, MGAM shall provide Municipality a written fixed price quote covering the requested quantities and future month or months and specifying the time period for which the quote is open. If Municipality by written confirmation accepts any fixed price quote under this Section 4.2 within the time specified, then the fixed price agreed to by Municipality shall replace the Index Price described in Section 4.1 of this Agreement for the quantities and future month or months covered by such fixed price quote; that is, the fixed price shall take the place of the Index Price in the Contract Price formula.

4.3 **Excess Gas Charge.** For quantities of excess gas sold and delivered on any day under this Agreement, Municipality shall pay MGAM a charge per MMBtu equal to MGAM's actual cost of such gas, but not less than the Contract Price, plus all applicable costs of transportation and storage incurred in obtaining delivery of such gas to Municipality, plus all administrative costs incurred in purchasing such gas and obtaining its delivery to Municipality.

4.4 **Annual True-Up.** On the date of this Agreement as hereinabove set forth, Municipality is not a member of MGAM. In the event that Municipality becomes a member of MGAM during the term of this Agreement, the provisions of this Section 4.4 as herein below set forth shall become effective from that time forward. Following completion of an audit of its financial statements at the end of each twelve-month period ending September 30 during the term of this Agreement, MGAM shall perform a true-up comparing its revenues and its expenses for that year. For purposes of this annual true-up, MGAM's expenses shall include but not be limited to: its operating expenses incurred in obtaining gas supply to meet Municipality's requirements, including fuel; its expenses incurred in providing transportation, storage, and load management services; its administrative expenses, including but not limited to rent, salaries, overhead, professional and other services, carrying costs, and other reasonable expenses; and debt service on any of MGAM's bonds issued to finance the acquisition of gas supplies or for other purposes and any deposits required to be made by MGAM into any debt service reserve of other reserve funds established with respect to such bonds, and any fees or other amounts due to any provider of credit or liquidity support for such bonds. To the extent that the annual true-up demonstrates that MGAM's revenues exceeded MGAM's expenses during that year, then MGAM's Commissioners may make refunds to Municipality and the other members of MGAM in amounts within the discretion of MGAM's Commissioners after making allowance for necessary and appropriate reserves and contingencies, including but not limited to amounts deemed reasonably necessary by MGAM's Commissioners to fund or maintain any rate stabilization or working capital reserve and to reserve or account for any unfunded liabilities, including future sinking fund or other principal amortization of MGAM's bonds. All such refunds shall be made to each of MGAM's members in an amount reflecting a fair and reasonable allocation of such refunds as determined by MGAM's Commissioners taking into account with respect to Municipality and such other members (i) relative purchases from MGAM during the year, (ii) relative transportation and storage costs and contract quantities, (iii) relative use of such transportation and storage contract entitlements for purposes of enabling MGAM to realize cost savings and produce revenues for the benefit of the participating members, and (iv) other factors as determined by the Commissioners. To the extent that the annual true-up reveals that MGAM's expenses exceeded its revenues during that year, any such shortfall shall be made up first from available reserves of MGAM. In the event reserves are insufficient to cover any such shortfall, it shall be made up by a temporary surcharge in an amount and for a duration to be agreed upon by the parties, applied to all sales and purchases under this Agreement. Notwithstanding anything to the contrary contained in this Section 4.4 or otherwise in this Agreement, Municipality shall never be obligated to pay more than the Contract Price for gas supply and management services during the term of this Agreement.

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This Agreement shall become effective upon its execution so as to effectuate the purchase and sale of gas under this Agreement commencing April 1, 2001, and shall remain in full force and effect for a term ending at the conclusion of 120 consecutive months from the date of first deliveries of gas acquired by MGAM under the terms of the financed gas supply acquisition program described in Section 4.1 of this Agreement, but not later than December 1, 2010; provided, however, that if the first deliveries of gas acquired by MGAM under the terms of the financed gas supply acquisition program described in Section 4.1 of this Agreement have not occurred by April 1, 2001, this Agreement shall terminate as of that day; provided further that the termination of this Agreement shall not relieve either party of any obligation to pay amounts due under this Agreement for periods prior to the termination date; and provided further that Municipality shall have the option to extend the term of this Agreement by an additional 24 months at the expiration of the primary term, exercisable by Municipality by providing 180 days notice to MGAM of its election to extend the term of this Agreement prior to the expiration of such primary term.

ARTICLE VI**FAILURE TO PERFORM****6.1 Replacement Costs.**

(a) **Cost of Replacement Gas.** Except in cases of force majeure, for each MMBtu that MGAM is obligated to deliver under this Agreement but fails to deliver, MGAM shall pay Municipality the difference between the Contract Price per MMBtu which would have been applicable to the undelivered gas under Article IV of this Agreement and such higher costs, if any, which Municipality actually incurred to obtain replacement gas, including but not limited to any incremental charges associated with the transportation of replacement gas.

(b) **Cost of Replacement Sales.** In the event that on any day MGAM tenders for delivery to Municipality gas that Municipality is obligated to purchase and Municipality fails to take such gas, and the occurrence is not covered by Article XV of this Agreement, then MGAM shall bill Municipality for such gas at the Contract Price and shall credit against the amounts owed by the Municipality for such gas an amount equal to the quantity not taken by Municipality times the lesser of (i) 99% of the Contract Price, or (ii) 99% of the low end of the applicable Gas Daily Index ranges for the day in question, or (iii) 99% of the Index Price, or (iv) MGAM's actual replacement sale price for such gas, less in all cases any incremental charges associated with the transportation of such gas actually incurred by MGAM in connection with any replacement sale.

6.2 No consequential or Special Damages. Neither party shall be liable for consequential, incidental, special, or punitive damages or losses which may be suffered by the other as a result of the failure to deliver or take the required quantities of gas under this Agreement.

ARTICLE VII**TRANSPORTATION AND STORAGE**

7.1 Responsibility for Transportation and Storage. MGAM shall make all arrangements for transportation services required to effect the delivery of gas to the delivery points described in Article III of this Agreement. MGAM shall bear all costs and expenses of transportation prior to the delivery of gas into Pipeline's system at the delivery points described in Article III of this Agreement and Municipality shall bear all costs of and responsibility for transportation and storage by Pipeline from the delivery points described in Article III to any and all other points. The parties acknowledge and agree that MGAM shall have no responsibility or liability for providing firm service to Municipality on any day for any portion of the Daily Quantity for which Municipality does not have firm transportation on Pipeline. MGAM may rely on interruptible transportation to fulfill its firm delivery obligations under this Agreement. However, MGAM's performance of its firm delivery obligations under this Agreement shall not be excused by virtue of the fact that such interruptible transportation is interrupted, curtailed, or otherwise unavailable, except as set forth in this Section 7.1 and in Section 15.2 of this Agreement.

7.2 Liability for Penalties, Charges, or Costs. MGAM shall be liable for and remit payment to Municipality, or to Pipeline as agent for Municipality, as the case may be, within ten days of presentation of invoice for any scheduling, imbalance, or other transportation-related penalties, cash-out costs, fees, forfeitures, or other such charges imposed by Pipeline, associated with deliveries to Municipality at the delivery points described in Article III of this Agreement, as a result of MGAM's failure to deliver the Daily Quantity under this Agreement other than as a result of an event of force majeure as defined in Section 15.2 of this Agreement.

ARTICLE VIII**QUALITY**

All gas delivered under this Agreement shall be merchantable and shall, upon delivery, conform to the quality specifications and heating value specified in Pipeline's FERC Gas Tariff.

ARTICLE IX**PRESSURE**

All gas sold by MGAM under this Agreement shall be delivered to Municipality at the pressure maintained in Pipeline's facilities from time to time at the points of delivery.

REGULAR MEETING DATED JULY 5, 2000**ARTICLE X
TITLE AND INDEMNIFICATIONS**

10.1 **Warranty of Title and Indemnifications.** MGAM warrants the title to all gas sold and delivered under this Agreement. MGAM further represents and warrants that it shall, to the extent permitted by law, pay and satisfy, or make provision for the payment and satisfaction of, any and all claims of every nature whatsoever concerning or with respect to the title to gas delivered under this Agreement, and MGAM agrees, to the extent permitted by law, to defend at its cost, and to indemnify Municipality against, all suits, judgments, claims, demands, causes of action, costs, losses, and expenses arising out of or in any way connected with claims with respect to the title to the gas prior to its delivery under this Agreement.

10.2 **Title.** Title to the gas delivered under this Agreement shall pass to and vest in Municipality upon the delivery of such gas to Municipality at the points of delivery described in Article III of this Agreement.

**ARTICLE XI
MEASUREMENT**

Gas sold under this Agreement shall be measured through Pipeline's existing measurement facilities at the points of delivery described in Article III of this Agreement in accordance with the provisions of Pipeline's FERC Gas Tariff and the measurement standards and procedures in any applicable transportation agreement between Municipality and Pipeline. The unit of volume for measurement of gas delivered under this Agreement shall be one cubic foot of gas at a base temperature of sixty degrees Fahrenheit (60° F) at an absolute pressure of 14.73 pounds per square inch. The sales unit of the gas shall be one MMBtu, established by Pipeline converting Mcf measured at the points of delivery described in Article III of this Agreement according to the Btu content determined by Pipeline at such points on a dry basis.

**ARTICLE XII
OTHER PAYMENTS AND TAXES**

12.1 **Royalties and Other Charges.** MGAM shall pay or cause to be paid all royalties and other sums due on the gathering, handling, and transportation of the gas prior to its delivery to Municipality.

12.2 **Taxes.** The price for gas delivered under this Agreement in inclusive of all production, severance, ad valorem, or similar taxes levied on the production or transportation of the gas prior to its delivery to or for the account of Municipality at the points of delivery, and all such taxes shall be borne and paid exclusively by MGAM; provided, however, that if Municipality is required to remit such taxes to the collecting authority, Municipality shall do so and MGAM shall credit an amount equal to the taxes so paid against payments otherwise due to MGAM under this Agreement. The price for gas delivered under this Agreement does not include any federal, tribal, state, or local sales, use consumption, utility, storage, license, or similar tax imposed by any taxing authority on the sale to, or use by, Municipality of the gas sold under this Agreement. Municipality shall be responsible for the payment of any such taxes if they apply to the gas sold under this Agreement. In the event that Municipality is exempt from the payment of any such tax, Municipality shall, upon MGAM's request, provide MGAM a tax exemption certificate or other appropriate documentation.

**ARTICLE XIII
BILLING AND PAYMENT**

13.1 **Timing.** On the 20th day of each month, or the next business day if the 20th day is not a business day, MGAM (or its designee for such purpose) shall bill Municipality for gas supply service under this Agreement for such month, based upon the Daily Quantities set forth in Section 2.2 of this Agreement. MGAM shall deliver its billing statement to Municipality by regular mail, courier, or facsimile transmission to the facsimile number set forth for Municipality in Article XX of this Agreement. Municipality shall make payment to MGAM by check, or at MGAM's request by wire transfer to MGAM in accordance with the wire transfer information for MGAM set forth in Article XX of this Agreement, of the amount due for gas supply service under this Agreement as billed by MGAM by no later than the 10th day of the next succeeding month. MGAM shall reconcile its billing for gas supply service to reflect any credits under Section 6.2 of this Agreement in its billing statement to Municipality for the next succeeding month.

13.2 **Late Payment.** Should Municipality fail to pay an amount when due, interest thereon shall accrue at a rate of one and one-half percent (1½ %) per month from the date when due until paid. If Municipality disputes the appropriateness of any charge or calculation in any billing statement from MGAM, Municipality, within the time provided for payment, shall notify MGAM of the existence of and basis for such dispute and shall pay all amounts billed by MGAM under this Agreement, including any amounts in dispute. If it is ultimately determined that Municipality did not owe the disputed amount by agreement or by a final order of a court of competent jurisdiction which is not subject to appeal, or for which any right to appeal has been waived, or for which the parties have irrevocably agreed not to appeal, MGAM shall pay Municipality the disputed amount plus interest calculated in accordance with this Section 13.2 from and including the date of original payment to MGAM to but not including the date of repayment to Municipality. Either party may bring an action at law for the payment of any amounts due under this Agreement.

13.3 **Audit Rights.** Each party shall have the right at its own expense to examine and audit at any reasonable time the books, records, measurement data, and charts of the other party to the extent necessary to verify the accuracy of any statements or charges made under or pursuant to any of the provisions of this Agreement. Any inaccuracy shall be promptly corrected when discovered; provided that neither party shall be required to maintain books, records, measurement

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data, or charts for a period greater than required by the laws of the State of Mississippi, specifically the rules, guidelines and schedules adopted and approved by the Local Government Records Committee of the Mississippi Department of Archives and History. Neither party shall have a right to question or contest any charge or credit if the matter is not called to the attention of the other party in writing within two calendar years of the date of the charge or credit in question.

13.4 **Charge Against Revenues.** Municipality's obligation to make the payments required to be made by it under this Agreement is a several obligation and not a joint obligation with the obligations of any members of MGAM or other participants in the financed gas supply project described in Section 4.1 of this Agreement. Municipality agrees to make such payments solely from the revenues of its public gas system and as a charge against such revenues, after any prior pledge by Municipality of the gross revenues of its gas distribution system to secure the acquisition or improvement of a system under Mississippi Code §21-27-47, as an operating expense of its public gas system and a cost of purchased natural gas; provided, however, that Municipality may apply any legally available monies to the payment of the amounts due under this Agreement. Municipality hereby covenants and agrees that it will establish, maintain, and collect rates and charges for the gas service furnished by its gas system so as to provide revenues sufficient, together with other available gas system reserves, to enable Municipality to pay to MGAM all amounts payable under this Agreement and to pay all other amounts payable from revenues of Municipality's gas system, and to maintain any required reserves. Municipality further covenants and agrees that it shall not furnish or supply gas service free of charge to any person, firm, corporation or association, public or private, except any such service free of charge that Municipality is supplying, consistent with the provisions of §21-27-27 of the Mississippi Code, on the date this Agreement is made and entered into, and Municipality shall promptly enforce the payment of any and all accounts owing to Municipality by reason of the sale of gas or the provision of transportation service to its customers.

13.5 **Financial Responsibility.** When reasonable grounds for insecurity of payment for services under this Agreement arise, MGAM may demand adequate assurance of performance from Municipality. Adequate assurance shall mean sufficient security in the form and for the term reasonably specified by MGAM, including but not limited to a standby irrevocable letter of credit, a prepayment, a security interest in an asset acceptable to MGAM, or a performance bond or guaranty by a creditworthy entity.

**ARTICLE XIV
LAWS AND REGULATIONS**

This Agreement is subject to all valid laws, orders, rules, and regulations of any duly constituted governmental authority, federal, state, or local, to the extent such laws, orders, rules, and regulations are applicable and effective from time to time.

**ARTICLE XV
FORCE MAJEURE**

15.1 **Suspension of Obligations.** If either party is rendered unable, wholly or in part, by force majeure to carry out its obligations under this Agreement, other than to make payments due under this Agreement, it is agreed that the obligations of such party, so far as they are affected by 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 neither party shall be required against its will to resolve any labor dispute. The party claiming force majeure shall give notice and full particulars of such force majeure event orally by telephone and in writing by facsimile transmission to the other party as soon as reasonably possible after the occurrence of such event.

15.2 **Force Majeure Defined.** 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, storms, floods, washouts, arrests and restraints of governments and peoples, 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 or other failure of gas supply resulting in an invocation of force majeure by one or more of MGAM's suppliers, curtailment or interruption of firm transportation or storage or other failure of firm transportation or storage, resulting in the invocation of force majeure by Pipeline, 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. Without limitation, 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 all firm transportation on the affected pipeline segment.

**ARTICLE XVI
DEFAULT**

16.1 **Failure to Make Payments Due.** Failure by Municipality to make to MGAM when due any of the payments for which provision is made in this Agreement shall constitute a default on the part of Municipality.

16.2 **Right to Discontinue Service.** In the event of any such default, Municipality shall not be relieved of its liability for payment of the amounts in default, and MGAM shall have the right to recover from Municipality any amount in default. In enforcement of any such right of recovery, MGAM may bring any suit, action, or proceeding at law or in equity, including mandamus and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement, or obligation to make any payment for which provision is made in this Agreement, and

REGULAR MEETING DATED JULY 5, 2000

MGAM may, upon five days' written notice to Municipality, cease and discontinue its obligation to provide all or any portion of Municipality's gas supplies under Section 2.1 of this Agreement.

16.3 **Other Default by Municipality.** In the event of a failure by Municipality to establish, maintain, or collect rates or charges adequate to provide revenues sufficient to enable Municipality to pay all amounts due to MGAM under this Agreement or in the event of a failure by Municipality to take from MGAM its gas supplies in accordance with the provisions of this Agreement, or in the event of any default by Municipality under any other covenant, agreement, or obligation in this Agreement, MGAM may bring any suit, action, or proceeding at law or in equity, including mandamus, injunction, and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement, or obligation in this Agreement against Municipality.

16.4 **Default by MGAM.** In the event of default by MGAM under any covenant, agreement, or obligation in this Agreement, Municipality may bring suit, action, or proceeding at law or in equity, including mandamus, injunction, and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement, or obligation in this Agreement against MGAM.

16.5 **Abandonment of Remedy.** If any proceeding undertaken by either party on account of any default is discontinued or abandoned for any reason, the parties shall be restored to their former positions and rights under this Agreement, and all rights, remedies, powers, and duties of MGAM and Municipality shall continue as though no such proceeding had been undertaken.

ARTICLE XVII
LIABILITY

The party holding title to the gas purchased and sold under this Agreement as specified in Section 10.2 of this Agreement shall be responsible for and shall, to the extent permitted by law, indemnify, defend, and hold the other party harmless with respect to any losses, claims, liabilities, or damages arising therefrom when such party holds title to the gas.

ARTICLE XVIII
WAIVERS

No waiver by either MGAM or Municipality of any default of the other under this Agreement shall operate as a waiver of future default, whether of like or different character or nature.

ARTICLE XIX
SUCCESSION AND ASSIGNMENT

The terms and provisions of this Agreement shall extend to and be binding upon the parties, their respective heirs, successors, assigns, and legal representatives; provided, however, neither party shall assign this Agreement except as described in this Article XIX without the prior written consent of the other party. Whenever an assignment or a transfer of a party's interest in this Agreement is required to be made with the written consent of the other party, the assigning or transferring party's assignee or transferee shall expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring party, and upon such assignment or transfer and assumption of the duties and obligations, the assigning or transferring party shall furnish or cause to be furnished to the other party a true and correct copy of such assignment or transfer and assumption of duties and obligations; provided that pursuant to further action by the governing body of Municipality, Municipality may consent to the assignment of this Agreement for the benefit of holders of bonds issued by MGAM pursuant to the Municipal Gas Authority Law.

ARTICLE XX
NOTICES

Except as is otherwise specifically provided in this Agreement, any notice, request, demand, or statement provided for in this Agreement must be given in writing and delivered in person, by United States Mail, or by bonded express courier to the respective parties to this Agreement at the addresses shown below or at such other addresses as may hereafter be furnished to the other party in writing:

MGAM:

Correspondence, notices, and payments:
Municipal Gas Authority of Mississippi
6000 Lakeover Road
Jackson, MS 39213
Attn: C. Neil Davis, General Manager
Patrick Courter, Member Services Manager
Telephone: (601) 362-2252
Facsimile: (601) 362-2269
E-Mail: mgam@meam.com
Wire transfers: Merchants & Farmers Bank of Kosciusko
Account No. 700015891
ABA No. 084 201 621

Municipality:

Correspondence, notices, billing and payments:
City of Picayune
203 Goodyear Boulevard

REGULAR MEETING DATED JULY 5, 2000

Picayune, MS 39466
 Attn: Sabrina Diamond
 Telephone: (601) 798-0611
 Facsimile: (601) 798-0564

Any notice initially delivered orally shall be confirmed in writing, and any notice initially delivered by facsimile transmission shall be followed by a hard copy sent by first-class mail or bonded express courier within seven days after transmission of the facsimile transmission.

ARTICLE XXI
CHOICE OF LAW

This Agreement shall be interpreted and construed in accordance with the laws of the State of Mississippi, excluding conflicts of law principles which would refer to the laws of another jurisdiction.

ARTICLE XXII
MODIFICATIONS

No modifications of the terms and provisions of this Agreement shall be or become effective except pursuant to and upon the due and mutual execution of an appropriate supplemental written amendment by the parties.

ARTICLE XXIII
COMPUTATIONS

All computations related to prices and indices performed under this Agreement shall be rounded to four (4) decimal places (\$0.0000).

ARTICLE XXIV
CONSTRUCTION

24.1 **Entirety of Agreement.** This Agreement, including the Exhibits hereto, constitutes the entire agreement between MGAM and Municipality with respect to the sale, delivery, purchase and receipt of natural gas provided for in this Agreement, and supersedes any and all prior negotiations, understandings, or agreements, whether oral or in writing.

24.2 **Headings.** The headings used throughout this Agreement are inserted for reference purposes only and shall not be construed or considered in interpreting the terms and provisions of any section or article of this Agreement or the Agreement as a whole.

24.3 **Severability.** If any article, section, term, or provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Agreement shall continue in full force and effect without said article, section, term, or provision; provided, however, that if such severability materially changes the economic benefits of this Agreement to either party, the parties shall negotiate an equitable adjustment in the provisions of the Agreement in good faith.

ARTICLE XXV
COUNTERPARTS

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed to be an original instrument as against any party who has signed it.

ARTICLE XXVI
REPRESENTATIONS AND WARRANTIES

26.1 **Representations and Warranties of MGAM.** MGAM hereby makes the following representations and warranties to Municipality:

(a) MGAM is a Mississippi authority created as a local distribution company of the State of Mississippi by the Legislature of the State of Mississippi, duly organized and validly existing under the laws of the State of Mississippi, and has the power and authority to own its properties, to carry on its business as now being conducted, and to enter into and to perform this Agreement.

(b) The execution, delivery, and performance by MGAM of this Agreement have been duly authorized by all necessary corporate action of MGAM and do not and will not require, subsequent to the execution of this Agreement by MGAM, any consent or approval of the Commissioners or any officers of MGAM.

(c) This Agreement is the legal, valid, and binding obligation of MGAM enforceable in accordance with its terms except as such enforceability may be subject to (i) the exercise of judicial discretion in accordance with general principles of equity and (ii) bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable.

(d) There is no pending or, to the knowledge of MGAM (*i.e.*, as to which service of process has been received), threatened action or proceeding affecting MGAM which purports to affect the legality, validity, or enforceability of this Agreement as in effect on the date hereof.

26.2 **Representations of Municipality.** Municipality hereby makes the following representations and warranties to MGAM:

(a) Municipality is a municipal corporation, duly created and validly existing and in good standing under the laws of the State of Mississippi, and has the corporate power and authority to enter into and perform this Agreement.

REGULAR MEETING DATED JULY 5, 2000

(b) The execution, delivery, and performance by Municipality of this Agreement have been duly authorized by the governing body of Municipality and do not and will not require, subsequently to the execution of this Agreement by Municipality, any additional consent or approval of the governing body or any officers of Municipality.

(c) This Agreement is the legal, valid, and binding obligation of Municipality, enforceable in accordance with its terms, except as such enforceability may be subject to (i) the exercise of judicial discretion in accordance with general principles of equity and (ii) bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable.

(d) There is no pending or, to the knowledge of Municipality (i.e., as to which service of process has been received), threatened action or proceeding affecting Municipality which purports to affect the legality, validity, or enforceability of this Agreement as in effect on the date hereof.

(e) Bonds may be issued by MGAM with the intention that the interest thereon be excluded from gross income of the holders thereof under Section 103 of the Internal Revenue Code (1986), as amended (the "Code"). Accordingly, Municipality agrees for the benefit of the owners of the bonds that it will act in accordance with written instructions provided by MGAM from time to time and will not take any action, or fail to take any action, contrary to such instructions, if such action or failure to take action would adversely affect the exclusion from the gross income of the holders thereof of interest on the bonds under the Code.

26.3 Continuing Disclosure. In order to enable MGAM to comply with its continuing disclosure obligations under Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, Municipality agrees to provide to MGAM, within 30 days of the approval thereof by the governing body of Municipality, a copy of the audited financial statements of the Municipality, including specifically that portion of such audited financial statements relating to its gas system and any supporting schedules for such portion of such audited financial statements.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate originals, each of which shall constitute and be an original contract, as of the date herein above first written.

CITY OF PICAYUNE, MISSISSIPPI
By: _____
Printed Name: _____
Its: _____

ATTEST
By: _____
Printed Name: _____
Its: _____

MUNICIPAL GAS AUTHORITY OF MISSISSIPPI
By: _____
Printed Name: _____
Its: _____

ATTEST
By: _____
Printed Name: _____
Its: _____

EXHIBIT A
MUNICIPALITY'S PRIMARY RECEIPT POINTS

<u>Meter No.</u>	<u>Meter Name</u>	<u>Location</u>	<u>Quantity</u> <u>(MMBtu per Day)</u>
	City of Picayune	City Gate	

EXHIBIT B
CALCULATION OF CONTRACT PRICE

The Contract Price shall be calculated on the date that MGAM prices the bond issue and the Natural Gas Purchase and Sale Contract by using the Index Price as determined in accordance with Section 4.1 hereof and subtracting the savings determined by the following formula: the net savings below the Index Price shall be computed by MGAM and reviewed by Municipality and shall be expressed in cents per MMBtu; Municipality shall receive the first five cents (5¢) per MMBtu of such savings; MGAM shall receive the next three cents (3¢) per MMBtu of such savings (after providing for operating expenses, any operating reserve, and other requirements of the bond component of the financed supply acquisition program); and Municipality and MGAM shall share equally in all additional savings per MMBtu with fifty percent (50%) of such savings going to Municipality and fifty percent (50%) of such savings being retained by MGAM.

REGULAR MEETING DATED JULY 5, 2000

Following the reading of the foregoing resolution, Councilmember Thorman seconded the motion for its adoption. The following roll call vote was taken:

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

VOTING NAY: None

The motion having received the affirmative vote of the City Council of the City, the Mayor declared the motion carried and the resolution adopted.

ORDER TO AUTHORIZE 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:

COP General Fund	Utility Fund	\$55,000.00 (NTE)
Miss. State Tax Commission	Utility Fund	4,000.00 (NTE)
Melinda's	General Fund	269.00
Compton Engineering	Utility 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 ENTER CLOSED SESSION TO DETERMINE THE NEED FOR AN EXECUTIVE SESSION

Upon recommendation 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, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter executive session to discuss a matter involving the acquisition of property, a personnel matter, and a 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.

REGULAR MEETING DATED JULY 5, 2000

The Mayor reopened the meeting to publicly announce that the Council would enter executive session to discuss a matter involving the acquisition of property, 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 matter involving the acquisition of property, a personnel matter, and a matter of potential litigation and took no action.

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT FOR CONSULTING SERVICES ON A PROPOSED BOND ISSUE WITH DUNCAN-WILLIAMS, INC.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following contract with Duncan-Williams, Inc. for consulting services on a proposed bond issue for a new recreation center and other municipal projects:

CONTRACT FOR SERVICES

The City of Picayune, Mississippi, hereby officially hires Duncan-Williams, Inc. as investment banker/underwriter of the City's upcoming bond issue to finance the proposed recreation center and other municipal projects.

Duncan-Williams, Inc. will perform the following services to the City:

- a) structure the bond issue;
- b) work with the City's attorney and bond counsel to prepare offering documents in a timely manner;
- c) work with rating agencies and bond insurers to enhance the credit of the bonds, including detailed presentation of the City's financial condition to these entities;
- d) provide thorough analysis of different possible financing structures to the City, including fixed rate, variable rate, rated, non-rated, insured, and non-insured scenarios to determine which option allows the City to borrow funds at the lowest possible interest cost;
- e) market the bond issue throughout the country to all types of buyers, thereby creating as much competition as possible for the bonds, and
- f) continue to help the City analyze any future borrowings.

The City of Picayune will owe no fee to Duncan-Williams, Inc., until a bond issue closes to the City's satisfaction. For all of the above services, Duncan-Williams, Inc. will be owed a fee of between 1%-1.5% of the par amount of bonds issued, plus expenses, depending on the final structure of the borrowing (rated vs. non-rated, insurance, etc.).

Duncan-Williams, Inc. is very grateful to the City of Picayune for allowing us to provide these services. Dated this 5th day of July, 2000.

/s/

Joseph F. Bear, III
Duncan-Williams, Inc.

Woody Spiers
Mayor, City of Picayune, 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.

REGULAR MEETING DATED JULY 5, 2000ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until July 18, 2000 at 6:30 p.m. The following roll call vote was taken:

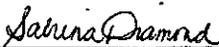
VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

July 18, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, July 18, 2000, at 6:30 p.m. in recessed session with the following officials present: Mayor Pro Tempore Leavern Guy, Councilmembers Jonas Bates, Mark Thorman and Kelly McQueen, 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 Bates, to approve the minutes of the Mayor and City Council dated July 5, 2000. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

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 monthly Public Records Requests Report for June 2000. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

The motion was declared carried.

ORDER TO VOID TAX SALES

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to void the following tax sales due to assessment errors by the Pearl River County Tax Collector:

<u>Parcel #</u>	<u>Assessed to</u>	<u>Years</u>
517-204-000-00-017.27	Eugene Frank Alessi	1997, 1998, 1999
517-204-000-00-017.02	Robert F. Decastro	1998, 1999
617-614-001-05-023-00	Linda McKenzie	1997, 1998, 1999

RECESSED MEETING DATED JULY 18, 2000

The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

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 June 2000. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

The motion was declared carried.

ORDER TO SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 207 SOUTH HOWARD AVENUE

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to set the date and time of August 15, 2000 at 6:00 p.m. in the Courtroom of the Criminal Justice Center for a public hearing on property cleanup for property located at 207 South Howard Avenue and owned by Louis Burton. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

The motion was declared carried.

ORDER TO SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 606 CHARLOTTE DRIVE

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to set the date and time of August 15, 2000 at 6:00 p.m. in the Courtroom of the Criminal Justice Center for a public hearing on property cleanup for property located at 606 Charlotte Drive and owned by Darrell Hampton. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

RECESSED MEETING DATED JULY 18, 2000

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

The motion was declared carried.

ORDER TO ADOPT MOTOR VEHICLE ASSESSMENT SCHEDULE

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to adopt the motor vehicle assessment schedule for August 1, 2000 to July 31, 2001 as prepared by the State Tax Commission and in accordance with Mississippi Code Section 27-51-21. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

The motion was declared carried.

ORDER TO AUTHORIZE USE OF UNMARKED POLICE VEHICLES

Upon recommendation of the Police Chief, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize that the following vehicles be listed as unmarked vehicles because identifying marks would hinder official investigation by the Police Department:

<u>Vehicle #</u>	<u>Year/Make</u>	<u>VIN #</u>	<u>Tag #</u>
158	1990 Ford	1FACP5OU8LA129133	FRA261
200	1995 Buick	1G4AG55MXS6404721	FRA272
201	1995 Oldsmobile	1G3AJ55MOS6405639	FRA273
202	1995 Buick	1G4NV55M2SC402387	FRA274
208	1996 Ford	2FALP71W4TX156557	FRA265
210	1996 Mercury	1MELM62W3TH625194	FRA251
234	1996 Ford	1FALP71W2TX186978	FSB764

The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

The motion was declared carried.

CONSIDER REQUEST TO BID FOR WHITE GOODS RECYCLING

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Purchasing Agent to solicit bids for white goods recycling. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

RECESSED MEETING DATED JULY 18, 2000

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

The motion was declared carried.

CONSIDER REQUEST TO ADVERTISE FOR SEMI-ANNUAL BIDS FOR SUPPLIES

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, 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 Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Roberson

The motion was declared carried.

CONSIDER REQUEST TO ADVERTISE THE RESOURCES OF THE CITY

Gail Watts, Chairperson of 2000 Relay for Life, addressed the Council regarding sponsorship of the Relay for Life to be held August 4th and 5th. Motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to advertise the resources of the City by providing sponsorship of the 2000 Relay for Life and to authorize the issuance of a manual check for the same in the amount of \$500.00. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Bates, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers and Councilmember Roberson

The motion was declared carried.

At this time, Mayor Spiers, Councilmember Roberson, City Manager Kay Johnson and City Attorney Gerald Cruthird entered the meeting.

COMMUNICATION BY THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Billy Edwards addressed the Council regarding the recent activities of the Pearl River County Development Association (PRCDA) and asked the Council for the budgeted funding for the PRCDA for the first and second quarters of 2000. Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the issuance of a manual check for \$1,500.00 representing funding for the PRCDA for the first and second quarters of 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 JULY 18, 2000RESOLUTION ASKING MISSISSIPPI HIGHWAY PATROL FOR EXTENDED HOURS FOR ISSUING DRIVERS' LICENSES

Mayor Spiers introduced the following resolution for consideration:

**RESOLUTION OF THE MAYOR AND CITY COUNCIL
OF THE CITY OF PICAYUNE**

WHEREAS, the City of Picayune and the surrounding areas have experienced substantial growth in the number of residents in the past several years; and

WHEREAS, those residents are experiencing long delays when seeking to obtain their Mississippi drivers' licenses or renewal licenses; and

WHEREAS, the demand for services exceeds the hours and days that the Mississippi Highway Patrol are set up at the Friendship Park location in Picayune.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Picayune to petition the Department of Public Safety, Mississippi Highway Patrol, to extend the number of days, hours of service and/or manpower for providing drivers' licenses in the Picayune area.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to adopt the foregoing resolution. The following 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 AIRPORT FUEL SUPPLY AGREEMENT

Upon recommendation of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract with The Hiller Group, Inc. to provide fuel for the new airport:

BRANDED DEALER AVIATION FUEL SUPPLY AGREEMENT

This agreement is made and entered into July 18, 2000, by and between **The Hiller Group, Inc.**, a Florida corporation, whose mailing address is 5321 Memorial Highway, Tampa, Florida 33634 (hereinafter "Hiller"), and **City of Picayune**, jointly and severally, if more than one, whose mailing address is 203 Goodyear Blvd., Picayune, MS 39466 (hereinafter "Buyer").

Whereas, Hiller is a supplier of branded, aviation fuels, acquired from Chevron Products Co., Aviation Division (hereinafter "Refiner") and Buyer desires to purchase a supply of Refiner's aviation fuels for resale; and

Whereas, Hiller is agreeable to sell Buyer Refiner's aviation fuels, subject to applicable laws and regulations, availability and the Terms and Conditions of this *Branded Dealer Aviation Fuel Supply Agreement* (hereinafter together called the "Agreement");

Now therefore, in consideration of the mutual covenants herein and subject to the Terms and Conditions attached hereto, Hiller agrees to sell to Buyer and Buyer agrees to purchase, receive and pay for aviation fuel as follows:

RECESSED MEETING DATED JULY 18, 2000

The following are good-faith estimates of the maximum quantities of fuels required for the first year of this Agreement:

	Avgas	Jet A
Estimated Annual Totals:	30,000 gallons	40,000 gallons
	(These figures are used for planning purposes only.)	

The term of this Agreement shall begin on July 18, 2000, and end on July 17, 2001.
At the end of this term, this agreement shall renew as provided in Section 2.1 hereof.

Buyer verifies that the Terms and Conditions attached have been read
(Buyer's Initials) and agreed upon that he/she is authorized to execute this agreement.

In Witness Whereof, the parties have executed this Agreement on the day and year stated above.

BUYER: City of Piquette
By: _____
Title: _____
Fed ID# _____

SELLER: The Hiller Group, Inc.
By: _____

TERMS AND CONDITIONS OF BRANDED DEALER AVIATION FUEL SUPPLY AGREEMENT

1. PRODUCTS

- 1.1 This agreement pertains to the purchase and sale of the types of refined aviation fuels acquired from Chevron Products Company (hereinafter "Refiner"). Hiller agrees to sell Buyer Refiner's aviation fuels, subject to applicable laws, regulations, and availability.
- 1.2 "Agreement Year" shall mean successive periods of one year, beginning with the effective date of this Agreement. The gallons on the front page of this Agreement represent the total Product required during the first Agreement Year. Gallons required in subsequent Agreement Years shall be equal to the respective quantities actually purchased by the Buyer in the preceding Agreement Year or as thereafter amended.
- 1.3 Both parties agree that compliance with the purchase provisions of this Agreement is both reasonable and of material significance to the relationship hereunder established. However, Buyer shall not be required to buy the maximum estimated requirements of Products for any Agreement Year nor shall Hiller be required to purchase products from a third party in order to meet Buyer's requirements.
- 1.4 Refiner has the right to discontinue the sale of any Product at any time in any geographic area in which Hiller does business. If Refiner discontinues selling the Products covered by this Agreement in the Buyer's market area, Hiller is relieved of all obligation to deliver such discontinued Products to Buyer.
- 1.5 Nothing in this Agreement shall be construed as a waiver of Refiner's rights, waiver of any laws, ordinances, regulations and/or agreements relating to Refiner's trademarks, brand names or requirements relating to the storing, handling, dispensing or selling of the Products.
- 1.6 In the event Refiner or Hiller should experience or reasonably anticipate a shortage of any specified Product(s), Hiller may, at its sole discretion, allocate the available quantity of such Product(s) to Hiller customers who are affected thereby, including Buyer. In this event, Buyer shall consider the percentage of Product that is unavailable to Buyer as purchases for purposes of Section 1 hereof. In the event of such allocation, both parties agree that Hiller may, at its discretion, offer Buyer a substitute grade or type product, if available.
- 1.7 Refiner maintains an umbrella policy of products liability insurance under which its qualified customers may be named as additional insured. Without limiting Buyer's indemnity obligations under this Agreement, Buyer shall maintain the following specified insurance.
 - 1.71 Worker's Compensation and Employer's Liability insurance as prescribed by law;
 - 1.72 Comprehensive General or Airport Liability insurance with limits not less than \$500,000 combined-single-limit-per-occurrence including explosion hazard, personal injury, premises-operations, products and completed-products, independent contractors and blanket contractual liability insurance to cover liability assumed under this Agreement;
 - 1.73 Automobile Liability (Bodily Injury and Property Damage) insurance of not less than \$500,000 combined-single-limit-per-occurrence on all owned and on all non-owned-and-hired vehicles;
 - 1.74 Any other insurance or surety bond required by law.
 - 1.75 All policies for the above-indicated insurance shall carry Hiller as an additional insured and shall be kept in full force and effect throughout the term of this agreement. Hiller shall be provided certificates of insurance on all such policies and the insurer shall be required to give Hiller thirty (30) days notice prior to canceling or making any material change to them.
- 1.76 Environmental Liability insurance, covering all of Buyer's fuel related activities and systems, is strongly recommended but not required under the terms of this Agreement. Liability limits should be no less than \$500,000 combined-single-limit-per-occurrence. If the fuel systems used by Buyer are owned or operated by a third party, the policy shall comply with the terms in 1.75 above.

RECESSED MEETING DATED JULY 18, 2000**2. TERM**

The commencement date and term of this agreement shall be as stated on the signature page. The term shall be automatically renewed for successive one-year periods absent written notice to the other party of the intent to terminate at the end of the current term. Buyer shall have the right to terminate this agreement upon thirty-day(30) written notice providing all monies owed Seller under this or related agreements is paid in full.

3. PRICE AND PAYMENT

- 3.1 The price per gallon for products delivered to Buyer shall be Hiller's established price per gallon, in effect at the time Hiller, or its common carrier designee loads the Product into delivery trucks. Prices shall be f.o.b. the delivery address as provided by Buyer, inclusive of taxes as provided by law.
- 3.2 Buyer shall pay all taxes and fees of any nature whatsoever levied on the production, manufacture, transportation, sales, use delivery, and other handling of the Products hereunder or any component thereof, or on any feature of this Agreement. Failure of Hiller to bill any such tax or other charge shall not relieve Buyer of liability therefore or from penalties or interest which may be incurred as a result of a failure to pay timely such tax or charge. Buyer acknowledges that these taxes and fees may be based on gross receipts and/or gallons, and that they include but are not limited to sales tax, excise tax, fuel tax, license fees, inspection fees, tank fees, and environmental fees. Buyer further acknowledges that these taxes and fees may be levied by multiple entities including but not limited to federal, state, and local governments and agencies. Buyer further acknowledges that these taxes and fees may change from time to time both prospectively and retroactively. In the event of a retroactive change in the levy of any tax or fee, Buyer shall benefit from any refunded reduction and shall pay any mandated increase. These taxes shall be in addition to the delivered price of the products sold herein.
- 3.3 Payment by Buyer of any sums due under this Agreement shall be made to Hiller in U.S. dollars in the manner and at the location(s) specified in writing by Hiller from time to time. Unless Hiller has established other terms of payment, Buyer agrees to pay, at Hiller's option, cash in advance by wire transfer or cash at time of delivery by cashier's check for all Products purchased hereunder.
- 3.4 If Hiller extends credit to Buyer, such extension shall be upon such terms, conditions, and requirements as Hiller shall specify from time to time and in effect on specific date(s) of delivery (hereinafter "Credit Terms"). Buyer shall make payment in strict accordance with Credit Terms. Buyer agrees to provide Hiller updated financial information and references periodically at Hiller's reasonable request.
- 3.5 Hiller reserves the right to modify the Credit Terms at any time immediately upon written or verbal notice to Buyer.
- 3.6 In the event that Buyer fails to make any payment when due, dishonors any check or other payment instrument issued to Hiller, dishonors or stops payment on electronic drafts from Customer's bank account, whether the payment was due to Hiller under this Agreement or otherwise, Hiller reserves the right, without notice to Buyer, to withdraw Credit Terms and to require immediate payment, of all sums owed to Hiller before making additional Product shipments.
- 3.7 Hiller may assess an interest charge on all sums owing to Hiller under this Agreement or otherwise which is not paid in accordance with the Credit Terms. Buyer agrees to pay Hiller's interest charges assessed in accordance with applicable law. Buyer further agrees to pay Hiller's handling charges for any dishonored check or other instrument including dishonored, stopped, or reversed payments electronically drafted by Hiller from Customer's bank account. Buyer expressly agrees that this handling charge shall be calculated in accordance with Florida law.
- 3.8 Dishonor of any check or any other instrument issued to Hiller in purported payment under this Agreement or otherwise, including dishonored, stopped, or reversed payments electronically drafted by Hiller from Buyer's bank account, shall be deemed a material breach of this Agreement. Buyer's inability, failure or refusal to comply with payment requirements shall entitle Hiller to suspend deliveries pending payment in full by Buyer of all sums due Hiller under this Agreement or otherwise, and/or to terminate this Agreement, and/or to repossess fuel to the extent of all sums owed by Buyer to Hiller under this Agreement or otherwise without legal action and at Buyer's cost.
- 3.9 Insofar as this refers to payments electronically drafted by Hiller from Buyer's bank account, these drafts shall occur only after Buyer has formally enrolled in Hiller's electronic payment plan and given Hiller written authorization to initiate such drafts. Nothing in this Agreement shall constitute Buyer's authorization for Hiller to draft Buyer's bank account.
- 4. CLAIMS**
- 4.1 Any claim for defect or variance in quality or quantity of Products delivered hereunder shall be made to Hiller within twenty-four (24) hours after the Product is received. Hiller shall be given the option to inspect said Product.
- 4.2 Buyer shall have the obligation to inspect Product before said Product is unloaded from the carrier into Buyer's facility. Buyer shall also have the obligation, whenever possible, to inspect any carrier and/or equipment which may have been arranged for or scheduled by Hiller in making the specific delivery. These inspections shall be for the purpose of assisting in determination of causes for alleged defects or variance in quality or shortage in quantity. These inspections shall be made in sufficient time to permit the notification to Hiller within the twenty-four (24) hour time period specified above.

RECESSED MEETING DATED JULY 18, 2000

If delivery is made into a carrier provided by Buyer, such notice and opportunity to inspect shall be given to Hiller before the Product is moved from the loading point into said carrier.

Buyer's failure to comply with these notice and inspection requirements shall waive any and all claims by Buyer against Hiller for defect, variance, or shortage. Buyer agrees that in the event Buyer fails to comply with these inspection requirements, Buyer shall indemnify, release and hold harmless Refiner and Hiller in accordance with Section 9 hereof.

5. TAXES

5.1 Buyer shall pay all taxes and fees of any nature whatsoever levied on the production, manufacture, transportation, sales, use, delivery, and other handling of the Products hereunder or any component thereof, or on any feature of this Agreement. Failure of Hiller to bill any such tax or other charge shall not relieve Buyer of liability therefore or from penalties or interest which may be incurred as a result of a failure to pay timely such tax or charge. Buyer acknowledges that these taxes and fees may be based on gross receipts and/or gallons, and that they include but are not limited to sales tax, excise tax, fuel tax, license fees, inspection fees, tank fees, and environmental fees. Buyer further acknowledges that these taxes and fees may be levied by multiple entities including but not limited to federal, state, and local governments and agencies. Buyer further acknowledges that these taxes and fees may change from time to time both prospectively and retroactively. In the event of a retroactive change in the levy of any tax or fee, Buyer shall benefit from any refunded reduction and shall pay any mandated increase. These taxes shall be in addition to prices for Products specified in this agreement.

5.2 To the extent that Refiner and/or Hiller shall be responsible for collecting and remitting said taxes and fees, then said taxes and fees shall be added to the Product price then in effect hereunder and shall be paid by Buyer to Hiller. Buyer shall be liable for any interest and/or penalty assessed by any governmental authority or other agency when such penalty and/or interest is assessed as the result of false, incorrect, or delinquent certification made to Hiller to Buyer.

6. DELIVERY

6.1 Hiller shall schedule all transportation as a service to Buyer. Buyer shall purchase Product(s) on a delivered basis, including freight, taxes and tariffs that Refiner and Hiller are required by law to collect. Risk of loss shall pass to Buyer at the delivery point as provided in the following Sections 9 & 10. However, should Hiller permit Buyer to handle its own delivery arrangements, risk of loss shall pass to Buyer at the point where the Product(s) pass into such delivery vehicle(s).

6.2 Hiller shall always strive to deliver Product(s) from the most economical source available. However, Hiller shall have the option to use any source necessary to deliver Product to Buyer in a timely manner.

6.3 Deliveries shall be in full transport truck lots. If partial transport truck lot deliveries are made, the price per gallon shall be adjusted to the usual and customary freight charged for full transport truck lots. In the event of partial truck lot orders, Hiller will make its best effort to schedule multiple deliveries so that several buyers can share freight costs. Only one type of Product shall be loaded on a transport truck for any delivery.

6.4 Hiller shall determine the quantities of Product(s) billed in accordance with the tax laws of the state in which the fuel is delivered and Refiner's requirements. Hiller retains the right to change the method used without notice during the term of this Agreement if Hiller's or Refiner's requirements change. At the time of execution of this Agreement, the following method will apply:

- _____ Gross gallons as measured at the transport loading point, or
- _____ Net gallons as measured at the transport loading point but adjusted to 60° F in accordance with ASTM standards and applicable law.

7. TRADEMARK PROTECTION

7.1 Buyer shall not sell or offer for sale any non-Refiner refined petroleum products under any Refiner trademark, or brand, or under any trademark or mark confusingly similar to a trademark or brand of Refiner, or under circumstances which would lead the public to believe such products are Refiner's Products. With regard to refined petroleum Products sold under any of Refiner's trademarks or brands, Buyer shall not:

- (1) adulterate any of such Products in any way;
- (2) mix any of such Products with any other such products;
- (3) any such Product as or hold any such Product out as being another such product; or
- (4) contaminate any such Product in any manner.

7.2 Buyer shall keep legible and visible all Refiner trademarks, brand names, and signs when displayed at any location and shall display such trademarks, brand names, and signs only in a manner approved by Hiller and/or Refiner.

8. EXCUSED NON-PERFORMANCE

8.1 No failure or omission by Hiller in the performance of any obligation of this Agreement shall be deemed a breach of this Agreement nor create any liability for damages if same shall arise from any cause or causes beyond Hiller's control, including but not limited to: Acts of God; war, accident, fire, storm, flood, earthquake, explosion; acts of or compliance with requests of the U.S. government, state government, or local government, or of any agency thereof, strike, lockout, disputes with workmen, labor shortages; transportation embargoes, failures or delays in transportation, unavailable or unsuitable transport trucks; or exhaustion, reduction, or unavailability or delays in the delivery of any Product or material necessary to manufacture any of the Products at one or more

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- supply locations, including crude oil, natural gas, supplies, raw materials and any component beyond the control of Hiller and/or Refiner.
- 8.2 Further, should Hiller be informed by Refiner, or otherwise experience or anticipate an exhaustion, reduction or unavailability of any Products resulting in non-performance by Hiller, said non-performance shall not be deemed a breach of this Agreement or create liability for Hiller and/or Refiner for damages of any nature whatsoever, and Hiller shall have the right, at its sole discretion, to designate a temporary alternate source of supply as point of shipment and/or to designate alternate products as a temporary substitute. Hiller agrees to allocate product to its customers should these circumstances occur either directly or indirectly. Said allocation shall be done equitably by Hiller's best effort and at Hiller's sole discretion. In the event of any Product shortage or supply interruption referenced or described in this Section, this Agreement shall not be extended thereby but the quantities specified herein shall be reduced accordingly. Hiller shall not be obligated to purchase additional quantities of products from third parties to avoid or reduce the impact of any said circumstances. Formal notice is not required to invoke provisions of this Section.
9. **INDEMNIFICATION AND WARRANTY**
- 9.1 This agreement is and always shall be construed as a contract of purchase and sale and not as a contract of agency. There shall be no liability on the part of Hiller for any actions or defaults of Buyer, its employees or agents, or for any actions or defaults by Refiner, its employees or agents.
- 9.2 Reserved.
- 9.3 Buyer agrees to defend and hold harmless Hiller and its agents and employees from and against any and all claims, demands, losses, liabilities, causes of action, costs and expenses (including attorneys fees, court costs, and interest) of any nature whatsoever, as a result of injury to or death of any person(s) whomsoever including, without limitation, the Buyer or Buyer's employees, agents, customers, or bystanders, or for damage or destruction of any or all property, or any other thing of value, directly or indirectly arising out of this Agreement, or the use of Signs and Equipment furnished hereunder or the conduct of Buyer's business related hereto.
- 9.4 The foregoing obligation to defend, indemnify, and save Hiller and its employees and agents harmless, shall not apply to incidents arising out of Hiller's and its employees' and agents' negligence, but shall apply to incidents of personal injury or property damage resulting directly from Product which is off specification when supplied by Hiller to Buyer.
- 9.5 Buyer expressly acknowledges that Hiller is a wholesaler of fuel and that Hiller does not manufacture, store, handle or otherwise come into control or custody of or have contact with the Product(s). Hiller warrants that it will convey good title to the Product(s). Refiner warrants that the Product(s) sold under this Agreement will conform to the promises and affirmations of fact made in Refiner's current technical literature and printed advertisements related specifically to such Products. The methods of testing shall be those published by the American Society for Testing Materials (ASTM) in effect on date of Product shipment. Hiller transfers to Buyer any and all product warranties made by Refiner to Hiller. Therefore, any and all claims for personal injury or property damage resulting directly from Product(s) which is off specification when supplied by Hiller to Buyer shall not be made by Buyer to or against Hiller, but may be made by Buyer to or against Refiner, provided that Buyer has made claim as required by Section 4.
- 9.6 The foregoing warranties are exclusive and are in lieu of all other warranties, whether written, oral, or implied. The warranty of merchantability, in other respects than as expressly set forth herein, and the warranty of fitness for particular purpose, in other respects than as expressly set forth herein, are expressly excluded and disclaimed.
- 9.7 Buyer expressly acknowledges that Hiller is not a common carrier and that Hiller does not operate over-the-road fuel delivery trucks. When Buyer purchases Product from Hiller, Hiller may, as a service to Buyer, hire a common carrier to make delivery at Buyer's direction, and said common carrier shall be deemed an independent contractor and not an agent of Hiller. As a further service to Buyer, Hiller may include shipping charges in Hiller's invoice to Buyer and in turn pay the common carrier directly. Buyer shall be responsible for properly marking and identifying its fuel storage facilities and supervising the delivery of Product by the common carrier. Buyer agrees to defend and hold harmless Hiller and its agents and employees from and against any and all claims, demands, losses, liabilities, causes of action, costs and expenses (including attorneys fees, court costs, and interest) of whatsoever nature, arising from the transport and delivery of the Products. Buyer's recourse is with said common carrier.
- 9.8 Buyer acknowledges its exclusive liability for all contributions and payroll taxes, city taxes, county, state, municipal and federal taxes, and all other obligations of an employer of labor including but not limited to, workmen's compensation insurance as to all employees and owners of Buyer engaged in the performance of work related to this agreement.
- 9.9 Buyer's obligation to indemnify Hiller and/or Refiner shall survive the termination of this Agreement and shall remain in full force and effect until the lapse of all applicable Statutes of Limitation and all time periods within an action for indemnity or contribution must be brought.
10. **PRODUCT HANDLING AND SPILLS**

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- 10.1 Buyer agrees to observe all laws, ordinances and regulations pertaining to the handling, storage, and dispensing of Product(s) purchased hereunder. Buyer recognizes the importance and agrees to provide extreme caution in the storing, handling and dispensing of aviation fuels including daily inspection of all storage and dispensing equipment to prevent or eliminate contamination in any form.
- 10.2 Buyer shall be responsible for all unloading operations including the placement of hoses into proper storage tanks. Buyer shall specifically designate and gauge the available capacity of that tank into which Product shall be unloaded, and shall bear all responsibility of spillage or contamination of the Product after it leaves the end of any hose provided by carrier. In the event that Buyer orders more fuel than can be safely delivered into Buyer's tank, then Buyer shall bear the cost of redelivery of excess fuel and/or the cost of discard of excess fuel including all freight, taxes, and fees.
- 10.3 Access to tanks shall be such that the carrier can safely and conveniently reach the Buyer's designated storage facility with hoses available, and the carrier may refuse to complete any delivery which cannot, in the carrier's opinion, be made safely and conveniently.
11. **ACCEPTANCE OF CREDIT CARD CHARGES**
Refiner's aviation credit card guide, as in effect at the time of acceptance of each and every specific credit card charge, is incorporated herein in its entirety by reference. Buyer acknowledges receipt of Refiner's now current aviation credit card guide, and agrees to abide by the terms and provisions thereof. Further, Buyer expressly agrees that upon violation thereof, Refiner and/or Hiller may charge credit card invoices back to handling of credit cards shall be a breach of this Agreement.
12. **EXCLUSIVITY**
Except for airline fuel, Buyer shall purchase, store and offer for sale or trade only Refiner's aviation Products as purchased from Hiller. The only exception to this provision shall be that Buyer may purchase, store in segregated facilities, sell and disburse other aviation fuel products solely for contracted airline deliveries.
13. **NOTICES**
- 13.1 All notices, which are required to be given hereunder, shall be in writing unless specifically provided otherwise provided, however, that notices given pursuant to Section 3 hereof shall be given initially by telephone and confirmed in writing in the same manner provided for other notices.
- 13.2 As a courtesy, telefax, e-mail or similar electronic means may transmit notices, but this alone shall not constitute proper service of notice hereunder. Notices in writing shall be properly given if delivered personally or sent by United States mail, certified postage prepaid with return receipt requested, duly addressed to the appropriate party at the respective address above listed. The date of service of a Notice served by mail shall be deemed to be certified receipt postmark date.
14. **TETRAETHYL OR LEAD ALKYL TREATED GASOLINE**
Buyer shall receive, store, handle, sell and use gasoline which contains lead alkyl in accordance with the rules and regulations now in existence or which may hereafter be issued by the suppliers of lead alkyl, the Office of the Surgeon General of the United States, Public Health Services, the Department of Health of the state and/or municipality where the sales and distribution of such gasoline takes place, and/or any other governmental agency having jurisdiction. Buyer's employees shall be properly instructed with regard to said rules and regulations. Hiller reserves the right to terminate this Agreement insofar as it affects brands, grades or types of gasoline which contain lead alkyl if Buyer violates the provisions of this Section or if the agreement between the suppliers of lead alkyl and Refiner for the sale of Ethyl and "Q" brands of antiknock compounds is canceled for any reason.
15. **COMPLIANCE WITH LAW**
Buyer shall price all Products and services as Buyer may determine. Buyer shall not engage in any practice in violation of any federal, state, county, or municipal laws, ordinances, rules and regulations, now in existence or hereafter enacted, relating to the purchase, storage, handling, distribution, advertising, dispensing, sale or pricing of petroleum products. Buyer shall operate its business in all aspects and at all times in good faith, taking due note of such laws pertaining to fuel handling, storage, and marketing. Buyer agrees to hold Hiller and Refiner harmless from any violations and/or alleged violations by Buyer of such laws and ordinances.
16. **SECURITY AGREEMENT, VENUE AND WAIVER OF JURY TRIAL**
- 16.1 Buyer grants to Hiller a security interest in the Product(s) supplied hereunder until the total indebtedness of Buyer to Hiller under this Agreement or otherwise is paid in full. Buyer agrees to execute such additional security interest paperwork as may be necessary under the terms of the Uniform Commercial Code as stated in both Florida and the Product-delivery State.
- 16.2 Buyer and Hiller expressly agree that the sole and exclusive venue for any litigation arising from, pertaining or relating to this Agreement, the rights and obligations of the parties arising therefrom, or the collection of any amounts due under this Agreement or otherwise shall be Pearl River County, MS, and Buyer and Hiller further knowingly, voluntarily and intentionally waive any right they may have to a trial by jury with regard to any such action(s). In the event any legal proceedings are instituted by and between the parties to this Agreement with regard to the enforcement, construction, interpretation, breach, performance or nonperformance of this Agreement, or otherwise pertaining to this Agreement or any term, covenant or condition contained herein, the prevailing party

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shall be entitled to receive and any all reasonable attorneys fees and costs incurred, including for any repair. The provisions of this section are a material inducement for Hiller to enter into this Agreement and provide the services contemplated hereunder.

17. TERMINATION

- 17.1 Termination with cause. In addition to its other remedies, including but not limited to the right to terminate this Agreement as otherwise provided herein, Hiller may terminate this Agreement upon giving Buyer thirty (30) days' prior written notice of such termination or, if it would not be reasonable for Hiller to give thirty (30) days prior written notice, at Hiller's election upon giving Buyer prior notice of such lesser period and form as is reasonable in the circumstances, if any one of the occur:
- 17.2 Buyer by act or omission breaches or defaults on any covenant, condition or other provision of this Agreement, which breach or default can be cured, and Buyer fails to cure such breach or default within ten (10) days after such written notice from Hiller which shall specify such breach or default; or
- 17.3 Buyer by act or omission breaches or defaults on any covenant, condition or other provision of this Agreement, which breach or default cannot be cured, or in the event of any breach or default by Buyer after notice of two (2) previous breaches or defaults of any kind has been given hereunder, regardless of Buyer's curing of such previous breaches or defaults; or
- 17.4 Buyer knowingly fails to comply with federal, state or local laws or regulations relevant to Buyer's performance under this Agreement; or
- 17.5 Buyer's willful adulteration, commingling, mislabeling, or misbranding of aviation fuels or other violations of Refiner's trademarks; or
- 17.6 Buyer fails to comply with Refiner's and/or Hiller's quality control guidelines; or
- 17.7 Unlawful, fraudulent or deceptive acts or practices or criminal misconduct by Buyer relevant to Buyer's performance under this Agreement; or
- 17.8 Buyer knowingly induces the breach by a third party of an agreement between Hiller and the third party; or
- 17.9 Conviction of Buyer of any felony involving moral turpitude; or
- 17.10 Buyer's death if Buyer is an individual, or death of a partner if Buyer is a partnership (subject to any applicable statute); or
- 17.11 Buyer's declaration of bankruptcy or institution of any insolvency or receivership proceeding by or against Buyer, or Buyer's failure to pay when due any sum due Hiller hereunder or otherwise. Without limiting the foregoing, it is agreed that upon the occurrence of any of the events specified above, it would not be reasonable to require Hiller to give thirty (30) day's prior written notice, that ten (10) day's notice would be reasonable in the circumstances, and that in any such circumstance Hiller may elect to terminate this Agreement by giving Buyer ten (10) instead of thirty (30) day's prior written notice of such termination.
- 17.12 Liquidated Damages. If this Agreement is terminated, for any reason, prior to the third anniversary of the starting date of the original term of the Agreement, Hiller shall have the right to recover, as liquidated damages, the costs incurred by Hiller in acquiring, shipping and installing Signs and Equipment, as provided in Section 10 above. Said liquidated damages shall be calculated as follows:
- (1) if the Agreement is terminated less than one (1) year after the installation date of Signs and Equipment, the liquidated damages shall be one hundred (100%) of Hiller's costs;
 - (2) if the Agreement is terminated more than one (1) year but less than two (2) years after the installation date of Signs and Equipment, the liquidated damages shall be sixty-seven percent (67%) of Hiller's costs;
 - (3) if the Agreement is terminated more than two (2) years but less than three(3) years after installation date of Signs and Equipment, the liquidated damages shall be thirty-four percent (34%) of Hiller's costs; and
 - (4) if the Agreement is terminated at or after three (3) years after the installation date of Signs and Equipment, then there shall be no liquidated damages.

18. WAIVER

The waiver of any breach of any covenant, condition or stipulation contained herein shall not constitute a waiver of any subsequent breach of the same or any other covenant, condition or stipulation. Any failure of Hiller to enforce rights or seek remedies upon any default of Buyer with respect to the obligations of Buyer hereunder, or any of them, shall not prejudice or affect the rights or remedies of Hiller in the event of any subsequent default of Buyer. Election by Hiller of one remedy hereunder for a breach by Buyer shall not be deemed to be the exclusion of any other remedy by Hiller.

19. RELATIONSHIP OF PARTIES

Buyer is an independent businessperson. Buyer is not an employee of Hiller. Buyer's employees are not employees of Hiller. Hiller and Buyer are completely separate entities, are not partners, general partners, limited partners, joint ventures or agents of each other in any sense whatsoever. Neither Hiller nor Buyer has the power to obligate or bind the other. Nothing in the provisions of this Agreement shall be construed as reserving to Hiller any right to exercise any control over the business or operations of the Buyer or to direct in any respect the manner in which such business and operation shall be conducted. Likewise, nothing herein shall be construed as creating any relationship whatsoever between Hiller and any customer of Buyer.

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20. **TERMINATION OF PRIOR AGREEMENTS**
This agreement terminates and supersedes, as of the opening of business on the date of beginning hereof, any prior agreement between the parties dealing with the same or similar subject matter as is the subject matter of this Agreement, subject however, to all rights accruing under said prior agreement before the date of termination thereof.
21. **ENTIRETY OF AGREEMENT**
This Agreement contains the entire agreement between the parties hereto, and there is no arrangement, agreement, promise, warranty, written, oral, expressed or implied, affecting it or the subject matters hereof. No change in, addition to, or waiver of any provision of this Agreement shall be effective unless in writing and signed by both parties hereto. The parties in one or more identical counterparts that together shall comprise a fully executed Agreement may execute this Agreement. Photocopies and telefax copies of signatures shall be deemed to be original signatures.
22. **EXECUTION, ASSIGNABILITY, BINDING EFFECT**
The Agreement shall become binding upon Hiller only after it has been executed by one of its officers, or its Manager of Aviation Sales. Commencement of performance hereunder prior to signing by Hiller as herein stipulated shall in no case be construed as a waiver by Hiller of this requirement, but any sales made before signing shall be deemed to have been made under the Terms and Conditions hereof. When duly executed, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors and assigns provided, however that Buyer shall not assign or otherwise dispose of this Agreement or its rights hereunder, in whole or in part, without the prior written consent of Hiller. If Buyer is a corporation, partnership, or other business entity, the sale, assignment or other disposition or transfer of any interest in such entity shall be deemed an assignment of this Agreement and the rights and obligations thereunder for purposes of this Section.
23. **ACKNOWLEDGMENT, CONSENT, GUARANTEE**
If Buyer is a corporation or partnership, the person or persons signing this Agreement on behalf of such corporation or partnership hereby warrant that they are officers of the corporation or partners of the partnership, or, if the Buyer is a sole proprietorship, that they are owners and in all cases that they have full authority from such corporation, partnership, or sole proprietorship to sign this Agreement and obligate the corporation, partnership, or sole proprietorship hereunder, and said persons and the corporation, partnership, or sole proprietorship shall be jointly and severally liable for any and all amounts that may be due and owing Hiller under the terms of this Agreement or otherwise, and be bound by all terms of this Agreement, including but not limited to the indemnity provisions of Section 16, and the security agreement, venue and waiver provisions of Section 20. It is further acknowledged and agreed that the parties hereto have read the entire Agreement and do hereby acknowledge that they are familiar with all of the terms, covenants and conditions set forth therein, and that there are no other representations, warranties, or agreements concerning this Agreement which do not appear in a writing signed by the parties hereto as provided in this Agreement. The person or persons signing this Agreement in their individual capacities expressly acknowledge, agree and consent to be jointly and severally liable with the corporate partnership or sole proprietorship Buyer for any and all amounts that may be due and owing by Buyer to Hiller pursuant to the terms of this Agreement or otherwise, and further hereby personally guarantee payment of same and performance of all obligations hereunder in consideration for Hiller's entering into this Agreement. Said person or persons waives notice of acceptance of this guarantee, notice of obligations or indebtedness as they may be incurred, notice of default by Buyer and of any extensions in time of payment, and any other notices to which the undersigned might otherwise be entitled by law. Said person or persons expressly waive all rights and protections granted to him/her/then under homestead or similar laws. Said person or persons further waives notice of presentment or demand and agrees to pay all amounts due and owed by Buyer under this Agreement or otherwise to Hiller upon Hiller's demand without requiring any action or proceeding against Buyer. This shall be construed as a continuing guarantee and shall not be revoked by the death of any of said person or persons but shall remain in full force and effect until said person or persons or the personal representatives of the person or persons shall have given notice in writing to extend no further credit on the security of this guarantee. Said person or persons hereby authorize Hiller to make such credit investigation as necessary to satisfy itself of the credit worthiness of said person or persons and agrees to provide periodic statements of financial condition to Hiller. Said person or persons agrees to pay all actual attorney's fees and court costs incurred by Hiller in seeking enforcement of its rights under this guarantee.
24. **CONFIDENTIALITY**
Buyer agrees that the relationship of the parties hereto, the Terms and Conditions of this Agreement, and the price of fuel is confidential and shall not be disclosed to any third party.

The following roll call vote was taken:

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

RECESSED MEETING DATED JULY 18, 2000

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN CHANGE ORDER ON FUEL FARM CONSTRUCTION CONTRACT WITH COBB ENVIRONMENTAL & TECHNICAL SERVICES, INC.

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign Change Order #3 to the fuel farm construction contract with Cobb Environmental & Technical Services, Inc. The revised contract amount is \$231,780.90. The following 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 SRF DRINKING WATER LOAN APPLICATION

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign an SRF Drinking Water Loan Application in the amount of \$325,993.50. The loan funds will be used for water well upgrades and water tank cleaning and inspections. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 310 WEEMS STREET

A public hearing was held on property cleanup for property at 310 Weems Street assessed to Billian Banks. The Grants Administrator reported that no cleanup had been done and that the condition of the property constitutes a menace to the public health and safety of the area. Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the City to have the property cleaned and the cost charged against the 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.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 1309 EVANGELINE DRIVE

A public hearing was held on property cleanup for property at 1309 Evangeline Drive assessed to Dan McCorkle. The Grants Administrator reported that no cleanup had been done and that the

RECESSED MEETING DATED JULY 18, 2000

condition of the property constitutes a menace to the public health and safety of the area. Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the City to have the property cleaned and the cost charged against the 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.

CONSIDER APPROVAL OF BUDGET AMENDMENT #9

Upon recommendation of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to amend the following line items of the budget for the year ending September 30, 2000:

	<u>Original</u>	<u>Amended</u>
<u>General Fund</u>		
Licenses and permits	\$370,000	\$400,000
Intergovernmental revenues	4,156,023	4,316,643
Fines and forfeits	393,000	394,000
Miscellaneous revenues	8,000	19,400
Interest income	22,000	45,000
Non-revenue receipts	1,126,000	970,000
General Government-Personnel	838,957	774,935
General Government-Supplies	34,850	37,995
General Government-Services	366,448	406,058
General Government-Capital	38,100	35,100
Public Safety-Police-Personnel	1,303,828	1,312,871
Public Safety-Police-Supplies	136,050	129,715
Public Safety-Police-Services	139,273	146,750
Public Safety-Police-Capital	160,100	161,748
Public Safety-Fire-Personnel	1,109,582	1,101,400
Public Safety-Fire-Supplies	49,685	46,500
Public Safety-Fire-Services	50,838	50,300
Public Safety-Fire-Capital	500,250	493,100
Public Works-Personnel	952,998	760,530
Public Works-Supplies	278,015	258,525
Public Works-Services	583,350	575,200
Public Works-Capital	2,696,109	2,461,684
Aid to other governments	27,250	22,250
Transfers	438,000	485,000
<u>Tobacco Grant</u>		
Interest income	0	400
<u>Law Enforcement Block Grant #3</u>		
Interest income	0	300
Capital outlay	30,071	30,517
<u>Airport Fund</u>		
Federal grants	0	175,000
State grants	0	8,500
Revenues	44,400	7,500
Non-revenue receipts	315,000	1,019,250
Transfers in	100,000	150,000
Personnel	39,800	31,600
Supplies	40,200	36,000

RECESSED MEETING DATED JULY 18, 2000

Services	47,640	54,250
Capital outlay	509,950	1,235,250

The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

AIRPORT RESOLUTION

The following resolution was presented for consideration as prepared by the attorney for the Picayune/Pearl River County Airport Board:

**JOINT RESOLUTION OF CITY OF PICAYUNE
AND COUNTY OF PEARL RIVER TO DISSOLVE
JOINT AIRPORT BOARD AND DISTRIBUTE ASSETS**

WHEREAS, in October of 1967, the governing authority of the City of Picayune, Mississippi and the Board of Supervisors of Pearl River County, Mississippi adopted a Joint Resolution crating a Joint Airport Board as authorized by 62-3-67 et.seq. of the Mississippi Code of 1972, as amended, said Joint Resolution and order adopting said Joint Resolution being recorded in Minute Book 24, pages 467-475 in the minutes of the Board of Supervisors of Pearl River County, Mississippi;

WHEREAS, said Joint Airport Board has ceased to operate its airport facilities, and it has concluded its business including settlement of its 16th Section lease, and it is now ready to dispose of its remaining assets by transferring the same to the new Picayune Municipal Airport;

WHEREAS, the City Council for the City of Picayune, Mississippi, and the Board of Supervisors of Pearl River County, Mississippi desire to official dissolve the Picayune-Pearl River County Airport Board and transfer its assets to the new Picayune Municipal Airport;

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the Picayune-Pearl River County Airport Board is hereby dissolved and shall cease to operate as a Joint Airport Authority upon completion of the following matters.
2. That said Picayune-Pearl River County Airport Board shall pay all its remaining debts, and close all its accounts held with financial institutions.
3. That all the remaining assets of said Picayune-Pearl River County Airport Board shall be transferred by the Board to the new Picayune Municipal Airport.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to adopt the foregoing resolution. The following roll call vote was taken:

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

RECESSED MEETING DATED JULY 18, 2000

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN CAPS LOAN MODIFICATION ON THE CDBG PROJECT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the CAPS Loan Modification with the Mississippi Department of Economic and Community Development (MDECD) Loan #9-297-CP-01 to revise the due date of the first payment to July 1, 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 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:

Entex	Utility Fund	\$20,520.00
Prior Energy	Utility Fund	12,323.85
Koch Gateway Pipeline	Utility Fund	6,338.05
Williams Energy	Utility Fund	551.08
MS Dept. of Environmental Quality	General Fund	200.00
MS Dept. of Economic and Community Development	CDBG Drainage Fund	996.98

The following 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.

RECESSED MEETING DATED JULY 18, 2000

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter executive session to discuss a matter involving the location of a business and a 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 a matter involving the location of a business and a matter 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 a matter involving the location of a business and a matter of potential litigation and took no action.

REQUEST BY BROCKWAY STANDARD, INC. FOR AD VALOREM TAX EXEMPTION

Steven Surles of the Pearl River County Development Association (PRCDA) presented the following resolution for consideration by the Council:

**RESOLUTION DECLARING THE INTENTION AND AGREEMENT
OF THE PICAYUNE CITY COUNCIL
TO GRANT CERTAIN AD VALOREM TAX
EXEMPTIONS TO BROCKWAY STANDARD, INC.**

WHEREAS, the Mayor and City Council of the City of Picayune, (the "Council"), acting for and on behalf of the City of Picayune, Mississippi (the "City"), do hereby find, determine and adjudicate as follows:

1. Brockway Standard, Inc., an Illinois corporation (the "Firm"), is qualified to do business in the State of Mississippi;
2. The Firm is engaged in negotiations with the City and has committed to representatives of the City its intention to expend considerable funds on expansion of and equipment purchases for its facilities located at 1301 Martin Luther King, Jr. Boulevard, within the City of Picayune, Mississippi (the "Facility");
3. The Firm's fixed assets and inventory amount to approximately \$8,600,000; and the proposed expansion of approximately \$2,000,000 of equipment purchases would increase the Firm's output by an estimated 80%;
4. The Firm currently employs sixty-three (63) employees, with an annual payroll of \$1.5 million dollars with an average salary of \$11.00 per hour;
5. The Firm shall provide permanent full-time employment for approximately twenty (20) additional employees at this location;
6. As an inducement to the Firm to locate its manufacturing facility and distribution center and create new jobs in the City, the Firm requests certain tax incentives in the form of certain exemptions on ad valorem real and personal property taxes with such

RECESSED MEETING DATED JULY 18, 2000

inducements and commitments being subject to formal approval of the City of Picayune City Council;

7. The Council is authorized and empowered by the provisions of Section 27-31-101 through 27-31-117 of the Mississippi Code of 1972, as amended, to grant certain exemptions (the "Exemptions") from taxes to the Firm with respect to the building improvements, furniture and fixtures, machinery and equipment, and inventory, all within the City; and
8. The Firm wishes to obtain satisfactory assurances from the City that the City will, upon proper applications and proof of qualifications being filed thereof with the City by the Firm, grant such Exemptions for the maximum term permitted by the Statutes.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL, AS FOLLOWS:

Section 1. The Council, in consideration of the above premises and in order to provide certain ad valorem tax incentives, does hereby declare its intention and agreement to grant such Exemptions for the maximum term of ten years as permitted by the Statutes upon the submission by the Firm of proper applications, pursuant to applicable Mississippi Law. The possible ten-year exemption will be granted in increments of two years and will be renewed upon submission of a report by the Firm showing their annual number of jobs maintained at the Facility. A minimum of seventy-five positions must be maintained.

Section 2. The Clerk of this Council be, and is hereby directed to spread a copy of this Resolution on the minutes of this Council.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adopt the foregoing resolution. The following 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, Mayor



Sabrina Diamond, City Clerk

August 1, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, August 1, 2000, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Mark Thorman, Leavern Guy and Kelly McQueen, City Manager Kay Johnson, Deputy City Clerk Brenda Ford and Police Reserve Captain O.R. Raybon.

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 Roberson, to approve the minutes of the Mayor and City Council dated July 18, 2000. 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 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 May 30, 2000. 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 MONTHLY ACTIVITIES REPORT OF THE RETIREMENT DEVELOPMENT DEPARTMENT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the Monthly Activities Report of the Retirement Development Department for June 2000. The following roll call vote was taken:

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

REGULAR MEETING DATED AUGUST 1, 2000

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 118 NORTH HOWARD AVENUE

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to set the date and time of September 19, 2000 at 6:00 p.m. in the Courtroom of the Criminal Justice Center for a public hearing on property cleanup for property located at 118 North Howard Avenue. 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 VOID TAX SALE

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to void the 1998 tax sale for 1997 taxes on parcel #617-614-004-01-024-00 assessed to Benjamin Anderson due to a Homestead Exemption error by the Pearl River County Tax Collector. 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 MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the monthly claims docket for August 2000 in the total amount of \$264,165.41. 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.

REGULAR MEETING DATED AUGUST 1, 2000ORDER TO APPROVE ISSUANCE OF 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:

MS State Tax Commission	Utility Fund	\$ 4,000.00
City of Picayune General Fund	Utility Fund	\$52,000.00

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.

EMPLOYEE OF THE MONTH

Upon recommendation of the Public Works Director, Fred Bullock was declared Employee of the Month for August 2000. Mr. Bullock was presented with a savings bond from Union Planters Bank.

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT FOR CONSULTING SERVICES TO REVISE ZONING REGULATIONS

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Mayor to sign the following contract with Harold L. Holmes for consulting services to revise the zoning regulations pertaining to buffer and buffer screens:

AGREEMENT FOR CONSULTING SERVICES

This agreement entered into by and between the City of Picayune, Mississippi hereinafter referred to as the "City" and Harold L. Holmes hereinafter called "Consultant" for consultant services shall be as follows, to wit:

SCOPE OF SERVICES

Consultant will assist the City in developing revisions to the Zoning Regulations for "Buffer" and "Buffer Screens":

Task 1. Solicit Input.

The Consultant will meet with City staff, the Planning Commission and the Elected Officials to obtain what problems that they are having with the administering and enforcing the existing Zoning Regulations Section 308 BUFFER SCREENS. The Consultant will, at these meetings, also solicit what goals and objectives the City wishes to develop in the revisions to the Zoning Regulations for buffer and buffer screens.

Task 2. Analysis-Goal Setting

The consultant will analyze the existing Zoning Regulations and the comments from the meetings with the City and develop goals and objectives for revisions to the Zoning Regulations as it pertains to "Buffer" and "Buffer Screens."

Task 3. Develop Draft Revisions

The Consultant will develop a DRAFT set of revisions to the Zoning Regulations implementing the goals and objectives developed during the analysis stage. The consultant will work with City staff solicit technical information staff deem appropriate for the revised revisions to the draft regulations.

Task 4. Present Draft Zoning Revisions

The consultant will present and review with City staff and the Planning Commission a DRAFT set of revisions to the Zoning Regulations for "Buffer" and "Buffer Screens". Upon receipt of comments the Consultant will make the appropriate revisions.

Task 5. Ordinance Adoption

The consultant will work with City staff, the Planning Commission and the Mayor and City Council through the ordinance adoption period for revising the City's Zoning Regulations for "Buffer" and "Buffer Screens." The Consultant will make revisions as requested through final adoption by City Council.

REGULAR MEETING DATED AUGUST 1, 2000**TIME FRAME FOR THE COMPLETION OF THIS AGREEMENT**

Upon signing of the contract Agreement by both parties it is estimated that process of development of a revision to the Zoning Regulations for "Buffer" and "Buffer Screens" may take as little as four (4) months or as long as seven (7) months depending on meeting schedules of the Planning Commission and City Council.

TO BE PROVIDED BY THE CITY

1. Copy of the City of Picayune Zoning Regulations, City ordinances and related documents to "Buffer" and "Buffer Screens".
2. Access to public records pertaining to "Buffer" and "Buffer Screens."
3. Access to personnel and City department heads as needed.
4. Access to the Planning Commission, City Council and others as needed.

CHANGES IN SCOPE OF SERVICES

The City may, from time to time, request changes in the scope of services of the Consultants to be performed thereunder. Such changes, including any increase or decrease in the amount of the Consultants compensation that are mutually agreed upon by and between the City and the Consultant, shall be incorporated into a written amendments to this Agreement.

GENERAL CONTRACT PROVISIONS

The City or the Consultant may terminate this agreement at any time by giving at least thirty (30) days notice in writing to the other party. If the Agreement is terminated by the City as provided herein, the Consultant will be paid for the time provided up to the termination date.

Notwithstanding the above, the Consultant shall not be relieved of the liability to the City by virtue of any breach of the Agreement by the Consultant, and the City may withhold any payments to the Consultant for the purpose of off-set until such time as the exact amount of damages due the City from the Consultant is determined.

COMPENSATION

Consultant will be paid at a rate of \$40.00 per hour. Total consulting fees and expenses paid to the Consultant by the City of Picayune will not exceed \$3,000. If additional time is required to complete the Agreement it will be at no additional cost to the City of Picayune at approximately monthly intervals. In addition, the Consultant will provide a brief summary of activities in support thereof.

The City of Picayune will pay invoices presented by the Consultant subject to the provisions herein, not later than thirty (30) days after receipt.

This Agreement executed this _____ day of _____, 2000

Woody Spiers, Mayor
City of Picayune, Mississippi

Harold L. Holmes, Consultant
86 North Hill Dr.
Carriere, Mississippi
601-749-3831

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 CONTRACT FOR ENGINEERING SERVICES FOR ALTERATIONS TO CITY HALL

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 JH&H, Ltd. to provide architectural services for improvements to the City Hall building:

**Abbreviated Standard Form of Agreement
Between Owner and Architect**

AGREEMENT made as of the 1st day of August in the year Two Thousand
BETWEEN the Architect's client identified as the Owner:
City of Picayune, Mississippi

REGULAR MEETING DATED AUGUST 1, 2000

203 Goodyear Boulevard
Picayune, Mississippi 29466-2524

and the Architect:
JH&H Ltd/Architects/Planners/Interiors
745 North State Street
Jackson, Mississippi 39202-3070

For the following Project:
ADA Improvements For City Hall
Picayune, Mississippi

The Owner and Architect agree as follows:

ARTICLE 1 ARCHITECTS RESPONSIBILITIES

1.1 The services performed by the Architect, Architect's employees and Architect's consultants shall be as enumerated in Articles 2, 3, and 12.

1.2 The Architect's services shall be performed as expeditiously as is consistent with professional skill and care and the orderly progress of the Project. The Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services which may be adjusted as the Project proceeds. This schedule shall include allowances for periods of time required for the Owner's review and for approval of submissions by authorities having jurisdiction over the Project. Time limits established by this schedule approved by the Owner shall not, except for reasonable cause, be exceeded by the Architect or Owner.

1.3 The Architect shall designate a representative authorized to act on behalf of the Architect with respect to the Project.

1.4 The services covered by this Agreement are subject to the time limitations contained in Subparagraph 11.5.1.

ARTICLE 2 SCOPE OF ARCHITECT'S BASIC SERVICES**2.1 DEFINITION**

The Architect's Basic Services consist of those described in Paragraphs 2.2 through 2.6 and any other services identified in Article 12 as part of Basic Services, and include normal structural, mechanical and electrical engineering services.

2.2 SCHEMATIC DESIGN PHASE

2.2.1 The Architect shall review the program furnished by the Owner to ascertain the requirements of the Project and shall arrive at a mutual understanding of such requirements with the Owner.

2.2.2 The Architect shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other, subject to the limitations set forth in Subparagraph 5.2.1.

2.2.3 The Architect shall review with the Owner alternative approaches to design and construction of the Project.

2.2.4 Based on the mutually agreed-upon program, schedule and construction budget requirements, the Architect shall prepare, for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.

2.2.5 The Architect shall submit to the Owner a preliminary estimate of Construction Cost based on current area, volume or similar conceptual estimating techniques.

2.3 DESIGN DEVELOPMENT PHASE

2.3.1 Based on the approved Schematic Design Documents and any adjustments authorized by the Owner in the program, schedule or construction budget, the Architect shall prepare, for approval by the Owner, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.

2.3.2 The Architect shall advise the Owner of any adjustments to the preliminary estimate of Construction Cost.

2.4 CONSTRUCTION DOCUMENTS PHASE

2.4.1 Based on the approved Design Development Documents and any further adjustments in the scope or quality of the Project or in the construction budget authorized by the Owner, the Architect shall prepare, for approval by the Owner, Construction Documents consisting of Drawings and Specifications setting forth in detail the requirements for the construction of the Project.

2.4.2 The Architect shall assist the Owner in the preparation of the necessary bidding information, bidding forms, the Conditions of the Contract, and the form of Agreement between the Owner and Contractor.

2.4.3 The Architect shall advise the Owner of any adjustments to previous preliminary estimates of Construction Cost indicated by changes in requirements or general market conditions.

2.4.4 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

2.5 BIDDING OR NEGOTIATION PHASE

The Architect, following the Owner's approval of the Construction Documents and of the latest preliminary estimate of Construction Cost, shall assist the Owner in obtaining bids or negotiated proposals and assist in awarding and preparing contracts for construction.

REGULAR MEETING DATED AUGUST 1, 2000**2.6 CONSTRUCTION PHASED – ADMINISTRATION OF THE CONSTRUCTION CONTRACT**

2.6.1 The Architect's responsibility to provide Basic Services for the Construction Phase under this Agreement commences with the award of the initial Contract for Construction and terminates at the earlier of the issuance to the Owner of the final Certificate for Payment or 60 days after the date of Substantial Completion of Work.

2.6.2 The Architect shall provide administration of the Contract for Construction as set forth below and in the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement, unless otherwise provided in this Agreement. Modifications made to the General Conditions, when adopted as part of the Contract Documents, shall be enforceable under this Agreement only to the extent that they are consistent with this Agreement or approved in writing by the Architect.

2.6.3 Duties, responsibilities and limitations of authority of the Architect under this Paragraph 2.6 shall not be restricted, modified or extended without written agreement of the Owner and Architect with consent of the Contractor, which consent will not be unreasonably withheld.

2.6.4 The Architect shall be a representative of and shall advise and consult with the Owner during the administration of the Contract for Construction. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement unless otherwise modified by Written amendment.

2.6.5 The architect, as a representative of the Owner, shall visit the site at intervals appropriate to the stage of the Contractor's operations, or as otherwise agreed by the Owner and the Architect in Article 12, (1) to become generally familiar with and to keep the Owner informed about the progress and quality of the portion of the Work completed, (2) to endeavor to guard the Owner against defects and deficiencies in the Work, and (3) to determine in general if the Work is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents.

2.6.6 The Architect shall report to the Owner known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor. However, the Architect shall not be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge of and shall not be responsible for acts or omissions of the Contractor, Subcontractors, or their agents or employees, or of any other persons or entities performing portions of the work.

2.6.7 The Architect shall at all times have access to the Work wherever it is in preparation or progress.

2.6.8 Except as otherwise provided in this Agreement or when direct communications have been specially authorized, the Owner shall endeavor to communicate with the Contractor through the Architect about matters arising out of or relating to the Contract Documents. Communications by and with the Architect's consultants shall be through the Architect.

2.6.9 CERTIFICATES FOR PAYMENT

2.6.9.1 The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts.

2.6.9.2 The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's evaluation of the Work as provided in Subparagraph 2.6.5 and on the data comprising the Contractor's Application for Payment, that the Work has progressed to the point indicated and that, to the best of the Architect's knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject (1) to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) to results of subsequent tests and inspections, (3) to correction of minor deviations from the Contract Documents prior to completion, and (4) to specific qualifications expressed by the Architect.

2.6.9.3 The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and material suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

2.6.10 The Architect shall have authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees or other persons or entities performing portions of the Work.

2.6.11 The Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action shall be taken with such reasonable promptness as to cause no delay in the Work or in the activities of the Owner, Contractor or separate contractors, while allowing sufficient time in the Architect's professional judgment to

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permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

2.6.12 If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of the Contractor by the Contract Documents, the Architect shall specify appropriate performance and design criteria that such services must satisfy. Shop Drawings and other submittals related to the Work designed or certified by the design professional retained by the Contractor shall bear such professional's written approval when submitted to the Architect. The Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals.

2.6.13 The Architect shall prepare Change Orders and Construction Change Directives, with supporting documentation and data if deemed necessary by the Architect as provided in Subparagraphs 3.1.1 and 3.3.3, for the Owner's approval and execution in accordance with the Contract Documents, and may authorize minor changes in the Work not involving an adjustment in the Contract Sum or an extension of the Contract Time which are consistent with the intent of the Contract Documents.

2.6.14 The Architect shall conduct inspections to determine the date or dates of Substantial Completion and the date of final completion, shall receive from the Contractor and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract Documents and assembled by the Contractor, and shall issue a final Certificate for Payment based upon a final inspections indicating the Work complies with the requirements of the Contract Documents.

2.6.15 The Architect shall interpret and decide matters concerning performance of the Owner and Contractor under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

2.6.16 Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and initial decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions so rendered in good faith.

2.6.17 The Architect shall render initial decisions on claims, disputes or other matters in question between the Owner and Contractor as provided in the Contract Documents. However, the Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

2.6.18 The Architect's decisions on claims, disputes or other matters in question between the Owner and Contractor, except for those relating to aesthetic effect as provided in Subparagraph 2.6.17, shall be subject to mediation and arbitration as provided in this Agreement and in the Contract Documents.

ARTICLE 3 ADDITIONAL SERVICES

3.1 GENERAL

3.1.1 The services described in this Article 3 are not included in Basic Services unless so identified in Article 12, and they shall be paid for by the Owner as provided in this Agreement, in addition to the compensation for Basic Services. The services described under Paragraphs 3.2 and 3.4 shall only be provided if authorized or confirmed in writing by the Owner. If services described under Contingent Additional Services in Paragraph 3.3 are required due to circumstances beyond the Architect's control, the Architect shall notify the Owner prior to commencing such services. If the Owner deems that such services described under Paragraph 3.3 are not required, the Owner shall give prompt written notice to the Architect. If the Owner indicates in writing that all or part of such contingent Additional Services are not required, the Architect shall have no obligation to provide those services.

3.2 PROJECT REPRESENTATION BEYOND BASIC SERVICES

3.2.1 If more extensive representation at the site than is described in Subparagraph 2.6.5 is required, the Architect shall provide one or more Project Representatives to assist in carrying out such additional on-site responsibilities.

3.2.2 Project Representatives shall be selected, employed and directed by the Architect, and the Architect shall be compensated therefor as agreed by the Owner and Architect. The duties, responsibilities and limitations of authority of Project Representatives shall be as described in the edition of AIA Document B352 current as of the date of this Agreement, unless other agreed.

3.2.3 Through the presence at the site of such Project Representatives, the Architect shall endeavor to provide further protection for the Owner against defects and deficiencies in the Work, but the furnishing of such project representation shall not modify the rights, responsibilities or obligations of the Architect as described elsewhere in this Agreement.

3.3 CONTINGENT ADDITIONAL SERVICES

3.3.1 Making revisions in drawings, specifications or other documents when such revisions are:

- 1 inconsistent with approvals or instructions given by the Owner, including revisions made necessary by adjustments in the Owner's program or Project budget;
- 2 required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents; or

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- .3 due to changes required as a result of the Owner's failure to render decisions in a timely manner.
- 3.3.2 Providing services required because of significant changes in the Project including, but no limited to, size, quality, complexity, the Owner's schedule, or the method of bidding or negotiating and contracting for construction, except for services required under Subparagraph 5.2.5.
- 3.3.3 Preparing Drawings, Specifications and other documentation and supporting data, evaluating Contractor's proposals, and providing other services in connection with Change Orders and Construction Change Directives.
- 3.3.4 Providing services in connection with evaluating substitutions proposed by the Contractor and making subsequent revisions to Drawings, Specifications and other documentation resulting therefrom.
- 3.3.5 Providing consultation concerning replacement of Work damaged by fire or other cause during construction, and furnishing services required in connection with the replacement of such Work.
- 3.3.6 Providing services made necessary by the default of the Contractor, by major deficiencies in the Work of the Contractor, or by failure of performance of either the Owner or Contractor under the Contract for Construction.
- 3.3.7 Providing services in evaluating an extensive number of claims submitted by the Contractor or others in connection with the Work.
- 3.3.8 Providing services in connection with a public hearing, a dispute resolution proceeding or a legal proceeding except where the Architect is party thereto.
- 3.3.9 Preparing documents for alternate, separate or sequential bids or providing services in connection with bidding, negotiation or construction prior to the completion of the Construction Documents Phase.

3.4 OPTIONAL ADDITIONAL SERVICES

- 3.4.1 Providing analyses of the Owner's needs and programming the requirements of the Project.
- 3.4.2 Providing financial feasibility or other special studies.
- 3.4.3 Providing planning surveys, site evaluations or comparative studies of prospective sites.
- 3.4.4 Providing special surveys
- 3.4.5 Providing services relative to future facilities, systems and equipment.
- 3.4.6 Providing services to investigate existing conditions or facilities or to make measured drawings thereof.
- 3.4.7 Providing services to verify the accuracy of drawings or other information furnished by the Owner.
- 3.4.8 Providing coordination of construction performed by separate contractors or by the Owner's own forces and coordination with construction performed and equipment supplied by the Owner.
- 3.4.9 Providing services in connection with the work of a construction manager or separate consultants retained by the Owner.
- 3.4.10 Providing detailed estimates of Construction Cost.
- 3.4.11 Providing detailed quantity surveys or inventories of material, equipment and labor.
- 3.4.12 Providing analyses of owning and operating costs.
- 3.4.13 Providing interior design and other similar services required for or in connection with the selection, procurement or installation of furniture, furnishings and related equipment.
- 3.4.14 Providing services for planning tenant or rental spaces.
- 3.4.15 Making investigations, inventories of materials or equipment, or valuations and detailed appraisals of existing facilities.
- 3.4.16 Preparing a set of reproducible record drawings showing significant changes in the Work made during construction based on marked-up prints, drawings and other data furnished by the Contractor to the Architect.
- 3.4.17 Providing assistance in the utilization of equipment or systems such as testing, adjusting and balancing, preparation of operation and maintenance manuals, training personnel for operation and maintenance, and consultation during operation.
- 3.4.18 Providing services after issuance to the Owner of the final Certificate for Payment, or in the absence of a final Certificate for Payment, more than 60 days after the date of Substantial Completion of the Work.
- 3.4.19 Providing services of consultants for other than architectural, structural, mechanical and electrical engineering portions of the Project provided as a part of Basic Services.
- 3.4.20 Providing any other services not otherwise included in this Agreement or not customarily furnished in accordance with generally accepted architectural practice.

ARTICLE 4 OWNER'S RESPONSIBILITIES

- 4.1 The Owner shall provide full information in a timely manner regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, schedule, constraints and criteria, including space requirements and relationships, flexibility, expandability, special equipment, systems and site requirements. The Owner shall furnish to the Architect, within 15 days after receipt of a written request, information necessary and relevant for the Architect to evaluate, give notice of or enforce lien rights.
- 4.2 The Owner shall establish and periodically update an overall budget for the Project, including the Construction Cost, the Owner's other costs and reasonable contingencies related to all of these costs.
- 4.3 The Owner shall designate a representative authorized to act on the Owner's behalf with respect to the Project. The Owner or such designated representative shall render decisions in a

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timely manner pertaining to documents submitted by the Architect in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

4.4 The Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

4.5 The Owner shall furnish the services of geotechnical engineers when such services are requested by the Architect. Such services may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with reports and appropriate recommendations.

4.6 The Owner shall furnish the services of consultants other than those designated in Paragraph 4.5 when such services are requested by the Architect and are reasonable required by the scope of the Project.

4.7 The Owner shall furnish structural, mechanical, and chemical tests; tests for air and water pollution; tests for hazardous materials; and other laboratory and environmental tests, inspections and reports required by law of the Contract Documents.

4.8 The Owner shall furnish all legal, accounting and insurance services that may be necessary at any time for the Project to meet the Owner's needs and interests. Such services shall include auditing services the Owner may require to verify the Contractor's Applications for Payment or to ascertain how or for what purposes the Contractor has used the money paid by or on behalf of the Owner.

4.9 The services, information, surveys and reports required by Paragraphs 4.4 through 4.8 shall be furnished at the Owner's expense, and the Architect shall be entitled to rely upon the accuracy and completeness thereof.

4.10 The Owner shall provide prompt written notice to the Architect if the Owner becomes aware of any fault or defect in the Project, including any errors, omissions or inconsistencies in the Architect's Instruments of Service.

ARTICLE 5 CONSTRUCTION COST**5.1 DEFINITION**

5.1.1 The Construction Cost shall be the total cost or, to the extent the Project is not completed, the estimated cost to the Owner of all elements of the Project designed or specified by the Architect.

5.1.2 The Construction Cost shall include the cost at current market rates of labor and materials furnished by the Owner and equipment designed, specified, selected or specially provided for by the Architect, including the costs of management or supervision of construction on installation provided by a separate construction manager or contractor, plus a reasonable allowance for their overhead and profit. In addition, a reasonable allowance for contingencies shall be included for market conditions at the time of bidding and for changes in the Work.

5.1.3 Construction Cost does not include the compensation of the Architect and the Architect's consultants, the costs of the land, rights-of-way and financing or other costs that are the responsibility of the Owner as provided in Article 4.

5.2 RESPONSIBILITY FOR CONSTRUCTION COST

5.2.1 Evaluations of the Owner's Project budget, the preliminary estimate of Construction Cost and detailed estimates of Construction Cost, if any, prepared by the Architect, represent the Architect's judgment as a professional familiar with the construction industry. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner's Project budget or from any estimate of Construction Costs or evaluation prepared or agreed to by the Architect.

5.2.2 No fixed limit of Construction Cost shall be established as a condition of this Agreement by the furnishing, proposal or establishment of a Project budget, unless such fixed limit has been agreed upon in writing and signed by the parties hereto. If such a fixed limit has been established, the Architect shall be permitted to include contingencies for design, bidding and price escalation, to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents, to make reasonable adjustments in the scope of the Project and to include in the Contract Documents alternate bids as may be necessary to adjust the Construction Cost to the fixed limit. Fixed limits, if any, shall be increased in the amount of an increase in the Contract Sum occurring after execution of the Contract for Construction.

5.2.3 If the Bidding or Negotiation Phase has not commenced within 90 days after the Architect submits the Construction Documents to the Owner, any Project budget or fixed limit of Construction Cost shall be adjusted to reflect changes in the general level of prices in the construction industry.

5.2.4 If a fixed limit of construction Cost (adjusted as provided in Subparagraph 5.2.3) is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall:

- .1 give written approval of an increase in such fixed limit;
- .2 authorize rebidding or renegotiating of the Project within a reasonable time;
- .3 terminate in accordance with Paragraph 8.5; or

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- 4 cooperate in revising the Project scope and quality as required to reduce the Construction Cost.

5.2.5 If the Owner chooses to proceed under Clause 5.2.4.4, the Architect, without additional compensation, shall modify the documents for which the Architect is responsible under this Agreement as necessary to comply with the fixed limit, if established as a condition of this Agreement. The modifications of such documents without cost to the Owner shall be the limit of the Architect's responsibility under this Subparagraph 5.2.5. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

ARTICLE 6 USE OF ARCHITECT'S INSTRUMENTS OF SERVICE

6.1 Drawings, specifications and other documents, including those in electronic form, prepared by the Architect and the Architect's consultants are Instruments of Service for use solely with respect to this Project. The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service and shall retain all common law, statutory and other reserved rights, including copyrights.

6.2 Upon execution of this Agreement, the Architect grants to the Owner a nonexclusive license to reproduce the Architect's Instruments of Service solely for purposes of constructing, using and maintaining the Project, provided that the Owner shall comply with all obligations, including prompt payment of all sums when due, under this Agreement. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. Any termination of this Agreement prior to completion of the Project shall terminate this license. Upon such termination, the Owner shall refrain from making further reproductions of Instruments of Service and shall return to the Architect within seven days of termination all originals and reproductions in the Owner's possession or control. If and upon the date the Architect is adjudged in default of this Agreement, the foregoing license shall be deemed terminated and replaced by a second, nonexclusive license permitting the Owner to authorize other similarly credentialed design professionals to reproduce and, where permitted by law, to make changes, corrections or additions to the Instruments of Service solely for purposes of completing, using and maintain the project.

6.3 Except for the license granted in Paragraph 6.2, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. However, the Owner shall be permitted to authorize the Contractor, Subcontractors, Sub-subcontractors and material or equipment suppliers to reproduce applicable portions of the Instruments of Service appropriate to and for use in their execution of the Work by license granted in Paragraph 6.2. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect's consultants. The Owner shall not use the Instruments of Service for future additions or alterations to this Project or for other projects, unless the Owner obtains the prior written agreement of the Architect and the Architect's consultants. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

6.4 Prior to the Architect providing to the Owner any Instruments of Service in electronic form or the Owner providing to the Architect any electronic data for incorporation into the Instruments of Service, the Owner shall by separate written agreement set forth the specific conditions governing the format of such Instruments of Service or electronic data, including any special limitations or licenses not otherwise provided in this Agreement.

ARTICLE 7 DISPUTE RESOLUTION**7.1 MEDIATION**

7.1.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party. If such matter relates to or is the subject of a lien arising out of the Architect's services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by arbitration.

7.1.2 The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation which, unless the parties mutually agree otherwise, shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association currently in effect. Request for mediation shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. The request may be made concurrently with the filing of a demand for arbitration but, in such event, mediation shall proceed in advance of arbitration or legal or equitable proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order.

7.1.3 The parties shall share the mediator's fee and may filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

7.2 ARBITRATION

7.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to arbitration. Prior to arbitration, the parties shall endeavor to resolve disputes by mediation in accordance with Paragraph 7.1.

7.2.2 Claims, disputes and other matters in question between the parties that are not resolved by mediation shall be decided by arbitration which, unless the parties mutually agree otherwise,

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shall be in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect. The demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association.

7.2.3 A demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitation.

7.2.4 No arbitration arising out of or relating to this Agreement shall include, by consolidation or joinder or in any other manner, an additional person or entity not a party to this Agreement, except by written consent containing a specific reference to this Agreement and signed by the Owner, Architect, and any other person or entity sought to be joined. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent or with a person or entity not named or described therein. The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction.

7.2.5 The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

7.3 CLAIMS FOR CONSEQUENTIAL DAMAGES

The Architect and Owner waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with Article 8.

ARTICLE 8 TERMINATION OR SUSPENSION

8.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, prior to suspension of services, the Architect shall give seven days' written notice to the Owner. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Architect shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

8.2 If the Project is suspended by the Owner for more than 30 consecutive days, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

8.3 If the Project is suspended or the Architect's services are suspended for more than 90 consecutive days, the Architect may terminate this Agreement by giving not less than seven days' written notice.

8.4 This Agreement may be terminated by either party upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

8.5 This Agreement may be terminated by the Owner upon not less than seven days' written notice to the Architect for the Owner's convenience and without cause.

8.6 In the event of termination not the fault of the Architect, the Architect shall be compensated for services performed prior to termination, together with Reimbursable Expenses then due and all Termination Expenses as defined in Paragraph 8.7.

8.7 Termination Expenses are in addition to compensation for the services of the Agreement and include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount for the Architect's anticipated profit on the value of the services not performed by the Architect.

ARTICLE 9 MISCELLANEOUS PROVISIONS

9.1 This Agreement shall be governed by the law of the principal place of business of the Architect, unless otherwise provided in Article 12.

9.2 Terms of this Agreement shall have the same meaning as those in the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

9.3 Causes of action between the parties to this Agreement pertaining to acts or failures to act shall be deemed to have accrued and the applicable statutes of limitations shall commence to run not later than either the date of Substantial Completion for acts or failures to act occurring prior to Substantial Completion or the date of issuance of the final Certificate for Payment for acts or failures to act occurring after Substantial Completion. In no event shall such statutes of limitations commence to run any later than the date when the Architect's services are substantially completed.

9.4 To the extent damages are covered by property insurance during construction, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in the edition of AIA Document A201, General Conditions of the contract for Construction, current as of the date of this Agreement. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

9.5 The Owner and Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners,

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successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to an institutional lender providing financing for the Project. In such event, the lender shall assume the Owner's rights and obligations under this Agreement. The Architect shall execute all consents reasonably required to facilitate such assignment.

9.6 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

9.7 Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Owner or Architect.

9.8 Unless otherwise provided in this Agreement, the Architect and Architect's consultants shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials or toxic substances in any form at the Project site.

9.9 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project.

9.10 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. The Architect shall not be required to execute certificates that would require knowledge, services or responsibilities beyond the scope of this Agreement.

ARTICLE 10 PAYMENTS TO THE ARCHITECT**10.1 DIRECT PERSONNEL EXPENSE**

Direct Personnel Expense is defined as the direct salaries of the Architect's personnel engaged on the Project and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, vacations, employee retirement plans and similar contributions.

10.2 REIMBURSABLE EXPENSES

10.2.1 Reimbursable Expenses are in addition to compensation for Basic and Additional Services and include expenses incurred by the Architect and Architect's employees and consultants directly related to the Project, as identified in the following Clauses:

- .1 transportation in connection with the Project, authorized out-of-town travel and subsistence, and electronic communications;
- .2 fees paid for securing approval of authorities having jurisdiction over the Project;
- .3 reproductions, plots, standard form documents, postage, handling and delivery of Instruments of Service;
- .4 expense of overtime work requiring higher than regular rates if authorized in advance by the Owner;
- .5 renderings, models and mock-ups requested by the Owner;
- .6 expense of professional liability insurance dedicated exclusively to this Project or the expense of additional insurance coverage or limits requested by the Owner in excess of that normally carried by the Architect and the Architect's consultants.
- .7 reimbursable expenses as designated in Article 12;
- .8 other similar direct Project-related expenditures.

10.3 PAYMENTS ON ACCOUNT OF BASIC SERVICES

10.3.1 An initial payment as set forth in Paragraph 11.1 is the minimum payment under this Agreement.

10.3.2 Subsequent payments for Basic Services shall be made monthly and, when applicable, shall be in proportions to services performed within each phase of service, on the basis set forth in Subparagraph 11.2.2.

10.3.3 If and to the extent that the time initially established in Subparagraph 11.5.1 of this Agreement is exceeded or extended through no fault of the Architect, compensation for any services rendered during the additional period of time shall be computed in the manner set forth in Subparagraph 11.3.2.

10.3.4 When compensation is based on a percentage of Construction Cost and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions, in accordance with the schedule set forth in Subparagraph 11.2.2, based on (1) the lowest bona fide bid or negotiated proposal, or (2) if no such bid or proposal is received, the most recent preliminary estimate of Construction Cost or detailed estimate of Construction Cost for such portions of the Project.

10.4 PAYMENTS ON ACCOUNT OF ADDITIONAL SERVICES

Payments on account of the Architect's Additional Services and for Reimbursable Expenses shall be made monthly upon presentation of the Architect's statement of services rendered or expenses incurred.

10.5 PAYMENTS WITHHELD

No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the Work other than those for which the Architect has been adjudged to be liable.

REGULAR MEETING DATED AUGUST 1, 2000**10.6 ARCHITECT'S ACCOUNTING RECORDS**

Records of Reimbursable Expenses and expenses pertaining to Additional Services and services performed on the basis of hourly rates or a multiple of Direct Personnel Expense shall be available to the Owner or the Owner's authorized representative at mutually convenient times.

ARTICLE 11 BASIS OF COMPENSATION

The Owner shall compensate the Architect as follows:

11.1 An Initial Payment of zero Dollars (\$0.00) shall be made upon execution of this Agreement and credited to the Owner's account at final payment.

11.2 BASIC COMPENSATION

11.2.1 For Basic Services, as described in Article 2, and any other services included in Article 12 as part of Basic Services, Basic Compensation shall be computed as follows:

(Insert basis of compensation, including stipulated sums, multiples or percentages, and identify phases to which particular methods of compensation apply, if necessary.)

A. Design, Construction Documents, Office Construction Administration lump sum fee of \$10,000.00.

B. Construction Administration Services - \$500.00 per trip plus mileage.

11.2.2 Where compensation is based on a stipulated sum or percentage of Construction Cost, progress payments for Basic Services in each phase shall total the following percentages of the total Basic Compensation payable:

(Insert additional phases as appropriate.)

Schematic Design Phase:	zero percent (0%)
Design Development Phase:	zero percent (0%)
Construction Documents Phase:	one hundred percent (100%)
Bidding or Negotiation Phase:	zero percent (0%)
Construction Phase:	zero percent (0%)
Total Basic Compensation:	one hundred percent (100%)

11.3 COMPENSATION FOR ADDITIONAL SERVICES

11.3.1 For Project Representation Beyond Basic Services, as described in Paragraph 3.2, compensation shall be computed as follows:

Hourly rates as described in "Attachment A".

11.3.2 For Additional Services of the Architect, as described in Articles 3 and 12, other than (1) Additional Project Representation, as described in Paragraph 3.2, and (2) services included in Article 12 as part of Basic Services, but excluding services of consultants, compensation shall be computed as follows:

(Insert basis of compensation, including rates and multiples of Direct Personnel Expense for Principals and employees, and identify Principals and classify employees, if required. Identify specific services to which particular methods of compensation apply, if necessary.)

Hourly rates as described in "Attachment A".

11.3.3 For Additional Services of Consultants, including additional structural, mechanical and electrical engineering services and those provided under Subparagraph 3.4.19 or identified in Article 12 as part of Additional Services, a multiple of one and one-tenth (1.10) times the amounts billed to the Architect for such services.

(Identify specific types of consultants in Article 12, if required.)

11.4 REIMBURSABLE EXPENSES

For Reimbursable Expenses, as described in Paragraph 10.2, and any other items included in Article 12 as Reimbursable Expenses, a multiple of one and one-tenth (1.10) times the expenses incurred by the Architect, the Architect's employees and consultants directly related to the Project.

11.5 ADDITIONAL PROVISIONS

11.5.1 If the Basic Services covered by this Agreement have not been completed within twelve (12) months of the date hereof, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as provided in Subparagraphs 10.3.3 and 11.3.2.

11.5.2 Payments are due and payable thirty (30) days from the date of the Architect's invoice. Amounts unpaid thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.

(Insert rate of interest agreed upon.)

(Usury laws and requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's and Architect's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Specific legal advice should be obtained with respect to deletions or modifications, and also regarding requirements such as written disclosures or waivers.)

11.5.3 The rates and multiples set forth for Additional Services shall be adjusted in accordance with the normal salary review practices of the Architect.

ARTICLE 12 OTHER CONDITIONS OR SERVICES

(Insert descriptions of other services, identify Additional Services included within Basic Compensation and modifications to the payment and compensation terms included in this Agreement.)

12.1 "Attachment A" shall become a part of this agreement.

12.2 Should legal action be brought by either party arising out of, or relating to this Contract, the prevailing party shall be entitled to recover reasonable attorney's fees, expenses, and costs incurred in such legal action.

12.3 Change in Services of the Architect, including services required of the Architect's consultants, may be accomplished after execution of this agreement, without invalidating the Agreement, if mutually agreed in writing, if required by circumstances beyond the Architect's control, or if the Architect's services are affected as described herein. In the absence of mutual

REGULAR MEETING DATED AUGUST 1, 2000

agreement in writing, the Architect shall notify the Owner prior to providing such service. If the Owner deems that all or a part of such Change in Services is not required, the Owner shall give prompt written notice to the Architect, and the Architect shall have no obligation to provide those services. Except for a change due to the fault of the Architect, Change in Services of the Architect shall entitle the Architect to an adjustment in compensation and to any Reimbursable Expenses.

This Agreement entered into as of the day and year first written above.

OWNER (Signature)
City of Picayune, Mississippi
(Printed name and title)

ARCHITECT (Signature)
J. Carl Franco, AIA, Principal
(Printed name and title)

ATTACHMENT "A"

CITY OF PICAYUNE
PICAYUNE, MISSISSIPPI

ARCHITECTURAL SERVICES PROPOSAL
ADA IMPROVEMENTS/CITY HALL
July 17, 2000

I. SCOPE OF SERVICES

- A. JH&H will provide Design, Construction Documents and Construction Administration to make accessibility improvements to City Hall. It is understood that the Scope of Work is limited to:
- 1) Adding a Lift (or other vertical access) Entry to Building.
 - 2) Renovating the First Floor Toilet for Handicapped Accessibility.
 - 3) Associated limited renovation as required for Items 1 and 2.
- B. All work is to be designed to comply with the Architect's best understanding of the Americans with Disabilities Act.
- C. The Americans with Disabilities Act is a civil rights Act and not a building code act, and, therefore, we cannot warrant compliance with the Act. We can and do, however, assure the City of Picayune that we, acting as reasonably prudent architects, believe that our work will comply with the ADA Title II requirements as required by the Scope of the Work.
- D. Construction Administration Services shall include visits to the sites at intervals appropriate to the stage of construction and the Contractor's operations to (1) become generally familiar with and to keep the Owner informed about the progress and quality of the portion of the Work completed, (2) to endeavor to guard the Owner against defects and deficiencies in the Work, and (3) to determine in general if the Work is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents. It is anticipated that the Architect will make 3-5 total visits, unless directed otherwise by the Owner.
- E. Basic Services include Architectural, Mechanical, Electrical and Structural Design.
- F. Bibliography of references to be used in determining what barriers exist and what actions are to be undertaken:
- American with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Final Guidelines, Architectural and Transportation Barriers Compliance Board, 39 CFR Part 1191, July 26, 1991.
 - Nondiscrimination on the Basis of Disability by Public Accommodation and in Commercial Facilities; Final Rule, Department of Justice, Office of the Attorney General, 28 CFR Part 36, July 26, 1991.
 - Americans with Disabilities Act of 1990, 42 USC 12101
 - ADA Compliance Guidebook/A Checklist for Your Building, published by the Building Owners and managers Association International.
- II. PROPOSED FEES FOR SERVICES
- A. The fee to provide an ADA Improvements based on the Architectural services as outlined in "I. Scope of Services" will be:
1. Design, Construction Documents, and Office Construction Administration - Lump sum fee of \$10,000.00
 2. Construction Administration Services - \$500.00 per trip plus mileage.
 3. Reimbursable Fees:
(Reimbursable Fees are in addition to other Fees)

1.) Black and White Copies (8½ x 11)	\$.15/page
2.) Color Copies (8½ x 11)	\$1.50/page
3.) Color Copies (11 x 17)	\$2.00/page

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- | | | | |
|-----|--------------------------------------|---------------|---|
| 4.) | Travel | | \$.30/mile and hourly
rate for time |
| 5.) | Printing of Drawings | | \$1.00/sheet |
| 6.) | Computer Drawing Plots | | \$7.50/sheet |
| 7.) | Other Items (as Requested by Client) | | \$Cost x 1.10 |
| | | | <i>(Anticipated costs should be less than \$500.00)</i> |
| 4. | Hourly Rates | | |
| | Principal | \$100.00/hour | |
| | Engineer | \$ 90.00/hour | |
| | Project Manager | \$ 85.00/hour | |
| | Architect/Interior Designer | \$ 85.00/hour | |
| | Construction Administrator | \$ 75.00/hour | |
| | Intern Architect | \$ 70.00/hour | |
| | CADD | | \$ 60.00/hour |
| | Clerical | | \$ 35.00/hour |

For this project, it is anticipated that Carl Franco will serve as Principal-in-Charge and that Rick Williams will serve as Project Manager.

III. OWNER RESPONSIBILITIES

- A. Owner is to provide access to all facilities during normal working hours (8 a.m. – 5 p.m. Monday through Friday).
- B. Owner is to provide access to all existing drawings of facilities and building survey.
- C. Owner is to provide copies of any existing ADA Survey information which may be available and any correspondence regarding lack of facility accessibility.

IV. SCHEDULE

- A. JH&H will provide completed Design and Construction Documents to the City of Picayune within 60 days from Notice-to-Proceed and execution of Owner and Architect Agreement.

This proposal is respectfully submitted by,
JH&H LTD/ARCHITECTS/PLANNERS/INTERIORS

J. Carol Franco, AIA
Principal

JCF:jmp

The following 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 REQUEST TO ADVERTISE FOR BIDS FOR CONSTRUCTION OF TRAFFIC SIGNAL AT JERUSALEM STREET AND MEMORIAL BOULEVARD

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Purchasing Agent to advertise for bids for construction of a traffic signal at the intersection of Jerusalem Street and Memorial Boulevard. 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.

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ORDER TO ACCEPT AIRPORT REVITALIZATION LOAN WITH THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept an Airport Revitalization Loan of \$269,850.00 from the Mississippi Department of Economic and Community Development to be used for T-hangar construction. 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.

CONSIDER BID AWARD FOR CONSTRUCTION OF T-HANGARS AT NEW AIRPORT

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to award the bid on the construction of T-hangars at the new airport to Kanduit Construction in the amount of 468,500.00 and to authorize the Mayor to sign the following contract:

CONTRACT FORM
FOR
PICAYUNE MUNICIPAL AIRPORT "T" HANGARS
CITY OF PICAYUNE, MISSISSIPPI
PICAYUNE JOB NO. 1900-4

THIS AGREEMENT, made this 1st day of August, 2000 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 the "Owner" and Kanduit Construction, 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:
PICAYUNE MUNICIPAL AIRPORT "T" HANGARS
CITY OF PICAYUNE, MISSISSIPPI
PICAYUNE JOB NO. 1900-4
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 **two hundred ten (210) 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 Two Hundred Fifty Dollars (\$250.00) 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 \$468,500.00.

WITNESSES:

Contractor

Signature

Title

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WITNESSES:

CITY OF PICAYUNE

Owner

Signature

Mayor

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 AUTHORIZE MAYOR TO SIGN ENGAGEMENT LETTER FOR AUDIT SERVICES FOR THE YEAR ENDING SEPTEMBER 30, 2000

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the following engagement letter with Moore & Powell CPAs, P.A. for audit services for the year ending September 30, 2000:

June 28, 2000

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, 2000. We will audit the general purpose financial statements of the City of Picayune as of and for the year ended September 30, 2000. 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 Objective

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 1997 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.

Our 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

REGULAR MEETING DATED AUGUST 1, 2000

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 December 4, 2000.

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.

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.

REGULAR MEETING DATED AUGUST 1, 2000

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*. The 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-133.

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 December 2, 2000 and to issue our reports no later than February 13, 2001. 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 \$24,900, depending on the City's participation. 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 yours,

/s/

Steven Dockens, CPA
Audit Principal/Shareholder

SD:dma
Enclosure

REGULAR MEETING DATED AUGUST 1, 2000

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, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

CONSIDER BID AWARD ON CONSTRUCTION OF CONCESSION STANDS AT FRIENDSHIP PARK

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to award the bid for construction of concession stands at Friendship Park to Dillon Construction, Inc. in the amount of \$318,576.00 and to authorize the Mayor to sign the following contract:

CONTRACT

FRIENDSHIP PARK CONCESSIONS BUILDINGS
CITY OF PICAYUNE, MISSISSIPPI

This Contract, made this the 1st day of August, 2000 by and between the City of Picayune, Mississippi, a municipal corporation, hereinafter called "Owner" and Dillon Construction, Inc. doing business as a _____ located in _____ 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 "Friendship Park Concessions Buildings," in strict accordance with the Contract Documents and the Contract Drawings.
2. The Contractor will commence the work required by the CONTRACT DOCUMENTS within 10 calendar days after the date of the NOTICE TO PROCEED and will attain Final Completion within 160 consecutive calendar days unless the period for completion is extended otherwise by the CONTRACT DOCUMENTS. The Contractor shall be liable for the continued assessment of liquidated damages at \$250.00 for each calendar day that he is in default in attaining Final Completion within the time stipulated as provided herein.
Special Damages: In addition to the amounts provided for liquidated damages, the actual damages, costs, losses and expenses reasonably incurred by Owner shall be paid by Contractor to Owner in the event of such default.
3. The term "CONTRACT DOCUMENTS" means and includes Advertisement for Bids, Instructions to Bidders, Bidder's Proposal, Bid Bond, Contract, Payment Bond, Performance Bond, General Conditions, Supplementary Conditions, Technical Specifications, Contract Drawings, Notice of Award, Notice to Proceed, Addenda (if any), and all subsequent Change Orders, Supplemental Agreements and/or other modifications as if formally recopied in this 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 Owner, and to the complete satisfaction of the City of Picayune, Mississippi, 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 Owner hereby agrees to pay and the Contractor agrees to accept a sum of money in current funds equal to the contract amount of Three hundred eighteen thousand five hundred seventy-six dollars and no cents (\$318,576.00) plus the amount of any supplemental agreements and force accounts for extra work authorized and duly set forth in a written change order approved and executed by the Owner and set forth in the public minutes of the Owner and 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

REGULAR MEETING DATED AUGUST 1, 2000

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 shall protect, indemnify and save harmless the City of Picayune, Mississippi from and against any and all damage, loss, claims, judgements or expenses, including but not limited to reasonable attorney's fees, which the City of Picayune, Mississippi may suffer or be subjected to by the performance of the work, including but without limitation injury to or death of any person whomever and destruction or damage to any property whatsoever.
6. 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 _____ (\$_____).
7. 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 _____ (\$_____).
8. The Contractor agrees to allow the Owner, 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.
9. The Owner will pay to the Contractor in the manner and at such times and amounts as set forth in the Contract Documents.
10. This Contract shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.
11. If, through any cause, the Contractor shall fail to fulfill in a timely and proper manner his obligations under this Contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the Owner shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. Notwithstanding the above, the Contractor shall not be relieved of liability to the Owner for damages sustained by the Owner by virtue of any breach of the Contract by the Contractor and the Owner may withhold any payments to the Contractor until such time as the exact amount of damages due the Owner from the Contractor is determined.

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

CITY OF PICAYUNE
PICAYUNE, MISSISSIPPI

By _____
ATTEST _____

CONTRACTOR
By _____
ATTEST _____

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.

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign Change Order #1 for an increase of \$12,000.00 to the contract with Dillon Construction on the T-hangers. The new contract total is \$330,576.00. 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.

REGULAR MEETING DATED AUGUST 1, 2000CONSIDER ORDINANCE REGULATING THE SALE OF AVIATION FUEL AT THE PICAYUNE MUNICIPAL AIRPORT

The following ordinance was presented for consideration relating to the sale of aviation fuel at the new airport:

ORDINANCE NO. 744**AN ORDINANCE SETTING THE SELLING PRICE FOR AVIATION FUEL AT THE PICAYUNE MUNICIPAL AIRPORT**

Be It Ordained by the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi as follows:

SECTION 1. General Aviation Gas

The sales price per gallon for general aviation gas shall be not less than 25% nor greater than 75% over the City of Picayune's total cost per gallon for that fuel. The sales price is to be set by the City Manager and may be changed at any time.

SECTION 2. Jet Fuel

The sales price per gallon for jet fuel shall be not less than 25% nor greater than 75% over the City of Picayune's total cost per gallon for that fuel. The sales price is to be set by the City Manager and may be changed at any time.

SECTION 3. 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 or 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 ordinance shall be effective immediately.

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond, City Clerk

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adopt the foregoing ordinance. 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 and the ordinance adopted.

REGULAR MEETING DATED AUGUST 1, 2000ORDER TO ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to accept the minutes of the Planning Commission dated June 27, 2000. 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 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 July 25, 2000. 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.

CONSIDER REQUEST TO RENAME INCINERATOR STREET

Upon request of residents and after a public hearing on the issue was held by the Planning Commission, the following ordinance was presented for consideration:

ORDINANCE NO. 745**AN ORDINANCE CHANGING THE NAME OF INCINERATOR STREET TO CHRISTOPHER STREET**

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, as follows:

SECTION 1. Street Renamed.

That the name of Incinerator Street shall be changed to Christopher Street.

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.

Conflicts 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.

REGULAR MEETING DATED AUGUST 1, 2000

This ordinance shall become effective after 30 days from its passage and upon completion of the requirements specified in Section 21-13-11, Mississippi Code of 1972, as amended.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to adopt the foregoing ordinance. 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 and the ordinance adopted.

CONSIDER REQUEST FOR REZONING

Upon request of residents and after a public hearing was held by the Planning Commission, the following ordinance was presented for consideration:

ORDINANCE NO. 746**AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY FROM R-4, MEDIUM-DENSITY RESIDENTIAL, TO R-3, MULTI FAMILY RESIDENTIAL**

Be It Ordained by the City Council of the City of Picayune, Pearl River County, Mississippi, In Meeting Duly Assembled:

Section 1. Property Description.

That the following described property shall be rezoned from R-4, Medium Family Density, to R-3, Multi Family Residential:

Block 1, Lots 4 – 11, Pecan Orchard Addition
Block 2, Lots 7 – 14, 45 – 52, Pecan Orchard Addition
Block 3, Lots 45 – 52, Pecan Orchard Addition

Block 9 – 13; Block 22 – 28; Block 36 – 38, J.W. Simmons 2nd Addition

Block A, B, and C, Browns Addition

The following descriptions are taken from the Pearl River County
Ownership map:

Block 3, Lots 18-20, NE 150' of Lot 21; 33 – 38
Block 5, Lots 12, 13, 18 – 33, 22 – 24, 37

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.

REGULAR MEETING DATED AUGUST 1, 2000

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 become effective after 30 days from its passage and upon completion of the requirements specified in Section 21-13-11, Mississippi Code of 1972, as amended.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to adopt the foregoing ordinance. 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 and the ordinance adopted.

CONSIDER REQUEST TO PLACE MOBILE HOME IN A-1 ZONE ON JACKSON LANDING ROAD

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to deny the request of Roy Miller, Sr. to place a mobile home in an A-1 zone on Jackson Landing Road because only one building is allowed per lot. 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.

REQUEST FOR REAR YARD VARIANCE ON WOODS ROAD

Upon request of Clay Stockstill, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve a 14' rear yard variance so that he may place a house on Lot 70, Unit One, The Woods Subdivision. 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.

REGULAR MEETING DATED AUGUST 1, 2000REQUEST TO SELL BEER WITHIN 500' OF SCHOOL ON ROSA STREET

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to deny the request of Mary Thomas to sell beer at her grocery store at 1219 Rosa Street within 500' of South Side Elementary School. Ms. Thomas' store was grandfathered in before it closed, but since she has not sold beer at that location within one year, the location is no longer grandfathered. Motion was withdrawn.

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to table any action on this request until more information can be obtained. 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.

REQUEST TO ADVERTISE RESOURCES OF THE CITY

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to advertise the resources of the City by sponsoring the 11-12 year-old All-Star baseball team who will be traveling to Florida in August to represent the City and to authorize the issuance of a manual check for \$500.00 for the same. 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.

CONSIDER REQUEST TO EXPLODE FIREWORKS

Upon request of Gail Watts of Relay for Life, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the exploding of fireworks on the evening of Friday, August 4, 2000 at the Relay for Life event. 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:

REGULAR MEETING DATED AUGUST 1, 2000

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

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter executive session to discuss a matter of pending litigation. The following roll call vote was taken:

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

ABSENT AND NOT VOTING: Councilmember Bates

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 pending 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 a matter of pending litigation and took no action.

ORDER TO RECESS

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to recess until August 15, 2000 at 6:00. 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.


Woody Spiers, Mayor


Sabrina Diamond, City Clerk

August 15, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, August 15, 2000, 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 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 August 1, 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 ACKNOWLEDGE RECEIPT OF PUBLIC RECORDS REQUESTS REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the Public Records Requests Report for June, 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 VOID TAX SALES

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to void the following tax sales:

<u>Parcel</u>	<u>Assessed To</u>	<u>Years</u>
617-111-004-01-046-01	Deborah Scogin	1997, 1998
617-111-004-01-046-00	Michael Scogin	1996, 1997, 1998

The following roll call vote was taken:

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

RECESSED MEETING DATED AUGUST 15, 2000

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 June 6, 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 ACKNOWLEDGE RECEIPT OF MINUTES OF THE CEMETERY BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Cemetery Board dated July 25, 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 SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 603 SOUTH MAIN STREET

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to set the date and time of September 19, 2000 at 6:00 p.m. for a public hearing on property cleanup for the lot located at 603 South Main 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 SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 701 SOUTH MAIN STREET

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to set the date and time of September 19, 2000 at 6:00 p.m. for a public hearing on property cleanup for the lot located at 710 South Main Street. The following roll call vote was taken:

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

RECESSED MEETING DATED AUGUST 15, 2000

VOTING NAY: None

The motion was declared carried.

ORDER TO SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 118 SOUTH GRAY AVENUE

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to set the date and time of September 19, 2000 at 6:00 p.m. for a public hearing on property cleanup for the property located at 118 South Gray Avenue. The following 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 ON PROPERTY CLEANUP FOR 201 SOUTH GRAY AVENUE

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to set the date and time of September 19, 2000 at 6:00 p.m. for a public hearing on property cleanup for the property located at 201 South Gray Avenue. The following 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 ON PROPOSED BUDGET FOR YEAR ENDING SEPTEMBER 30, 2001

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to set the date and time of September 5, 2000 at 6:00 p.m. to hold a public hearing on the proposed budget for the City of Picayune for the year ending September 30, 2001. The following 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 ON FY-00 DRINKING WATER SYSTEM REHABILITATION PROGRAM

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to set the date and time of September 26, at 6:30 p.m. in the Courtroom of the Criminal Justice Center to hold a public hearing to discuss and receive comments on the FY-00 Drinking Water System Rehabilitation Program. The following roll call vote was taken:

RECESSED MEETING DATED AUGUST 15, 2000

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 PHONE SERVICE

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the following contract with BellSouth Centrex for local phone services:

ORDER FOR BELLSOUTH CENTREX SERVICE

The undersigned customer ("Customer") hereby orders BellSouth Centrex service as described below ("Order") from BellSouth, pursuant to the rates, charges, terms and conditions set forth in BellSouth's General Subscriber Services Tariff A12 ("Tariff"):

Customer Name: City of Picayune
Address: 203 Goodyear Blvd.
Picayune, MS

BellSouth Centrex Service Period begins on the first bill date following conversion for those customers whose service is converted from ESSX®/Digital ESSX Service® or Multiserv™/Multiserv™ Plus Service. BellSouth Centrex Service Period begins on the service installation date for those customers choosing BellSouth Centrex as a new service, or who are replacing any other service with BellSouth Centrex.

Service Period 12 mo. _____ 24 mo. _____ 36 mo. _____ 48 mo. _____ 60 x _____

Customer understands that cancellation charges shall apply should customer disconnect the BellSouth Centrex service prior to the expiration of the designated Service Period, except as otherwise provided herein or in the Tariff.

Customer may migrate to a higher Payment Plan at any time during the Service Period, but may not migrate to a lower Payment Plan during the Service Period without incurring cancellation charges.

Payment Plan: 1 _____ 2 _____ 3 x _____ 4 _____ 5 _____

Customer understands that BellSouth will attempt to meet the requested installation date, but makes no warranty, either expressed or implied, that the requested date will be met.

Requested Installation Date: September 15th 2000 or next billing date

Attached is a description of the quantity of service the Customer is requesting at this time. (Attachment A-Quote Expert) Should Customer desire to add any additional service, or move or change existing service, BellSouth agrees to do so under the terms and conditions of the Tariff and customer agrees to be bound thereby.

Customer understands that if he/she cancels this Order prior to the beginning of the service period described above, certain charges shall apply. As provided by the Tariff, Customer shall be liable for all capital expenses incurred by BellSouth in provisioning the BellSouth Centrex service, which expenses shall not exceed an amount equal to the cancellation charges provided in the Tariff.

BellSouth also offers a "Satisfaction Guarantee" with BellSouth Centrex service, as described in the Tariff. If Customer wishes to exercise the Satisfaction Guarantee, written notification must be provided to BellSouth within ninety (90) days of the effective billing date of this Order.

This Order is effective when executed by the Customer and accepted by BellSouth, and is subject to and controlled by the provisions of BellSouth's lawfully filed tariffs, including any changes therein as may be made from time to time.

Customer Name: _____ Accepted by BellSouth:
Print Name: _____ Print Name: _____
By: _____ By: _____
Title: _____ Title: _____
Date: _____ Date: _____

RECESSED MEETING DATED AUGUST 15, 2000

ATTACHMENT A- QUOTE EXPERT

Quote For Service Description	Quantity	Installation	Monthly
<i>BellSouth Centrex (MS)</i>			
<i>Rate Stability Plan: 60 Months</i>			
<i>Payment Plan: Payment Plan 3</i>			
<i>Centrex Options: New BellSouth Centrex System</i>			
<i>Configuration: BellSouth Centrex Service</i>			
<i>Switch Type: 5ESS</i>			
<i>Rate Plan: Area Calling Plan</i>			
Business Class of Service	1	\$0.00	\$0.00
Standard Common Equipment	1	\$600.00	\$120.00
Station Links			
Station Links	60	\$0.00	\$663.00
Standard Features	60	\$1,170.00	\$237.00
Line Connection Charge	1	\$67.00	\$0.00
Line Connection Charge (Addtl. Instance)	59	\$885.00	\$0.00
Local Number Portability	60	\$0.00	\$21.00
Federal Universal Service Charge-Centrex	60	\$0.00	\$1.80
<i>Circuit Location #1</i>			
<i>Termination: 601/798</i>			
<i>Central Office: PCYNMSMARS9-RBOC BELLSOUTH TELECOMM INC-MS</i>			
<i>*Rates quoted for this product are based on the GSST tariff section A12.25.</i>			
<i>NARs (Centrex) (MS)</i>			
<i>Exchange: PICAYUNE (Rate Group 6)</i>			
<i>Rate Plan: Area Calling Plan</i>			
<i>Usage Package: Option 2 - Standard</i>			
Combination NAR	12	\$0.00	\$120.00
Usage Package	12	\$0.00	\$72.00
Hunting	12	\$0.00	\$120.00
Telecommunications Relay Service	12	\$0.00	\$0.84
End User Common Line Equivalent Surcharge	12	\$0.00	\$94.80
<i>Circuit Location #1</i>			
<i>Termination: 601/798</i>			
<i>Central Office: PCYNMSMARS9-RBOC BELLSOUTH TELECOMM INC-MS</i>			
<i>*Usage charges are applicable as outlined in Section A3 of the GSST.</i>			
<i>*Rates quoted for this product are based on the GASST tariff section A3.</i>			
Total Installation		\$2,722.00	\$1,450.44

The following 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 AGREEMENT FOR CONSULTING SERVICES

Upon recommendation of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the following contract with Harold Holmes for consulting services on planning and urban development issues.

AGREEMENT FOR CONSULTING SERVICES

This agreement is entered into by and between the City of Picayune, Mississippi, hereinafter referred to as the "City", and Harold L. Holmes, hereinafter called "Consultant", for professional planning consultant services designed to assist the City on various planning and urban development related issues. Said services shall be as follows, to wit:

SCOPE OF SERVICES

The Consultant will provide professional planning recommendations to the City on an as needed basis as determined by the Mayor or City Manager.

RECESSED MEETING DATED AUGUST 15, 2000**CHANGES IN SCOPE OF SERVICES**

The City may from time to time request the Consultant to develop a specific "scope of services" for a project. Such changes, including any increase or decrease in the amount of the Consultant's compensation that are mutually agreed upon by and between the City and the Consultant, shall be incorporated into written amendments to this Agreement.

GENERAL CONTRACT PROVISIONS

The City or the Consultant may terminate this agreement at any time by giving at least thirty (30) days written notice to the other party. If the Agreement is terminated by the City as provided herein, the Consultant will be paid for the time provided up to the termination date.

COMPENSATION

The Consultant will be paid at a rate of \$40.00 per hour or part of an hour. Consultant will invoice the City of Picayune at approximately monthly intervals. The Consultant will provide a detailed summary of Consultant activities to the City and the amount of time required for each activity. Invoices should be submitted by the Consultant by the 25th day of each month for payment the following month. All invoices submitted by the Consultant will be paid by the City within 45 days of submittal.

This Agreement is executed this 15th day of August, 2000.

Woody Spiers, Mayor
City of Picayune

Harold L. Holmes, Consultant
86 North Hill Drive
Carriere, Mississippi 39426
601-749-3831

The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

PRESENTATION OF KEY TO THE CITY TO MISSISSIPPI 2001 JUNIOR MISS

Mayor Spiers presented a Key to the City to Lindsey Miller, the 2001 Mississippi Junior Miss. Miss Miller is a resident of Picayune and will represent Mississippi at the America's Junior Miss pageant.

CONSIDER REQUEST FOR DONATION OF MATCHING FUNDS FOR BOYS & GIRLS CLUB

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to grant the request of the Boys & Girls Club to provide a donation of matching funds of an amount equal to the monthly City utility bills for water, sewer, garbage and natural gas for the old East Side School that the Club will be renting from the Picayune School System. This donation is authorized under Mississippi Code Section 21-19-65. The following 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 REQUEST FOR RECREATION SUPPORT FOR PICAYUNE PIRANHA'S SWIM TEAM

Coach Ray Lossett addressed the Council regarding the swim team program in Picayune and asked the Council to consider supporting this phase of recreation in the City by providing

RECESSED MEETING DATED AUGUST 15, 2000

funding for a heater for the swimming pool. Coach Lossett was asked to bring his request to the Advisory Park Commission at their next meeting. No official action was taken.

CONSIDER REQUEST BY THE COALITION FOR CITIZENS WITH DISABILITIES

Mr. Harold Marchant addressed the Council regarding the possibility of funding a part-time ADA coordinator for Pearl River County in cooperation with the Pearl River County Board of Supervisors and the City of Poplarville. Motion was made by Councilmember Guy, seconded by Councilmember Bates, to take the matter under advisement. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

Mr. Frank Egger addressed the Council regarding grant funds that he believes the City received in 1990 to make ADA changes to City Hall and expressed his dissatisfaction with the City's progress on ADA issues. Mayor Spiers asked Mr. Egger to provide the City Manager by Friday, August 18, 2000 with documentation in writing to support his claims that Federal grant funds were received for ADA improvements. Mr. Egger stated that he would provide the information. No official action was taken.

CONSIDER REQUEST TO SELL BEER WITHIN 500' OF SCHOOL ON ROSA STREET

Ms. Mary Thomas addressed the Council regarding her request to sell beer at her grocery store at 1219 Rosa Street which is within 500' of South Side Elementary School. Ms. Thomas was instructed that she was asked at the last meeting to provide the City Manager with additional information prior to this Council meeting. After much discussion, Ms. Thomas was again instructed to provide the City Manager with additional information. No official action was taken.

ORDER TO ADOPT RESOLUTION TO JOIN MUNICIPAL GAS AUTHORITY OF MISSISSIPPI (MGAM)

The Mayor and the City Council of the City of Picayune, Mississippi (the "Governing Body") took up for consideration the matter of becoming a member of the Municipal Gas Authority of Mississippi. After discussion on the matter, full and complete, Councilman McQueen offered and moved for the adoption of the following resolution:

**RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY
OF PICAYUNE, MISSISSIPPI (THE "CITY") DECLARING THE
INTENTION OF THE CITY TO BECOME A MEMBER OF THE
MUNICIPAL GAS AUTHORITY OF MISSISSIPPI AND FOR THE
APPOINTMENT OF A COMMISSIONER THERETO.**

WHEREAS, the Mississippi Legislature in its Regular 1988 Session, by Senate Bill number 2625 adopted an Act hereinafter referred to as the "Municipal Gas Authority of Mississippi Law"; and, that the Municipal Gas Authority of Mississippi Law is made a part hereof by reference to the same extent as if fully copied and set forth herein in words and figures; and,

WHEREAS, after a review of the aforesaid Municipal Gas Authority of Mississippi Law, the Governing Body is of the opinion that it is in the best interest of the City to become a member of the Municipal Gas Authority of Mississippi ("MGAM"), subject to the provisions of the Municipal Gas Authority of Mississippi Law, as well as the rules and regulations of MGAM.

RECESSED MEETING DATED AUGUST 15, 2000

WHEREAS, it is understood that membership in MGAM will entitle the City to assistance from MGAM in monitoring gas supplies, legislative activities at the state and national levels, general advice on system operations and such other services as the Executive Committee and/or Board of Commissioners of MGAM may approve or direct.

WHEREAS, if the City and MGAM agree that the City's best interest will be served by participating in MGAM's gas supply activities, it is acknowledged that a separate Gas Supply Agreement must be entered into between the City and MGAM, wherein such Agreement will set forth the additional services to be provided and the charges to be paid by member for such services.

WHEREAS, the Governing Body is of the opinion that the City Manager should be appointed as a Commissioner to MGAM, as the representative of the City of Picayune, pursuant to the provisions of the Municipal Gas Authority of Mississippi Law.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI:

SECTION 1. That the Governing Body does hereby find and determine that it is in the best interest of the City to become a member of MGAM, pursuant to the provisions of the Municipal Gas Authority of Mississippi Law.

SECTION 2. That membership in MGAM entitles the City to assistance from MGAM in monitoring gas supplies, legislative activities at the state and national levels, general advice on system operations and such other services as the Executive Committee and/or Board of Commissioners of MGAM may approve or direct.

SECTION 3. If the City and MGAM agree that the City's best interest will be served by participating in MGAM's gas supply activities, it is acknowledged that a separate gas supply agreement must be entered into between the City and MGAM wherein such agreement will set forth the additional services to be provided and the charges to be paid by member for such services.

SECTION 4. That the Governing Body does hereby declare its intention to become a member of MGAM.

SECTION 5. That the membership of the City in MGAM shall become effective one day after the closing of the loan from the Mississippi Development Bank (the "Bank") to MGAM and the issuance by MGAM of its Gas Revenue Note, Series 2000 in favor of the Bank, and upon MGAM obtaining a majority consent of its current members approving the City as a new member.

SECTION 6. That pursuant to the provisions of the Municipal Gas Authority of Mississippi Law, that the City Manager be, and he is hereby appointed as a Commissioner to MGAM, as the City's representative therein, pursuant to the provisions of the Municipal Gas Authority of Mississippi Law, as well as the rules and regulations adopted by MGAM.

Following the reading of the foregoing resolution, Councilman Roberson seconded the motion to adopt the above and foregoing resolution and the following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried and the resolution adopted.

RECESSED MEETING DATED AUGUST 15, 2000CONSIDER APPOINTMENTS TO THE COMMUNITY DEVELOPMENT ADVISORY COMMISSION

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to appoint the following members to the Community Development Advisory Commission for a one-year term to expire August 2001:

Henry Dunn	Emma Hair
Mary Ellen Bright	Borzzell Langham
Alfredrick Robinson	Alvie White
Edward Stubbs	

The following 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 FOR HYDRAULIC EXCAVATOR FOR STREETS DEPARTMENT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to award the bid on the hydraulic excavator for the Streets Department to State Machinery in the amount of \$52,545.00. 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.

CONSIDER ACCEPTANCE OF BULLETPROOF VESTS GRANTS FOR POLICE DEPARTMENT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept two (2) grants from the Bureau of Justice under the Bulletproof Vest Partnership Grant Act in the amounts of \$3,000.00 and \$2,471.29 with matching funds of the same provided by 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.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 207 SOUTH HOWARD AVENUE

A public hearing on the condition of the property located at 207 South Howard Avenue and owned by Mr. Louis Burton was held. The Grants Administrator reported that no cleanup had been done and that the condition of the property constitutes a menace to the public health and safety of the area. Motion was made by Councilmember McQueen, seconded by

RECESSED MEETING DATED AUGUST 15, 2000

Councilmember Roberson, to authorize the City to have the property cleaned and the cost charged against the 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.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 606 CHARLOTTE DRIVE

A public hearing on the condition of the property located at 606 Charlotte Drive and owned by Mr. Darrell Hampton was held. The Grants Administrator reported that no cleanup had been done and that the condition of the property constitutes a menace to the public health and safety of the area. Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to authorize the City to have the property cleaned and the cost charged against the 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.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 701 DAVIS STREET

A public hearing on the condition of the property located at 701 Davis Street and owned by Mr. James Bowen was held. The Grants Administrator reported that no cleanup had been done and that the condition of the property constitutes a menace to the public health and safety of the area. Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to authorize the City to have the property cleaned and the cost charged against the 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.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 2217 EAST CANAL STREET

A public hearing on the condition of the property located at 2217 East Canal Street and owned by Mr. Herschel Foster was held. The Grants Administrator reported that no cleanup had been done and that the condition of the property constitutes a menace to the public health and safety of the area. Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to authorize the City to have the property cleaned and the cost charged against the 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.

RECESSED MEETING DATED AUGUST 15, 2000ORDER TO AUTHORIZE ISSUANCE OF MANUAL CHECKS

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

Entex	Utility Fund	\$21,204.00
Prior Energy	Utility Fund	21,399.46
Koch Gateway Pipeline	Utility Fund	4,865.75
Williams Energy	Utility Fund	470.88
Trustmark Bank	Long Term Debt Fund	9,175.23
Compton Engineering	Payables Fund	1,677.00
Hattaway Engineering	CDBG Westside Fund	1,500.00

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 CHANGE ORDER #1 WITH MOBILE ASPHALT COMPANY ON PAVING CONTRACT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign Change Order #1 to the paving contract with Mobile Asphalt Company, LLC for a decrease of \$74,825.18. The new contract total is \$537,172.49. The following 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 FINAL ACCEPTANCE OF PAVING PROJECT WITH MOBILE ASPHALT COMPANY

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept the paving project with Mobile Asphalt Company, LLC 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 ISSUANCE OF MANUAL CHECK

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the issuance of a manual check for final payment to Mobile Asphalt Company, LLC for \$53,717.25. The following roll call vote was taken:

RECESSED MEETING DATED AUGUST 15, 2000

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 TOWER RENTAL AGREEMENT WITH PICAYUNE SCHOOL SYSTEM

Upon recommendation of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the City Attorney to draft an agreement with the Picayune School District for rental of the City's radio antenna on the Stemwood water tower for a period of five (5) years for and in consideration of the Picayune School District's purchase for the City of a new similar antenna valued at \$2,400.00 and installation of the new antenna on the tower located behind the Criminal Justice Center. The following 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 recommendation 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, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter executive session to discuss a 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 a matter 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

RECESSED MEETING DATED AUGUST 15, 2000

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

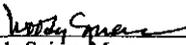
ORDER TO ADJOURN

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

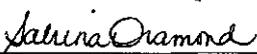
VOTING YEA: Mayor Spiers, Councilmembers Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

September 5, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, September 5, 2000, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman and Leavern Guy, City Manager Kay Johnson, City Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Lt. Jeff Wheat.

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 Guy, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated August 15, 2000. 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 RETIREMENT DEVELOPMENT DEPARTMENT'S MONTHLY ACTIVITIES REPORT

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to acknowledge receipt of the Retirement Development Department's Monthly Activities Report for July 2000. 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 MINUTES OF THE ADVISORY PARK COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Advisory Park Commission dated August 14, 2000. The following roll call vote was taken:

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

VOTING NAY: None

REGULAR MEETING DATED SEPTEMBER 5, 2000

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO VOID TAX SALE

Upon request of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to void the 1996 tax sale for 1992 and 1993 taxes on parcel #617-834-000-00-051-00 assessed to Jim W. Seals due to an assessment error by the Pearl River County Tax Assessor and authorize the Mayor to sign a quitclaim deed on the same. 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 City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign the following quitclaim deeds:

<u>Deed Name</u>	<u>Parcel Number</u>	<u>Assessed to</u>	<u>Tax Year(s)</u>
George F. Watts	518-735-000-00-015-00	George F. Watts	1995, 1996
Frankie K. Graves	617-623-001-03-001-00	Lula M. McLaurin	1996
Cooper Co.	617-101-000-00-005-02	Phillip E. Smith	1996
The Associates	518-736-000-00-018-00	Imogene Speer	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 SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 1600 BENDER STREET

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to set the date and time of October 17, 2000 at 6:00 p.m. for a public hearing on property cleanup for property located at 1600 Bender Street and owned by Willie Cooley. 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.

REGULAR MEETING DATED SEPTEMBER 5, 2000CONSIDER REQUEST FOR STREET CLOSURE FOR PICAYUNE STREET FAIR

Upon request of the Main Street-Downtowners Association, motion was made by Councilmember Guy, seconded by Councilmember Roberson, 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 November 3, 2000 at 6:30 p.m. until November 5, 2000 at 7:00 p.m. for the Picayune Street Fair. 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.

CONSIDER REQUEST FOR STREET CLOSURE

Upon request of the Goldwing Road Riders Association, Mississippi Chapter 'O', motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve the closure of the following parking spaces on the evening of November 3, 2000 through November 4, 2000 for the Association's Observation Ride:

Both sides of Goodyear Boulevard median directly in front of Jack Reed Park
Curbside parking area by sidewalk at Jack Reed Park
Oak Street along the west perimeter of Jack Reed Park

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.

CONSIDER APPROVAL OF MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve the monthly claims docket for September 2000 in the total amount of \$524,613.38. 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

The motion was declared carried.

At this time, Councilmember McQueen entered the meeting.

EMPLOYEE OF THE MONTH

Upon recommendation of Chief Brenda Smith, Community Policing Officer Theresa Milar was declared Employee of the Month for September 2000. Officer Milar was presented with a savings bond from First National Bank.

REGULAR MEETING DATED SEPTEMBER 5, 2000CONSIDER REQUEST FOR DONATION TO THE SAV-A-LIFE CENTER OF PEARL RIVER COUNTY

Upon request of the Sav-A-Life Center of Pearl River County, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to make a matching donation of \$150.00 to support the activities of the prenatal care facility and to authorize the issuance of a manual check for the same. This donation is authorized by Section 21-19-65 of the Mississippi Code of 1972, as amended. The following 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 CONSTITUTION WEEK

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to adopt the following proclamation relating to "Constitution Week":

PROCLAMATION

WHEREAS, September 17, 2000 marks the two hundred thirteenth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, it is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate the occasion; and

WHEREAS, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week.

NOW, THEREFORE, BE IT PROCLAIMED by the Mayor and City Council of the City of Picayune, Mississippi, that the week of September 17 through 23 shall be

CONSTITUTION WEEK

and ask our citizens to reaffirm the ideals the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

IN WITNESS WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City to be affixed this 5th day of September of the year of our Lord two thousand.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

(seal)

The following roll call vote was taken:

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

REGULAR MEETING DATED SEPTEMBER 5, 2000

VOTING NAY: None

The motion was declared carried.

RESOLUTION IN SUPPORT OF THE PEARL RIVER COUNTY BOARD OF SUPERVISOR'S EFFORTS TO CONSTRUCT A NEW JAIL

Aaron Russell, Jr. addressed the Council regarding the Pearl River County Board of Supervisor's intent and efforts to construct a new jail facility in Pearl River County. Mr. Russell stated that the jail would have 516 beds and be located near Interstate 59 at the Millard exit. Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to adopt the following resolution of support:

RESOLUTION OF THE CITY OF PICAYUNE

BE IT KNOWN on this 5th day of September 2000, at a regular meeting of the City Council of the City of Picayune, on motion of Councilmember Thorman, seconded by Councilmember Roberson, the following Resolution was offered.

WHEREAS, Pearl River County is in need of a new jail facility to house both county and municipal prisoners; and

WHEREAS, the Pearl River County Board of Supervisors has entered negotiations with a firm to construct a new jail facility in this county; and

WHEREAS, this new facility will contain approximately 516 beds and will be located centrally in Pearl River County; and

WHEREAS, the new facility will be operated at no cost to the taxpayers of Picayune or Pearl River County based on the proposed budget; and

WHEREAS, the City of Picayune currently maintains a jail facility but would use the new jail facility in the future.

BE IT RESOLVED, THEREFORE, by the Mayor and City Council of the City of Picayune that the Mayor and Council support the efforts of the Pearl River County Board of Supervisors in their efforts to construct this new jail facility.

ADOPTED this 5th day of September, 2000.

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.

REGULAR MEETING DATED SEPTEMBER 5, 2000

AUTHORIZE MAYOR TO SIGN ANIMAL SHELTER AGREEMENT WITH PEARL RIVER COUNTY SPCA

Upon recommendation of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Bates, to authorize the Mayor to sign the following agreement with the Pearl River County SPCA:

STATE OF MISSISSIPPI
COUNTY OF PEARL RIVER

ANIMAL SHELTER AGREEMENT

This Animal Shelter Agreement made and entered into upon this, the 5th day of September, A.D., 2000, 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, 2001, 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 sum of \$2,057.00 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.

- 2. **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.

REGULAR MEETING DATED SEPTEMBER 5, 2000

3. **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

The following 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 REQUEST TO ADVERTISE FOR BIDS FOR WHITE GOODS RECYCLING

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to re-advertise for bids for white goods recycling. No bids were received when it was recently advertised. The following 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 SUPPLEMENTAL AGREEMENT FOR ENGINEERING SERVICES FOR CONCESSION STANDS

Upon recommendation of the Public Works Director, motion was made by Councilmember Bates, seconded by Councilmember Thorman, to authorize the Mayor to sign the following agreement for engineering services with Neel-Schaffer, Inc. for construction engineering services on the concession stands:

SUPPLEMENTAL AGREEMENT

- 1.0 General. This is a supplemental Agreement to the Engineering Contract between the City of Picayune, Mississippi and Neel-Schaffer, Inc., first executed December 14, 1999.
- 1.1 Services. OWNER shall pay ENGINEER for Construction Engineering Services as follows:
 - 1.1.1 Produce Contract Documents to be executed by the successful bidder and the OWNER.
 - 1.1.2 Attend the pre-construction meeting.
 - 1.1.3 Review and process monthly pay requests from the CONTRACTOR.
 - 1.1.4 Review and process shop drawings critical to the work.
 - 1.1.5 Perform a minimum of 6 on-site inspections of the work, including inspection at substantial and final completion.
- 1.2 Neel-Schaffer will provide these services on an hourly rate basis not-to-exceed \$5,000.00

ACCEPTED:

CITY OF PICAYUNE, MISSISSIPPI

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 MAYOR TO SIGN AGREEMENT FOR ENGINEERING SERVICES ON SOLID WASTE BIDS

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 agreement with Compton Engineering for professional engineering services in connection with the design of the specifications of the solid waste bid packages:

REGULAR MEETING DATED SEPTEMBER 5, 2000

Compton Engineering, P.A.
 Consulting Engineers
 3036 Longfellow Drive
 Bay St. Louis, MS 39520
 Post Office Box 2795
 Bay St. Louis, MS 39521-2795

September 5, 2000

Dean Kendrick
 Public Works Director/City Engineer
 City of Picayune
 203 Goodyear
 Picayune, MS 39466

RE: Proposal for Professional Services, Solid Waste Specifications and Disposal Negotiations

Dear Mr. Kenrick:

Per your request, we are please to submit the following to provide professional services, solid waste specifications and disposal negotiations for the City. As we understand the scope of services, the following is required:

1. Review City's current specifications.
2. Recommend changes, if any.
3. Provide consultation as required
4. Research County and City data and contracts for positive avenues as they related to solid waste contractual services and proposals for costs.
5. Negotiate disposal costs at Central Landfill if there is a cost for disposal.
6. Assist in preparing disposal R.F.P. or contract.

Our firm would like to provide the services on a time and material basis as follows:

Consultant	32 estimated hours @ \$55.00 = \$1,760.00
Clerical	8 estimated hours @ \$25.00 = \$ 200.00

We estimate the above number of hours at the given rate for a not to exceed amount of \$1,960.00

We hope this proposal will meet the needs of your request.

As always, we look forward to working with you and the City to accomplish any work for the betterment and efficiency of Picayune Public Works projects. If you have any questions or if we can be of any other assistance, please advise.

Sincerely,
 /s/
 Bill Johnson
 Compton Engineering, P.A.

Accepted By
 For: City of Picayune

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.

CONSIDER PROPOSALS FOR LEASE-PURCHASE RATES ON FINANCING OF HYDRAULIC EXCAVATOR

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following lease-purchase documents with Trustmark National Bank for the lease-purchase financing of the hydraulic excavator at a rate of 5.42%:

REGULAR MEETING DATED SEPTEMBER 5, 2000**LEASE-PURCHASE AGREEMENT**

THIS LEASE-PURCHASE AGREEMENT ("Lease") dated as of September 5, 2000 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 39201, Attn: Public Services Department and the Board of Alderman 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 12, 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.

REGULAR MEETING DATED SEPTEMBER 5, 2000

(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 3.1. 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 4.3 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;

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- (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 a "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

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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 in 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 \$1,000. 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 Indemnity. 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 indemnitees, 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 6.6. 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 the 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,

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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 non-payment, 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

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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. Lessor 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 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 to 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 constitute 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.

REGULAR MEETING DATED SEPTEMBER 5, 2000

(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.

REGULAR MEETING DATED SEPTEMBER 5, 2000

(iv) If the proceeds of sale of the Equipment are not sufficient to pay all amounts specified in Section 12.2(ii)(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.

REGULAR MEETING DATED SEPTEMBER 5, 2000

IN WITNESS WHEREOF, Lessor and Lessee have 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 Mayor _____

**EXHIBIT A
EQUIPMENT**

The Equipment which is the subject of the attached Lease-Purchase Agreement is as follows:

<u>Quantity</u>	<u>Description</u>	<u>Serial Number</u>
(1) One	New Hyundai 55-3 Hydraulic Excavator	#

**EXHIBIT B
SCHEDULE OF RENTAL PAYMENTS**

Lessee: City of Picayune, Mississippi
Commencement Date of Lease: September 5, 2000
Number and Frequency of Payments: Five (5) Annual

Rental Payment Schedule

<u>Due Date</u>	<u>Payment Number</u>	<u>Total Payment</u>	<u>Principal Component</u>	<u>Interest Component</u>
10/12/2001	1	12,277.81	9,429.88	2,847.93
10/12/2002	2	12,277.81	9,940.98	2,336.83
10/12/2003	3	12,277.81	10,479.78	1,798.03
10/12/2004	4	12,277.81	11,047.79	1,230.03
10/12/2005	5	12,277.81	11,646.58	631.24

**EXHIBIT C
SCHEDULE OF PURCHASE OPTION PRICE**

<u>After Payment Number</u>	<u>Purchase Option Price</u>
Five (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 September 5, 2000 (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 October 12, 2001 and on the 12th of each October 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 in payment 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.

REGULAR MEETING DATED SEPTEMBER 5, 2000

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 coming 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: September 5, 2000.

CITY OF PICAYUNE, MISSISSIPPI
By _____
Its Mayor _____

**EXHIBIT E
OPINION OF COUNSEL**

G. Gerald Cruthird, P.A.
Attorney at Law
Post Office Box 1056
Picayune, Mississippi 39466

Trustmark National Bank
248 E. Capitol Street
Jackson, MS 39201

RE: Lease-Purchase Agreement dated as of September 5, 2000, between Trustmark National Bank ("Lessor") and the 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 official, 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: September 5, 2000

Very truly yours,
City of Picayune, Mississippi
By: /s/
G. Gerald Cruthird, Of Counsel

The following roll call vote was taken:

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

REGULAR MEETING DATED SEPTEMBER 5, 2000

VOTING NAY: None

The motion was declared carried.

CONSIDER APPROVAL OF BUDGET AMENDMENT

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to amend the following line items of the budget for the year ending September 30, 2000:

	<u>Original</u>	<u>Amended</u>
<u>General Fund</u>		
Licenses and permits	\$ 400,000	\$ 436,800
Intergovernmental revenues	4,316,643	4,450,673
Fines and forfeits	394,000	397,000
Miscellaneous revenues	19,400	20,900
Interest earnings	45,000	58,000
<u>General Government</u>		
Personnel	774,935	777,935
Supplies	37,995	38,345
Other services	406,058	432,858
<u>Public Safety -- Police</u>		
Personnel	1,312,871	1,315,371
Other services	146,750	147,250
Capital outlay	161,748	162,658
<u>Public Works</u>		
Supplies	258,525	262,525
Transfers to other funds	485,000	505,000
<u>Airport Fund</u>		
Transfers from other funds	\$ 150,000	\$ 170,000
Other services	54,250	74,250
<u>Utility Fund</u>		
Charges for services	\$2,767,000	\$2,838,000
Non-revenue receipts	14,500	15,500
Interest earnings	115,000	120,000
<u>Utility Construction & Treatment Plant</u>		
Supplies	1,039,876	1,114,876
Other services	352,575	367,575

The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

PUBLIC HEARING ON BUDGET FOR PROPOSED BUDGET FOR THE YEAR ENDING SEPTEMBER 30, 2000

A public hearing was held on the proposed budget for the year ending September 30, 2001. No comments from citizens were voiced. The City Clerk stated that the budget in the format presented would be voted upon on September 12, 2000. No official action was taken.

REGULAR MEETING DATED SEPTEMBER 5, 2000ORDER 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 July 25, 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 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 August 17, 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.

CONSIDER REQUEST PLACE MOBILE HOME IN C-1 ZONE ON EAST CANAL STREET

Upon request of Lawson Smith of Great Southern Log Homes, Inc., motion was made by Councilmember Bates, seconded by Councilmember Thorman, to allow the placement of a mobile home in a C-1 zone at 1515 East Canal Street. The mobile home shall not be visible from Interstate 59 or East Canal Street and may be used for a night watch office and night dispatch of the trucking division of Great Southern Log Homes, 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.

CONSIDER REQUEST FOR HOME OCCUPATION LICENSE

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to grant the request of Bill and Bettye Hursey for a home occupation license for 1423 Fifth Avenue to operate an internet mail order business. The following 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 5, 2000ORDER TO APPOINT MEMBERS TO THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to appoint the following members to the Planning Commission for a 3-year term expiring September 2003:

Earl Bourgeois
Nancy Durham

The following 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 ACCEPTANCE OF FORFEITED LAND PATENTS FROM THE STATE OF MISSISSIPPI

Upon recommendation of the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to accept the following Forfeited Land Patents from the State of Mississippi:

Parcel #617-209-004-03-007-00	610 Bennett Street
Parcel #617-614-003-05-026	508 South Curran Avenue

The following 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 MEMORANDUM OF UNDERSTANDING WITH PEARL RIVER VALLEY OPPORTUNITY

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Mayor to sign the following Memorandum of Understanding between the City and Pearl River Valley Opportunity (PRVO):

**Memorandum of Understanding
CSGB/LIHEAP FY 2001**

This agreement is made and entered on September 5, 2000 between Pearl River Valley Opportunity, Inc. and the City of Picayune. As part of this agreement, Pearl River Valley Opportunity, Inc. (PRVO) will provide the City of Picayune and/or its eligible clients or constituents with assistance through the Community Services Block Grant (CSBG) and Low Income Home Energy Program (LIHEAP) if funds are available. Through CSBG, PRVO will provide case management and financial assistance in areas such as employment, education, housing, health, nutrition, emergency assistance, income management, and transportation. PRVO's primary goal with CSBG is to move individuals from dependency to self-sufficiency. Through LIHEAP, PRVO will provide direct cash assistance, counseling, etc. to low-income households to offset the high cost of energy.

As part of this agreement, the City of Picayune agrees to provide PRVO and/or its eligible clients with the following if funds and/or services are available:

1. Provide support to PRVO's programs and activities
2. Refer individuals to PRVO for assistance

REGULAR MEETING DATED SEPTEMBER 5, 2000

- 3. _____
- 4. _____

Both Parties also agree to the following guidelines:
 Each party is responsible for its own documentation to be made on the services provided.
 It is agreed by both parties that the content of the Memorandum of Understanding will be renewed, evaluated and updated if deemed necessary. Both parties agree that no element of this agreement will be constructed to imply any form of financial obligation or liability, nor confer on one party the capacity to represent or act as an agent of the other.

Signed and Dated:
 Printed Name and Title of PRVO Authorized Official
Helmon Johnson Executive Director
 Name Title

Signature Date
 Printed Name and Title of Agency Authorized Official
Woody Spiers Mayor
 Name Title

Signature Date
203 Goodyear Boulevard Picayune, Mississippi
 Address City and State

The following 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 COPS MORE 98 RENEWAL GRANT AWARD

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to accept the COPS MORE 98 Renewal Award in the amount of \$16,779.00 and to authorize the Mayor to sign the following grant award:

U.S. Department of Justice
Office of Community Oriented Policing Services
COPS MORE98 Award Renewal

Supplement #: 1

Grant #: 1999CMWD2312 ORI#: MS05501 Vendor #: 64600972

Applicant Organization's Legal Name:	Picayune Police Department
Law Enforcement Official Name:	Chief Brenda Smith
Address:	328 South Main Street
City, State, Zip Code:	Picayune, MS 39466
Phone Number:	(601) 798-8653
Fax Number:	(601) 798-7412
Government Executive Name:	Mayor Woody Spiers
Address:	203 Goodyear Boulevard
City, State, Zip Code:	Picayune, MS 39466
Phone Number:	(601) 798-9770
Fax Numbers:	(601) 798-0564

Renewal Award Start Date:	4/1/99	Renewal Award End Date:	3/31/01
Previous Award Amount:	\$16,779.00	Previous Number of Redeployed Officers:	0.9
Supplement to Award:	\$16,779.00		
Supplement to Civilian Personnel:	\$16,779.00		
Supplemental Redeployment:	0.9		
Total Award Amount to Date:	\$33,558.00		

REGULAR MEETING DATED SEPTEMBER 5, 2000

By signing this award, the signatory official is agreeing to abide by the Conditions of Grant Award found on the reverse side of this document.

/s/ Thomas Frazier

Thomas Frazier
Director

August 3, 2000

Date

Signature of Law Enforcement Executive with the Authority to accept this grant award.

Typed Name and Title of Law Enforcement Executive

Date

Signature of Government Executive with the Authority to accept this grant award.

Typed Name and Title of Government Executive

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 MAYOR TO SIGN LETTER TO MISSISSIPPI DEPARTMENT OF TRANSPORTATION DESIGNATING SURFACE TRANSPORTATION PROGRAM PROJECTS

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Mayor to sign a letter to the Mississippi Department of Transportation designating the following projects as Surface Transportation Program Projects for the 2000-2004 program years with no set order of priority:

Location	Length	Work	Begin Date	Funding
East/West Canal Street from Steele Avenue to Herman Street	0.6 miles	Overlay, replace sidewalks and lighting	October 1, 2000	Federal \$600,000 Local \$150,000
Goodyear Boulevard & Main Street Intersection	0.2 miles	Signalized Intersect/Traffic Calming	October 1, 2001	Federal \$500,000
Bales Avenue from Mitchell Street to Memorial Boulevard and Elm Street from Alpine Street to Memorial Boulevard	0.7 miles	Widen and overlay	October 1, 2002	Federal 520,000 Local \$130,000
Alpine Street from Memorial Boulevard to New I-59 Service Road	0.2 miles	Widen and overlay	October 1, 2002	Federal \$200,000 Local \$50,000
Bruce Street from US Highway 11 to South Beech Street	1.1 miles	Overlay and add street lights	October 1, 2003	Federal \$480,000 Local \$120,000
Telly Road from Memorial Boulevard to New I-59 Service Road	0.9 miles	Overlay and drain	October 1, 2004	Federal \$400,000 Local \$100,000

The following roll call vote was taken:

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

REGULAR MEETING DATED SEPTEMBER 5, 2000

VOTING NAY: None

The motion was declared carried.

CONSIDER ORDINANCE REGULATING THE SALE OF SUPPLIES, GOODS AND COMMODITIES AT THE PICAYUNE MUNICIPAL AIRPORT

The following ordinance was presented for consideration relating to the sale of supplies, goods and commodities at the new airport:

ORDINANCE NO. 747

AN ORDINANCE SETTING THE SELLING PRICE FOR SUPPLIES, GOODS AND COMMODITIES AT THE PICAYUNE MUNICIPAL AIRPORT

Be It Ordained by the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi as follows:

SECTION 1. Supplies, Goods and Commodities.

As authorized by Section 61-5-5 of the Mississippi Code of 1972, as amended, the Picayune Municipal Airport is hereby authorized to engage in the purchase and sale of supplies, goods and commodities as an incident to the operation of its airport properties. The prices for the supplies, goods and commodities are to be set by the City Manager and may be changed at any time.

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 or 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 ordinance shall be effective immediately.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to adopt the foregoing ordinance. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried and the ordinance adopted.

REGULAR MEETING DATED SEPTEMBER 5, 2000ORDER TO AUTHORIZE CITY CLERK TO SIGN BANKCARD MERCHANT AGREEMENT TO PROVIDE FOR CREDIT CARD SALES AT THE PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the City Clerk to sign all necessary documents or agreements with Hancock Bank related to providing for credit card sales at the Picayune Municipal 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 ESTABLISH NEW BANK ACCOUNT FOR PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Bates, to establish a new bank account at Hancock Bank for the Picayune Municipal Airport and to authorize the Mayor and City Clerk to sign all paperwork necessary to open the account. The following 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 PETTY CASH FUND FOR PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to establish a petty cash fund for the Picayune Municipal Airport in the amount of fifty dollars (\$50.00) 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.

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:

COP General Fund	Utility Fund	\$52,000.00
Mississippi State Tax Commission	Utility Fund	\$ 4,000.00

The following roll call vote was taken:

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

REGULAR MEETING DATED SEPTEMBER 5, 2000

VOTING NAY: None

The motion was declared carried.

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

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, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter executive session to discuss a matter involving the location of a business and a 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 a matter involving the location of a business and a matter of potential litigation.

ORDER TO AUTHORIZE AN EXTENSION OF TIME ON THE NEGOTIATIONS WITH CYPRESS DEVELOPMENT, LLC FOR DEVELOPMENT AT THE NEW AIRPORT

While in executive session, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve a 90-day extension on negotiations with Cypress Development related to a land lease at the new airport. The City recognizes that Cypress Development, LLC, has made significant progress in negotiating a lease with Chevron USA, Inc., and has helped the City secure additional funding to improve the airport so that Chevron will locate in Picayune. Cypress Development, LLC, or its assigns will have the exclusive right to construct the Chevron Facility at the airport for 180 days from today's date. No other entity, private or public, will be able to develop this project at the airport for this 180-day period. The City Manager is authorized to negotiate a land lease with Cypress Development, LLC, or its assigns, based on the following guidelines:

1. Lease value of the property is \$0.15 per square foot for footprint of building
2. Lease term is 40 years and renewable for 40 years if legally possible
3. Tax exemption for building will be negotiated based upon the economic impact to the community.

The following roll call vote was taken:

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

REGULAR MEETING DATED SEPTEMBER 5, 2000

VOTING NAY: None

The motion was declared carried.

RETURN TO REGULAR SESSION

At the conclusion of executive session, upon motion of Councilmember Thorman, 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 involving the location of a business and a matter of potential litigation and took action only on the matter involving the location of a business.

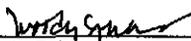
ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until September 12, 2000 at 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.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

September 12, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, September 12, 2000, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, Mark Thorman and Leavern Guy, 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 LAND ROLLS AS PREPARED BY THE PEARL RIVER COUNTY
TAX COLLECTOR/ASSESSOR**

After several Councilmembers voiced dissatisfaction with the Pearl River County Tax Assessor's preparation of the current and prior land rolls because of numerous errors, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to adopt the land rolls for the City of Picayune and the Picayune School District as prepared by the Pearl River County Tax Collector/Assessor with the following totals:

	<u>City of Picayune</u>	<u>Picayune School District</u>
Real Property	32,437,030	53,928,477
Personal Property	10,519,461	11,357,621
Special Homestead Exemption	4,697,597	8,954,093

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 ADOPT LAND ROLLS AS PREPARED BY THE HANCOCK COUNTY
TAX COLLECTOR/ASSESSOR**

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to adopt the land rolls for the Picayune School District as prepared by the Hancock County Tax Collector/Assessor with the following totals:

	<u>Picayune School District</u>
Real Property	1,585,715
Personal Property	0
Special Homestead Exemption	182,620

The following roll call vote was taken:

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

VOTING NAY: None

RECESSED MEETING DATED SEPTEMBER 12, 2000

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

CONSIDER ADOPTION OF ORDINANCE TO LEVY 2000 PROPERTY TAXES

The following ordinance was presented for review:

ORDINANCE NO. 748

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 2000-2001, BEGINNING OCTOBER 1, 2000 AND ENDING SEPTEMBER 30, 2001

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 57.05 mills on the dollar upon real, personal and fixed property within the Picayune Municipal Separate School District of Pearl 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.)	1.85
FOR SCHOOL COSTS other than Minimum Foundation Program (Authority: Mississippi Code of 1972, Section 37-57-1, et. seq.)	55.20
TOTAL FOR ALL SCHOOL PURPOSES	57.05
TOTAL FOR ALL MUNICIPAL AND SCHOOL PURPOSES	82.30

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 foregoing Ordinance, after having been first reduced to writing, was moved upon by Councilmember Thorman, seconded by Councilmember Bates, and was adopted by the following roll call vote:

RECESSED MEETING DATED SEPTEMBER 12, 2000

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

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried and the ordinance adopted.

CONSIDER ADOPTION OF THE BUDGET FOR THE YEAR ENDING SEPTEMBER 30, 2001

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to adopt the budget for the fiscal year beginning October 1, 2000 and ending September 30, 2001 as follows:

**City of Picaune - General Fund
Budget
For the Year Ending September 30, 2001**

RECEIPTS

Licenses and Permits	\$	400,000
Intergovernmental Revenues		3,192,806
Charges for Governmental Services		608,500
Fines and Forfeits		395,000
Miscellaneous Revenues		20,000
Interest Earnings		45,000
Transfers		500,000
Total from All Sources, Other than Taxation		<u>5,161,306</u>
Beginning Cash		<u>1,350,000</u>
Total Receipts Other than Ad Valorem Tax		6,511,306
Amount to be Raised by Ad Valorem Tax		<u>1,350,000</u>
TOTAL FROM ALL SOURCES	\$	<u>7,861,306</u>

DISBURSEMENTS

General Government – Legislative		
Personal Services	\$	169,781
Supplies		500
Other Services and Charges		67,900
Capital Outlay		2,500
Totals		<u>240,681</u>
General Government – Executive		
Personal Services		118,935
Supplies		3,300
Other Services and Charges		19,600
Capital Outlay		26,500
Totals		<u>168,335</u>
General Government – Administration		
Personal Services		299,909
Supplies		22,500
Other Services and Charges		162,400
Capital Outlay		12,500
Totals		<u>497,309</u>
General Government – Court		
Personal Services		104,772
Supplies		5,000
Other Services and Charges		29,400
Capital Outlay		2,500
Totals		<u>141,672</u>

RECESSED MEETING DATED SEPTEMBER 12, 2000

General Government – Planning and Grants	
Personal Services	158,333
Supplies	6,250
Other Services and Charges	57,500
Capital Outlay	9,600
Totals	<u>231,683</u>
General Government – Retirement Development	
Personal Services	9,500
Supplies	1,050
Other Services and Charges	7,250
Capital Outlay	1,000
Totals	<u>18,800</u>
Public Safety - Police Department	
Personal Services	1,378,386
Supplies	136,765
Other Services and Charges	152,900
Capital Outlay	120,100
Totals	<u>1,788,151</u>
Public Safety - Fire Department	
Personal Services	1,244,790
Supplies	51,500
Other Services and Charges	54,700
Capital Outlay	32,000
Totals	<u>1,382,990</u>
Public Works	
Personal Services	899,094
Supplies	275,100
Other Services and Charges	604,100
Capital Outlay	449,050
Totals	<u>2,227,344</u>
Culture and Recreation	
Personal Services	-
Supplies	-
Other Services and Charges	-
Capital Outlay	5,000
Totals	<u>5,000</u>
Transfers	472,000
Aid to Other Governments	26,250
Total Disbursements	<u>7,198,215</u>
Ending Cash	<u>663,091</u>
TOTAL DISBURSEMENTS AND ENDING CASH	\$ <u>7,861,306</u>

**City of Picayune - Utility Fund
Budget
For the Year Ending September 30, 2001**

RECEIPTS

Charges for Utility Services	2,800,000
Interest Earnings	115,000
Other income	15,000
Non-Revenue Receipts	280,000
Beginning Cash	762,458

TOTAL FROM ALL SOURCES 3,972,458

DISBURSEMENTS

Utility Administration	
Personal Services	114,163
Supplies	8,000
Other Services and Charges	82,900
Capital Outlay	10,000
Totals	<u>215,063</u>
Treatment Plant and Utility Construction	
Personal Services	883,037
Supplies	1,075,100
Other Services and Charges	312,750

RECESSED MEETING DATED SEPTEMBER 12, 2000

Capital Outlay	438,000
Totals	<u>2,708,887</u>
Debt Payments	75,000
Transfers	<u>500,000</u>
Total Disbursements	<u>3,498,950</u>
Ending Cash	<u>473,508</u>
TOTAL DISBURSEMENTS AND ENDING CASH	<u>3,972,458</u>

**CITY OF PICAYUNE
BUDGET - SPECIAL POLICE DRUG FUND
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Restitution for Drugs	10,000
Forfeitures & Seizures	2,500
Other	2,000
Beginning Cash & Investments	60,444
Total from all Sources	<u>74,944</u>

DISBURSEMENTS

Other Services	0
Capital Outlay	6,600
Total	<u>6,600</u>
Ending Cash	68,344
Total Disbursements & Ending Balance	<u>74,944</u>

**CITY OF PICAYUNE
BUDGET - CDBG WESTSIDE REDEVELOPMENT
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Sale of Lots	10,000
Interest Earnings	1,000
Beginning Cash & Investments	21,118
Total from all Sources	<u>32,118</u>

DISBURSEMENTS

Other Services	4,500
Capital Outlay	0
Total	<u>4,500</u>
Ending Cash & Investments	27,618
Total Disbursements & Ending Cash Balance	<u>32,118</u>

**CITY OF PICAYUNE
BUDGET - LAW ENFORCEMENT BLOCK GRANT #4
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Federal Grants	17,062
Transfers from Other Funds	1,896
Interest Earnings	200
Beginning Cash & Investments	<u>19,158</u>
Total from all Sources	<u>30,071</u>

RECESSED MEETING DATED SEPTEMBER 12, 2000**DISBURSEMENTS**

Capital Outlay	19,158
Total	<u>19,158</u>
Ending Cash & Investments	0
Total Disbursements & Ending Balance	<u>19,158</u>

**CITY OF PICAYUNE
BUDGET – UDAG MAJESTIC INN FUND
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Rental Payments	28,219
Interest Income	12,200
Beginning Cash & Investments	355,129
Total from all Sources	<u>395,548</u>

DISBURSEMENTS

Other Services	5,500
Ending Cash & Investments	390,048
Total Disbursements & Ending Balance	<u>395,548</u>

**CITY OF PICAYUNE
BUDGET – TOBACCO GRANT FUND
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Grants	0
Interest Earnings	500
Beginning Cash & Investments	19,047
Total from all Sources	<u>19,547</u>

DISBURSEMENTS

Ending Cash & Investments	19,547
Total Disbursements & Ending Balance	<u>19,547</u>

**CITY OF PICAYUNE
BUDGET – ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Sales Tax Revenue	210,000
Rent	3,750
Beginning Cash & Investments	119,012
Total from all Sources	<u>332,762</u>

DISBURSEMENTS

Support to Other Organizations	3,000
Totals	<u>3,000</u>
Ending Cash	329,762
Total Disbursements & Ending Balance	<u>332,762</u>

RECESSED MEETING DATED SEPTEMBER 12, 2000

**CITY OF PICAYUNE
BUDGET - WALMART BOND FUND
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Sales Tax	123,225
Interest Earnings	4,000
Beginning Cash & Investments	89,584
Total from all Sources	<u>216,809</u>

DISBURSEMENTS

Transfer to Debt Service	123,325
Ending Cash & Investments	93,484
Total Disbursements & Ending Balance	<u>216,809</u>

**CITY OF PICAYUNE
BUDGET - AIRPORT FUND
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Revenues	44,000
Transfers In	121,000
Beginning Cash & Investments	0
Total from all Sources	<u>165,000</u>

DISBURSEMENTS

Personal Services	40,000
Supplies	30,000
Other Services	25,000
Transfers to Other Funds	70,000
Ending Cash & Investments	0
Total Disbursements & Ending Balance	<u>165,000</u>

**BUDGET - CEMETERY FUND
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Sales of Plots	25,000
Interest Income	10,000
Transfers in	48,000
Beginning Cash & Investments	316,293
Total from all Sources	<u>399,293</u>

DISBURSEMENTS

Personal Services	89,300
Supplies	7,400
Other Services	2,300
Capital Outlay	2,500
Total	<u>101,500</u>
Ending Cash & Investments	297,793
Total Disbursements & Ending Balance	<u>399,293</u>

RECESSED MEETING DATED SEPTEMBER 12, 2000

**CITY OF PICAYUNE
BUDGET – LONG TERM DEBT FUND
FOR THE YEAR ENDING 9/30/2001**

RECEIPTS

Transfers In	425,325
	<hr/>

DISBURSEMENTS

Principal & Interest Payments	425,325
Ending Cash & Investments	0
Total Disbursements & Ending Balance	<hr/> 425,325 <hr/>

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 CONTRACT FOR PROFESSIONAL
SURVEYING SERVICES AT THE AIRPORT**

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following contract with Dungan Engineering, PA for professional surveying services at the Picayune Municipal Airport:

Dungan Engineering, PA
1574 Highway 98 East
P.O. Box 150
Columbia, Mississippi 39429
Phone (601) 731-2600
Fax (601) 736-6501
e-mail: dunganeng@cblink.com

September 8, 2000

Mr. J. Dean Kendrick, Public Works Director
City of Picayune
203 Goodyear Boulevard
Picayune, MS 39466

Re: Picayune Municipal Airport
Topographic and Boundary Survey

Mr. Kendrick:

I am writing in response to our meeting on September 7, 2000, regarding the above referenced survey. I will be happy to assist you with the boundary and topographic survey of the northwest portion of the Picayune Municipal Airport. We would propose to provide to you a detailed topographic survey including the following:

1. Monumented boundary.
2. One foot contour interval.
3. Spot elevations.
4. All existing structural features.
5. Existing drainage pattern.
6. Horizontal and vertical control points.

A preliminary drawing will be provided no later than September 22, 2000, and a final plat will be provided no later than September 29, 2000. I propose to provide this work for a lump sum amount

RECESSED MEETING DATED SEPTEMBER 12, 2000

of \$5,000.00. If the boundary cannot be re-established as shown on the provided survey plat with local control, I will notify you before additional expenses are incurred.

Sincerely,
/s/
H. Les Dungan III, P.E., P.L.S.

Accepted: _____
Date: _____

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 RECESS

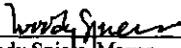
Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to recess until September 19, 2000 at 6:00 p.m. The following roll call vote was taken:

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

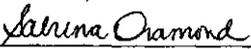
VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

September 19, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, September 19, 2000, at 6:00 p.m. in recessed session with the following officials present: Mayor Pro Tempore Leavern Guy, 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 September 5, 2000. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MONTHLY PRIVILEGE LICENSE REPORT

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the Monthly Privilege License Report for August 2000. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF MONTHLY BUDGET REPORT

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the monthly Budget Report for August 2000. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

RECESSED MEETING DATED SEPTEMBER 19, 2000

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

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 Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following quitclaim deeds:

<u>Deed Name</u>	<u>Parcel #</u>	<u>Assessed to</u>	<u>Year(s)</u>
Mary Lee & Patricia Seal	518-731-000-00-001-00	Joseph V. Smith, Sr.	1997
Mary Lee & Patricia Seal	518-731-000-00-051-00	Joseph V. Smith, Sr.	1997
Mary Lee & Patricia Seal	517-930-000-00-011-00	Joseph V. Smith, Sr.	1997
Robert E. Brown, Sr.	517-828-000-00-009-00	George R. Pell	1986 - 1997

The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

ORDER TO PROCLAIM "VIOLENCE PREVENTION MONTH"

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to adopt the following proclamation relating to "Domestic Violence Prevention Month":

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 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 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.

RECESSED MEETING DATED SEPTEMBER 19, 2000

NOW, THEREFORE, BE IT RESOLVED, that we, the Mayor and City Council of the City of Picayune, Mississippi, do hereby proclaim the month of October 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 19th day of September, 2000.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

RAPID RESPONSE QUARTERLY REPORT

Keim Davis, Director of EMS Operations for Rapid Response, gave the status of their operations for June through August and presented the Council with statistics showing that their response times are meeting the current contract. No official action was taken.

ORDER TO APPOINT MEMBER TO THE PEARL RIVER COUNTY LIBRARY BOARD

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to appoint Mrs. Ola Mae Robinson to the Pearl River County Library Board for a five-year term to expire September 2005. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

CONSIDER SEMI-ANNUAL BID AWARD FOR SUPPLIES

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept the low bids as listed below in response to the semi-annual bids for supplies for October 2000 through March 2001:

Diesel Oil #2 Series, 30W 12 qts/case

\$13.32

APG, Inc.

RECESSED MEETING DATED SEPTEMBER 19, 2000

Diesel Oil #2 Series, 30W 55 gallon	222.75	APG, Inc.
Diesel Oil 15W-40 55 gallon	222.75	APG, Inc.
Diesel Oil 15W-40 12 qts/case	15.21	APG, Inc.
Diesel Oil 15W-40 6 gal/case	27.00	APG, Inc.
Transmission Fluid Dextron II 12 qts/case	13.44	APG, Inc.
Transmission Fluid Type F 12 qts/case	13.44	APG, Inc.
Motor Oil 10W-30 HD 12qts/case	13.47	APG, Inc.
Motor Oil 10W-30 HD 55 gallon	232.10	APG, Inc.
Motor Oil 10W-40 12 qts/case	13.47	APG, Inc.
Motor Oil 10W-40 55 gallon	232.10	APG, Inc.
Motor Oil 30W ND 12 qts/case	10.98	APG, Inc.
Motor Oil 30W ND 55 gallon	154.00	APG, Inc.
Motor Oil 5W HD	13.47	APG, Inc.
Gear Oil 90wt. 55 gallon	240.35	APG, Inc.
Gear Oil 90wt. 5 gallon	23.15	APG, Inc.
Chassis Grease tube 10 per ctn	9.91	APG, Inc.
Chassis Grease bulk 5 gallon	30.10	APG, Inc.
Hydraulic Fluid TDH 5 gallon	16.90	APG, Inc.
Hydraulic Fluid TDH 55 gallon	173.80	APG, Inc.
Hydraulic Oil 68 55 gallon	159.50	APG, Inc.
Chlorine in 150 lb cylinder, including Delivery to sewerage treatment plant	56.50	South Miss. Chemical
Oxygen - Welding 244 cu ft per cylinder	8.12	Airgas
Acetylene - 100 cu ft	13.20	Airgas
Hot Bituminous Surface Plantmix Asphalt		
SC-1 per ton	31.00	Huey Stockstill Inc.
SC-2 per ton	31.00	Huey Stockstill Inc.
Hot Mix Asphalt lay & haul inside City per ton	39.41	Huey Stockstill Inc.
Hot Mix Sand Asphalt lay & haul inside City per ton	36.91	Huey Stockstill Inc.
EA-4 for tack per square yard	1.50	Huey Stockstill Inc.
30x36 Trash Bags, 1.5 Mill, black or brown, 52 per box or roll	3.32	McNeely Plastic Products
Concrete Pipe		
12" reinforced	10.96	Choctaw
15" reinforced	11.37	Choctaw
18" reinforced	12.57	Choctaw
21" reinforced	17.06	Choctaw
24" reinforced	20.73	Choctaw
27" reinforced	25.56	Choctaw
30" reinforced	28.73	Choctaw
36" reinforced	40.70	Choctaw
42" reinforced	50.87	Choctaw
48" reinforced	66.28	Choctaw
54" reinforced	81.17	Choctaw
60" reinforced	98.40	Choctaw
18" x 11" reinforced arch pipe	21.32	Choctaw
22" x 13" reinforced arch pipe	22.72	Choctaw
29" x 18" reinforced arch pipe	28.38	Choctaw
36" x 23" reinforced arch pipe	34.00	Choctaw
44" x 27" reinforced arch pipe	47.14	Choctaw
58" x 36" reinforced arch pipe	77.23	Choctaw
65" x 40" reinforced arch pipe	94.20	Choctaw
73" x 45" reinforced arch pipe	117.03	Choctaw
88" x 54" reinforced arch pipe	161.51	Choctaw
51" x 31" reinforced arch pipe	61.00	Choctaw
Concrete per yard 2,500-lb mix	55.98	Huey Stockstill Inc.
Concrete per yard 3,000-lb mix	57.98	Huey Stockstill Inc.
Concrete Manholes		
48" x 36" precast cone section	56.00	Choctaw
48" precast riser section	56.00	Choctaw

RECESSED MEETING DATED SEPTEMBER 19, 2000

70" diam x 6" thick precast bottom	110.00	Choctaw
48" precast concrete flat slab top	95.00	Choctaw
4" concrete adjusting ring	13.20	Choctaw
6" concrete adjusting ring	20.00	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	186.00	Choctaw
Polyethylene Culvert Pipe (per foot)		
8" diam smooth interior pipe	1.78	Advanced Drainage Systems
10" diam smooth interior pipe	1.95	Advanced Drainage Systems
12" diam smooth interior pipe	2.50	Advanced Drainage Systems
15" diam smooth interior pipe	3.50	Advanced Drainage Systems
18" diam smooth interior pipe	5.20	Advanced Drainage Systems
24" diam smooth interior pipe	8.50	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	26.50	Advanced Drainage Systems
48" diam smooth interior pipe	32.10	Park Supply

The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN PROPERTY DAMAGE RELEASE FORM

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to authorize the Mayor to sign a "Property Damage Release" form with Universal Loss Management, Inc. related to the airplane accident of Henry Deubler, Jr. at the Picayune Municipal Airport. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

RECESSED MEETING DATED SEPTEMBER 19, 2000ORDER TO AUTHORIZE THE MAYOR TO SIGN CHANGE ORDER #2 ON THE AIRPORT ACCESS ROAD PROJECT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to authorize the Mayor to sign Change Order #2 to the contract with Huey Stockstill, Inc. for the Airport Access Road project. The Change Order is a decrease of \$297.60; the new contract total is \$212,887.90. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

ORDER TO AUTHORIZE THE MAYOR TO SIGN CHANGE ORDER #4 ON THE FUEL FARM PROJECT

Upon recommendation of the Public Works Director and the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign Change Order #4 to the contract with Cobb Environmental & Technical Services, Inc. for construction of the airport fuel farm. The Change Order reflects an extension of the contract time to August 30, 2000; the contract total remains \$231,780.90. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

ORDER TO AUTHORIZE THE SUBMISSION OF A LOCAL LAW ENFORCEMENT BLOCK GRANT APPLICATION

Upon recommendation of the Grants Administrator and the Police Chief, motion was made by Councilmember Thorman, seconded by Councilmember McQueen, to authorize the submission of a Police Department FY 2000 Local Law Enforcement Block Grant application in the amount not to exceed \$30,683.00 and to approve a local cash match not to exceed \$3,068.00. The following roll call vote was taken:

VOTING YEA: Mayor Pro Tempore Guy, Councilmembers Roberson, Thorman and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Mayor Spiers, Councilmember Bates

The motion was declared carried.

At this time, Mayor Woody Spiers entered the meeting.

RECESSED MEETING DATED SEPTEMBER 19, 2000ORDER TO AUTHORIZE THE SUBMISSION OF A MISSISSIPPI DEVELOPMENT INFRASTRUCTURE PROGRAM GRANT APPLICATION

The Mayor and City Councilmen (the "Governing Body") acting for and on behalf of the City of Picayune, Mississippi, (the "Municipality") took up for consideration the matter of authorizing and approving a grant on behalf of the Municipality from the Mississippi Department of Economic and Community Development (the "DECD") for the purpose of completing infrastructure related to the new Picayune Municipal Airport and thus enhancing economic development through the creation of jobs.

Thereupon Councilman Roberson offered and moved the adoption of the following resolution:

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI, TO AUTHORIZE AND APPROVE THE MAYOR, ON BEHALF OF THE CITY, ENTERING INTO A GRANT AGREEMENT WITH THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT IN ORDER TO RECEIVE A GRANT ON BEHALF OF THE CITY FROM THE MISSISSIPPI DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT IN AN AMOUNT NOT TO EXCEED ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00) FOR THE PURPOSE OF COMPLETING INFRASTRUCTURE RELATED TO THE NEW PICAYUNE MUNICIPAL AIRPORT AND THUS ENHANCING ECONOMIC DEVELOPMENT THROUGH THE CREATION OF JOBS.

WHEREAS, the Mississippi Business Investment Act, Sections 57-61-1 et. seq., of the 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 and by providing loans and grants to municipalities to assist in securing investment by private companies locating in the State; and

WHEREAS, pursuant to Section 57-61-36 of the Act, DECD is authorized to make grants to the Municipality for the purpose of completing infrastructure related to the new Picayune Municipal Airport and thus enhancing economic development through the creation of jobs; and

WHEREAS, pursuant to the Act and the guidelines adopted by DECD, the Municipality has filed an application with DECD for a grant to complete infrastructure related to the new Picayune Municipal Airport; and

WHEREAS, based on the application, the Act and the guidelines, DECD has agreed to provide a grant to the Municipality for the purposes set forth; and

WHEREAS, before the grant can be processed, a Grant Agreement must be entered into by the Municipality and DECD, setting out the terms and conditions of the grant.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE MUNICIPALITY, 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 Grant Agreement with the Department.

Section 3. That the Mayor and City Clerk of the City of Picayune 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 Municipality enforceable in accordance to the terms of each.

RECESSED MEETING DATED SEPTEMBER 19, 2000

Councilman Thorman seconded the motion to adopt the foregoing resolution and after the same had been read and considered section by section and put to a roll call vote, the following roll call vote was taken:

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

VOTING NAY: Councilmember McQueen

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried and the resolution adopted.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 118 NORTH HOWARD AVENUE

A public hearing was held on the condition of the property located at 118 North Howard Avenue and owned by Mary Steve. The Grants Administrator reported that no cleanup had been done and that the condition of the property constitutes a menace to the public health and safety of the area. Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the City to have the property cleaned and the cost charged against the property. 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.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 603 SOUTH MAIN STREET

A public hearing was held on the condition of the property located at 603 South Main Street and owned by Ruth Crosby. The Grants Administrator reported that the property had been partially cleaned. After discussion, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to grant an extension of time until October 3, 2000. The following roll call vote was taken:

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

VOTING NAY: None

ABSTAINING: Councilmember Guy

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 701 SOUTH MAIN STREET

A public hearing was held on the condition of the property located at 701 South Main Street and owned by Patricia Vaughn. The Grants Administrator reported that the property had been partially cleaned. After discussion, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to grant an extension of time until October 3, 2000. The following roll call vote was taken:

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

RECESSED MEETING DATED SEPTEMBER 19, 2000

VOTING NAY: None

ABSTAINING: Councilmember Guy

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 118 SOUTH GRAY AVENUE

A public hearing was held on the condition of the property located at 118 South Gray Avenue and owned by Tommy Parker. The Grants Administrator reported that the property had been cleaned. No official action was taken.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 201 SOUTH GRAY AVENUE

A public hearing was held on the condition of the property located at 201 South Gray Avenue and owned by Aubrey Watson. The Grants Administrator reported that the property had been cleaned. No official action was taken.

CONSIDER REQUEST FOR EXCEPTION TO PUBLIC RECORDS FEES

Representatives of US Investigations Services addressed the Council regarding a possible waiver of public records for their company. USIS contracts with the Office of Personnel Management (OPM) to perform background security checks for Federal employees. Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to take the request under advisement. 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 ISSUANCE OF MANUAL CHECKS

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

Entex	Utility Fund	\$18,739.50
Prior Energy	Utility Fund	13,208.33
Koch Gateway Pipeline	Utility Fund	7,094.35
Williams Energy	Utility Fund	572.16
Charlotte Penton	General Fund	74.10
Cobb Environmental & Technical Services	Airport Fund	102,378.09
D&L Construction & Septic Services	General Fund	3,870.00
David Earl Johnson, Chancery Clerk	General Fund	14.00
Huey Stockstill, Inc.	Airport Fund	21,314.60

The following roll call vote was taken:

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

VOTING NAY: None

RECESSED MEETING DATED SEPTEMBER 19, 2000

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

CONSIDER REQUEST FOR STREET CLOSURE

Upon request of the Pleasant Valley Baptist Church, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to approve the closure of Weems Street from Davis Street to Taylor Street on September 30, 2000 for a Fall Festival/Gospel Explosion. 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

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.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter executive session to discuss a matter of potential litigation. 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 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 a matter of potential litigation and took no action.

RECESSED MEETING DATED SEPTEMBER 19, 2000ORDER TO ADJOURN

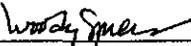
Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to adjourn. The following roll call vote was taken:

VOTING YEA: Mayor Spiers, Councilmembers Roberson, 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

October 3, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, October 3, 2000, at 6:00 p.m. in regular session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates 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 APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated September 12, 2000 and September 19, 2000. 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 SET DATE FOR PUBLIC HEARING ON PROPERTY CLEANUP FOR 300 NORTH STEELE AVENUE

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to set the date and time of November 21, 2000 at 6:00 p.m. for a public hearing on property cleanup for property located at 300 North Steele Avenue and owned by Herbert Lee. 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 PUBLIC RECORDS REPORT

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Public Records Report for August 2000. 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 MINUTES OF THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to acknowledge receipt of the minutes of the Pearl River County Development Association dated August 28, 2000. 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 SOLE SOURCE PURCHASE FOR THE POLICE DEPARTMENT

Upon recommendation of the Purchasing Agent motion was made by Councilmember Bates, seconded by Councilmember Roberson, to acknowledge the sole source purchase of two mobile video camera systems from Law Enforcement Specialty Products, Inc. at a cost of \$5,500.00 each and purchased with grant funds for the Police Department. 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 Bates, seconded by Councilmember Roberson, to approve the monthly claims docket for October 2000 in the total amount of \$291,421.59. 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 PROCLAIM "CHILD LURES AWARENESS MONTH"

Upon request of Anne Hammond representing the Child Abuse Education Council, motion was made by Councilmember Bates, seconded by Councilmember Guy, to adopt the following proclamation related to "Child Lures Awareness Month":

REGULAR MEETING DATED OCTOBER 3, 2000

PROCLAMATION

WHEREAS, the month of October is to be observed as Child Lures Awareness Month in Picayune, recognizing that children and adolescents should be safe in our society and protected through education and safe community; and

WHEREAS, our community is concerned about the safety and well-being of each and every child; and

WHEREAS, it takes the entire community to protect children, including families, schools, churches, organizations, employers, healthcare providers and government.

NOW THEREFORE, be it proclaimed by the Mayor and City Council of the City of Picayune, Mississippi that the month of October 2000 be known as

CHILD LURES AWARENESS MONTH

in our City and may it be known that we urge all citizens to take due note of this observance and to join the effort to protect our children.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

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 PROCLAIM "NATIONAL FAMILY COMMUNITY EDUCATION WEEK"

Upon request of Anne Hammond representing Family and Community Education of Mississippi, 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"; and

WHEREAS, the date that individuals have with their families will foster communication, love, and understanding within each family and strengthen their communities.

NOW THEREFORE, be it proclaimed by the Mayor and City Council of the City of Picayune, Mississippi, that October 8th through 14th be known as

NATIONAL FAMILY COMMUNITY EDUCATION WEEK

in our City and may it be known that we urge all citizens to join family and community education members and "MAKE A DATE WITH YOUR FAMILY".

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

REGULAR MEETING DATED OCTOBER 3, 2000

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 PROCLAIM "CHARACTER COUNTS! WEEK"

Upon request of Anne Hammond representing Family and Community Education of Mississippi, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to adopt the following proclamation related to "Character Counts! Week":

PROCLAMATION

WHEREAS, Character Counts! is a nationwide nonpartisan and nonsectarian initiative to strengthen the character of our next generation; and

WHEREAS, good character is based on six positive values: Trustworthiness, Respect, Responsibility, Fairness, Caring and Citizenship; and

WHEREAS, by displaying these "Six Pillars of Character" in their daily lives, Picayune youth will contribute significantly to the future strength of our state; and

WHEREAS, every citizen has a responsibility to serve as a positive role model to help our young people grow in character; and

WHEREAS, a statewide Character Counts! Initiative, in partnership with Picayune community, schools, organizations and individual citizens, will reemphasize the importance of our shared values and help to expand character development activities.

NOW THEREFORE, be it proclaimed by the Mayor and City Council of the City of Picayune, Mississippi, that October 15-21, 2000 be known as

CHARACTER COUNTS! WEEK

in our City.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

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 BID OF FY 2000-2001 PAVING PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Bates, to authorize the Purchasing Agent to solicit bids for the FY2000-2001 paving project for the streets as follows:

REGULAR MEETING DATED OCTOBER 3, 2000

STREET NAME	FROM	TO	TYPE OVERLAY
South Main	Bruce	Rosa	1.5" Asphalt
South Main	Rosa	Goodyear Boulevard	1.5" Asphalt
Kingsway	CDBG project area		1.5" Asphalt
Fern	CDBG project area		1.5" Asphalt
Pinewood	CDBG project area		1.5" Asphalt
Camelia Cove	Lakewood	Cul-de-sac	1.5" Asphalt
Mitchell	South Haugh	Branch/culvert	1.5" Asphalt
Laura	Charlotte	Cul-de-sac	1.5" Asphalt
Fourth Avenue	North Juniper	Glenwood	1.5" Asphalt
Jarrell	Dead end	South Main	1.5" Asphalt
Weems	Davis	South Main	1.5" Asphalt
Millswood	Stemwood	Highway 43 North	1.5" Asphalt
MdGeehee/Poplar	Vaughn	City limits	Chip Seal
Bender	South Beech	Sherd	1.5" Asphalt
South Blanks	Canal	Memorial	1.5" Asphalt
North Beech	Goodyear Boulevard	Curve	1.5" Asphalt
Merrydale	Martin Luther King	Cul-de-sac	1.5" Asphalt
Country Club	Cooper	Cul-de-sac	1.5" Asphalt
Cemetery Roads	Palestine Cemetery & Eighth Street Cemetery		1.5" Asphalt

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 CONTRACT FOR ENGINEERING SERVICES FOR WASTEWATER TREATMENT FACILITY STUDY

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract and authorization to proceed form with McCrory & Williams for engineering services for the Wastewater Treatment Facility Study:

September 14, 2000

Mr. Dean Kendrick, Public Works Director
City of Picayune
203 Goodyear Boulevard
Picayune, Mississippi 39466

Re: Proposal for Engineering Services
Wastewater Treatment Facility Evaluation

Dear Mr. Kendrick:

We are pleased to respond to your request for a scope and fee proposal for engineering services regarding the evaluation of the Picayune Wastewater Treatment Facility (WWTF). For this project, McCrory & Williams, Inc. has teamed with Parsons Engineering Science, Inc. (MWI/PES) to provide the highest quality service to the City.

During the scope definition meeting on August 15, 2000, you provided the following guidance for the evaluation effort:

1. Limit the evaluation to facility components between the WWTF influent and effluent pump stations (the stations are not included);
2. Maximize the use of non-mechanical treatment processes;
3. Use 2 MGD at the target capacity for the WWTF; and

REGULAR MEETING DATED OCTOBER 3, 2000

4. Assume 40 acres of additional land is available immediately adjacent to the existing facility. Based upon the above guidance and our current understanding of the Picayune WWTF, the MWI/PES team is pleased to present this proposal for engineering services to evaluate the Picayune WWTF.

SCOPE OF SERVICES

MWI/PES will complete the following actions in our evaluation of the Picayune WWTF.

1. Assess capabilities of current headworks (i.e., grit chamber, screens, etc.)
2. Optimize performance of existing lagoon (e.g., baffles, aerators, mixers, etc.)
3. Conceptualize cattail-based, constructed wetlands for the final treatment stage.
4. Conceptualize rehabilitation and use of existing trickling filter system as appropriate to enhance biological treatment process performance.
5. Identify needed enhancement of existing disinfection facility (i.e., chlorination/dechlorination).
6. Investigate opportunity for the phasing of facility improvements.

At the completion of our assessment, MWI/PES will deliver an Engineering Report presenting the following:

1. Description of the evaluation findings;
2. Description of options for the phasing of facility improvements.
3. Budgetary cost opinions of each phasing option; and
4. Recommended approach for facility upgrade.

OWNER RESPONSIBILITIES

MWI/PES will rely upon the City of Picayune to accomplish the following project support tasks:

1. Identify a single person with the City of Picayune to serve as the project point-of-contact.
2. Make provisions for MWI/PES personnel to enter/access all facilities and properties addressed in the study.
3. Provide accurate site plan of existing WWTF property, including dimensional detail of all facilities.
4. Provide as-built records of existing treatment system (i.e. trickling filter facilities, lagoon, duckweed ponds, lagoon "air jammers", chlorination/dechlorination facility, etc.).
5. Provide a full copy of the current NPDES Permit.
6. Provide influent and effluent flow data (quantity and quality) monthly for the most recent three years and annually for the seven preceding years.
7. Provide timely response to MWI/PES requests for information and deliverable review.

COMPENSATION AND SCHEDULE

MWI/PES proposes to accomplish the above Scope of Services for the lump-sum compensation of \$21,500.

MWI/PES is prepared to complete the evaluation and submit the Engineering Report within ninety (90) days of commencement of services. Services will be initiated within ten (10) days of receipt of written authorization.

If you find our proposed Scope of Services, Compensation, and Schedule as described herein acceptable, you may authorize us to proceed by signing the enclosed Authorization to Proceed and returning the document to our office or by issuing similar documentation used by the City. Written authorization must be received prior to project initiation.

If you have any questions concerning this proposal, please contact Mr. Larry Stejskal at 334-476-4720.

On behalf of the McCrory & Williams, Inc./Parsons Engineering Science, Inc. team;
sincerely,

McCRORY & WILLIAMS, INC.

/s/

Larry S. Stejskal, P. E.
Project Manager

Enclosure

cc: Mr. Gordon Quesenberry (PES)
Mr. Jim Epting (MWI)

City of Picayune, Mississippi
Wastewater Treatment Facility Evaluation
Engineering Services Proposal

Authorization To Proceed

The City of Picayune, Mississippi has reviewed the McCrory & Williams, Inc. /Parsons Engineering Science, Inc. (MWI/PES) Proposal dated September 14, 2000 for Engineering Services for the Wastewater Treatment Facility Evaluation. The City of Picayune understands the scope of service descriptions, work product deliverables, City responsibilities, and payment provisions of the Proposal and hereby authorizes MWI/PES to proceed with the project.

REGULAR MEETING DATED OCTOBER 3, 2000

Services are to be initiated within ten (10) days of receipt of this Authorization To Proceed. Services are to be completed within ninety (90) days of commencement of services.

Compensation to MWI/PES shall be the Lump Sum of \$21,500.00 payable upon delivery of the project report.

Upon being properly authorized and with full understanding of the obligations herein undertaken, on behalf of the City of Picayune, I do hereunder affix my signature on the date indicated.

CITY OF PICAYUNE, MISSISSIPPI

(Print/Type Name & Title)

(Signature)

(Date)

ATTEST:

(Print/Type Name & Title)

(Signature)

(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 AUTHORIZE THE ADVERTISE FOR SOLID WASTE/RUBBISH COLLECTION SERVICES

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for proposals for solid waste and rubbish collection services as set forth in the proposed bid package. 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 AGREEMENT FOR PAVING WITH THE PEARL RIVER COUNTY BOARD OF SUPERVISORS

Upon recommendation of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the paving of Union School Road as a joint project between the City and Pearl River County as follows:

1. The City of Picayune shall provide 2016.66 tons of Hot Mix Asphalt (SC-1 or SC-2) @ \$27.00 per ton for a total cost of \$54,449.82.
2. The City of Picayune shall also provide asphalt for leveling at settled trench location at an amount not to exceed \$4,500.00 (approximately 166.67 tons).
3. A chip seal of the lower portion of Union School Road is to be done in the following 12-24 months. The costs of the materials are estimated to be \$12,000.00. These costs are to be paid by the City.

REGULAR MEETING DATED OCTOBER 3, 2000

4. The total costs for the surfacing of Union School Road are estimated to be \$58,949.82, excluding the chip seal.
5. The Pearl River County Board of Supervisors will place the asphalt with their spreader, maintain record quantities of the asphalt placed, blade the shoulders, and do the work for the chip seal when it becomes necessary.

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 recommendation of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Bates, to approve the following manual checks:

COP General Fund	Utility Fund	\$51,000.00
MS State Tax Commission	Utility Fund	3,000.00
MS Municipal Liability Plan	General/Utility Funds	99,742.00
Stewart Sneed Hewes	General Fund	900.00
MBNA America Business Card	General Fund	10.06
TopHealth	General/Utility Funds	647.71
MS Municipal Worker's Compensation Plan	General/Utility/Cemetery Funds	11,619.30
Thigpen Insurance	General Fund	175.00
MS Municipal League	General Fund	3,490.00

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 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 17, 2000 and September 21, 2000. 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.

REGULAR MEETING DATED OCTOBER 3, 2000ORDER 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 25, 2000. 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.

CONSIDER REQUEST FOR REZONING ON SYCAMORE ROAD

Upon request of the property owner, Darryle Whitfield, the following ordinance was presented for consideration as a request to rezone the entire lot located at 318 West Sycamore Road from R-2 to C-3. A portion of the lot is presently zoned C-3.

ORDINANCE NO. 749

**AN ORDINANCE TO REZONE THE FOLLOWING DESCRIBED PROPERTY
FROM R-2, TWO FAMILY RESIDENTIAL 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.

That the following described property shall be rezoned from R-2, Two-family Residential, to C-3, Highway Commercial District:

Commencing at the Northeast Corner of the Southwest Quarter of Northeast Quarter of Section 11, Township 6 South, Range 17 West, and run South 89 degrees 57 minutes West 1176.114 feet; thence South 17 degrees 57 minutes West 19 feet; thence South 89 degrees 57 minutes West 75 feet for a point of beginning; thence run South 89 degrees 57 minutes West along the South margin of Sycamore Street 125 feet to a corner; thence run South 207 feet to a corner; thence run North 89 degrees 57 minutes East or parallel with North line of said lot 125 feet to a corner; thence run North 208 feet, more or less, to the point of beginning, being part of Southwest Quarter of Northeast Quarter and Southeast Quarter of Northwest 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 provisions of any 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 become effective after 30 days from its passage and upon completion of the requirements specified in Section 21-13-11, Mississippi Code of 1972, as amended.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

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The foregoing ordinance, having first been reduced to writing, was moved upon by Councilmember Guy, seconded by Councilmember Bates, and voted upon as follows:

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 and the ordinance adopted.

CONSIDER REQUEST FOR CONDITIONAL USE AT 405 NEAL ROAD

Upon request of Houston McGruder, motion was made by Councilmember Guy, seconded by Councilmember Bates, to approve a conditional use at 405 Neal Road for Mr. McGruder to operate a tire repair shop. 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.

CONSIDER REQUEST TO PLACE FENCE ON CITY PROPERTY ON BAY STREET

Upon request of Bay Street area residents, motion was made by Councilmember Guy, seconded by Councilmember Bates, to grant permission for the residents to place a chain-link fence across the north end of their properties on both sides of Bay Street and across the end of Bay Street for safety purposes. The maintenance of the fence will belong to property owners. 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.

CONSIDER REQUEST FOR HOME OCCUPATION LICENSE AT 307 BALES AVENUE

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to approve the request of Tommy Howell for a home occupation license at 307 Bales Avenue to operate a business to service vending machines. 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.

REGULAR MEETING DATED OCTOBER 3, 2000ORDER TO AUTHORIZE MAYOR TO SIGN APPLICATION FOR PUBLIC ASSISTANCE, MEMA PA-14, RELATING TO HURRICANE GEORGES

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign an Application for Public Assistance, MEMA PA-14, to deobligate \$20,590.00 of FEMA funds because the cleanup work after Hurricane Georges was completed at a lesser cost than was anticipated. 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 REQUEST FOR REIMBURSEMENT FOR PUBLIC ASSISTANCE FUNDS, MEMA PA-4, RELATING TO HURRICANE GEORGES

Upon recommendation of the Grants Administrator, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to authorize the Mayor to sign a Request for Reimbursement for Public Assistance Funds, MEMA PA-4, requesting \$2,395.00 related to Hurricane Georges. 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.

CONSIDER REQUEST TO WAIVE PUBLIC RECORDS FEES FOR THE MISSISSIPPI ACTION FOR PROGRESS, INC.

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to deny the request of the Mississippi Action for Progress, Inc. for a waiver of the public records fees associated with the fingerprinting of the Head Start employees. 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 INTER-GOVERNMENTAL AGREEMENT WITH PEARL RIVER COUNTY REGARDING E-911 SERVICE

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table any action on the proposed agreement with the Pearl River County Board of Supervisors regarding E-911 service. The following roll call vote was taken:

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

REGULAR MEETING DATED OCTOBER 3, 2000

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO ADOPT "MINIMUM STANDARDS AND REQUIREMENTS FOR AERONAUTICAL ACTIVITIES" FOR PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the attached "Minimum Standards and Requirements for Aeronautical Activities" for the Picayune Municipal Airport. 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. See Exhibit A.

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

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, 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.

Motion was made by Councilmember Roberson, seconded by Councilmember Guy, to enter executive session to discuss two matters involving the location of a business, a matter of potential litigation and a personnel matter. 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 two matters involving the location of a business, 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 Bates, the Mayor reopened the meeting. The Mayor stated that

REGULAR MEETING DATED OCTOBER 3, 2000

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

ORDER TO ADOPT RESOLUTION OF INTENTION TO BORROW CAPS LOAN FUNDS FOR AIRPORT INFRASTRUCTURE

Upon recommendation of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Guy, to adopt the following Resolution of Intention to borrow funds of \$66,317.00 with the Mississippi Department of Economic and Community Development (MDECD) to be used to provide funding for utility infrastructure at the Picayune Municipal Airport. This loan will be paid by the Pearl River County Board of Supervisors.

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 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 sixty-six thousand three hundred seventeen dollars (\$66,317) 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 Criminal Justice Center located at 328 South Main Street in Picayune, Mississippi at 6 o'clock p.m., November 21, 2000, 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, Bates and Guy

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried and the resolution adopted.

ORDER TO AUTHORIZE MAYOR TO SIGN LETTER OF COMMITMENT TO PROVIDE FUNDING FOR PICAYUNE MUNICIPAL AIRPORT IF FAA GRANTS ARE NOT AVAILABLE

Upon recommendation of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign a letter of commitment to the Economic Development Administration (EDA) stating that the City will provide \$150,000 in funding for taxiways and a non-directional beacon at the Picayune Municipal Airport if grant funding is not available from the Federal Aviation Administration (FAA). This letter is required as part of the grant application with EDA. The following roll call vote was taken:

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

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VOTING NAY: None

ABSENT AND NOT VOTING: Councilmembers Thorman and McQueen

The motion was declared carried.

ORDER TO AUTHORIZE MAYOR TO SIGN LETTER OF COMMITMENT TO OBLIGATE CITY UDAG FUNDS FOR THE PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the City Manager, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Mayor to sign a letter of commitment to the Economic Development Administration (EDA) stating that the City will obligate \$310,000 in funds from the UDAG Fund for infrastructure at the Picayune Municipal Airport in connection with the City's EDA grant application. 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 October 17, 2000 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.

Sabrina Diamond
Sabrina Diamond, City Clerk

Woody Spiers
Woody Spiers, Mayor

REGULAR MEETING DATED OCTOBER 3, 2000

EXHIBIT A

SECTION I.

A. INTRODUCTION

In order to encourage and ensure the provision of adequate services and facilities, the economic health of, and the orderly development of aviation and consistency of buildings and operations and related Aeronautical Activities at Picayune Municipal Airport ("Airport") in Picayune, Mississippi, a public body organized under the laws of the State of Mississippi as the owner, proprietor, operators and sponsor of the Airport, has established these Minimum Standards and Requirements ("Minimum Standards").

Accordingly, the following sections set forth the Minimum Standards applicable to any Entity operating upon and engaging in one (1) or an aggregate of Aeronautical Activities at the Airport. These Minimum Standards are not intended to be all-inclusive. Any Entity engaging in aviation operations and/or Aeronautical Activities at the Airport will be required to comply with all applicable federal, state, and local laws, codes, ordinances, and other similar regulatory measures pertaining to such activities.

In all cases where the words "standards" or "requirements" appear, it shall be understood that they are modified by the word "minimum" except where "maximum" is clearly identified. Determinations of "minimum" shall be from the City's point of view as the Airport owner, lessor, licensor, and permitter. All Operators are encouraged to exceed the "minimum" in terms of quality of facilities and services. No Operator will be allowed to occupy all area or conduct Activities at the Airport under conditions less than the "minimum."

B. STATEMENT OF POLICY

The City intends to plan, manage, finance, and develop the Airport for the long-term financial health and safety of the Airport consistent with accepted airport practices and applicable federal, state, and local laws, rules and regulations.

To this end, all applicants to perform Aeronautical Activities at the Airport shall be accorded a fair and reasonable opportunity, without unlawful discrimination, to qualify and to compete (if required), to occupy available Airport facilities and to provide appropriate Aeronautical Activities; subject, however, to the Minimum Standards as established by the City.

The granting of rights and privileges to engage in Aeronautical Activities shall not be construed in any manner as affording the Operator any exclusive right of use of the premises and/or facilities at the Airport, other than those premises which may be leased exclusively to the Operator, and then only to the extent provided in a written Agreement.

The City reserves the right for use of the Airport by others who may desire to use the same, pursuant to applicable federal, state, and local laws, ordinances, codes, and other regulatory measures pertaining to such use. The City further reserves the right to designate specific Airport areas for special Aeronautical Activities in accordance with the current adopted

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EXHIBIT A

Airport Layout Plan ("ALP") and subsequent revisions thereto. Such designation shall give consideration to the nature and extent of the operation and the land and improvements available for such purpose, and shall be consistent with the orderly and safe operation of the Airport.

While the Manager of the Airport has the authority to manage the Airport (including the authority to interpret, administer, and enforce Airport Agreements and City policies and the authority to permit temporary, short-term occupancy of the Airport), the ultimate authority to grant the occupancy and use of Airport real estate and to approve, amend, or supplement all Leases, licenses, and permits relating thereto is expressly reserved to the City by and through its Mayor and Council.

C. SEVERABILITY CLAUSE

If one (1) or more clauses, sections, or provisions of these Minimum Standards shall be held to be unlawful, invalid, or unenforceable by final judgment of any court of competent jurisdiction, the invalidity of such clauses, sections, or provisions shall not in any way affect any other clauses, sections, or provisions of these Minimum Standards.

D. CONFLICTS WITH EXISTING AGREEMENTS

These Minimum Standards are not retroactive. They do not alter the current terms of any Agreement properly executed prior to the date of adoption and approval of these Minimum Standards unless any such Agreement shall provide for changes in the Airport's Minimum Standards, in which case these Minimum Standards shall be effective consistent with such Agreement. In any event, upon expiration or earlier termination of an existing Agreement with the Authority or if an Operator desires to materially increase or expand its Aeronautical Activities, the Operator shall then comply with the provisions of these Minimum Standards.

E. DEFINITIONS

As used in these regulations, the following terms shall have the following meanings.

Aeronautical Activity (or "Aeronautical Activities" or "Activity" or "Activities): Any activity or service that involves, makes possible, facilitates, is related to, assists in or is required for the operation of Aircraft or another Aeronautical Activity, or which contributes to or is required for the safety of such operations. The following activities, for example only and without limitation, which are commonly conducted on airports, are considered Aeronautical Activities within this definition: charter operations, pilot training, Aircraft rental, sightseeing, aerial photography, aerial spraying and agricultural aviation services, aerial advertising, aerial surveying, air carrier operation, Aircraft sales and service, sale of aviation fuel and oil whether or not conducted in conjunction with other included Activities, repair and maintenance of Aircraft, sale of Aircraft parts, skydiving and sport parachute jumping and the promotion, providing lift services for, providing instruction for, facilitating or enabling thereof, and any other activities which,

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EXHIBIT A

in the sole judgment of the City, because of their direct relationship to the operation of Aircraft or the Airport, can appropriately be regarded as an "Aeronautical Activity." For all purposes of these Minimum Standards, all providing of products and services described herein are deemed to be Aeronautical Activities.

Agreement (or "Lease"): A contract between the City and an Entity granting a concession, transferring rights or interests in property, or otherwise authorizing the conduct of certain Activities, which is in writing, executed by both parties, and enforceable by law.

Agricultural Aircraft Operator: An Entity which provides for hire crop dusting, seeding, spraying or similar agricultural aviation flights and services, including without limitation, any Entity subject to the provisions of FAR Part 137 or Sections 69-21-1 through 27, Mississippi Code of 1972, as amended, or Sections 69-21-101 through 127, Mississippi Code of 1972, as amended.

Air Charter: Any Entity that provides on-demand, nonscheduled passenger services and operates under the appropriate FAR with Aircraft that provide no more than 30 passenger seats and are within the weight limitations established for the Airport.

Aircraft: Any contrivance, now known or hereinafter invented, used or designed, for navigation of or flight in the air. Excluded from this definition are ultra lights, gliders and paragliders.

Aircraft Charter, Air Taxi, and Air Ambulance Operator: An Entity engaged in the business of providing air transportation (for persons or property) to the general public for hire, either on a charter basis or as an Air Taxi Operator as defined in the Federal Aviation Regulations, including air ambulance services.

Aircraft Engine, Airframe, and Powerplant Maintenance and Repair Operator: An Entity which is engaged in the business of providing one or a combination of engine, airframe and powerplant repair services, including the sale of Aircraft parts and accessories.

Aircraft Maintenance: The repair, maintenance, adjustment or inspection of Aircraft. Major repairs include major alterations to the airframe, powerplant, and propeller (as defined in FAR Part 43). Minor repairs include normal, routine annual inspection with attendant maintenance, repair, calibrations, or adjustment or repair of Aircraft and their accessories.

Aircraft Rental Operator: An Entity engaged in the rental of Aircraft to the public.

Aircraft Sales Operator: An Entity engaged in the sale of new or used Aircraft.

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EXHIBIT A

Aircraft Services and Support: Limited Aircraft, engine or accessory maintenance (for example, washing, painting, upholstery, etc.) or other limited services and support activities directly related to the Aircraft, such as into-plane fueling and ground handling.

Airport: The City of Picayune Municipal Airport.

Airport Operating Area (or "AOA"): Ramp/taxiway system at the Airport.

Airport Transportation Services for Hire: Non-stop sightseeing flights (flights that begin and end at the Airport and are conducted within a twenty-five (25) statute mile radius of the Airport), flights for aerial photography or survey, fire fighting, power line, underground cable, and pipeline patrol; and any other miscellaneous Activities directly related to such Air Transportation Services for Hire (for example, flight instruction provided in student-owned or rented Aircraft or helicopter operations in construction or repair work).

Applicant: An Entity desiring to acquire the use of a portion of the Airport or to establish or use any facility at the Airport to engage in Aeronautical Activities and who shall apply in writing and in the manner or form prescribed for authorization to engage in such Activities at the Airport.

Avionics, Instrument or Propeller Repair Operator: An Entity engaged in the business of repairing Aircraft radios, electrical systems, propellers, instruments, or accessories, including without limitation to the sale of new or used Aircraft radios, electrical systems, propellers, instruments or accessories.

Commercial Aeronautical Activity: Any Aeronautical Activity, the purpose of which is to secure earnings, income, compensation, or profit, whether or not such objectives are accomplished. Such Activities are further defined throughout the Minimum Standards.

Commercial Aviation Operator (or "Commercial Operator"): An Entity engaged in an Activity which involves, makes possible, or is required for the operation of Aircraft, or which contributes to, or is required for the safe conduct and utility of, such Aircraft operations, the purpose of such Activity being to secure earnings, income, compensation or profit, whether or not such objectives are accomplished. A Commercial Operator may be classified as either a Fixed Base Operator or a Specialized Aviation Service Organization.

Councilmen: The duly elected officials of the City of Picayune.

Director: The Director of the Airport, or any other designated individual or duly authorized representative appointed by the City to manage the operation and development of the Airport.

Entity: Any person, persons, firm, partnership, limited liability company, unincorporated proprietorship or association or group, or corporation other than the City.

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EXHIBIT A

Equipment: All personal property and machinery, together with the necessary supplies, tools, and apparatus necessary for the proper conduct of the Activity being performed.

Exclusive Right: A power, privilege, or other right excluding or preventing another from enjoying or exercising a like power, privilege, or right. An exclusive right may be conferred either by express agreement, by imposition of unreasonable standards or requirements, or by any other means. Such a right conferred on one or more parties, but excluding others from enjoying or exercising a similar right or rights, would be an exclusive right. An exclusive right to conduct an Aeronautical Activity, which is forbidden by federal regulation, is distinguished from an exclusive right to occupy real estate, which is permitted by federal regulation under certain conditions.

FAA: Federal Aviation Administration.

FAR: Federal Aviation Regulations.

Fixed Base Operator ("FBO"): An Entity which is authorized and required by Agreement with the City to provide, at a minimum, the following Aeronautical Activities at the Airport:

1. Sale of aviation fuel and lubricants.
2. Tie-Down, hangaring, and parking.
3. Aircraft Maintenance.
4. Ancillary Aircraft ground services and support.

Flight Training Operator: An Entity engaged in instructing pilots in fixed or rotary wing Aircraft operations and providing such related ground school instruction as is necessary and preparatory to taking a written examination and flight check ride for the category or categories of pilots' licenses and ratings involved.

Flying Club Operator: An Entity comprised of an association or group of more than three (3) individuals jointly owning or leasing an Aircraft to its members (where payment is made to the club for the operating time of such Aircraft).

Improvements: All buildings, structures, and facilities including pavement, fencing, signs, and landscaping constructed, installed, or placed on, under, or above any leased area.

Lease (or "Agreement"): A contract between the City and an Entity granting a concession, transferring rights or interests in property, or otherwise authorizing the conduct of certain Activities, which is in writing, executed by both parties, and enforceable by law.

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Limited Commercial Aeronautical Operator: An Entity engaged in providing limited Aircraft Services and Support, including without limitation, into-plane fueling and ground handling; Miscellaneous Commercial Services and Support; Air Transportation Services for Hire; and an Agricultural Aircraft Operator.

Manager: The Manager of the Airport, or any other designated individual or duly authorized representative appointed by the City to manage the operation and development of the Airport.

Minimum Standards: Those qualifications, standards and criteria set forth herein as the minimum requirements to be met as a condition for an Operator to engage in Aeronautical Activities at the Airport.

Miscellaneous Commercial Services and Support: Ground school, simulator training, charter flight coordinators, aircrew or aviation management, ticketing, or other limited Activities directly related to supporting or providing support services for a Commercial Aeronautical Operator or a Commercial Aeronautical Activity.

Non-Commercial Operator: An Entity that either owns or leases and operates Aircraft for personal or recreational purposes. In the case of a business, the operation of Aircraft must be an ancillary Activity or unit to support the business's purposes by providing transportation for the exclusive use of its employees or agents. In all cases, the Non-Commercial Operator must not offer or provide Aeronautical Activities for compensation.

Operator: As used in these Minimum Standards, Operator refers to both Commercial Operators and Non-Commercial Operators.

Ramp: A paved area suitable for Aircraft parking.

Repair Facility: A facility utilized for the repair of Aircraft to include airframe, powerplant, propellers, radios, instruments, and accessories.

Specialized Aviation Service Operator ("SASO"): A Commercial Operator that provides Aeronautical Activities not included in the minimum services listed under the definition of a Fixed Base Operator. Without limitations these may include any one or a combination of the following:

1. Airframe and Powerplant Repair
2. Aircraft Rental/Flying Club
3. Flight Training
4. Aircraft Charter/Air Taxi
5. Avionics, Instrument, or Propeller Repair
6. Aircraft Sales

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Sport Parachute Jumping Operator: An Entity promoting, providing lift services for, providing instruction for, facilitating or enabling sport parachute jumping, skydiving or related Activities to the public for or without compensation.

Sport Parachute Landing Zone: The area at or about the Airport designated by the City as the exclusive area for all sport parachute landings at or about the Airport.

Sublease: A contract entered into by a lessee under a Lease with another Entity transferring rights or interests in property and/or facility(ies), which is in writing, executed by both parties and enforceable by law.

Tie-down: An area, paved, or unpaved, suitable for parking and mooring of Aircraft wherein suitable Tie-down points have been located.

F. VIOLATIONS

The City reserves the right to prohibit any Operator from using the Airport in connection with any of such Operator's Aeronautical Activities upon determination by the City that such Operator has not compared with these Minimum Standards or has otherwise jeopardized the safety of Entities utilizing the Airport or the property or operations of the Airport.

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SECTION II. GENERAL STANDARDS

The following General Standards shall apply to all Aeronautical Activities at the Airport. In addition, the City reserves the right to adopt Minimum Standards for specific Aeronautical Activities at the Airport. An Operator engaging in an Aeronautical Activity or Activities at the Airport must comply with this section and those Minimum Standards, if any, applicable to the specific Aeronautical Activity or Activities of the Operator.

Operating Standard	Acceptable Minimum
1. Agreement	<p>* No Entity shall conduct an Aeronautical Activity at the Airport unless a valid Agreement authorizing such activity has been entered into by the Entity and the City.</p> <p>* Such Agreement shall recite the terms and conditions under which the Activity may be conducted at the Airport, including but not limited to the following: the term of the Agreement; rental, fees, and charges; and the rights and obligations of the respective parties. The Agreement shall not reduce or limit the Entity's obligations with respect to these Minimum Standards.</p>
2. Rental, Fees and Charges	<p>* The City reserves the right to levy such rental, fees and charges as it may deem reasonable and appropriate for use of any Airport facilities or conduct of any Aeronautical Activities at the Airport, regardless of whether shown on any schedule of fees.</p> <p>* The Operator shall pay the rental, fees and charges specified by the City for the applicable Aeronautical activities, if any.</p> <p>* Information relative to rental, fees and charges applicable to the Aeronautical Activities described herein shall be the time of application or during negotiations regarding an Agreement.</p>

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Operating Standard	Acceptable Minimum
2. Rental Fees and Charges (Continued)	<p>* No Entity shall be permitted to engage in Aeronautical Activities at the Airport unless said Entity is current (not delinquent) in the payment of all rental, fees, and other charges accruing to the City under any Agreement, Lease or otherwise.</p> <p>* The Operator's failure to remain current in the payment of all such rental fees and other charges accruing to the City will be grounds for revocation of the Operator's authority to conduct its Aeronautical Activities at the Airport.</p>
3. Leased Premises	<p>* The Operator shall lease and/or sublease (and/or construct) sufficient ground space, facilities, and accommodations for the proposed Aeronautical Activities. The Operator shall provide copies of all Subleases, if any, to the City. In addition, the Operator must comply with the ground space and facilities requirements stipulated for each Activity. When more than one Aeronautical Activity is proposed, the minimum limits will vary (depending upon the nature of each Activity), but the requirements will not necessarily be cumulative.</p> <p>* The Operator must provide specifications and drawings of the location of the ground space, facilities, and accommodations to be utilized for the Operator's proposed Aeronautical Activities. The Operator must identify the location of Aircraft parking and staging areas, customer lounges, vehicle parking areas, and restrooms, as provided. Ground space will be allocated by the City on the grounds that are in the best interest of the airport.</p> <p>* The ground space shall include a walkway within the leased or subleased area to accommodate pedestrian access to the Operator's office. When appropriate, a paved Aircraft apron with Tie-down or hangar facilities sufficient to accommodate the Activities being performed and the type of Aircraft frequenting the Airport shall be included. Ground space shall also include sufficient space for automobile and vehicle parking on site, as required until City owned parking spaces are provided.</p>

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Operating Standard	Acceptable Minimum
3. Leased Premises (Continued)	<p>* The public accommodations shall include telephones for customer use, restrooms, sufficient on-site customer auto parking spaces, and handicap access in accordance with applicable federal, state and local regulations. Parking requirements refer to previous paragraph.</p> <p>* The facilities and floor space allotments shall include an office and facilities sufficient for the Activity. All facilities must be properly heated, ventilated, cooled, and lighted.</p>
4. Site Development, Construction	<p>* The City reserves the right of final approval of all location decisions and type of building and the geometry of the building. Only pre-fabricated metal buildings with a minimum wind load of 110 mph will be approved. Metal buildings will be manufactured by Varco, southern structures, American Buildings, or approved equals will be accepted. All structures are to be Standing Seam II (SSP) 24 gauge steel, pre-painted G90 zinc-coated galvanized with Premium 70 (Kynar 500) finish. Provide concealed anchor clips attached to structural members with a UL Class 90 rating. 70 psf limited to L/180 deflection of 5' - 0" spacing of roof purlins. Entire roof system shall have a manufacturer's 20 year watertight guarantee and a 20 year finish guarantee. Panel colors will be chosen by the City.</p> <p>* Wall panels are to be Architectural II (A2P) 26 gauge steel. The panel exterior finish shall be pre-painted G90 zinc-coated galvanized with Premium 70 (Kynar 500) finish. Wall panels shall match roof panels, gutters, and metal trim. Wall panel fasteners shall be self-drilling carbon steel screws, No. 12 - 14 x 1-1/4", hex washer head, cadmium plated assembled with a 0.040" minimum thickness nylon isolation washer. The fasteners shall be color coordinated with a premium coating system to match the wall panel. Panel colors shall be chosen by the City.</p> <p>* All roof joints, both end laps and side laps, shall be sealed with a tape mastic that is 3/16" in thickness by 1/4" wide. The compound shall have properties of good adhesion and cohesion and shall not harden with</p>

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Operating Standard	Acceptable Minimum
<p>4. Site Development, Construction (continued)</p>	<p>continued exposure to all elements of weather.</p> <ul style="list-style-type: none"> * Gutters, downspouts, take trim, drip trim, and all other miscellaneous metal trim to be 24 gauge galvanized prepainted to match wall and roof panels. Metal trim and shapes shall be of size and shapes as shown on drawings and shall match existing in profile and color. * Framing, windows, louvers, doors, etc. shall meet requirements of AISC "Specifications for the Design, Fabrication and Erection of Structural Steel for Buildings." Erect members straight, plumb and level and properly secure in place. Limit error to less than 1 to 500. Provide temporary supports, shoring, bracing and guards necessary to prevent damage or injury. Touch-up all unpainted, scraped, abraded, or otherwise damaged areas using same paint as shop coat. * The City is under no obligation to construct or provide aprons or taxiways for commercial facilities or Activities. In the event any facility location requires the construction of either aprons and/or taxiways, such pavements shall meet all FAA standards for the largest Aircraft type anticipated to use the Operator's facility. * The City will approve sitework for private hangars.
<p>5. Products and Services</p>	<ul style="list-style-type: none"> * Products and services shall be provided on a fair, equal, and nondiscriminatory basis to all users of the Airport and at fair reasonable, and nondiscriminatory prices; provided that, if lawful, reasonable and non-discriminatory discounts, rebates, and other similar types of price reductions may be extended to like types of purchasers and users.
<p>6. Licenses, Permits, and Certifications</p>	<ul style="list-style-type: none"> * The Operator shall obtain and comply with, at its sole expense, all necessary licenses and permits required for the conduct operator's Activities at the Airport as required by the City or any other duly authorized governmental agency having jurisdiction, and copies of all such licenses and permits shall be provided to the City.

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Operating Standard	Acceptable Minimum
6. Licenses, Permits and Certifications (Continued)	* The Operator shall not engage in any Activities at the Airport prior to obtaining any certification that may be required by the FAA. The Operator shall furnish the City with copies of all such certifications.
7. Personnel	<p>* Operator shall have in its employ and on duty, during operating hours, trained personnel in such numbers as are required to meet the Minimum Standards set forth herein.</p> <p>* The Operator shall provide a responsible person in the office to supervise the operations in the leased area and such person shall be authorized to represent and act for and on behalf of the Operator during all business hours.</p> <p>* All personnel of the Operator are required to hold the appropriate FAA certificates and ratings as applicable.</p>
8. Laws, Rules, Regulations, and Minimum Standards	* An Operator shall engage in Aeronautical Activities at the Airport only in accordance with all applicable laws, rules and regulations of the United States, the State of Mississippi, and all other governmental units, agencies and authorities having jurisdiction, including without limitation the rules and regulations of the FAA and the United States Department of Transportation and the applicable ordinances, rules and regulations of the City of Picayune, Pearl River County, including these Minimum Standards; all as may be in effect from time to time.

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Operating Standard	Acceptable Minimum
9. Insurance.	<ul style="list-style-type: none"> <li data-bbox="380 421 891 546">* The Operator shall keep and maintain all insurance required by law, including for example and without limitation, insurance as required by the Workers Compensation laws of the State of Mississippi. <li data-bbox="380 564 891 797">* In addition, the Operator shall procure, maintain and pay premiums during the term of the Agreement for insurance of the types and with the minimum limits set forth by the City for each Aeronautical Activity. The insurance company underwriting the required policy(ies) shall be licensed to or admitted to write such insurance in the State of Mississippi or otherwise be approved in writing by the City. <li data-bbox="380 815 891 1114">* When more than one Aeronautical Activity is proposed, the minimum limits will vary (depending upon the nature of each Activity in such combination) but will not necessarily be cumulative in all instances. It will not be necessary for the Operator to carry insurance policies providing the aggregate or combined total of the minimum requirements of each Activity; however, the Operator will be required to obtain insurance for all applicable exposures.

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Operating Standard	Acceptable Minimum
<p>9. Insurance (Continued).</p>	<p>* All insurance which the Operator is required by the City to carry and keep in force shall name the City and its City Council (individually and collectively), and the representatives, officials, officers, employees, agents, successors and volunteers of each as additional insureds.</p> <p>* All liability policies shall contain, or be endorsed to contain, the following provisions:</p> <p>“The City of Picayune Municipal Airport and its City Council (individually and collectively), and the representatives, officers, officials, employees, agents, successors and volunteers of each are to be covered as additional insureds with respect to liability arising out of activities performed by or on behalf of the Operator; products and operations of the Operator, premises owned, occupied, or used by the Operator, or vehicles owned, leased, hired or borrowed by the Operator. Any insurance or self-insurance maintained by the City of Picayune Municipal Airport and its City Council (individually and collectively), or the representatives, officers, officials, employees, agents, successors or volunteers shall be excess of the Operator’s and shall not contribute with it.</p> <p>“Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City of Picayune Municipal Airport and its City Council (individually and collectively), and the representatives, officers, officials, of each.</p>

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Operating Standard	Acceptable Minimum
9. Insurance (Continued).	<ul style="list-style-type: none"> <li data-bbox="386 408 966 507">* "Operator's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the aggregate limits of the insurer's liability." <li data-bbox="386 534 966 677">* Each insurance policy shall be endorsed to state that "Coverage shall not be suspended, voided, or canceled by either party or reduced in coverage or in limits except after 30 days prior written notice by certified mail, return receipt requested, has been given to the City by the insurance carrier." <li data-bbox="386 704 966 775">* The Operator shall furnish to the City proper certificates that such insurance is in force and will furnish additional certificates upon any changes in insurance. <li data-bbox="386 802 966 901">* The applicable insurance coverages shall be in full force and the above required certificates shall be delivered to the City upon execution of any Agreement, Lease or applicable Sublease. <li data-bbox="386 928 966 1044">* The limits of liability for each stipulated Aeronautical Activity in these Minimum Standards represents the minimum required to operate at the Airport. The City strongly recommends that all Operators secure higher limits of liability coverage. <li data-bbox="386 1071 966 1349">* Disclosure Requirement: All Operators conducting rental or sales of Aircraft or Flight Training or Sport Parachute Jumping Activities at the Airport shall post a notice of insurance and incorporate within their rental instruction and participation agreements the coverages and limits provided to the renter or student or participant by the Operator, as well as a statement advising that additional coverage is available to such renter/student/ participant through the purchase of an individual non-ownership liability policy. The Operator shall provide a copy of such notice to the City.

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Operating Standard	Acceptable Minimum
10. Indemnification and Hold Harmless	<p>* The Operator shall defend, indemnify, protect and hold completely harmless the City and its City Council (individually and collectively), and the representatives, officials, officers, employees, successors and agents from any and all claims, demands, damages, fines, obligations, suits, judgments, penalties, causes of action, administrative proceedings, arbitrations, losses, liabilities, or costs at any time received, incurred, or accrued by the City or its City Council (individually and collectively), or the representatives, officials, officers, employees, successors and agents of each as a result of, or arising out of, Operator's actions or inactions. In the event a party indemnified hereunder is in part responsible for the loss, the indemnitor shall not be relieved of the obligation to indemnify; however, in such case liability shall be shared in accordance with Mississippi principles of comparative fault.</p>
11. Assignment, Subletting and Encumbrances	<p>* Operator shall not assign its Lease or Agreement or sublet any demised premises at the Airport, either in whole or in part, except upon the prior written consent of the City, such consent not to be unreasonably withheld. If such consent is given by the City, the Operator shall remain fully liable and responsible for the full and complete performance of all of the terms and conditions and obligations of its Lease or Agreement, including without limitation, the payment of all rentals, fees and charges due thereunder.</p> <p>* The Operator shall not pledge, hypothecate or otherwise encumber its leasehold interest, if any, in any demised premises or improvements thereon at the Airport, or allow the same by operation of law, except upon the prior written consent of the City.</p>

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Operating Standard	Acceptable Minimum
12. Taxes	* The Operator shall, at its sole cost and expense, pay any and all taxes for which it is responsible, or which may be assessed against it or its property.
13. Signage	* The Operator shall not erect, maintain, or display any sign on the leased premises, or elsewhere on the Airport, without the prior written consent of the City.
14. Radio	* The Airport is equipped with a Unicom base station radio. All Aircraft based at the Airport shall be equipped with a radio. During approaches and prior to and during all departures, all Operators shall announce their approach or departure over the radio and maintain radio presence throughout their approach and landing or departure.
15. Environmental Compliance	<p>* All Operators, specifically including without limitation, all Operators providing into-plane fueling services, storing fuel, performing maintenance on Aircraft, and those Operators deemed to be Agricultural Aviation Operators under these Minimum Standards, shall strictly comply with all federal, state and local laws, rules and regulations concerning the handling, use and storage of fuel, chemicals and other hazardous materials.</p> <p>* Each Operator handling, using or storing fuel, chemicals and/or hazardous materials at the Airport shall provide a written report to the City, updated annually, identifying all fuel, chemicals and hazardous materials used or stored at the Airport and describing the measures taken by the Operator to comply with all applicable federal, state and local laws, rules and regulations. In lieu thereof, an Operator may provide the City on at least an annual basis with copies of appropriate certificates and other documents demonstrating, to the sole satisfaction of the City, compliance with all applicable federal, state and local laws, rules and regulations.</p>

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Operating Standard	Acceptable Minimum
15. Environmental Compliance (Continued)	<p>* All Operators shall be subject to inspection by or on behalf of the City for compliance with this standard at any time during normal business hours upon reasonable notice.</p> <p>* Any Operator wishing to self-fuel may do so only upon the prior written consent of the Manager, and any such Operator shall be required to meet the Minimum Standards applicable to fueling and fuel storage contained in the Minimum Standards for Fixed Base Operations, set forth in Section III.</p>
16. Safety of Property, Others	* All Aeronautical Activities at the Airport shall at all times be conducted with due consideration of the property of the City and others located at or about the Airport and the safety of all users of the Airport.
17. Responsibility for Damage, Destruction, Clean-up	<p>* Each Operator shall be responsible in full for any property damage or personal injury that may arise from Aeronautical Activities on or about the Airport.</p> <p>* Each Operator shall be responsible for clean-up or repairs to any areas of or at the Airport used, damaged or destroyed during or as a result of any Aeronautical Activities sponsored, facilitated, or provided by the Operator. Each Operator shall ensure that each area or facility of the Airport used in such Activities is returned to its condition immediately preceding such activity.</p>

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Operating Standard		Acceptable Minimum
18. Utilization of Other Airport Facilities	*	Subject to the provisions of these Minimum Standards, all public facilities of the Airport generally open to the public shall be open to the Operator and its employees, customers and invitees; provided, however, no Operator or its employees, customers or invitees shall use said public facilities of the Airport in a manner, place or time which unreasonably restricts access to others entitled to use such facilities.
19. Use of Alcohol, Narcotics Prohibited	*	No Operator shall sponsor, facilitate or provide any Aeronautical Activity on or about the Airport by or to any person under the influence of alcohol or narcotics. For purposes of this standard, "under the influence of alcohol or narcotics" shall mean the consumption of any alcohol or narcotics within eight (8) hours prior to such Aeronautical Activity or within such longer period of time as may be required for the effects of such consumption to completely abate.
20. Suspension, Redirection of Activities	*	Notwithstanding any other provision of these Minimum Standards, by notice of the City posted at the Airport, the City may suspend or redirect to another area of the Airport any Aeronautical Activity for such period of time as may be necessary, in the City's sole determination, to protect and ensure the safety of property and persons at the Airport or the safe conduct of other Aeronautical Activities at the Airport.
21. Suspension, Revocation of Privileges	*	The City reserves the right to suspend or revoke Airport privileges, on a temporary or permanent basis, to any Operator failing to abide by these Minimum Standards or any applicable federal, state or local law, rule, regulation, ordinance or standard governing the Airport or any applicable Aeronautical Activity.

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Operating Standard	Acceptable Minimum
22. Prohibition Against Discrimination	<p data-bbox="386 363 916 485">* No person shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in any Aeronautical Activities at the Airport or in the use of the Airport on the grounds of race, creed, color, sex, age, handicap or national origin.</p> <p data-bbox="386 516 916 856">* Applicants for employment with each Operator shall be employed and each Operator's employees shall be treated during employment without regard to their race, creed, color, sex, handicap, age or religion, including without limitation during employment, referral for employment, upgrading, demotion or transfer, recruitment or recruitment advertising, lay offs or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeships. Each Operator shall post in a conspicuous place on its leased premises, if any notices setting forth the provisions of this non-discrimination policy, and shall make notice thereof available to employees and applicants for employment.</p> <p data-bbox="386 887 916 1078">* In connection with any construction or modification of facilities at the Airport and the furnishing of services thereon or in connection therewith, each Operator shall insure that no person shall be excluded from participation therein, denied the benefits thereof, treated differently during employment or otherwise be subject to discrimination on the grounds of race, creed, color, sex, age, handicap or national origin.</p>

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Operating Standard	Acceptable Minimum
22. Prohibition Against Discrimination (Continued)	<p>* All Aeronautical Activities at the Airport shall be conducted in compliance with all applicable federal, state and local laws, rules and regulations dealing with discrimination, including without limitation the requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the U.S. Department of Transportation- Effectuation of Title VI of the Civil Rights Act of 1964, as said regulations may be amended time to time.</p>
23. Security	<p>* Each Operator shall observe all security requirements under federal, state and local law applicable to the Airport and its Activities at the Airport, including without limitation, all security requirements of FAR, Part 107, as applicable, and any special security program promulgated by the City for the Airport and in effect from time to time, and shall take such steps as may be necessary or directed by the City to insure that officers, employees, representatives, invitees and guests of the Operator observe such requirements.</p> <p>* If the City incurs any fines and/or penalties imposed by FAA or any expense in enforcing the applicable regulations of FAR, Part 107, or any security program for the Airport, as a result of the acts or emissions of any Operator, the Operator shall pay and/or reimburse all such costs and expenses to the City, and the Operator shall immediately rectify any security deficiency as may be determined at any time by the City or FAA. In the event any Operator shall fail to do so, the City reserves the right to immediately take whatever action may be necessary to rectify any such security deficiency.</p>

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Operating Standard	Acceptable Minimum
24. City and Manager	* The Airport is operated and administered by the City. The City is governed by and through its City Council. Only the City Council can amend or modify these Minimum Standards on behalf of the City. * The City has authorized and directed that the Manager shall receive copies of all licenses, permits, certifications, insurance policies, and other documents required to be provided to or filed with the City under these Minimum Standards. In addition, all official inquiries to the City as to these Minimum Standards and/or compliance therewith should be directed to the Manager. The Manager shall be responsible for enforcement of these Minimum Standards, and no approval or consent required to be given hereunder by the City shall be valid unless given in writing by the Manager. Any notice required to be given hereunder to the City shall be given in writing and addressed to the Manager.

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Operating Standard	Acceptable Minimum
25. Notices, Requests for Approval, Applications, and Other Filings	<p data-bbox="441 385 948 808">* Any notice, request for approval, application, or other filing required or permitted to be given or filed with the City and any notice or communication required or permitted to be given or filed with any Operator or prospective Operator pursuant to these Minimum Standards shall be in writing, signed by the party giving such notice, and may be personally served or delivered via facsimile, sent by overnight courier or by United States certified mail, and shall be deemed to have been given when delivered in person or received via facsimile, or one (1) day after delivery to the office of such overnight courier service, or three (3) days after depositing the same in the United States Mail, postage and registration fees prepaid, properly addressed to the Operator or prospective Operator at its principal place of business (or such other address as it may have provided to the City) or, as the case may be, to the City at the following address:</p> <p data-bbox="494 833 806 976" style="text-align: center;">City of Picayune Municipal Airport 203 Goodyear Boulevard Picayune, Mississippi Telephone Number: (601) 749-7017 Facsimile Number: (601) 798-0564</p> <p data-bbox="441 1005 942 1148">* Any document received by the City, whether by facsimile or otherwise, after normal business hours shall be deemed to be received for the purpose of these Minimum Standards at the commencement of normal business hours on the next business day. The City's normal business hours are 8:00 a.m. to 5:00 p.m., Monday through Friday.</p>

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A Fixed Base Operator ("FBO") is an Entity engaged in the business of providing multiple services to Aircraft. Such services shall include, at a minimum, the sale of aviation fuel/lubricants; Aircraft Tie-down, hangaring, and parking, Aircraft Maintenance, and ancillary Aircraft ground services and support.

In addition to the General Standards set forth in Section II hereof, each FBO Operator at the Airport shall comply with the following Minimum Standards.

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Operating Standard	Acceptable Minimum
1. Scope of Activity	<p data-bbox="434 408 937 557">* The Operator shall conduct its FBO Activities on and from the leased premises in a first class manner which shall be consistent with the degree of care and skill usually exercised by experienced FBO's providing comparable products, services and activities from similar sized facilities in like markets.</p> <p data-bbox="434 584 908 632">FBO products and services shall include, at a minimum the following.</p> <ul style="list-style-type: none"> <li data-bbox="434 632 655 655">* Aircraft fueling. <ul style="list-style-type: none"> <li data-bbox="525 682 932 754">* The FBO shall be capable of providing a response time not to exceed 15 minutes during required hours of operation. <li data-bbox="525 781 916 879">* The FBO shall be capable of providing into-plane fuel delivery for all types of Aircraft normally frequenting the Airport. <li data-bbox="525 906 932 1076">* The FBO shall have an approved written Spill Prevention Contingency and Control Plan ("SPCC Plan") which meets federal and state regulations. An updated copy of such SPCC Plan shall be filed with the City at least five (5) days prior to actual implementation. <li data-bbox="434 1094 817 1118">* Tie-down, hangaring, and parking. <li data-bbox="434 1139 708 1163">* Aircraft Maintenance. <ul style="list-style-type: none"> <li data-bbox="525 1166 926 1311">* The FBO shall be qualified to perform reasonably comprehensive maintenance services on the airframes, powerplants, and associated aircraft systems of general aviation Aircraft utilizing the Airport.

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Operating Standard	Acceptable Minimum
1. Scope of Activity (Continued)	<ul style="list-style-type: none"> * Ancillary Aircraft ground services and support * Oxygen, nitrogen, and compressed air services. * Towing of Aircraft. * Ground power services. * Aircraft recovery services.
2. Leased Premises	<p>The Leased premises shall include the following:</p> <ul style="list-style-type: none"> * Hangar space in one location available for the storage of Aircraft and a minimum ground area in a size sufficient to provide the Activities; * Facilities sufficient to provide the Activities, including adequate space for crew and passenger lounge facilities, administration, operations, public telephone, and restrooms; and * Sufficient automobile parking facilities to accommodate all customers, passengers, and employees on a daily basis.
3. Fuel Storage Facility	<ul style="list-style-type: none"> * The Operator shall maintain and have access to a ground fuel storage facility on Airport premises in a location approved by the City. The fuel storage facility shall have a minimum total capacity of three days supply for Aircraft routinely serviced by the Operator. * The Operator shall demonstrate that satisfactory arrangements have been made with a recognized aviation petroleum distributor for the delivery of fuel and oil in such quantities as are necessary to meet the requirement set forth herein.

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Operating Standard	Acceptable Minimum
4. Fueling Equipment	<ul style="list-style-type: none"> * If the Operator engages in into-plane fueling services (scheduled and nonscheduled), the Operator must have adequate fuel storage capacity for said Activity and the fueling Equipment required to meet demands of the Aircraft typically utilizing the Airport. * The Operator shall have and maintain such Equipment as may be required to comply at all times with all applicable safety and fire prevention requirements or standards, including without limitations those prescribed by: <ul style="list-style-type: none"> * These Minimum Standards and any other rules and regulations of the City; * State of Mississippi Fire Code and State Fire Marshall's Codes; * Southern Standard Fire Prevention Codes; * 14 CFR Part 139, Airport Certification, Section 139.321, Handling and Storing of Hazardous Substances and Materials; * Applicable FAA Advisory Circulars (AC), including AC-00-34, "Aircraft Ground Handling and Servicing", and AC 150/5210-5 "Painting, Marking and Lighting of Vehicles Used On An Airport" and * Other applicable FAA standards, rules and regulations. * Fueling procedures per "Fuel Farm" manufacturers guidelines shall be adhered to at all times.

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EXHIBIT A

Operating Standard	Acceptable Minimum
5. Equipment	<p data-bbox="437 404 916 428">* The FBO Operator's facility shall include the following:</p> <ul style="list-style-type: none"> <li data-bbox="437 431 908 499">* Adequate Tie-down Equipment including ropes, chains, and other types of restraining devices and wheel locks; <li data-bbox="437 530 849 575">* Adequate Equipment for washing Aircraft windows; <li data-bbox="437 605 912 650">* Adequate Equipment for recharging or energizing discharged Aircraft batteries; <li data-bbox="437 680 923 775">* One Aircraft tug and standard universal tow bar of sufficient capacity to meet the towing requirements of the general aviation Aircraft normally frequenting the Airport; <li data-bbox="437 806 902 901">* Fire apparatus - an adequate number of approved and currently inspected dry chemical fire extinguisher units within hangar confines and on Ramp area; <li data-bbox="437 931 918 999">* Compressed Air Unit - at least one (1) compressed air unit for inflating tires available to the public at all times; and <li data-bbox="437 1030 926 1220">* All Equipment necessary for the proper performance of maintenance services oil, airframe and powerplants, in accordance with applicable FAA regulations and manufacturers' specifications, such Equipment to comply with City rules and regulations (including these Minimum Standards), NFPA codes, and other applicable federal, state and local safety regulations.

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EXHIBIT A

Operating Standard	Acceptable Minimum
6. Personnel	<ul style="list-style-type: none"> <li data-bbox="376 401 951 503">* Personnel shall at all times be properly uniformed, which at a minimum, must identify the FBO's company employee's name. Personnel uniforms shall at all times be professional and properly maintained. <li data-bbox="376 530 951 749">* Personnel engaged in dispensing Aircraft fuels, accepting fuel shipments, and Aircraft ground handling operations shall be properly trained in all associated safety procedures and shall conform to the best practices of such operations, including the standards of FAA Advisory Circular 150/5230-4, Appendix 7, Minimum Standards for Fuel Storage, Handling, and Dispensing on Airports, Paragraph 4. Fueling Personnel, Subparagraphs b and c, and all other applicable laws, rules and regulations. <li data-bbox="376 775 951 1191">* In accordance with all applicable laws, regulations, and appropriate industry practices, the FBO shall develop and maintain Standard Operating Procedures (SOP) for fueling and ground handling operations and shall insure compliance with standards set forth in FAA Advisory Circular 00-34A, entitled "Aircraft Ground Handling and Servicing". The FBO's SOP shall include a training plan, fuel quality assurance procedures and records, and emergency response procedures to fuel fires and spills. The FBO's SOP shall also address grounding/bonding and fire protection, public protection, control of access to storage areas, and marking and labeling fuel storage tanks and tank trucks, if any. The FBO's SOP must be submitted no later than sixty (60) days after the FBO commences its Activities at the Airport. Inspections will be conducted by the City on a periodic basis to ensure compliance. <li data-bbox="376 1218 951 1345">* The Operator's personnel shall include a minimum of one (1) FAA licensed airframe and power-plant mechanic properly trained and qualified to perform maintenance services on general aviation Aircraft frequenting the Airport.

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EXHIBIT A

Operating Standard	Acceptable Minimum
7. Hours of Operation	* The Operator shall have its premises open and service available to meet the public demand for such services at least five (5) days a week, eight (8) hours a day.
8. Aircraft Recovery Services	* Recognizing that Aircraft recovery is the responsibility of the Aircraft owner/Operator, the FBO shall be prepared to lend assistance in order to maintain the operational readiness of the Airport's runway system. The FBO shall prepare a recovery plan to service the typical general aviation Aircraft using the Airport.
9. Insurance	<p>* The Operator shall maintain, at a minimum, the following coverages and limits of insurance.</p> <ul style="list-style-type: none"> * Comprehensive General Liability: \$ 1,000,000.00 per occurrence for bodily injury, personal injury and property damage, including products, completed operations and contractual liability. * Vehicle Liability: \$ 1,000,000.00 per accident for bodily injury and property damage on all vehicles used for air side operations by Operator. * Hangarkeepers Liability: An amount adequate to cover the replacement cost of any non-owned property in the care, custody or control of Operator. In no event shall such coverage be less than \$ 100,000.00 for any one aircraft, \$ 500,000 for any one occurrence. * Employer's Liability: \$ 1,000,000.00 per accident for bodily injury or disease. * City of Picayune is an additional insured.

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EXHIBIT A

SECTION IV. SPECIALIZED AERONAUTICAL ACTIVITIES

In addition to the General Standards set forth in Section II hereof, each Operator at the Airport shall comply with the specific Minimum Standards for the particular Aeronautical Activity or Activities being provided. If more than one Aeronautical Activity is being provided or a particular service includes components of more than one Aeronautical Activity, the Operator shall comply with the Minimum Standards set forth in each Aeronautical Activity being provided in whole or in part at the Airport.

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EXHIBIT A

A. AIRCRAFT ENGINE, AIRFRAME AND POWER-PLANT MAINTENANCE AND REPAIR

An Aircraft Engine, Airframe and Powerplant Maintenance and Repair Operator is an Entity engaged in the business of providing one or a combination of engine, airframe and powerplant repair services, including the sale of Aircraft parts and accessories.

In addition to the General Standards set forth in Section II hereof, each Aircraft Engine, Airframe and Powerplant Maintenance and Repair, Operator at the Airport shall comply with the following Minimum Standards.

Operating Standard	Acceptable Minimum
1. Scope of Activity	* The Operator shall conduct airframe and powerplant repair services and Activities on and from the leased premises in a first class manner which shall be consistent with the degree or care and skill usually exercised by experienced Operators providing comparable products, services and Activities from similar sized facilities in like markets.
2. Leased Premises	* The leased premises shall include the following: <ul style="list-style-type: none"> * Hangar space in one location available for the maintenance of Aircraft and a minimum ground area in a size sufficient to provide the Activities; and * Facilities sufficient to provide the Activities, including space for an office, shop, administration, public telephone and restrooms. <p>NOTE: When an Operator is doing business as an authorized sublessee to an existing Airport tenant who meets the requirements of this section, an exception may be made to this requirement.</p>

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Operating Standard	Acceptable Minimum
3. Licenses and Certificates	* The Operator shall make an application to the FAA for Repair Station Certification and submit a copy of application to the City. Operator must acquire the Part 145 Certificate within six months of initiation of Activities at the Airport and file a copy with the City. Repair personnel must be current and properly certified by the FAA with ratings appropriate to being performed.
4. Personnel	* The Operator shall provide a sufficient number of personnel to adequately and safely carry out engine, airframe and powerplant repair services and Activities in a courteous, prompt, and efficient manner and adequate to meet the reasonable demands of the public seeking such services.
5. Equipment	* Operator shall provide sufficient Equipment, supplies, and availability of parts equivalent to that required for certification by the FAA as an approved repair station.
6. Hours of Operation	* The Operator shall provide such service and Activity at least five (5) days a week, eight (8) hours a day, unless agreement reached otherwise.
7. Insurance	* Operator shall maintain, at a minimum, the following coverages and limits of insurance. * Comprehensive General Liability: \$ 1,000,000.00 per occurrence for bodily injury, personal injury and property damage, including products, completed operations and contractual liability. * Vehicle Liability: \$ 1,000,000.00 per accident for bodily injury and property damage on all vehicles used for air side operations by Operator.

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Operating Standard	Acceptable Minimum
7. Insurance (Continued)	<ul style="list-style-type: none"> * Hangarkeepers Liability: An amount adequate to cover the replacement cost of any non-owned aircraft in the care, custody or control of Operator. In no event shall such coverage be less than \$ 100,000.00 for any one aircraft, \$ 500,000 any one occurrence. * Employer's Liability: \$ 1,000,000.00 per accident for bodily injury or disease. * City of Picayune is an additional insured.

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B. AIRCRAFT RENTAL/FLYING CLUB

An Aircraft Rental Operator is an Entity engaged in the rental of Aircraft to the public.

A Flying Club Operator is an Entity comprised of an association or group of more than three (3) individuals, jointly owning or leasing Aircraft to its members (where payment is made to the club for the operating time of such Aircraft).

In addition to the General Standards set forth in Section II hereof, each Aircraft Rental Operator and Flying Club Operator shall comply with the following Minimum Standards.

Operating Standard	Acceptable Minimum
1. Scope of Activity	<p>* The Operator shall conduct its Aircraft rental services and Activities on and from the leased premises in a first class manner which shall be consistent with the degree of care and skill usually exercised by experienced Operators providing comparable products, services and Activities from similar sized facilities in like markets.</p>
2. Leased Premises	<p>* The leased premises shall include the following:</p> <ul style="list-style-type: none"> * Aircraft Ramp space for at least the total number of Aircraft in the Operator's fleet or current inventory, said Ramp space to be adjacent to or within close proximity of the Operator's facilities, and * Facilities sufficient to provide the Activities, including space for all office, administration, public telephone, and restrooms. <p>Note: When an Operator is doing business as an authorized sublessee to an existing Airport tenant who meets the requirements of this section, an exception may be made to this requirement.</p>
3. Licenses and Certificates	<p>* The Operator shall have in its employ at least one (1) person having current FAA certified flight instructor rating in all Aircraft models offered for rental.</p>

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Operating Standard	Acceptable Minimum
4. Personnel	* The Operator shall provide a sufficient number of personnel to adequately and safely carry out Aircraft Rental and Flying Club services and Activities in a courteous, prompt and efficient manner adequate to meet the reasonable demands of the public (or members) seeking such services.
5. Equipment	* All Aircraft available for rental or use, either owned by or leased to Operator, shall be certified and currently airworthy Aircraft capable of flight under instrument conditions.
6. Hours of Operation	* The Operator shall provide such services and Activities at such times as may be adequate to meet the reasonable demands of the public (and members) seeking such services.
7. Insurance	<p>* The Operator shall maintain, at a minimum, the following coverages and limits of insurance.</p> <ul style="list-style-type: none"> * Comprehensive General Liability: \$ 1,000,000.00 per occurrence for bodily injury, personal injury and property damage, including products, completed operations and contractual liability. * Vehicle Liability: \$ 1,000,000.00 per accident for bodily injury and property damage on all vehicles used for air side operations by Operator. * Aircraft Liability: \$ 1,000,000.00 on all owned or operated Aircraft (or \$ 100,000.00 per seat). * Employer's Liability: \$ 1,000,000.00 per accident for bodily injury or disease. * City of Picayune is an additional insured.

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FLIGHT TRAINING

A Flight Training Operator is an Entity engaged in instructing pilots in fixed or rotary wing Aircraft operations and providing such related ground school instruction as is necessary and preparatory to taking a written examination and flight check ride for the category or categories of pilots' licenses and ratings involved.

In addition to the General Standards set forth Section II hereof, each Flight Training Operator at the Airport shall comply with the following Minimum Standards.

Operating Standard	Acceptable Minimum
1. Scope of Activity	<p>* The Operator shall conduct its flight training services and Activities on and from the leased premises in a first class manner which shall be consistent with the degree of care and skill usually exercised by experienced Operators providing comparable products, services and Activities from similar sized facilities in like markets.</p>
2. Leased Premises	<p>* The leased premises shall include the following:</p> <ul style="list-style-type: none"> * Ramp space for the number of Aircraft within the Operator's fleet or current inventory, such Ramp space to be adjacent to or within close proximity to the Operator's facilities; and * Facilities sufficient to provide the Activities, including space for administration, public telephone, restrooms, and classroom facilities, equipped with adequate mock-ups, pictures, slides, filmstrips, movies, video tapes and other visual training aides necessary to provide proper and effective ground school instruction, such materials, supplies, and training methods to meet FAA requirements for the type of training offered, <p>NOTE: When an Operator is doing business as an authorized sublessee to an existing Airport tenant who meets the requirements of this section, an exception may be made to this requirement.</p>

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Operating Standard	Acceptable Minimum
3. Licenses and Certificates	* The Operator shall have in its employ flight instructor(s) properly certified by the FAA to provide all types of training offered. The Operator's facility shall be certified by the FAA as a pilot school. Copies of such certificates shall be filed with the City.
4. Personnel	* The Operator shall provide a sufficient number of personnel to adequately and safely carry out flight training services and Activities in a courteous, prompt, and efficient manner adequate to meet the reasonable demands of the public seeking such services.
5. Equipment	* The Operator shall have available for use in flight training, either owned or under written lease, at least one (1) properly certified Aircraft equipped for and capable of flight under instrument conditions and equipped for dual operation.
6. Hours of Operation	* The Operator shall provide such services and Activity at least five (5) days a week, eight (8) hours a day, or as agreed upon.
7. Insurance	* The Operator shall maintain, at a minimum, the following coverages and limits of insurance. <ul style="list-style-type: none"> * Comprehensive General Liability: \$ 1,000,000.00 per occurrence for bodily injury, personal injury and property damage, including products, completed operations and contractual liability. * Vehicle Liability: \$ 1,000,000.00 per accident for bodily injury and property damage on all vehicles used for air side operations by Operator. * Aircraft Liability: \$ 1,000,000.00 on all owned or operated Aircraft (or \$ 100,000.00 per seat). * Employer's Liability: \$ 1,000,000.00 per accident for bodily injury or disease. * City of Picayune is an additional insured.

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EXHIBIT A

D. AIRCRAFT CHARTER, AIR TAXI AND AIR AMBULANCE

An Aircraft Charter, Air Taxi, or Air Ambulance Operator is an Entity engaged in the business of providing air transportation (for persons or property) to the general public for hire, either on a charter basis or as an Air Taxi Operator as defined in the Federal Aviation regulations, including air ambulance services.

Operating Standard	Acceptable Minimum
1. Scope of Activity	<p>* The Operator shall conduct its Aircraft Charter, Air Taxi and/or Air Ambulance services and Activities on and from the leased premises in a first class manner which shall be consistent with the degree of care and skill usually exercised by experienced Operators providing comparable products, services and Activities from similar sized facilities in like markets.</p>
2. Leased Premises	<p>* The leased premises shall include the following:</p> <ul style="list-style-type: none"> * Ramp space for the total number of Aircraft in Operator's fleet or current inventory, said Ramp space to be adjacent to or within close proximity to Operator's facilities; and * Facilities sufficient to provide the Activities, including space for an office, administration, public telephone, and restrooms. <p>NOTE: <i>When an Operator is doing business as an authorized sublessee to an existing Airport tenant who meets the requirements of this section, an exception may be made to this requirement.</i></p>
3. Licenses and Certificates	<p>* The Operator shall have and provide to the Authority evidence of all appropriate FAA and U.S. Department of Transportation certifications and approvals, including without limitations the Preapplication Statement of Intent (FAA Form 8400-6), the Registrations and Amendments under Part 298 (OST Form 4507) and FAA operating certificate.</p>

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Operating Standard	Acceptable Minimum
4. Personnel	<p>* The Operator shall provide a sufficient number of personnel to adequately and safely carry out Air Charter, Air Taxi and/or Air Ambulance services and Activities in a courteous, prompt, and efficient manner, adequate to meet the reasonable demands of the public seeking such services.</p> <p>* The Operator shall have in its employ a sufficient number of qualified Commercial and Airline Transport Rated pilots.</p>
5. Equipment	<p>* The Operator shall provide, either owned or under written lease to the Operator, a sufficient number of Aircraft to provide the Activities.</p>
6. Hours of Operation	<p>* The Operator shall provide such services and Activities at least five (5) days a week, eight (8) hours a day, or as agreed upon.</p>
7. Insurance	<p>* The Operator shall maintain, at a minimum, the following coverages and limits of insurance.</p> <ul style="list-style-type: none"> * Comprehensive General Liability: \$ 1,000,000.00 per occurrence for bodily injury, personal injury and property damage, including products, completed operations and contractual liability. * Vehicle Liability: \$ 1,000,000.00 per accident for bodily injury and property damage on all vehicles used for air side operations by Operator. * Aircraft Liability: \$ 1,000,000.00 on all owned or operated Aircraft (or \$ 100,000.00 per seat). * Employer's Liability: \$ 1,000,000.00 per accident for bodily injury or disease. * City of Picayune is an additional insured.

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EXHIBIT A

E. AVIONICS, INSTRUMENT, OR PROPELLER REPAIR

An Avionics, Instrument or Propeller Repair Operator is an Entity engaged in the business of repairing Aircraft radios, electrical systems, propellers, instruments, or accessories, including without limitation, the sale of new or used Aircraft radios, electrical systems, propellers, instruments or accessories.

In addition to the General Standards set forth in Section II hereof, each Avionics, Instrument, or Propeller Repair Operator at the Airport shall comply with the following Minimum Standards.

Operating Standard	Acceptable Minimum
1. Scope of Activity	* Operator shall conduct its avionics, instrument, or propeller repair services and Activities on and from the leased premises in a first class manner which shall be consistent with the degree of care and skill usually exercised by experienced Operators providing comparable products, services and Activities from similar sized facilities in like markets.
2. Leased Premises	* The leased premises shall include the following: <ul style="list-style-type: none"> * Ramp space adequate to accommodate the Aircraft typically requiring the services and Activities offered, said Ramp space to be adjacent to or within close proximity to the Operator's facilities; and * Facilities sufficient to provide the Activities, including space for an office, administration, a shop, public telephone, and restrooms. <p>NOTE: When an Operator is doing business as an authorized sublessee to an existing Airport tenant who meets the requirements of this section, an exception may be made to this requirement.</p>
3. Licenses and Certificates	* Repair personnel must be currently and properly certified by the FAA with ratings appropriate to the work being performed. In the case of avionics repair, the ratings shall, at a minimum, be for Class I and Class II repairs. Copies of such certificates shall be filed with the City.

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Operating Standard	Acceptable Minimum
4. Personnel	<p>* The Operator shall provide a sufficient number of personnel to adequately and safely carry out, avionics, or instrument, or propeller repair services in a courteous, prompt, and efficient manner adequate to meet the reasonable demands of the public seeking such services.</p> <p>* The Operator shall employ a sufficient number of personnel with Aircraft radio, electrical systems, instruments and propeller repair ratings, appropriate to the category of work being performed.</p>
5. Equipment	* The Operator shall provide sufficient Equipment, supplies, and availability of parts equivalent to that required for certification by the FAA as an approved repair Operator.
6. Hours of Operation	* The Operator shall provide such services and Activities at least five (5) days a week, eight (8) hours a day, or as agreed upon.
7. Insurance	<p>* The Operator shall maintain, at a minimum, the following coverages and limits of insurance.</p> <p>* Comprehensive General Liability: \$ 1,000,000.00 per occurrence for bodily injury, personal injury and property damage, including products, completed operations and contractual liability.</p> <p>* Vehicle Liability: \$ 1,000,000.00 per accident for bodily injury and property damage on all vehicles used for air side operations by Operator.</p> <p>* Aircraft Liability: \$ 1,000,000.00 on all owned or operated Aircraft (or \$ 100,000.00 per seat).</p> <p>* Employer's Liability: \$ 1,000,000.00 per accident for bodily injury or disease.</p> <p>* City of Picayune is an additional insured.</p>

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EXHIBIT A

F. AIRCRAFT SALES

An Aircraft Sales Operator is an Entity engaged in the sale of new or used Aircraft.

In addition to the General Standards set forth in Section II hereof, each Aircraft Sales Operator at the Airport shall comply with the following Minimum Standards.

Operating Standard	Acceptable Minimum
1. Scope of Activity	* The Operator shall conduct its Aircraft Sales Services and Activities on and from the leased premises in a first class manner which shall be consistent with the degree of care and skill usually exercised by experienced Operators providing comparable products, services and Activities from similar sized facilities in like markets.
2. Leased Premises	* The leased premises shall include the following: <ul style="list-style-type: none"> * Ramp space adequate to accommodate the total number of Aircraft in Operator's fleet or current inventory, said Ramp space to be adjacent to or within close proximity to Operator's facilities; and * Facilities sufficient to provide the Activities, including space for an office, administration, public telephone, and restrooms. <p>NOTE: When an Operator is doing business as an authorized sublessee to an existing Airport tenant who meets the requirements of this section, an exception may be made to this requirement.</p>
3. Dealership	* An Operator which is an authorized factory sales franchise dealer, or distributor shall have on call at least one (1) current model demonstrator of Aircraft in its authorized product line. Demonstrations of additional models of the manufacturer for which a dealership is held shall also be available.

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EXHIBIT A

Operating Standard	Acceptable Minimum
4. Licenses and Certificates	* The Operator shall employ, or have available on call, a sufficient number of pilots with instructor ratings who shall be current in all models to be demonstrated.
5. Personnel	* The Operator shall provide a sufficient number of personnel to adequately and safely carry out, Aircraft Sales services and Activities in a courteous, prompt, and efficient manner adequate to meet the reasonable demands of the public seeking such services.
6. Equipment	* Necessary and satisfactory arrangements for repair and servicing of Aircraft shall be provided in accordance with any sales guarantee or warranty period.
7. Hours of Operation	* The Operator shall provide such services and Activities at least five (5) days a week, eight (8) hours a day, or as agreed upon.
8. Insurance	<p>* The Operator shall maintain, at a minimum, the following coverages and limits of insurance.</p> <ul style="list-style-type: none"> * Comprehensive General Liability: \$ 1,000,000.00 per occurrence for bodily injury, personal injury and property damage, including products, completed operations and contractual liability. * Vehicle Liability: \$ 1,000,000.00 per accident for bodily injury and property damage on all vehicles used for air side operations by Operator. * Aircraft Liability: \$ 1,000,000.00 on all owned or operated Aircraft (or \$ 100,000.00 per seat). * Employer's Liability: \$ 1,000,000.00 per accident for bodily injury or disease. * City of Pícyune is an additional insured.

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EXHIBIT A

G. LIMITED COMMERCIAL AERONAUTICAL ACTIVITIES

A **Limited Commercial Aeronautical Operator** is an Entity engaged in providing limited Aircraft Services and Support, including without limitation, into-plane fueling and ground handling, Miscellaneous Commercial Services and Support, Air Transportation Services for Hire, and an Agricultural Aircraft Operator.

Aircraft Services and Support are defined as limited Aircraft, engine, or accessory maintenance (for example, washing, painting, upholstery, etc.) or other limited services and support Activities directly related to Aircraft, such as into-plane fueling and ground handling.

Miscellaneous Commercial Services and Support are defined as ground schools, simulator training, charter flight coordinators, aircrew or aviation management, ticketing, or any other limited Activities directly related to supporting or providing support services for a Commercial Aeronautical Operator or a Commercial Aeronautical Activity.

Air Transportation Services for Hire are defined as non-stop sightseeing flights (flights that begin and end at the Airport and are conducted within a 25 statute mile radius of the Airport), flights for aerial photography or survey, fire fighting, power line, underground cable, and pipeline patrol and any other miscellaneous Activities directly related to such Air Transportation Services for Hire (for example, flight instruction provided in a student-owned or rented Aircraft or helicopter operations in construction or repair work).

An **Agricultural Aircraft Operator** is an Entity which provides for hire crop dusting, seeding, spraying or similar agricultural aviation flights and services, including without limitation, any Entity subject to the provisions of FAR Part 137 or Sections 69-2-1 through 27, Mississippi Code of 1972, as amended, or Sections 69-21-101 through 127, Mississippi Code of 1972, as amended.

In addition to the General Standards set forth in Section II hereof, each Limited Commercial Aeronautical Operator at the Airport shall comply with the following Minimum Standards.

<u>Operating Standard</u>	<u>Acceptable Minimum</u>
1. Scope of Activity	* The Operator shall conduct its Limited Commercial Aeronautical services and Activities on and from the leased premises in a first class manner which shall be consistent with the degree of care and skill usually exercised by experienced Operators providing comparable products, services and Activities from similar sized facilities in like markets.

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EXHIBIT A

Operating Standard	Acceptable Minimum
2. Leased Premises	<p data-bbox="423 404 830 428">* The leased premises shall include the following:</p> <ul style="list-style-type: none"> <li data-bbox="423 455 912 530">* Ramp space for the number of Aircraft within Operator's fleet, said Ramp space to be adjacent to or within close proximity to Operator's facilities; <li data-bbox="423 557 912 632">* Facilities sufficient to provide the Activities, including space for an office, administration, public telephone, and restrooms. <li data-bbox="423 659 912 752">* In the case of an Agricultural Aircraft Operator, sufficient facilities to store "economic poison" as defined in FAR Part 137.3 and other substances to be dispensed from Aircraft. <p data-bbox="428 779 902 874">NOTE: When an Operator is doing business as an authorized sublessee to an existing Airport tenant who meets the requirements of this section, an exception may be made to this requirement.</p>
3. Licenses and Certificates	<p data-bbox="423 901 905 976">* The Operator shall have and provide to the City evidence of all applicable federal, state and local certificates required for the Activities provided.</p> <p data-bbox="423 1003 905 1148">* For example only and without limiting the foregoing, an Agricultural Aircraft Operator shall have and provide copies to the City of all licenses and certifications required by FAR Part 137, Sections 69-21-1, et seq., Mississippi Code of 1972, as amended, and Sections 69-21-101, et seq., Mississippi Code of 1972, as amended.</p>
4. Personnel	<p data-bbox="423 1175 905 1322">* The Operator shall provide a sufficient number of personnel to adequately and safely carry out its Limited Commercial Aeronautical services and Activities in a courteous, prompt, and efficient manner adequate to meet the reasonable demands of the public seeking such services.</p>

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Operating Standard	Acceptable Minimum
5. Equipment	<p>* The Operator shall provide and have based at the Airport either owned or under written lease to the Operator sufficient Equipment, supplies and availability of parts and airworthy Aircraft to meet all applicable federal and state laws, rules and regulations with respect to the Activities to be performed, including for example only and without limitation, in the case of an Agricultural Aircraft Operator, Equipment sufficient to store, handle and clean up any "economic poison" as defined in FAR Part 137.3 and other substances to be dispensed from Aircraft.</p>
6. Hours of Operation	<p>* The Operator shall provide such services and Activities at such times as may be adequate to meet the reasonable demands of the public seeking such services.</p>
7. Insurance	<p>* The Operator shall maintain, at a minimum, the following coverages and limits of insurance.</p> <ul style="list-style-type: none"> * Comprehensive General Liability: \$ 1,000,000.00 per occurrence for bodily injury, personal injury and property damage, including products, completed operations and contractual liability. * Vehicle Liability: \$ 1,000,000.00 per accident for bodily injury and property damage on all vehicles used for air side operations by Operator. * Aircraft Liability: \$ 1,000,000.00 on all owned or operated Aircraft (or \$ 100,000.00 per seat). * Employer's Liability: \$ 1,000,000.00 per accident for bodily injury or disease. * City of Picayune is an additional insured.

REGULAR MEETING DATED OCTOBER 3, 2000**EXHIBIT A****H. NON-COMMERCIAL ACTIVITIES**

A Non-Commercial Operator is an Entity that operates and either owns or leases Aircraft for personal or recreational purposes. In the case of a business, the operation of Aircraft must be an ancillary Activity or unit to support the business's purposes by providing transportation for the exclusive use of its employees or agents. In all cases, the Non-Commercial Operator neither offers nor provides Aeronautical Activities for compensation.

In addition to the General Standards set forth in Section II hereof, each Non-Commercial Operator at the Airport shall comply with the following Minimum Standards.

<u>Operating Standard</u>	<u>Acceptable Minimum</u>
1. Scope of Activity	<ul style="list-style-type: none"> * The Operator shall use the leased premises solely to store, maintain, and repair Aircraft owned or leased by the Operator and which are required to support the Operator's business or private use. * No Commercial Aeronautical Activity of any type shall be permitted on or from the leased premises. * The Operator shall not be permitted to dispense, sell or otherwise distribute fuels, propellants, or lubricants to any Entity. * The Operator shall not be permitted to sublease hangar, office, or shop space to any Entity.
2. Leased Premises	<ul style="list-style-type: none"> * The Operator shall lease an area designated for its personal and/or private use, on which the Operator shall either erect a building or hangar or lease an existing building or hangar of a size and design acceptable to the City for the Activities to be performed.

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Operating Standard	Acceptable Minimum
2. Leased Premises (Continued)	<ul style="list-style-type: none"> * The leased premises shall only be used for the Operator's approved personal and private use. * Each Non-Commercial Operator shall: <ul style="list-style-type: none"> * If applicable, provide sufficient indoor or outdoor storage for Aircraft so as not to obstruct or impair the operation of the Airport or the enjoyment or use of the Airport by others; and * Provide all other utilities and support facilities as required.
3. Insurance	<ul style="list-style-type: none"> * Operator shall maintain, at a minimum, the following coverages and limits of insurance. <ul style="list-style-type: none"> * Comprehensive General Liability: \$ 1,000,000.00 per occurrence for bodily injury, personal injury and and property damage. * Vehicle Liability: \$ 1,000,000.00 per accident for bodily injury and property damage on all vehicles used for air side operations by Operator. * Aircraft Liability: \$ 1,000,000.00 on all owned or operated Aircraft (or \$ 100,000.00 per seat). * Employer's Liability: \$ n/a per accident for bodily injury or disease. * City of Picayune is an additional insured.

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SECTION V.

A. APPLICATION REQUIREMENTS

A prospective Operator shall submit, in written form to the Manager of the Airport, at the time of and as part of its application, the following information and, thereafter, such additional information as may be requested by the City.

1. Intended Scope of Activities. As a prerequisite to occupancy on and the granting of all operating privilege at the Airport, the prospective Operator must submit a specific, detailed description of the scope of the intended Activities, and the means and methods to be employed to accomplish the contemplated Activities, which shall include, but not be limited to, the following:
 - a) The legal name of the Entity filing the application and its business name (if different);
 - b) The name, address and telephone number of the Entity and primary contact ;
 - c) The proposed date for commencement of the Activity and proposed term for conducting same;
 - d) A comprehensive listing of all Activities proposed to be offered, along with copies of all applicable federal, state or local operating certificates, permits and licenses currently held;
 - e) A list of certificates, permits and licenses to be sought, if any, as required;
 - f) For proposed Leases or Subleases of existing structures or improvements at the Airport, a description of the size, location, and proposed utilization of office, hangar, Tie-downs and/or automobile parking areas to be utilized;
 - g) For proposed Leases or Subleases of unimproved Airport areas, a layout (to scale) of the size, configuration, and location of the property desired to be occupied and a description and preliminary drawing of the building(s) and improvement(s) to be constructed, together with automobile parking to be available (as required) for the proposed Activities;
 - h) The number of persons to be employed, including the names and qualifications of each person, and specifications as to whether the employees will be full-time, part-time, or seasonal;
 - i) The number of Aircraft to be utilized in connection with the activities and the make, model, passenger seating capacity, cargo capacity, Aircraft registration number, and copies of applicable operating certificates for each Aircraft;

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- j) The tools, Equipment, vehicles, and inventory proposed to be utilized in connection with the proposed Activities;
 - k) A list of products to be sold or distributed (if any) and a list of manufacturer's or distributor's requirements for obtaining a dealership (if applicable);
 - l) A list of suppliers, subcontractors, and associates; and
 - m) A list of all fuel, chemicals and hazardous materials to be used or stored at the Airport and a description of all steps to be taken to ensure compliance with all applicable federal, state and local laws, rules and regulations governing use and storage of such fuel, chemicals and hazardous materials, including the Airport's Minimum Standards.
2. Financial Responsibility and Capability. The prospective Operator must provide a statement, as evidence of its financial responsibility, from an area bank or trust company or from such other source as may be acceptable to the City and readily verified through normal banking channels. The prospective Operator must also demonstrate the financial capability to initiate the Activities, construct and maintain the improvements proposed to be constructed, if any, and (if applicable) provide the working capital necessary to carry on the contemplated Activities once initiated. The demonstration of financial responsibilities and capabilities may, if reasonably required by the City, include cash flow and profit and loss projections for the first five years of the proposed operation, a 3-year historical profit and loss statement (if available), and current (within 60 days) balance sheet, all compiled by a licensed Mississippi Certified Public Accountant.
3. Experience. The prospective Operator shall furnish the City with a statement of its past experience in the specified Aeronautical Activities for which application is being made, including resumes of management individuals who will be directly responsible for the proposed operation, together with business, financial, and managerial references. The foregoing information must be presented in a form satisfactory to the City.
4. Bonding and Insuring Capacity. The prospective Operator shall provide evidence in a form acceptable to the City of its ability to supply (i) a performance bond in an amount equal to 10% of the annual rental and/or fees established and agreed upon for conducting the Activities and entering into the Agreement or Lease sought (cash may be deposited in lieu of a performance bond) and (ii) the required insurance. Additional and supplemental information may be required by the City in cases where there is a formal competitive selection process.

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5. Compliance with Minimum Standards. The prospective Operator shall provide the City with a written certificate signed by or on behalf of the Operator, stating that the prospective Operator has read and is familiar with the Airport's Minimum Standards and promises and covenants to comply with the Airport's Minimum Standards.

B. GROUND FOR DENIAL OF APPLICATION

The City may deny any application by a prospective Operator for any one (or more) of the following reasons:

1. The applicant for any reason does not meet fully the qualifications, standards, and requirements established herein, the burden of proof of compliance to be on the prospective Operator and the standard of proof to be by clear and convincing evidence;
2. The applicant's proposed Activities, operation or construction will create a safety hazard on the Airport;
3. The granting of the application will require the Airport to expend funds or supply labor or materials in connection with the proposed operation, or the operation will result in a financial loss to the Airport;
4. No appropriate, adequate, or available space or building exists at the Airport which would accommodate the entire operation of the applicant at the time of application, nor is such contemplated within a reasonable time thereafter;
5. The proposed operation, development, or construction does not comply with the Master Plan of the Airport (and/or ALP) then in effect or anticipated to be in effect within the time frame proposed by the applicant;
6. The development or use of the area requested by the applicant will result in a congestion of Aircraft or buildings or will unduly interfere with operations of Activities of any present Operator on the Airport and/or prevent adequate access , to their leased area;
7. The applicant has either intentionally or unintentionally misrepresented or omitted a material fact in the application or in supporting documents;
8. The applicant has failed to make full disclosure on the application or in supporting documents;

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9. The applicant or an officer, director, agent, representative, shareholder or employee of applicant has a record of violating the rules and regulations of any other airport, FAA regulations, or any other federal, state or local laws, rules or regulation applicable to the Airport or applicant's proposed operations;
10. The applicant or an officer, director, agent, representative, shareholder or employee of applicant has defaulted in the performance of any Lease, Sublease or other Agreement at the Airport;
11. On the basis of current financial information, the applicant does not, in the sole discretion of the City, exhibit adequate financial responsibility or capability to undertake the proposed operation and Activities;
12. The applicant cannot provide a performance bond or applicable insurance in the amount and types required by the City for the proposed operations and Activities; or
13. The applicant or an officer, director, agent, representative, shareholder or employee of applicant has been convicted of any felony or of a misdemeanor involving moral turpitude.

C. EXTENSION OF TERM

1. No Change in Scope of Activities.

Upon expiration of the term of all Operator's Agreement or Lease with the City, the Operator may apply to extend such term and such application may be accepted by the City, without need to file a new application, provided that the Operator has no changes in the scope of the previously approved Aeronautical Activity(ies) and is in compliance with the Minimum Standards in place at the time of such request.

2. Change in Scope of Activities.

Upon expiration of the term of all Operator's Agreement or Lease with the City, the Operator may apply to extend such time. However, if the Operator intends to change or expand the scope of its Aeronautical Activity(ies) at the Airport, or if the City deems a new application to be appropriate for any reason, the Operator must submit a new application and demonstrate compliance with the Minimum Standards in place at the time of the new application.

October 17, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, October 17, 2000, at 6:00 p.m. in recessed session with the following officials present: Mayor Woody Spiers, Councilmembers Lucian Roberson, Jonas Bates, 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 Councilmember Guy, followed by the Pledge of Allegiance.

ORDER TO APPROVE PREVIOUS MINUTES

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to approve the minutes of the Mayor and City Council dated October 3, 2000. 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.

CONSIDER BID AWARD ON RECYCLING OF WHITE GOODS

Upon recommendation of the Public Works Director and the Purchasing Agent, motion was made by Councilmember Bates, seconded by Councilmember Roberson, to award the bid for recycling of white goods to Whitfield Recycling in the amount of \$15.35 per gross ton. 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 DEED

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to authorize the Mayor to sign a quitclaim deed to Carrie English for 1986 taxes on parcel #617-112-002-04-012-00 assessed to Paul O. Jeffus. The following roll call vote was taken:

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

VOTING NAY: None

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ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO ACKNOWLEDGE COMPLETION OF COURT CLERK TRAINING

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to acknowledge the completion of annual required training for Charlotte Penton, Court Clerk, for her attendance at the Municipal Court Clerks Fall Statewide Seminar. 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.

CONSIDER REQUEST FOR PARADE PERMIT

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to grant a parade permit for the annual "Toys for Tykes" Motorcycle Run on December 9, 2000 at 12:00 noon. The run will begin at Friendship Park. 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.

CONSIDER REQUEST FOR PARADE PERMIT

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to grant a parade permit to American Legion Post 73 to hold a Veteran's Day parade at 11:00 a.m. on November 11, 2000. The parade route will begin on Goodyear Boulevard in front of First Baptist Church, continue east to Main Street, right on Main Street, right to West Canal Street, and disband at West Side Elementary School. 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.

CONSIDER REQUEST FOR PARADE PERMIT

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to grant a parade permit to the George Washington Carver Reunion Committee to hold a reunion parade at 4:00 p.m. on July 7, 2001. The parade route will begin at Southside Elementary School on Rosa Street, continue to South Main Street, right on West Canal Street, across Highway 11, east on East Canal Street and disband on at East Side Annex on Third Street. The following roll call vote was taken:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

CONSIDER REQUEST FOR PARADE PERMIT

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to grant a parade permit to the Civic Woman's Club for the annual Christmas Parade to be held at 6:00 p.m. on December 4, 2000. The parade route will begin at Goodyear Boulevard at Kirkwood Street, continues east on Goodyear Boulevard to Highway 11, right on Highway 11, right on Bruce Street, right on South Main Street, left on West Canal Street, right on Kirkwood Street and disband at Picayune Memorial High School. 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 ADOPT RESOLUTION DETERMINING THE COST OF CLEANING LOT AT 211 WEEMS STREET

The Grants Administrator reported that the cleaning of property located at 211 Weems Street had been completed and offered the following resolution for consideration relating to the property cleanup:

**BEFORE THE MAYOR AND COUNCIL OF THE CITY OF PICAYUNE
PEARL RIVER COUNTY, MISSISSIPPI**

**RESOLUTION DETERMINING COST OF DEMOLITION AND
REMOVAL OF BUILDING**

WHEREAS, at a public hearing held on the 20th day of June, 2000 and after notice given to the property owner as required by law, the Mayor and Council determined that the building on the property of Loynef Key/American Finance located at 211 Weems Street being legally described as

Section 61751500104006
Lot 4, Block 12
William Southside Addition to the City of Picayune.
As per official map or plat thereof on file in the
Office of the Chancery Clerk of Pearl River County, Mississippi.

WHEREAS, after determining that all of the requirements of said statute to be performed by the City of Picayune were met and that the owner would not or did not repair or remove said buildings, the building official did then proceed to have the buildings demolished and removed as hereinafter specified.

NOW THEREFORE, BE IT RESOLVED by the Mayor and Council that the actual cost of such demolition of said property is adjudicated to be as follows, to-wit:

Contract for demolition and removal of debris	\$2,370.00
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BE IT FURTHER RESOLVED that the actual cost of said demolition and removal as aforesaid be assessed against the hereinabove described real property and that the City of Picayune, Mississippi, shall have a lien against the hereinabove described real property in the amount of \$2,370.00 and that by virtue of the provisions of Section 43-35-105(e) this lien shall be filed and enrolled in the Office of the Circuit Clerk of Pearl River County, Mississippi, as other judgments are recorded.

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Motion was made by Councilmember _____, seconded by Councilmember _____, to approve the foregoing resolution. The following roll call vote was taken:

VOTING YEA:
VOTING NAY:

The motion was declared carried and the resolution approved on this the 17th day of October, 2000.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to approve the foregoing resolution. 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 and the resolution adopted.

ORDER TO ADOPT RESOLUTION DETERMINING COST OF CLEANING LOT AT 308 WEEMS STREET

The Grants Administrator reported that the cleaning of property located at 308 Weems Street had been completed and offered the following resolution for consideration relating to the property cleanup:

**BEFORE THE MAYOR AND COUNCIL OF THE CITY OF PICAYUNE
PEARL RIVER COUNTY, MISSISSIPPI**

**RESOLUTION DETERMINING COST OF DEMOLITION AND
REMOVAL OF BUILDING**

WHEREAS, at a public hearing held on the 24th day of June, 1997 and after notice given to the property owner as required by law, the Mayor and Council determined that the building on the property of Albert Williams located at 308 Weems Street being legally described as:

Section 15-6-17
Lot 13 and 14, Block 2
William Southside Addition to the City of Picayune,
As per official map or plat thereof on file in the
Office of the Chancery Clerk of Pearl River County, Mississippi,

WHEREAS, after determining that all of the requirements of said statute to be performed by the City of Picayune were met and that the owner would not or did not repair or remove said buildings, the building official did then proceed to have the buildings demolished and removed as hereinafter specified.

NOW THEREFORE, BE IT RESOLVED by the Mayor and Council that the actual cost of such demolition of said property is stipulated to be as follows, to-wit:

Contract for demolition and removal of debris	\$2,300.00
---	------------

BE IT FURTHER RESOLVED that the actual cost of said demolition and removal as aforesaid be assessed against the hereinabove described real property and that the City of Picayune, Mississippi, shall have a lien against the hereinabove described real property in the amount of \$2,300.00 and that by virtue of the provisions of Section 43-35-10S(e) this lien shall be filed and enrolled in the Office of the Circuit Clerk of Pearl River County, Mississippi, as other judgments are recorded.

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filed and enrolled in the Office of the Circuit Clerk of Pearl River County, Mississippi, as other judgments are recorded.

The following roll call vote was taken:

VOTING YEA:
VOTING NAY:

The motion was declared carried and the resolution adopted on this the 17th day of October, 2000.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to approve the foregoing resolution. 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 and the resolution adopted.

ORDER TO ADOPT PROCLAMATION RELATED TO "JUST SAY NO! TO DRUGS, ALCOHOL AND TOBACCO WEEK"

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adopt the following proclamation relating to "JUST SAY NO! To Drugs, Alcohol and Tobacco Week":

PROCLAMATION

WHEREAS, the City of Picayune, Mississippi is proud to join in a partnership with the Picayune School District in an effort to improve the city-wide school attendance, excellence in student achievement, and promote drug awareness; and

WHEREAS, the City in cooperation with Picayune School District is currently encouraging families, students, teachers, administrators, and community members at-large to come together and work collaboratively in improving the quality of the educational services offered to the community; and

WHEREAS, Picayune School District has established as priorities this school year, 2000-2001, those of assisting students to be able to read independently by third grade, helping students to master challenging mathematics throughout the entire elementary experience, and integrating technology into the overall school curriculum; and

WHEREAS, Picayune School District recognizes that no goals or initiatives directed at helping every school to be strong, safe, drug free, and disciplined are attainable without the support of parents, students, and the community at large.

THEREFORE BE IT RESOLVED, by the Mayor and City Council of the City of Picayune, Mississippi, that we recognize and appreciate the invaluable contributions and vital services offered through the Picayune School District, and hereby declare the days of October 23-27, 2000 as

JUST SAY NO! To Drugs, Alcohol and Tobacco Week

in conjunction with National Red Ribbon Week.

ADOPTED this the 17th day of October, 2000.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

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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 APPOINT MEMBER TO THE PLANNING COMMISSION

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to appoint Billy Edwards to the Planning Commission for a 3-year term expiring September 2003. 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 ADOPT PROCLAMATION RELATED TO "VETERANS RECOGNITION WEEK"

Upon request of the Civic Woman's Club, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adopt the following proclamation related to "Veterans Recognition Week":

PROCLAMATION

WHEREAS, during the year 2000 there have been numerous events and activities commemorating the 48 million plus gallant men and women who have fought and died to secure the freedom of the citizens of the United States of America; and

WHEREAS, activities are planned in Picayune during the week commencing November 4th and concluding on Veterans Day, Monday, November 11th, 2000; and

WHEREAS, the Mayor, City Council, and the Civic Woman's Club of Picayune wish to draw the attention of all citizens of Picayune and Pearl River County to the brave Americans who have stepped forward to protect our country and promote our ideals; for all their sacrifices and for the peace, prosperity, and liberty their service has secured for us, the City, State and Nation owes our veterans a profound debt of gratitude.

NOW, THEREFORE, the Mayor and City Council of the City of Picayune, Mississippi, commend our area Veterans and hereby declare the week of November 5, 2000, through November 11, 2000, as

VETERANS RECOGNITION WEEK

and urge all citizens to identify, thank and remember, in appropriate ways, all of our Veterans, particularly those women who served in World War II, and participate in those activities honoring them.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

The following roll call vote was taken:

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

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VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember McQueen

The motion was declared carried.

ORDER TO ADVERTISE FOR PROPOSALS FOR ENGINEERING SERVICES FOR INFRASTRUCTURE IMPROVEMENTS AT THE PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for Statements of Qualifications for professional engineering services for infrastructure improvements at the Picayune Municipal Airport. 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 CONTRACT FOR ENGINEERING SERVICES FOR SEWER LIFT STATION 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 Dungan Engineering, P.A. for engineering services for sewer lift station improvements near Walmart, Stafford Road and East Canal Street:

**ENGINEERING SERVICES CONTRACT
CITY OF PICAYUNE
PUMP STATION REHABILITATION
DE PROJECT NO. 1700C002
PICAYUNE, MS**

THIS CONTRACT entered into by and between the CITY OF PICAYUNE hereinafter designated as the OWNER, and DUNGAN ENGINEERING, P.A., Columbia, Mississippi, hereinafter designated as the ENGINEER.

WHEREAS: The OWNER contemplates rehabilitation for the City of Picayune's pump stations located at Wal-Mart Supercenter and Highway 43 South.
WHEREAS: Certain engineering services are required in the investigation, planning, and execution of the said improvements, and
WHEREAS: The OWNER does hereby employ the ENGINEER to finish the aforesaid engineering services,
NOW THEREFORE, the parties hereto do mutually agree as follows:

**ARTICLE I
ENGINEER'S SERVICES**

The ENGINEER AGREES, in consideration of payments to be made by the OWNER, as hereinafter set out, to furnish certain engineering services as follows:

ITEM ONE: PLANNING AND DESIGN PHASE

Upon authorization in writing by the OWNER to proceed, the ENGINEER shall prepare design drawings, specifications, and contract documents for the purpose of awarding one contract for the finishing of all materials, and any contracts for labor and equipment not available through OWNER's work force and equipment inventory.

The ENGINEER shall prepare and furnish to the OWNER cost estimates of all work included in the completed drawings, specifications, and contract documents.

The ENGINEER shall obtain the approval of such agencies and legally constituted authorities as under the laws of the State of Mississippi have jurisdiction over the review of the drawings and specifications for the proposed project, and shall also obtain the approval of such Federal agencies as have jurisdiction over the review of drawings, specifications, and contract documents of the proposed project.

It is the intent of the ENGINEER that he shall furnish as part of his basic services, any reasonable quantity of plans, specifications, bid sheets, cost estimates, design analyses, and other contract documents as may be required. However, it is agreed that the total quantity of any one item shall not exceed ten (10) copies. Additional copies will be furnished upon request of the OWNER at the actual cost of reproduction of such additional copies.

ITEM TWO: CONSTRUCTION PHASE

The ENGINEER shall have a responsible representative present at all meetings and letting of contracts for the proposed work and shall advise and assist the OWNER in the making of awards of contracts to successful bidders. The ENGINEER shall act in a general advisory and consulting capacity to the OWNER throughout the construction period and shall:

Provide resident inspection at the project site to observe the progress and quality of the executed work and to determine in general if the work is proceeding in accordance with the Contract Documents.

Make or assist the OWNER in making all reports required by any State or Federal Agency relating to the project.

Be available to the Contractor and the OWNER for interpretation of drawings, specifications, and contract documents and prepare construction change orders as they are required for the proper execution of the work.

Review shop drawings, diagrams, illustrations, catalog data, samples, the results of tests and inspections, and other compliance with the information given in the contract documents.

Based on his review of the Contractor's applications for payment and supporting data, determine the amounts owing to the Contractor and approve in writing payment to the Contractor in such amounts.

Conduct, in company with the OWNER, a final inspection of the Project for compliance with the information given in the contract documents, and approve in writing final payment to the Contractor.

Upon the completion of all construction awarded in accordance with the terms of this Contract, the ENGINEER shall furnish to the OWNER a set of record drawings covering the work actually installed.

The ENGINEER shall not be responsible for the methods and means employed by the Contractor in the performance of the construction work. Further, the ENGINEER shall not be responsible for the safety of the workmen and others who might be injured during the course of construction work by the Contractor, or for property which may be damaged; his obligation under this section of the Contract being limited to the making of periodic observations and reports to the OWNER concerning the compliance of the completed construction work with the contract documents.

ITEM THREE: CONSTRUCTION SURVEYS

The Engineer shall provide qualified personnel to set construction reference points along the project site necessary for construction of project.

All surveying activities shall comply with minimum standards set forth by state and local governments.

Engineer will provide necessary surveying services to prepare "As-Built" plans.

ITEM FOUR: ADDITIONAL SERVICES

When authorized in writing by the OWNER, the ENGINEER shall furnish or obtain from others additional services not otherwise specifically provided for in ITEM ONE, TWO or THREE of SERVICES. These services shall include but not be limited to the following:

Prepare changes in design or perform other services resulting from substantial changes being made in the general scope of the project.

Prepare revisions of studies, reports, design documents, drawings, or specifications, which have been previously approved by the OWNER.

Prepare detailed renderings, exhibits, or scale models for the project.

Provide special analyses or studies of the environmental effects of the project, or other OWNER needs such as the preparation of operating and maintenance manuals, special operating drawings, charts, or other pertinent data.

Provide additional or extended services during construction caused by fire, storm, work stoppages, or other prolongation of the contract time, acceleration of work schedule beyond the ENGINEER's established office working hours, or the Contractor's default due to delinquency or insolvency.

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Prepare for and give testimony as an expert witness or make any other appearance on behalf of the OWNER before governmental, quasi-governmental, or civic bodies in connection with proceedings involving the project.

**ARTICLE 2
PAYMENTS**

IN PAYMENT for the services hereinbefore described under ARTICLE 1, ENGINEER'S SERVICES, the OWNER agrees to pay and does allow the ENGINEER the following amounts:

ITEM ONE: DESIGN PHASE

For services performed pursuant to ITEM ONE, DESIGN PHASE, the lump sum amount of Ten percent (10%) of the construction contract amount.

The above stated fee is based upon a project of the scope and magnitude here in before described. In the event that the scope of the project is revised, the ENGINEER will recalculate the lump sum fee to be paid and will submit the revised fee in the form of a Contract Amendment for approval by the OWNER.

The fee for ITEM ONE of SERVICES shall be due and payable periodically as the work is accomplished.

ITEM TWO: CONSTRUCTION PHASE

For services performed pursuant to ITEM TWO, CONSTRUCTION PHASE, the lump sum amount of six percent (6%) of the construction contract amount.

Payment for Construction Phase shall be due and payable from time to time as payments are made to the construction Contractor, with such payments being proportioned to the payments made to the Contractor, and with final payment being due and payable when the project is completed and accepted.

ITEM THREE: CONSTRUCTION SURVEYS

For services performed pursuant to ITEM THREE, CONSTRUCTION SURVEYS, the amount of Seven hundred fifty and no/100 (\$750.00).

Payment for Construction Surveys shall be due and payable from time to time as payments are made to the construction Contractor, with such payments being proportioned to the payments made to the Contractor, and with final payment being due and payable when the project is completed and accepted.

ITEM FOUR: ADDITIONAL SERVICES

The method of reimbursement and payment for services rendered in compliance with ITEM THREE of SERVICES shall be agreed upon in writing by the OWNER and the ENGINEER at the time of authorization for said work.

**ARTICLE 3
GENERAL CONSIDERATIONS**

The ENGINEER's estimate of the construction cost is the opinion of the ENGINEER of the probable construction cost on the date of the estimate and is supplied as a guide only. Since the ENGINEER has no control over the cost of labor and materials or over competitive bidding and market conditions, the ENGINEER does not guarantee the accuracy of such opinion as compared to Contractor bids or actual cost to the OWNER.

The ENGINEER will prepare the drawings and specifications in accordance with generally accepted engineering practices and makes no warranty, either expressed or implied, as part of this Agreement.

The ENGINEER does not guarantee the performance or safety of materials and equipment provided by any construction Contractors, which materials and equipment may include but not necessarily be limited to pipe, valves, fittings, traps, conduit, wiring, steel, wire, nails, lumber, cement, aggregate, bricks, files, pumps, motors, compressors, electrical apparatus of all types, all metal pressure and storage vessels furnished and erected in place as required to provide a complete, functional unit and all other materials and equipment as are required to provide a complete, safe, and functional facility.

This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the other. In the event this Agreement should be terminated by the OWNER, the ENGINEER shall be paid his compensation for services performed prior to receipt of written notice of such termination. In all cases where termination has resulted due to one party failing substantially to perform in accordance with the terms of this Agreement, such party will remain liable to the other for all damages incurred as a result of breach of this Agreement.

This Agreement may be terminated by either party upon seven days' written notice should either party be unable to substantially perform in accordance with its terms due to circumstances beyond the control of the parties. In event of such termination, neither party will remain liable to the other for damages incurred as a result of such termination.

RECESSED MEETING DATED OCTOBER 17, 2000

Plans and specifications shall be the property of the OWNER, whether the project for which they are made is executed or not. The OWNER shall be permitted to retain copies, including reproducible copies of plans and specifications for information and reference in connection with the OWNER's use and occupancy. The plans and specifications may be used by the OWNER on other projects, or additions to this project, or for completion of this project by others upon payment by the OWNER of appropriate compensation to the ENGINEER for ITEM ONE services as provided in ARTICLE 2.

If the project is suspended for more than six months or abandoned in whole or in part the ENGINEER shall be paid his compensation for services performed prior to receipt of written notice from the OWNER of such suspension or abandonment, together with reimbursable expenses then due, as described in ARTICLE 2, PAYMENTS.

The ENGINEER shall keep and maintain books, records, and other documents relating directly to the receipt and disbursement of funds; and shall, at all reasonable times, permit the owner access to and the right to inspect, copy, audit, and examine all such books, records, and other documents of the ENGINEER until the completion of all close-out procedures final settlement and conclusion of all issues arising out of this project.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 17th day of October, 2000.

OWNER: _____
CITY OF PICAYUNE

WITNESS: _____
By Woody Spiers
Title Mayor

ENGINEER: _____
DUNGAN ENGINEERING, P.A.

WITNESS: _____
By H. Les Dungan III
Title President

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 AUTHORIZE MAYOR TO SIGN CONTRACT FOR BACKHOE RENTAL

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign a rental agreement for rental of a backhoe for the Streets Department for a period of 60 days upon negotiation of the rental by 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 AUTHORIZE THE 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:

RECESSED MEETING DATED OCTOBER 17, 2000

Law Enforcement Specialty Products	Law Enforcement	\$10,560.00
	Block Grant II	
State Machinery	General	52,545.00
Dungan Engineering	Airport	5,000.00
AWPA	Utility	150.00

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.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 1600 BENDER STREET

A property cleanup public hearing was held on property located at 1600 Bender Street and owned by Willie Cooley. The Grants Administrator reported that the property owner had cleaned much of the property and requested an extension to complete the task. Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to grant an extension of time until November 21, 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 MAYOR TO SIGN AGREEMENT WITH MISSISSIPPI MAIN STREET ASSOCIATION

Upon recommendation of the City's Main Street Manager, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following agreement with the Mississippi Main Street Association regarding the City's participation in the Main Street Program:

**MEMORANDUM OF AGREEMENT FOR CONTINUATION IN
MISSISSIPPI MAIN STREET ASSOCIATION'S
MAIN STREET-URBAN MAIN STREET-SMALL TOWN 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, Picayune Main Street, (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.

RECESSED MEETING DATED OCTOBER 17, 2000

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 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.
5. Conduct a three-day annual statewide conference providing a forum and workshops to promote education and networking with other individuals, communities and with local, state and national agencies involved in downtown revitalization.
6. Provide advice, technical assistance and on-site visits to the local program manager and community on a continuing basis, as requested by local program.
7. Facilitate and promote ongoing press coverage of the Mississippi Main Street Program and its individual local programs.
8. Provide a resource manual with continuing updates on information available through the resource center at the MMSA, from the National Main Street Center and other sources.
9. Provide as part of the resource center audio-visual and published materials relating to downtown revitalization on a loan basis.
10. Conduct a one-day site visit to evaluate the program's progress for the past year and aid the community in deciding the direction of the program in the upcoming year.

Section III: MMSA And The Community Jointly Agrees That:

1. The term of this agreement shall be for 1 year, beginning October 1, 2000 and ending on September 30, 2001. It may be extended or revised by both parties.
2. Notwithstanding any other provisions of this agreement, if funds anticipated for continued fulfillment, at the agreement are, at any time, not forthcoming or insufficient, either through the failure of the State of Mississippi to appropriate funds for continuation of the contractual agreement with the MMSA, discontinuance or material alteration of the program for which funds were provided, then the MMSA shall have the right to amend or terminate this agreement without penalty by giving the community not less than sixty (60) days written notice.
3. If the community fails to fulfill its obligations under this agreement in a timely and proper manner, or if the community violates any terms of this agreement, the MMSA shall have the right to terminate this agreement and withhold further services by giving the community not less than (60) days written notice.
4. Jointly hold each other harmless for any activities of the other including but not limited to general liability, automobile liability, worker's compensation, and employer's liability.

RECESSED MEETING DATED OCTOBER 17, 2000

WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT.

BY: _____ Mayor	DATE: _____

Locality	
BY: _____	DATE: _____
President/Board Chairman	

Name of Sponsoring Organization	
BY: _____	DATE: _____
President, MMSA Board of Directors	
BY: _____	DATE: _____
Executive Director, MMSA	

The following 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 EXTENSION OF E-911 AGREEMENT

Upon recommendation of the City Manager, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to approve another 90-day extension of the E911 agreement in order to provide time to work out the remaining details of a new agreement. The following 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 AIRPORT RULES AND REGULATIONS FOR THE PICAYUNE MUNICIPAL AIRPORT

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to adopt the attached "Airport Rules and Regulations" for the Picayune Municipal 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. See Exhibit A.

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 discuss the need for an executive session. The following roll call vote was taken:

RECESSED MEETING DATED OCTOBER 17, 2000

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 a personnel matter and a 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 a personnel matter and a matter 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 a personnel matter and a matter of potential litigation and took no action.

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 Roberson, Bates, Thorman, Guy and McQueen

VOTING NAY: None

The motion was declared carried.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

RECESSED MEETING DATED OCTOBER 17, 2000EXHIBIT A

CITY OF PICAYUNE MUNICIPAL AIRPORT

PICAYUNE, MISSISSIPPI

Airport Rules and Regulations

BE IT RESOLVED by the City of Picayune, Councilmen, located in the County of Pearl River, and in the State of Mississippi that the Rules and Regulations governing the Picayune Municipal Airport, as hereinafter more particularly set out, be and are hereby approved by the Councilmen of the City of Picayune, Mississippi.

Section I

1.1 Unless from the context a different meaning in these regulations, the terms hereafter used shall be defined as follows;

“Owner” shall mean the City of Picayune, Mississippi, Picayune Municipal Airport.

“Airport” shall mean the Picayune Municipal Airport.

“Airport Manager” shall mean the person or representative of the City of Picayune having immediate charge at the airport.

“Person” shall mean an individual, partnership, firm, association or corporation.

“FAA” shall mean the Federal Aviation Administration.

“User” shall mean any person making use of the airport.

RECESSED MEETING DATED OCTOBER 17, 2000

EXHIBIT A

Section 2

2.1 The Airport Manager or Representative of the City of Picayune shall at all times have authority to take such reasonable action as may be necessary in the handling, conduct and management of the public in attendance at the airport and shall enforce these rules and regulations. If any contingencies not specifically covered by these rules and regulations arise, the Airport Manager shall be authorized to make such rules and orders and render such decision as to him my seem proper.

Section 3

3.1 The Owner has the right to and does hereby regulate all commercial enterprises using the airport as a basis of operation, whether such operation is aeronautical or non-aeronautical in nature. No commercial operation of any kind or type shall be conducted on the airport unless specifically authorized by the Owner.

3.2 The use of the airport or any of its facilities in any manner shall create an obligation on the part of the user thereof to obey all the rules and regulations herein provided by the owner. The privilege of using the airport shall be upon further condition that any person, persons, corporations, co-partnerships, or others desiring to use the same, shall furnish a policy of indemnity against personal injury and property damage in such reasonable sum as the owner shall require.

RECESSED MEETING DATED OCTOBER 17, 2000EXHIBIT A

- 3.3 Any person violating any of the airport rules and regulations may be deprived of the use of the airport facilities for such period of time as determined by the Owner and/or Airport Manager.
- 3.4 No person shall solicit funds for any purpose and no signs, advertisements or circulars may be post or distributed at the airport without permission of the Owner and/or Airport Manager.
- 3.5 All garbage , refuse and other waste material shall be placed in receptacles provided for such purpose by the person, and no person shall destroy, remove or disturb in any way buildings, signs, equipment, markers or other property on the airport.

Section 4

Motor Vehicle Regulations

- 4.1 Unless authorized by the Airport Manager, no highway or automotive vehicle shall be operated on the Airport except on roadways, parking areas, etcetera, that are specifically designated for vehicles. Such vehicles shall be parked in the manner prescribed by the Airport Manager while on the Airport and as indicated by posted signs.
- 4.2 No surface vehicles shall be permitted on the runways, taxiways, aprons, or ramps without the express permission of the Airport Manager unless the operation of such vehicles is in

RECESSED MEETING DATED OCTOBER 17, 2000EXHIBIT A

accordance with a prior agreement with the Owner to accomplish a necessary Airport purpose, service or inspection.

- 4.3 Fixed Base Operator customers shall park in areas designated by the Airport Manager (i.e., Overnight Parking Area).
- 4.4 When aircraft are parked on the ramp or apron for the purpose of loading or unloading, no vehicle shall be driven between the aircraft and any fueling vehicles while in the fueling process.
- 4.5 Every accident involving injury or property damage shall be reported as soon as possible to the Airport Manager.
- 4.6 No person shall operate any vehicle in a careless manner or negligent manner or in disregard for the safety of others or in excess of posted speed traffic signs. All persons are required to carry liability insurance on all vehicles used at the airport.

Section 5

- 5.1 The air traffic rules and aircraft operations regulations of the FAA as in effect and all additions thereto are made a part of these airport rules and regulations as if fully set forth herein.
- 5.2 Aircraft engines shall be started and run up only in the places designated for such

RECESSED MEETING DATED OCTOBER 17, 2000EXHIBIT A

purposes. At no time shall engines be run up when hangars, vehicles, airplanes, or any buildings or persons are in the path of the propeller stream and/or jet exhaust.

5.3 No aircraft shall be parked, stored, washed, or repaired at the airport except in the areas designated for such use, or otherwise given permission by authorized Airport Management

5.4 At the direction of the Airport Manager, the operator, owner, or pilot of any illegally parked aircraft on the Airport shall move the aircraft from the place where it is parked or stored, to any other place designated on the Airport. If the operator refuses to comply with the directions, the owner, through the Airport Manager, may tow the aircraft to such place at the operator's expense and without liability for damage that may result from such moving.

5.5 In the event of an accident, the owner, through the Airport Manager, may in compliance with FAA and other governmental regulations, move damaged aircraft from the landing areas, ramps, aprons, or other areas at the expense of the aircraft owner and without liability for damage resulting from such moving.

5.6 The pilot of an aircraft involved in an accident on or near the Airport causing personal injury or property damage shall as soon as possible report said accident to the Airport Manager. In the event that he is unable to do so, the owner of aircraft or his/her agent shall

RECESSED MEETING DATED OCTOBER 17, 2000EXHIBIT A

make such report.

- 5.7 Airport property damaged or destroyed by an accident or otherwise shall be paid for by the parties/persons responsible.
- 5.8 The Airport Manager shall have the authority to detain any aircraft for nonpayment of any charges or fees due.
- 5.9 No person shall taxi an aircraft until he/she has ascertained by visual inspection of the area that there will be no danger of collision with any person or object in the immediate area.
- 5.10 Aircraft shall be taxied at a safe and reasonable speed with due respect for other aircraft, persons or property.
- 5.11 All take-offs and landings shall be confined to the runways and all movement of a aircraft shall be confined to the hard surface areas.
- 5.12 No person or persons, except airmen, duly authorized personnel, passengers going to or from aircraft, or persons being personally conducted by Airport attendants shall be permitted to enter the landing area proper, taxi space, or aprons. However, this does not give any person, or persons so excepted the privilege of unrestricted use of the Airport. These privileges are confined to the necessary use of these spaces in connection with the flights, inspections and routine duties.

RECESSED MEETING DATED OCTOBER 17, 2000EXHIBIT ASection 6Rules for Aircraft Fueling Operations

- 6.1 No aircraft shall be fueled or drained while the aircraft engine is running or while the aircraft is in a hangar or an enclosed area.
- 6.2 During all fuel operations the aircraft shall be grounded by an approved method.
- 6.3 Smoking or lighting of any open flame shall be prohibited within fifty (50) feet of any fueling operation.
- 6.4 Fueling operations shall be conducted and fuel trucks shall be parked at least fifty (50) feet from any hangar or building.
- 6.5 All fuel dispensing equipment shall be of a modern design and shall be kept in a safe and non-leaking condition.

Section 7Fire Regulations

- 7.1 Smoking or lighting of an open flame is prohibited at places with posted signs, within fifty (50) feet of any aircraft and within fifty (50) feet of hangars, fuel trucks, or fuel loading stations and tank farms.
- 7.2 No person shall start an open fire any place on the Airport without permission of the

RECESSED MEETING DATED OCTOBER 17, 2000

EXHIBIT A

Airport Manager.

7.3 No person shall store material or equipment, use inflammable liquids or gases, or allow their premises to become in such condition so as to violate, in any manner, the fire code in force in the area of the Airport (i.e., City of Picayune Fire Codes)

7.4 Tenants of all hangars and buildings shall provide suitable fire extinguishers and equipment and they shall be kept in good condition as recommended by the Fire Department, and inspected at least every twelve (12) months. Also, all fire extinguishers must be properly mounted and have the current inspection care on them.

7.5 Tenants and persons are required to keep their premises clean and clear of all rubbish, junk, debris, old aircraft and vehicles, and any other unsightly objects. If after warning by the Airport Manager the area is not cleaned and cleared of unsightly described objects, cleaning will be done by the Airport Manager and billed to the tenant or person.

These Rules and Regulations as adopted by the Owner on the 17th day of October, 2000.

For the City of Picayune, Mississippi

By _____
Mayor

ATTEST: _____
Sabrina Diamond, City Clerk

City of Picayune Municipal Airport
Airport Rules and Regulations



November 7, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, November 7, 2000, 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 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 Bates, to approve the minutes of the Mayor and City Council dated October 17, 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 VOID TAX SALE

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to void the August 2000 tax sale on parcel #617-515-004-09-000 assessed to Marshall Washington Est. 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.

ORDER TO VOID TAX SALE

Upon request of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to void the 2000 tax sale on parcel #517-735-000-00-061-03 assessed to Franklin D. Meadows due to a mapping error 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.

REGULAR MEETING DATED NOVEMBER 7, 2000

ORDER TO ACKNOWLEDGE RECEIPT OF MONTHLY ACTIVITIES REPORT OF THE RETIREMENT DEVELOPMENT DEPARTMENT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the Monthly Activities Report of the Retirement Development Department for August and September, 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 ACKNOWLEDGE RECEIPT OF PUBLIC RECORDS REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the Public Records Report for September, 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 MAYOR TO SIGN AN INTERLOCAL AGREEMENT WITH PEARL RIVER COUNTY

Upon recommendation of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following interlocal agreement with Pearl River County related to the construction of an aviation maintenance facility at the Picayune Municipal Airport:

STATE OF MISSISSIPPI
COUNTY OF PEARL RIVER

INTENT TO ENTER INTO AN INTERLOCAL AGREEMENT IN THE EVENT AN EDA GRANT IS AWARDED TO THE CITY OF PICAYUNE FOR AN AVIATION MAINTENANCE FACILITY

COMES NOW the City of Picayune, a Municipal Corporation, hereinafter referred to as "City", and Pearl River County, Mississippi, a Political Subdivision of the State of Mississippi, hereinafter referred to as "County".

WITNESSETH

WHEREAS, it is agreed that the City has applied for an EDA grant in the amount of \$2,447,850.00 to be used in the construction of an aviation maintenance facility to be located at the City of Picayune Municipal Airport situated on Airport Road outside of the city limits of Picayune, Mississippi; and

WHEREAS, the County agrees that it will support the construction of the maintenance facility up to the amount of \$200,715.00 if the said EDA grant is approved for the City of Picayune to construct said aviation maintenance facility; and

WHEREAS, in the event that the grant is awarded to said City, the County would be allowed to perform "in kind" services which would reduce said portion of \$200,715.00 by the value of "in kind" services provided by said County; and

WHEREAS, if the grant is awarded to the City, in that event the City and County will enter into a complete interlocal agreement further outlining all of the details for the construction of said facility and the responsibility of each party relating thereto; and

WHEREAS, said funds will be expended for the infrastructure improvements at said airport; and

REGULAR MEETING DATED NOVEMBER 7, 2000

WHEREAS, in the event that said grant is not awarded to the City, or said maintenance facility does not locate at said airport, then this agreement will be null and void.

IN WITNESS WHEREOF, each entity has caused this contract to be executed by the appropriate parties as set forth below, in duplicate, and it is executed on the respective dates of our signatures.

PEARL RIVER COUNTY, MISSISSIPPI

BY: /s/
TROY STOCKSTILL, President
Pearl River County Board of
Supervisors

Date executed October 26, 2000

ATTEST: /s/
David Earl Johnson, Clerk

CITY OF PICAYUNE, MISSISSIPPI

BY: _____
Woody Spiers, Mayor

Date executed _____

The following 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 CERTIFY RESPONSES TO "MUNICIPAL COMPLIANCE QUESTIONNAIRE"

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to certify the following responses to the "Municipal Compliance Questionnaire" for the year ended September 30, 2000:

CITY OF PICAYUNE
Certification to Municipal Compliance Questionnaire
Year Ended September 30, 2000

We have reviewed all questions and responses as contained in this Municipal Compliance Questionnaire for the Municipality of Picayune, and, to the best of our knowledge and belief, all responses are accurate.

(City Clerk's Signature)

(Mayor's Signature)

(Date)

(Date)

MUNICIPAL COMPLIANCE QUESTIONNAIRE

ANSWER ALL QUESTIONS: : Y - YES, N- NO, N/A - NOT APPLICABLE

PART I - GENERAL

- | | |
|--|------------|
| 1. Have all ordinance been entered into the ordinance book and included in the minutes? (Section 21-13-13) | <u>Y</u> |
| 2. Do all municipal vehicles have public license plates and proper markings? (Sections 25-1-87 and 27-19-27) | <u>Y</u> |
| 3. Are municipal records open to the public? (Section 25-61-5) | <u>Y</u> |
| 4. Are meetings of the board open to the public? (Section 25-41-5) | <u>Y</u> |
| 5. Are notices of special or recess meetings posted? (Section 25-41-13) | <u>Y</u> |
| 6. Are all required personnel covered by appropriate surety bonds? | |
| • Appointed officers and those handling money, see statutes governing the form of government (i.e., Section 21-3-5 for Code Charter) | <u>Y</u> |
| • Municipal Clerk (Section 21-15-38) | <u>Y</u> |
| • Deputy Clerk (Section 21-15-23) | <u>Y</u> |
| • Chief of police (Section 21-21-1) | <u>Y</u> |
| • Deputy police (Section 45-5-9) (if hired under this law) | <u>N/A</u> |
| 7. Are minutes of the board meetings prepared to properly reflect the actions of the board? (Sections 21-15-17 and 21-15-19) | <u>Y</u> |
| 8. Are minutes of board meetings signed by the mayor or majority of the board | |

REGULAR MEETING DATED NOVEMBER 7, 2000

- | | |
|---|---|
| within 22 days of the meeting? (Section 21-15-33) | Y |
| 9. Has the municipality complied with the nepotism law in its employment Practices? (Section 25-1-53) | Y |
| 10. Did all officers, employees of the municipality, or their relatives avoid any personal interest in any contracts with the municipality during their term or within one year after their terms of office or employment? (Section 25-4-105) | Y |
| 11. Does the municipality contract with a Certified Public Accountant or an auditor approved by the State Auditor for its annual audit within twelve months of the end of each fiscal year? (Section 21-35-31) | Y |
| 12. Has the municipality published a synopsis or notice of the annual audit within 30 days of acceptance? (Section 21-35-31 or 21-17-19) | Y |

PART II - CASH AND RELATED RECORDS

- | | |
|--|---|
| 1. Where required, is a claims docket maintained? (Section 21-39-7) | Y |
| 2. Are all claims paid in the order of their entry in the claims docket? (Section 21-39-9) | Y |
| 3. Does the claims docket identify the claimant, claim number, amount and fund from which each warrant will be issued? (Section 21-39-7) | Y |
| 4. Are all warrants approved by the board, signed by the mayor or majority of the board, attested to by the clerk, and bearing the municipal seal? (Section 21-39-13) | Y |
| 5. Are warrants for approved claims held until sufficient cash is available in the fund from which it is drawn? (Section 21-39-13) | Y |
| 6. Has the municipality adopted and entered on its minutes a budget in the format prescribed by the Office of the State Auditor? (Sections 21-35-5, 21-35-7 and 21-35-9) | Y |
| 7. Does the municipality operate on a cash basis budget, except for expenditures paid within 30 days of fiscal year end or for construction in progress? (Section 21-35-23) | Y |
| 8. Has the municipality held a public hearing and published its adopted budget? (Section 21-35-5) | Y |
| 9. Has the municipality complied with legal publication requirements when budgetary changes of 10% or more are made to a department's budget? (Section 21-35-25) | Y |
| 10. If revenues are less than estimated and a deficit is anticipated, did the board revise the budget by its regular July meeting? (Section 21-35-25) | Y |
| 11. Have financial records been maintained in accordance with the chart of accounts prescribed by the State Auditor? (Section 21-35-11) | Y |
| 12. Does the municipal clerk submit to the board a monthly report of expenditures against each budget item for the preceding month and fiscal year to date and the unexpended balances of each budget item? (Section 21-35-13) | Y |
| 13. Does the board avoid approving claims and the city clerk not issue any warrants which would be in excess of budgeted amounts, except for court-ordered or emergency expenditures? (Section 21-35-17) | Y |
| 14. Has the municipality commissioned municipal depositories? (Sections 27-105-353 and 27-105-363) | Y |
| 15. Have investments of funds been restricted to those instruments authorized by law? (Section 21-33-323) | Y |
| 16. Are donations restricted to those specifically authorized by law? [Section 21-17-5 (Section 66, Miss. Constitution) - Sections 21-19-45 through 21-19-59, etc.] | Y |
| 17. Are fixed assets properly tagged and accounted for? (Section 7-7-211 - Municipal Audit and Accounting Guide) | Y |
| 18. Is all travel authorized in advance and reimbursements made in accordance with Section 25-3-41? | Y |
| 19. Are all travel advances made in accordance with the State Auditor's regulations? | Y |
| 20. (Section 25-3-41) | Y |
| (Section 25-3-41) | Y |

PART III - PURCHASING AND RECEIVING

- | | |
|---|---|
| 1. Are bids solicited for purchases, when required by law (written bids and advertising)? [Section 31-7-13(b) and (c)] | Y |
| 2. Are all lowest and best bid decisions properly documented? [Section 31-7-13(d)] | Y |
| 3. Are all one-source item and emergency purchases documented on the board's minutes? [Section 31-7-13(m) and (k)] | Y |
| 4. Do all officers and employees understand and refrain from accepting gifts or kickbacks from suppliers? (Section 31-7-23) | Y |

PART IV - BONDS AND OTHER DEBT

- | | |
|---|-----|
| 1. Has the municipality complied with the percentage of taxable property limitation on bonds and other debt issued during the year? (Section 21-33-303) | Y |
| 2. Has the municipality levied and collected taxes, in a sufficient amount for the retirement of general obligation debt principal and interest? (Section 21-33-87) | Y |
| 3. Have the required trust funds been established for utility revenue bonds? (Section 21-27-65) | N/A |
| 4. Have expenditures of bond proceeds been strictly limited to the purposes for which the bonds were issued? (Section 21-33-317) | N/A |

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- 5. Has the municipality refrained from borrowing, except where it had specific authority? (Section 21-17-5) Y

PART V - TAXES AND OTHER RECEIPTS

- 1. Has the municipality adopted the county ad valorem tax rolls? (Section 27-35-167) Y
- 2. Are interest and penalties being collected on delinquent ad valorem taxes (Section 21-33-53) Y
- 3. Has the municipality conducted an annual land sale for delinquent ad valorem taxes? (Section 21-33-63) Y
- 4. Have the various ad valorem tax collections been deposited into the appropriate funds? (Separate Funds for Each Tax Levy) (Section 21-33-53) (Separate Funds for Each Tax Levy) (Section 21-33-53) Y
- 5. Has the increase in ad valorem taxes, if any, been limited to amounts allowed by law? (Sections 27-39-320 and 27-39-321) NA
- 6. Are local privilege taxes collected from all businesses located within the municipality, except those exempted? (Section 27-17-5) Y
- 7. Are transient vendor taxes collected from all transient vendors within the municipality, except those exempted? (Section 75-85-1) Y
- 8. Is money received from the state's "Municipal Fire Protection Fund" spent only to improve municipal fire departments? (Section 83-1-37) Y
- 9. Has the municipality levied or appropriated not less than ¼ mill for fire protection and certified to the county if provides its own fire protection or allowed the county to levy such tax? (Sections 83-1-37 and 83-1-39) Y
- 10. Are state-imposed court assessments collected and settled monthly? (Section 99-19-73) Y
- 11. Are all fines and forfeitures collected when due and settled immediately to the municipal treasury? (Section 21-15-21) Y
- 12. Are bids solicited by advertisement or, under special circumstances, three appraisals obtained when real property is sold? (Section 21-17-1) Y

The following 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 AMENDMENT TO AGREEMENT WITH THE MUNICIPAL GAS AUTHORITY OF MISSISSIPPI (MGAM)

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following amendment to the City's agreement with the Municipal Gas Authority of Mississippi (MGAM) to provide natural gas:

NOTICE PURSUANT TO ARTICLE V OF THE AGREEMENT WITH THE MUNICIPAL GAS AUTHORITY OF MISSISSIPPI

The City of Picayune, Mississippi is a party to a "Natural Gas Supply Agreement" with the Municipal Gas Authority of Mississippi ("MGAM"), executed by the Municipality on July 5, 2000 (the "Agreement"). Article V of the Agreement provides that the City of Picayune shall have the option to extend the initial 10-year of the Agreement for an additional two years at the expiration of the initial 10-year term, by providing notice to MGAM not later than 180 days before the end of the initial term. The City of Picayune, hereby provides notice to MGAM that it has determined that it will not exercise the option to extend the term of the Agreement at the expiration of the initial 10-year term. This determination is irrevocable.

Woody Spiers, Mayor
Date: _____

Attest:

Sabrina Diamond, City Clerk
Date: _____

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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.

At this time, City Attorney Gerald Cruthird entered the meeting.

ORDER TO APPROVE MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the monthly claims docket for November, 2000 in the total amount of \$456,519.37. The following 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 PROCLAMATION RELATED TO "AMERICAN EDUCATION WEEK"

Upon request of the Picayune Association of Educators, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to adopt the following proclamation related to "American Education Week":

PROCLAMATION

WHEREAS, America's public schools serve all of the children of all of the people; and

WHEREAS, the strength of a community is measured by the schools it keeps; and

WHEREAS, the schools of the 1990s need broad citizen support to meet the diverse needs of today's families and to help each student achieve his or her potential; and

WHEREAS, educational excellence is built on the involvement of the entire community, including parents, business leaders, elected officials, public service personnel, and senior citizens.

NOW, THEREFORE, be it proclaimed by the Mayor and City Council of the City of Picayune, Mississippi, that the week of November 12 - 18, 2000 be proclaimed

American Education Week

in Picayune. All citizens are urged to observe this week with appropriate activities and to renew their commitment to the education of every child.

Signed this the 7th day of November, 2000.

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, City Manager Kay Johnson entered the meeting.

SWIM TEAM

Representatives of the Picayune Piranha's Swim Team addressed the Council regard the status of their funding request that was made during the month of August. They stated that they had been before the Advisory Park Commission as instructed by the Council but that their request had been tabled. The representatives were advised to continue to work with the Commission. No official action was taken.

ORDER TO APPOINTMENT MEMBER TO THE HOUSING AUTHORITY BOARD

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to appoint Lex Doby to the Housing Authority Board for a five-year term to expire in November 2005. The following 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 JERUSALEM/BLANKS SIGNAL PROJECT

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to award the bid on the construction of the Jerusalem/Blanks Signal Project to the low bidder, B & B Utility Contractors, Inc., in the amount of \$61,502.00 and to authorize the Mayor to sign the following contract:

CONTRACT

This Contract, made this the 7th day of November, 2000, 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 ROADWAY AND TRAFFIC SIGNAL IMPROVEMENTS said project being designated SURFACE TRANSPORTATION PROGRAM PROJECT NO. STP-9601(4) Mississippi Department of Transportation Number 49-9601-00-004-10, 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

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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 Sixty-One Thousand, Five Hundred Two Dollars and 00/100 Cents (\$61,502.00), 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 the 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 the 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 Sixty-One Thousand, Five Hundred Two Dollars and 00/100 Cents (\$61,502.00).
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 Sixty-One Thousand, Five Hundred Two Dollars and 00/100 Cents (\$61,502.00).
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 transactions, 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

Contractor

BY _____
Mayor

BY _____

ATTEST _____
City Clerk

ATTEST _____

(Seal)

(Seal)

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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.

AUTHORIZATION TO ADVERTISE FOR BIDS FOR CONSTRUCTION OF SOCCER FIELDS

Upon recommendation of the Public Works Director and the Advisory Park Commission, motion was made by Councilmember Roberson, seconded by Councilmember Bates, to authorize the Purchasing Agent to advertise for bids for fill materials to be used for construction of soccer fields on Palestine Road and at Friendship Park. The following 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 TO ADVERTISE FOR BIDS FOR SEWER IMPROVEMENTS AT THE PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for bids for construction of sewer improvements and pump station rehabilitation for the Picayune Municipal 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 ACCEPT MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Guy, seconded by Councilmember Roberson, to accept the minutes of the Planning Commission dated September 25, 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 ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to acknowledge receipt of the minutes of the Planning Commission dated October 19, 2000. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

CONSIDER REQUEST TO CHANGE DIRECTION OF BROOKVIEW LANE

Upon request of the River Oaks Property Owners Association, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the change in the traffic flow direction of Brookview Lane from a west to east flow to an east to west flow. The following 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 REQUEST FOR HOME OCCUPATION LICENSE FOR 111 WHITFIELD STREET

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to deny the request of Shirley Campos/Harvick for a home occupation license to operate a catering service at 111 Whitfield 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 REQUEST FOR HOME OCCUPATION LICENSE FOR 1115 MERRYDALE DRIVE

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to grant the request for a home occupation license for Terrilyn Griffith, 1115 Merrydale Drive, R-1 zone, to operate as an events coordinator. The following 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 REQUEST FOR HOME OCCUPATION LICENSE FOR 204-B VAUGHN STREET

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to grant the request for a home occupation license for Karen Hinton, 204-B Vaughn Street, R-2 zone, to operate a janitorial service. The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

CONSIDER REQUEST FOR CONDITIONAL USE FOR 505 WILLIAMS AVENUE

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve a conditional use for the Lower Pearl River Valley Foundation for 505 Williams Avenue to be used as office space. The following 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 REQUEST FOR SIDE YARD VARIANCE FOR 3307 HIGHWAY 11 NORTH

Motion was made by Councilmember Guy, seconded by Councilmember Bates, to approve a 5' side yard variance for 3307 Highway 11 North in order that the owner, James A. Stockstill, may construct a mini-storage 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 AUTHORIZE THE MAYOR TO SIGN FY2000 LOCAL LAW ENFORCEMENT BLOCK GRANT AWARD

Upon recommendation of the Police Chief and the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following grant award for a FY2000 Local Law Enforcement Block Grant Award in the amount of \$13,807.00 with a local match of \$1,534.00:

U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS

1. GRANTEE NAME AND ADDRESS	Picayune City 203 Goodyear Boulevard 328 South Main Street Picayune, MS 39466-4416 646000973
1A. GRANTEE IRS/VENDOR NO.	
2. SUBGRANTEE NAME AND ADDRESS	
3. PROJECT TITLE	Local Law Enforcement Block Grant
4. AWARD NUMBER	2000-LB-BX-2949
5. PROJECT PERIOD	FROM 10/01/1999 TO 09/30/2001
BUDGET PERIOD	FROM 10/01/1999 TO 09/30/2001
6. AWARD DATE	09/30/2000
7. ACTION	Initial
8. SUPPLEMENTAL NUMBER	
9. PREVIOUS AWARD AMOUNT	\$0.00
10. AMOUNT OF THIS AWARD	\$13,807
11. TOTAL AWARD	\$13,807
12. SPECIAL CONDITIONS	THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH

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- | | | |
|------|---|--|
| | | CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED 4 PAGES |
| 13. | STATUTORY AUTHORITY FOR GRANT | OTHER (Specify): Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000 (pub. L. No. 106-113) |
| 14. | FUTURE FISCAL YEAR(S) SUPPORT: | |
| | SECOND YEAR'S BUDGET PERIOD | N/A |
| | AMOUNT OF FUNDS | N/A |
| | TYPE OF FUNDS | |
| | THIRD YEAR'S BUDGET PERIOD | N/A |
| | AMOUNT OF FUNDS | N/A |
| | TYPE OF FUNDS | |
| 15. | METHOD PAYMENT | THE GRANTEE WILL RECEIVE CASH VIA A LETTER OF CREDIT - NO |
| 16. | TYPED NAME AND TITLE OF APPROVING OJP OFFICIAL | Nancy E. Gist, Director
Bureau of Justice Assistance |
| 17. | SIGNATURE OF APPROVING OJP OFFICIAL | /s/ |
| 18. | TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL | Woody Spiers, Mayor |
| 19. | SIGNATURE OF AUTHORIZED GRANTEE | |
| 19A. | DATE | |
| 20. | ACCOUNTING CLASSIFICATION CODES | FISCAL YEAR X
FUND CODE B
BUD. ACT. LI
OFC. 80
DIV. REG. 00
SUB. 00
POMS |
| 21. | L18M14 | L100U04449 |

SPECIAL CONDITIONS

- The recipient agrees to comply with the financial and administrative requirements set forth in the current edition of the Office of Justice Programs (OJP) Financial Guide.
- The recipient agrees to comply with the organizational audit requirements of OMB Circular, A-133, Audits of States, Local Governments and Non-Profit Organizations, as further described in OJP's Financial Guide, Chapter 19.
- The recipient acknowledges that failure to submit an acceptable Equal Employment Opportunity Plan (if recipient is required to submit one pursuant to 28 CFR 42.302), that is approved by the Office of Civil Rights, is a violation of its Certified Assurances and may result in funds from the award being frozen, until such time as the recipient is in compliance.
- The recipient agrees that federal funds under this award will be used to supplement but not supplant state or local funds, pursuant to section 101 (g) of H.R. 728, 104th Congress (1995).
- The recipient shall submit one copy of all reports and proposed publications resulting from this agreement twenty (20) days prior to public release. Any publications (written, visual, or sound), whether published at the recipient's or government's expense, shall contain the following statement: (NOTE: This excludes press releases, newsletters, and issue analysis.) "This project was supported by Grant No. 2000-LB-BX-2949 awarded by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. Points of view in this document are those of the author and do not necessarily represent the official position or policies of the U.S. Department of Justice."
- The recipient agrees to provide information required for any national evaluation conducted by the U.S. Department of Justice.
- The recipient agrees, if the funds are used for the hiring and employing of new, additional law enforcement officers and/or support personnel, as described in the applicable purpose area of Subpart A section 101a (a)(2) of H.R. 728, 104th Cong. (1995), that the recipient unit of local government will achieve a net gain in the number of law enforcement officers who perform non-administrative public safety service. If the funds are used for the hiring and employing of new, additional law enforcement officers and/or support personnel, the unit of local government will establish procedures to give members of the Armed Forces who, on or after October 1, 1990, were or are selected for involuntary separation (as described in section 1141 of Title 10, United States Code), approved for separation under section 1174a or 1175 of such title, or retired pursuant to the authority provided under section 4403 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 10 U.S.C. 1923 note), a suitable preference in the employment of persons as additional law enforcement officers or support personnel.

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8. The recipient agrees this award document constitutes the obligation of federal funds for use by the recipient in execution of the program or project covered by the award. Such obligation may be terminated without further cause if the recipient fails to affirm its timely utilization of the award by accepting the award and special conditions within 45 calendar days from the date of award.
9. The recipient agrees to submit the Request for Drawdown via the Internet system within 90 calendar days from the date of award, or to have all funds deobligated for redistribution during the next funding cycle.
10. The recipient agrees to one 24 month obligation and expenditure period, as established at the approval of the Request for Drawdown. All funds must be expended by the end of this 24 month period with no exceptions.
11. The recipient is required to establish a trust fund account. This fund may not be used to pay debts incurred by other activities beyond the scope of the Local Law Enforcement Block Grants Program. The recipient also agrees to obligate and expend the grant funds in the trust fund (including any interest earned) during the 24 month period. Grant funds (including any interest earned) not expended by the end of the 24 month period must be returned to the Office of the Comptroller (OC) by the end of the 27th month, along with the final submission of the Financial Status Report (SF-269A).
12. The recipient agrees to submit semiannual progress reports via the Internet system for the life of the grant. Reports are due within 45 calendar days after the end of the reporting periods, which are June 30 and December 31.
13. The recipient agrees, if funds are used for enhancing security, that the unit of local government -
 - (a) has an adequate process to assess the impact of any enhancement of a school security measure, that is undertaken under subparagraph (B) of section 101(a)(2), on the incidence of crime in the geographic area where the enhancement is undertaken;
 - (b) will conduct such an assessment with respect to each such enhancement; and,
 - (c) will submit to the Bureau of Justice Assistance (BJA) an annual assessment report via the Internet system.
14. The recipient agrees to comply with 28 CFR Part 23 if federal funds are used to support Criminal Intelligence Systems.
15. The recipient agrees to assist BJA in complying with the National Environmental Policy Act (NEPA) and other related federal environmental impact analyses requirements in the use of these grant funds, either directly by the recipient or by a subrecipient. Accordingly, prior to obligating grant funds, the recipient understands that this special condition applies to its following new activities, whether or not they are being specifically funded with these grant funds. That is, as long as the activity is being conducted by the recipient, a subrecipient, or any third party, and the activity needs to be undertaken in order to use these grant funds, this special condition must first be met. The activities covered by this special condition are:
 1. New construction;
 2. Minor renovation or remodeling of a property either (a) listed on or eligible for listing on the National Register of Historic Places or (b) located within a 100-year flood plain;
 3. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size; and
 4. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or educational environments.

Application of This Special Condition to Recipient's Existing Programs or Activities:
For any of the recipient's or its subrecipient's existing programs or activities that will be funded with these grant funds, the recipient, upon specific request from BJA, agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity.
16. The recipient agrees to ensure that the State Information Technology Point of Contact receives written notification regarding any information technology project funded by this grant during the obligation and expenditure period. This is to facilitate communication among local and state governmental entities regarding various information technology projects being conducted with these grant funds. In addition, the recipient agrees to maintain an administrative file documenting the meeting of this requirement. For a list of State Information Technology Points of Contact, go to <http://www.ojp.usdoj.gov/ec/states.htm>
17. The recipient agrees to provide and expend a 10 percent cash match (calculated as 1/9 of the federal award amount) before the end of the 24 month obligation and expenditure period. The recipient is reminded that the matching funds are auditable under Special Condition #2 and will be binding to the recipient.
18. The recipient agrees that prior to the obligation or expenditure of any LLEBG funds, at least one (1) public hearing will be held regarding the proposed use (s) of the grant funds. The recipient must also provide verification to BJA, via the Internet system, of the public hearing. At the hearing, persons shall be given an opportunity to provide written and oral views to the recipient on the proposed use(s) of the grant funds. The recipient will hold the public hearing at a time and place that allows and encourages public attendance and participation. The recipient may not request a drawdown of funds until these requirements are met and the formal budget allocations are adopted by the recipient.
19. The recipient agrees that prior to the obligation or expenditure of any LLEBG funds, a previously designated or newly established advisory board will meet to discuss the proposed use(s) of the grant funds. The recipient will designate the advisory board to make nonbinding recommendations on the use(s) of funds under the LLEBG Program. Membership on the advisory board must include a representative from the following, though it may be broader:

REGULAR MEETING DATED NOVEMBER 7, 2000

- a) the local police department or sheriff's department;
- b) the local prosecutor's office;
- c) the local court system;
- d) the local school system; and,
- e) a local nonprofit, educational, religious, or community group active in crime prevention or drug use prevention or treatment.

The recipient may not request a drawdown of funds until these requirements are met and the formal budget allocations are adopted by the recipient.

20. The recipient has certified it is not in compliance with the Public Safety Officers' Health Benefits Provision of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000 (Pub. L. No. 106-113). Therefore, the recipient will receive not more than 90 percent of the eligible award amount (or, if less than the eligible amount was requested, of that amount). This provision makes no allowances for a unit of local government to come into compliance during the life of the grant; consequently BJA will not consider requests to adjust the adjusted award amount.

The following 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 DEVELOPMENT INFRASTRUCTURE GRANT PROGRAM (DIP) 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 Development Infrastructure Grant Program (DIP) grant agreement with the Mississippi Development Authority for grant funds of \$150,000.00 to be used for infrastructure improvements at the Picayune Municipal Airport:

This Grant Agreement, dated as of November 1, 2000 (this "Agreement"), by and between the Mississippi Development Authority (MDA) acting for and on behalf of the State of Mississippi and the entity set forth in Item 1 of Annex A (the "Local Entity").

WITNESSETH:

WHEREAS, the Mississippi Business Investment Act, Section 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 and through securing new or expanded industry in the State by providing loans and grants to municipalities, as defined in the Act, to assist them in securing investments by private companies locating or expanding in the State; and

WHEREAS, pursuant to Section 57-61-36 of the Act, MDA is authorized to make grants to municipalities or counties to complete infrastructure related to new or expanded industry or to aid in infrastructure related improvements as determined by MDA for the purchase of equipment and in the purchase, construction or repair and renovation of public facilities; and

WHEREAS, pursuant to the Act and guidelines adopted by MDA under the Act (the "Guidelines"), the Local Entity has filed an application (the "Application") with MDA for a grant 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, MDA has agreed to provide the Local Entity with a grant under the Act in the amount set forth in Item 3 of Annex A (the "Grant") 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, the Project is authorized by the Act; and

WHEREAS, the parties hereto agree that it is necessary to provide for and demonstrate compliance with the provisions of the Act;

WHEREAS, it is also necessary to assure that the public purpose of the Act is satisfied in order not to be in contravention of those provisions of the Mississippi Constitution prohibiting the State from making donations or granting gratuities by establishing that the Project is an investment resulting in a significant and measurable increase in employment in the State; and

REGULAR MEETING DATED NOVEMBER 7, 2000

WHEREAS, the Local Entity, in its discretion, may establish a revolving loan program wherein the Local Entity utilizes the proceeds of the Grant for qualified Projects and loans such monies to a qualified Project and requires that such Project make repayment to the Local Entity.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the parties hereto intend to be legally bound hereby and in consideration of the mutual covenants hereinafter contained do hereby agree as follows:

Section 1. Grant. MDA hereby agrees to make to the Local Entity and the Local Entity hereby agrees to accept from MDA a Grant pursuant and subject to the terms of this Agreement and the Act as set forth in Item 3 of Annex A. The Local Entity hereby agrees that it will apply the proceeds of the Grant only to the costs of the Project as more fully described in the Application. The Grant shall be disbursed by MDA to the Local Entity in installments as provided in this Agreement pursuant to Item 4 of Annex A. MDA'S obligation to make the Grant and to disburse the Grant in installments shall be subject to all of the terms and conditions of this Agreement and the Local Entity satisfying all of its obligation under this Agreement and the Act.

Section 2. Disbursements. The obligation of MDA to make any disbursements of the Grant shall be subject to the following conditions, as well as any others herein set forth:

- a. the Local Entity shall not be in default under this Agreement or the Act;
- b. development of the Project shall have progressed at a rate and in a manner reasonably satisfactory to MDA; and
- c. receipt by MDA of a certificate of a representative of the Local Entity in the form set forth in paragraph 3 hereof and the notice required of the Local Entity set forth in paragraph 4 hereof for such disbursement in a form satisfactory to MDA. If the Local Entity fails at any time to meet the conditions precedent to any disbursement of the Grant as specified in the preceding sentence, the obligation of MDA to make further disbursements in connection with the grant shall cease until such time and such condition precedent is met and satisfied. The parties hereto agree that disbursements by MDA to the Local Entity of the Grant may be made from time to time or at one time over a one (1) year period. The disbursements shall be made in accordance with Item 4 of Annex A. All rights of the Local Entity to request disbursement of any portion of the Grant Agreement, November 1, 2001, shall be forfeited to the State and may be applied by the State in any manner consistent with the terms of the resolution of the State directing the issuance and prescribing the form and details of the Bonds.

Section 3. Conditions. A condition precedent to all disbursements of the Grant shall be the delivery of a certificate of a representative of the Local Entity to the effect that:

- a. to the best of his knowledge, the representations and warranties of the Local Entity contained in this Agreement are true and correct as of the date of the disbursements with the same effect as of made on the date of such disbursements;
- b. this Agreement has been duly authorized, executed and delivered by the Local Entity and constitutes a legal, valid and binding obligation of the Local Entity enforceable in accordance with its terms, except as such enforceability 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 may be limited by the availability of any particular remedies;
- c. this Agreement has not been amended or supplemented or modified since the date of its execution and remains in full force and effect as of the date of the disbursement;
- d. the authorization, execution and delivery of this Agreement by the Local Entity, and compliance by the Local Entity with the provisions hereof, will not conflict with or constitute a breach or default of the Local Entity's duties hereunder or under any law, administrative regulation, court decree, resolution, charter, bylaw or other agreement to which the Local Entity is subject or by which it is bound; and
- e. there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the best of his knowledge, after reasonable investigation and due inquiry, threatened against the Local Entity in any way contesting or affecting the validity of this Agreement or contesting the powers of the Local Entity to enter into or perform its obligation under this Agreement.

Section 4. Requisitions. A condition precedent to all disbursements of the Grant shall be the presentation to the State Treasurer of a warrant issued by the Department of Finance and Administration of the State or its successor to such duties, which warrant shall be issued under proper requisition signed by the Executive Director of MDA, all pursuant to Section 57-61-21 (1) of the Act. Warrants may only be issued for costs and expenses which are authorized by the Act. No requisition shall be executed by the Executive Director of MDA until the following shall have been satisfied:

- a. The Local Entity shall have provided MDA with reasonable written notice of the amount of the Grant disbursement requested by the Local Entity. Such notice shall contain all information necessary to enable MDA to prepare the requisition for a warrant described in this paragraph 4 including, without limitation, the name and title of the requesting representative of the Local Entity, the name of the vendor to be paid or the party to be reimbursed for its previous payment of the work performed and a description of the work performed. In addition, such notice shall certify that the amount requested is the just amount due at the current time, is currently unpaid, is for a product or service which has heretofore been delivered or performed and that all statutory requirements in connection with the acquisition of such product or service have been complied with by the Local Entity.

REGULAR MEETING DATED NOVEMBER 7, 2000

- b. MDA shall have indicated in writing its approval of the request for the Grant disbursement.

Section 5. Representations of MDA. MDA makes the following representations as the basis for the undertakings on the part of the Local Entity herein contained:

- a. MDA 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. MDA has full power and authority to enter into the transactions contemplated by this Agreement and to carry out its obligation hereunder.
- c. MDA 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 MDA, 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 other similar laws limiting the enforceability of creditors' rights generally; or
 - (2) by the availability of any discretionary equitable remedies.
- d. The Grant to complete infrastructure related to new or expanded industry or to aid in infrastructure related improvements as determined by the MDA for the purchase of equipment and the purchase, construction or repair and renovation of public facilities, as provided by this Agreement, will further the purposes of this Act, to wit: for the purpose of enhancing the process of local economic development through the creation of jobs.

Section 6. Representations of the Local Entity. The Local Entity makes the following representations as a basis for the Grant and the undertakings on the part of MDA, herein contained:

- a. The Local Entity has all necessary power and authority to enter into and perform its duties under this Agreement and, when executed and delivered by the respective parties hereto, this Agreement will constitute a legal, valid and binding obligation of the Local Entity enforceable in accordance with its terms except to the extent that the enforceability of the rights set forth herein 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 may be limited by the validity of any particular remedy.
- b. The execution and delivery of this Agreement and compliance with the provisions hereof 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, bylaws or other agreement to which the Local Entity is subject or by which it is bound.
- c. There is no consent, approval, authorization or other order of, filing with, or certification by, any regulatory authority having jurisdiction over the Local Entity required for the execution, delivery or the consummation by the Local Entity of any of the transactions contemplated by this Agreement and not already obtained.
- d. There is no action, suit proceeding or investigation at law or in equity before or by any court or 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 in any way contesting or affecting the validity of this Agreement or contesting the powers of the Local Entity to adopt, enter into or perform its obligations under this Agreement or materially and adversely affecting the properties or condition (financial or otherwise) or existence or powers of the Local Entity.
- e. The Local Entity will not discriminate against any employee or any applicant for employment because of the race, religion, color, national origin, sex or age.
- f. The Local Entity shall comply with the terms and provisions of this Agreement and the Act.
- g. The Local Entity certifies that all of the material information contained in the Application is true and correct as of the date of the Application and the date of this Agreement. The Local Entity further acknowledges that MDA, in making the Grant, is relying upon the truthfulness and correctness of the material information contained in the Application.
- h. The Local Entity represents and warrants that it will further the purposes of the Act, to wit:
- to provide infrastructure, equipment and construction, repair and renovation of public facilities for the purpose of enhancing the process of local economic development through the creation of jobs.

Section 7. Revolving Loan Program. The Local Entity, in its discretion may establish a revolving loan program wherein the Local Entity utilizes the proceeds of the Grant for qualified Projects and loans such monies to a qualified Project and requires that such Project make repayment to the Local Entity. The Loan to a qualified Project shall be executed pursuant to a loan agreement and all other documents necessary to properly execute the Loan. The Local Entity may loan all monies received in the form of repayment to other qualified Projects. All future Projects applying to receive a loan pursuant to the revolving loan program must submit to the MDA for approval. No loan shall be granted unless MDA has awarded approval of the Project.

Section 8. Termination. MDA may terminate its obligation to honor any disbursement of the Grant at any time prior to any disbursement of the Grant if any event occurs which would constitute a default under this Agreement.

REGULAR MEETING DATED NOVEMBER 7, 2000

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 on Item 5 of Annex A hereto or to such other addresses that the parties may designate in writing.

Section 10. Miscellaneous.

- a. This Agreement has been made by MDA (acting for and on behalf of the State), the Local Entity and the Company, and no person other than the foregoing and their successors or assigns shall acquire or have any right under or by virtue of this Agreement.
- b. This Agreement shall become effective upon the execution and the acceptance hereof by the parties hereto and shall be valid and enforceable from and after the time of such execution and acceptance.
- c. If any paragraph or part of a paragraph of this Agreement shall be declared null and void or unenforceable against any of the parties hereto by any court of competent jurisdiction, such declaration shall not affect the validity or enforceability of any other section or part of a paragraph of this Agreement.
- d. In the event any agreement contained in this Agreement shall be breached and such breach shall thereafter be waived, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
- e. This Agreement shall inure to the benefit of MDA and the Local Entity and shall be binding upon MDA and the Local Entity and their respective successors and assigns.
- f. This Agreement shall be governed as to its validity, construction and performance by the laws of the State.
- g. 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 and the same agreement.
- h. No amendment, change, modification, alteration or termination of this Agreement shall be made other than pursuant to a written instrument signed by the parties to this Agreement.

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

MISSISSIPPI DEVELOPMENT AUTHORITY
(ACTING FOR AND ON BEHALF OF THE STATE
OF MISSISSIPPI)

By: _____
Executive Director

ATTEST:

Director of Financial Resources

LOCAL ENTITY

By: _____
Title: _____

ATTEST: _____
Title: _____

**Annex A
To
Grant Agreement**

- Item 1 - Name of Local Entity:
CITY OF PICAYUNE, MISSISSIPPI
- Item 2 - Description of Project:
DIP funds will used to provide water improvements to the airport and to the proposed Chevron facility.
- Item 3 - Grant Award
\$150,000.00
- Item 4 - Grant Terms and Conditions:
Funds will be disbursed on a reimbursable basis. All funds must be disbursed by November 1, 2001.

REGULAR MEETING DATED NOVEMBER 7, 2000

Item 5

Address Notice:
 Mississippi Development Authority
 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, 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.

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter executive session to discuss a matter involving the location of a business, two matters of potential litigation, and a personnel matter. The following 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, two matters 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 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, two matters of potential litigation, and a personnel matter and took no action on any of the items.

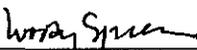
REGULAR MEETING DATED NOVEMBER 7, 2000ORDER TO RECESS

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to recess until November 21, 2000 at 6:00. 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.



Woody Spiers, Mayor



Sabrina Diamond, City Clerk

November 21, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, November 21, 2000, 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 Assistant Police Chief David Ervin.

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 Bates, to approve the minutes of the Mayor and City Council dated November 7, 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 SET DATE FOR PROPERTY CLEANUP PUBLIC HEARING ON 925 PALESTINE ROAD

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to set the date and time of January 16, 2001 at 6:00 p.m. for a property cleanup public hearing for 925 Palestine 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 AUTHORIZE MAYOR TO SIGN UNIFORM RENTAL CONTRACT

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract with Cintas Corporation for uniform rental for City employees:

STANDARD UNIFORM RENTAL

Customer	City of Picayune	Date	_____
Address	203 Goodyear Boulevard	City	Picayune
		State	MS
		Zip	39466

The undersigned (hereinafter called "CUSTOMER") orders from CINTAS CORPORATION or any of its subsidiaries (hereinafter called "COMPANY") a Rental Garment Service for all of the

RECESSED MEETING DATED NOVEMBER 21, 2000

Customer's garment rental requirements during the term of this agreement, at the prices and upon the conditions, as outlined below:

____ employees to be furnished 5 changes of custom shirts/pants per week @ 5.86 per person per week
____ employees to be furnished 5 changes of custom shirts/pants/coveralls @ 5.86 per person per week

All garments will be cleaned and maintained by the Company. Any garments that require replacement due to normal wear will be replaced by the Company at no charge to the Customer.

Unless specified otherwise, the garments supplied under this agreement are not flame retardant or acid resistant and contain no special flame retardant or acid resistant features. They are not designed for use in areas of flammability risk or where contact with hazardous materials is possible. Flame retardant and acid resistant garments are available from Company on request. Customer warrants that none of the employees for whom garments are supplied pursuant to this agreement require flame retardant or acid resistant clothing.

Customer agrees to notify Company, in writing, of any hazardous materials that may be picked up by Company in the soiled garments or other textiles serviced under this agreement. In no case will hazardous materials be present to the extent that they may be harmful to Company's employees.

The weekly service charge for any individual leaving the employ of the Customer can be terminated, but only after all garments issued to that individual, or the value of same, have been returned to the Company. All garments remain the property of the Company. In the event of rental items being lost, stolen, or destroyed by fire, acid, paint, gross neglect, or otherwise, the Customer will pay for said rental items at the following rates:

REPLACEMENT VALUE			
ITEM Custom Shirts	VALUE 13.00	ITEM Custom Coveralls	VALUE 22.00
ITEM Custom Pants	VALUE 15.00	ITEM	VALUE

This service agreement is effective as of the date of execution above and shall remain in effect for thirty-six (36) months from the date of installation. The agreement shall be automatically renewed for the same period of time unless the Company is notified, to the contrary, in writing, sixty days in advance of the expiration of the then current term. Upon each anniversary date of this agreement, the Company will automatically increase the prices then in effect by the amount of the increase in the Consumer Price Index for the previous twelve months of 5%.

Customer hereby agrees to indemnify and hold the Company harmless from any claims arising out of or associated with the use of the product, including any claims allegedly arising from defects.

The Company guarantees to deliver the highest quality textile rental service at all times. Any complaints about the quality of the service which have not been taken care of in the normal course of business must be sent by registered letter to the Company's General Manager. If the Company then fails to resolve any material complaint in a reasonable period of time, the Customer may terminate this agreement provided all rental items are paid for at the rates listed above as replacement values or returned to the Company in good and usable condition.

Additional employees and products may be added to this agreement upon written or verbal request of the Customer. In the event of cancellation of this service agreement by the Customer prior to the termination date, other than for failure of the Company to perform under its guarantee, the Customer will pay the greater of 50% of the weekly service charge per week for the unexpired term, or buyback all the garments and other products in inventory at the rates listed above as replacement value.

The Customer certifies that the Company is in no way infringing upon any existing contract between the Customer and any other uniform rental service.

Terms of Payment: 10th E.O.M. or C.O.D. Firm _____
Accepted by /s/ Thomas Hardaway By _____
CINTAS LOCATION NO. 240 Name & Title _____
14081 Fastway Lane, Gulfport, MS 39503 _____

The following 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 PRODUCT RENTAL CONTRACT

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract with Cintas Corporation for special products rental for City departments:

RECESSED MEETING DATED NOVEMBER 21, 2000**SPECIAL PRODUCTS RENTAL**

Contract No. 9718
 Customer No. 1054, 1279, & 9718
 Date _____
 Phone 601-799-0605
 State MS Zip 39466

Customer City of Picayune
 Address 203 Goodyear Boulevard City Picayune

The undersigned (hereinafter called "Customer") orders from CINTAS CORPORATION or any of its subsidiaries (hereinafter called "Company") a special products rental service for all of the Customer's special products rental needs and requirements, during the term of this agreement, at the prices and upon the conditions as outlined below:

Item No.	PR CD	Description	Del Freq.	Qty.	Unit Price	Repl. Value	Deposit
2160		Shop Towel Red 18x18	W1	200/100	.105	.35	
2412 2338		3x5 Floor Mat	W1		3.50	45.00	
2477		First Step Mat	W1		3.00	45.00	
9024		Paper Towel Service	W1		2.75		
9109		Tissue Service	W1		1.65		
		3x10 Floor Mat	W1		6.00	85.00	

MINIMUM CHARGE IS _____ PER DELIVERY

All items will be cleaned and maintained by the Company. All items that require replacement due to normal wear will be replaced by the Company at no charge to the Customer.

The service charge for any item can be terminated, but only after all items issued to the Customer, or the value of same, have been returned to the Company. All items remain the property of the Company. In the event items are lost, stolen, or destroyed by fire, acid, paint, gross neglect, or otherwise, the customer will pay for said items at replacement value.

Customer agrees to notify Company, in writing, of any hazardous materials that may be picked up by Company in the soiled garments or other textiles services under this agreement. In no case will hazardous materials be present to the extent that they may be harmful to Company's employees.

This service agreement is effective as of the date of execution above and shall remain in effect for thirty-six (36) months from the date of installation. The agreement shall be automatically renewed for the same period of time unless the Company is notified, to the contrary, in writing, sixty days in advance of the expiration of the then current term. The Company has the right to increase prices. The Customer has the right to reject the price increase. If the Customer rejects the price increase, the Company reserves the right to terminate this Service Agreement.

Customer hereby agrees to indemnify and hold the Company harmless from any claims arising out of or associated with the use of the product, including any claims allegedly arising from defects.

The company guarantees to deliver the highest quality textile rental service at all times. Any complaints about the quality of the service which have not been taken care of in the normal course of business must be sent by registered letter to the Company's General Manager. If the Company then fails to resolve any material complaint in a reasonable period of time, the Customer may terminate this agreement provided all rental items are paid for at the rates listed above as replacement values or returned to the Company in good and usable condition.

Additional items may be added to this service agreement upon the written or verbal request of the Customer. In the event of the cancellation of this service agreement by the Customer prior to the termination date, other than for failure of the Company to perform under its guarantee, the Customer will pay the greater of 50% of the weekly service charge per item per week for the unexpired term, or buy back all of the special items in inventory at the rates listed above as replacement value.

The Customer certifies that the Company is in no way infringing upon any existing contract between the Customer and another special products rental service.

Terms of Payment: 10th E.O.M. or C.O.D. Firm _____
 Accepted by /s/ Thomas Hardaway By _____
 CINTAS LOCATION NO. 240 Name & Title _____
14081 Fastway Lane, Gulfport, MS 39503

The following roll call vote was taken:

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

RECESSED MEETING DATED NOVEMBER 21, 2000

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE 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:

<u>Parcel</u>	<u>Deed Name</u>	<u>Tax Year(s)</u>	<u>Assessed To</u>
617-623-001-04-006-00	Bobby Carter	1995, 1996 & 1997	Bobby Carter
617-827-000-010-00	V.L. Stanfield	1992, 1993, 1994, 1995, 1996 & 1997	V.L. Stanfield

The following 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 WHITE GOODS RECYCLING

Pursuant to the bid award from the October 17, 2000 Council meeting and upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the following contract with Whitfield Recycling regarding white goods recycling for the City:

WHITE GOODS DIVERSION/SEPARATION AGREEMENT
BY AND BETWEEN
WHITFIELD RECYCLING
(contractor)
and
CITY OF PICAYUNE

WHEREAS, the City desires to separate and divert portions of recyclable materials from its landfill as well as stimulate a growing recycling market; and

WHEREAS, the City desires to separate and release white goods at the landfill(s) to the Contractor for the purpose of recycling and to increase effective usage of the landfill; and

WHEREAS, the Contractor will collect these recyclable materials at an area of the City landfill to be designated by the parties of this agreement;

NOW, THEREFORE, for the consideration herein stated and subject to the conditions provided herein, the City and the contractor do hereby enter into this agreement for white goods separation and collection of white goods, as follows:

ARTICLE 1

The City shall separate and store various white goods in an area agreeable to both the City and Contractor and the landfill known as City of Picayune and located at Picayune, Mississippi.

ARTICLE 2

The City shall provide the necessary personnel, equipment and facilities for the collection, separation and storage of white goods. The "white goods" to be collected are identified as stoves, refrigerators, freezers, washers, dryers, water heaters, bathtubs, culverts, fence wire, etc.

ARTICLE 3

The Contractor shall collect and remove the white goods every 90 days. Additional collection may occur upon mutual agreement of the parties of this agreement.

ARTICLE 4

The contractor shall provide all personnel equipment and other resources for the baling, loading and transporting of the recyclable materials. The Contractor will pay to the City \$15.00 per Gross Ton or will make other arrangement. Payment will be NET 30 days.

ARTICLE 5

The City agrees that the white goods become the property of the contractor once the white goods have been baled. The City shall assume all responsibility for the white goods until baled by the Contractor.

RECESSED MEETING DATED NOVEMBER 21, 2000

ARTICLE 6

The Contractor shall assume liability for all applicable local, state and federal laws, including but not limited to environmental regulations related to the packaging and transportation of the white goods.

ARTICLE 7

The Contractor agrees to hold the City harmless from any and all legal action that may result from the Contractor's actions in handling the white goods.

ARTICLE 8

This is a continuing contract from the date hereof for a minimum of one year. Said renewal options to be exercised automatically unless notice of termination is given by either party thirty days prior to the end of the term.

ARTICLE 9

The Contractor may ask assistance from the City for the availability of a front end loader or dozer to keep the white goods within reach of the baler. The Contractor asks that dirt, wood, tires, plastic, glass or paper not be piled on top of the white goods, for the items cannot be baled.

ARTICLE 10

The Contractor will be responsible for the removal of freon, oil and capacitors from units requiring such. The Contractor adheres to all EPA regulations and is certified by the Environmental Protection Agency in refrigerant recovery. Also, the Contractor meets all requirements of the 608 Clean Air Act.

ARTICLE 11

The parties recognize and agree that this agreement constitutes the entire agreement between the parties and that any amendments hereto shall be made only in writing and executed by both parties.

ARTICLE 12

The parties agree that any venue of any legal proceedings pertaining to this contract shall be in Pearl River County, Mississippi and that Mississippi law applies to all provisions of this agreement. The prevailing party in any litigation between the parties arising out of this contract shall be entitled to recover reasonable attorney's fees and costs.

ARTICLE 13

Correspondence relating to this agreement shall be forwarded to the respective parties by U.S. Certified Mail, Return Receipt Required.

City:	City of Picayune 203 Goodyear Boulevard Attn: City Clerk Picayune, MS 39466
Contractor:	Whitfield Recycling P.O. Box 909 Bristol, FL 32321 Phone: (850) 643-4797 FAX: (850) 643-2333

ARTICLE 14

The effective date of this agreement shall be November 21, 2000.

The above conditions comprise the entire duties and obligations of this agreement and are understood and agreed to be the City and the Contractor as witnessed and authorized below.

Dated this 21st day of November, 2000.

_____	_____
City	Whitfield Recycling
_____	_____
Witness	Witness
_____	_____
Witness	Witness

The following 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 "FEDERAL ANNUAL CERTIFICATION REPORT" RELATED TO SHARING OF FEDERALLY SEIZED FUNDS

Upon recommendation of the Police Chief, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign the "Federal Annual Certification Report" related to local sharing of Federally seized funds. The following roll call vote was taken:

RECESSED MEETING DATED NOVEMBER 21, 2000

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

VOTING NAY: None

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF PUBLIC RECORDS REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Bates, to acknowledge receipt of the monthly Public Records Report for October 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 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 September 25, 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 ADOPT PROCLAMATION RELATED TO "HANNAH DAY"

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to adopt the following proclamation related to "Hannah Day":

PROCLAMATION

WHEREAS, Hannah Laborde, 4 year old daughter of Jennifer and Eric Laborde, granddaughter of Dixie and Glenn Dossett, has been diagnosed with a brain tumor; and

WHEREAS, Hannah is presently undergoing various chemotherapy treatments at M.D. Anderson Hospital in Houston, Texas; and

WHEREAS, Hannah will be hospitalized throughout the holidays and these treatments are very costly to the family; and

WHEREAS, New Palestine Baptist Church will sponsor a "Hannah Day" to help with the many medical expenses.

NOW, THEREFORE, be it proclaimed by the Mayor and City Council of the City of Picaune, Mississippi, that December 2, 2000 be proclaimed

HANNAH DAY

in Picaune. All citizens are urged to help make this a very special day for Hannah.

RECESSED MEETING DATED NOVEMBER 21, 2000Signed this 21st day of November, 2000._____
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.

ORDER TO ADOPT PROCLAMATION RELATED TO "BIBLE WEEK"

Motion was made by Councilmember Bates, seconded by Councilmember Roberson, to adopt the following proclamation related to "Bible Week":

PROCLAMATION

WHEREAS, the Bible has been a constant source of moral and spiritual guidance for many people throughout the centuries; and

WHEREAS, the Bible has profoundly influenced art, literature, music, and codes of law; and

WHEREAS, the Bible has motivated many to acts of compassion and charity; and

WHEREAS, the Bible continues to provide inspiration, hope and comfort for millions of Americans today; and

WHEREAS, for sixty years women and men of many faiths have banded together with the National Bible Association to sponsor National Bible Week as a time to be reminded of the Bible's unique place in American life; and

WHEREAS, this annual celebration has encouraged the reading of the Bible.

NOW, THEREFORE, be it proclaimed by the Mayor and City Council of the City of Picayune, Mississippi, that the week of November 19-26, 2000 be proclaimed

BIBLE WEEK

in Picayune. All interested citizens are encouraged to participate in this observance.

Signed the 21st day of November, 2000._____
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.

RECESSED MEETING DATED NOVEMBER 21, 2000CONSIDER REQUEST TO ADVERTISE THE RESOURCES OF THE CITY

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to purchase a full-page ad in the Picayune High School Yearbook in the amount of \$215.00 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.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 300 NORTH STEELE AVENUE

A property cleanup public hearing was held for property located at 300 North Steele Avenue and owned by Herbert Lee. The Grants Administrator reported that the property had been cleaned. No official action was taken.

PUBLIC HEARING ON PROPERTY CLEANUP FOR 1600 BENDER STREET

A property cleanup public hearing was held for property located at 1600 Bender Street and owned by Willie Cooley. The Grants Administrator reported that the property had been partially cleaned and that the owner had a contract to sell the building located on the property. Motion was made by Councilmember Bates, seconded by Councilmember Guy, to grant an extension on the public hearing until January 16, 2001. The following 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 TAX COLLECTION AGREEMENT WITH THE HANCOCK COUNTY TAX COLLECTOR

Upon recommendation of the City Clerk, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Mayor to sign the following interlocal agreement with the Hancock County Tax Collector related to collection of taxes for the Picayune School District for property physically located in Hancock County, Mississippi:

INTERLOCAL AGREEMENT RELATING TO
THE COLLECTION OF TAXES

WHEREAS, the City of Picayune, Mississippi, under the authority of Chapter 33, Title 21, Mississippi Code of 1972, as amended, and the County of Hancock, under the authority of Chapters 1, and 29-53, Title 27, Mississippi Code of 1972, as amended, presently maintain separate offices for the purpose of ad valorem tax collection; and

WHEREAS, it is the desire of both these local governmental units, under the authority of Chapter 13, Title 17, Mississippi Code of 1972, as amended, to serve the best interest of their taxpayers through consolidation of services and reduction of costs where possible;

NOW THEREFORE, IT IS AGREED, by and between the City of Picayune ("City") and County of Hancock ("County") as follows:

1. The duly elected Tax Collector of Hancock County shall assume the responsibility for the collection of all Municipal Separate School District taxes on real, personal and public utility properties, including motor vehicles.
2. This agreement will supersede and replace any previous agreements between the City and the County relating to the collection of taxes and the terms thereof.

RECESSED MEETING DATED NOVEMBER 21, 2000

3. The City agrees to allow the County to retain 2% of the gross collections under this agreement as a commission to the County, for any and all services, supplies, equipment, space and other effort necessary to carry out the terms of this agreement. The County agrees to maintain budget support to the County Tax Collector equal to the sum of FYE 9/30/00 Budget for the Tax Collector and the proceeds generated by this agreement, and to provide for reasonable changes in the budget commensurate with increases or decreases in the County's true value of real, personal, and public utility properties in the County, proper allowances being made for any changes in the County's overall financial capability.
4. Ad valorem taxes on real, personal, and public utility property shall be collected as soon as reasonably practical after October 1st of each year to insure that operating funds are available prior to the tax delinquency date of February 1st of the subsequent year.
5. All sums collected shall be delivered to the City on or before the 20th of the month following that in which said funds are collected.
6. The County Tax Collector shall collect all homestead exception charge backs and all damages and interest authorized by law on City and Municipal Separate School District Taxes, which shall be distributed within the same time limitations and in the same manner as described in the previous section.
7. The County Tax Collector will conduct land tax sales for the City at the same time, in a lawfully designated place, as land tax sales for the County are now held and the City will receive all interest, damages, and other fees from such sales that the City may be entitled to in accordance with the law. The City will be furnished with a list of all land sold for taxes on its behalf or struck off to the City, within 20 days after sale. The City will continue to be responsible for receiving and receipting for tax redemption payments, notifying owners of a time and expiration of redemption, and issuing tax deeds.
8. On or before August 1st of each year, the County will furnish the City with actual values and anticipated tax collection revenues on all real and personal property within the City and Municipal Separate School District.
9. The County Tax Collector will make refunds of all taxes erroneously collected by his office and will make proper adjustments to the daily and monthly distribution reports accordingly. The City agrees to allow the County Tax Collector credit for the list of delinquent or insolvent taxpayers properly presented to it in the same manner as prescribed by Chapter 49, Title 27, Mississippi Code of 1972.
10. The County will furnish the City with a supplemental homestead exemption roll containing homestead tax loss values on both regular and senior homestead properties for the City and Municipal Separate School District so that homestead reimbursement can be applied for with the State. The County will supply this information on or before December 15th of each calendar year.
11. The County shall pay unto the Tax Assessor - Collector the sum of One Thousand Dollars (1,000.00) for the collection of taxes set out in this agreement for his/her services rendered in collecting and distributing said taxes and he/she shall be liable for said collection and distribution.
12. Any real and personal property acquired under the auspices of this agreement shall be distributed to the party assuming the cost of such acquisition upon termination of this agreement.
13. The City shall have the right to audit the County Tax Collector's records at any time as they may relate to this contract in any way.
14. The County shall provide all tax collection services on a fair and equitable basis regardless of whether the taxes are being collected under the terms of this agreement or under the customary tax collection services of the County.
15. This contract will be in effect for the initial term of Four (4) years commencing January 1, 2000, and thereafter shall be automatically renewed on an annual basis unless terminated by one of the parties hereto. It is understood between the parties hereto that neither entity can bind its successors in office and that this agreement can be cancelled should the successors in office elect to do so.
16. Amendment of this contract shall take place only by mutual written consent of the parties.
17. This agreement shall be in force and in effect from and after its approval by the Attorney General pursuant to Sections 17-13-11, Mississippi Code of 1972, as amended.

THIS AGREEMENT is entered into by the governing authorities of the City and County, on this the _____ day of _____, 2000.

CITY OF PICAYUNE, MISSISSIPPI

BY: _____

MAYOR

HANCOCK COUNTY, MISSISSIPPI

BY: _____

PRESIDENT OF THE HANCOCK
COUNTY BOARD OF SUPERVISORS

APPROVED:

HANCOCK COUNTY TAX
ASSESSOR-COLLECTOR

RECESSED MEETING DATED NOVEMBER 21, 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 MAYOR TO SIGN MODIFICATION ON SOLID WASTE GRANT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Guy, seconded by Councilmember Bates, to authorize the Mayor to sign Modification No. 1 to the Solid Waste/Unauthorized Dump Clean-up Program grant from the Mississippi Department of Environmental Quality. The Modification extends the project period to June 30, 2001. The following 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 Thorman, seconded by Councilmember Guy, to authorize the issuance of the following manual checks:

Entex	Utility Fund	\$25,435.50
Prior Energy	Utility Fund	54,730.31
Koch Gateway Pipeline	Utility Fund	9,852.43
Williams Energy	Utility Fund	762.84
Barbara McGrew	General Fund	135.71
G. Gerald Cruthird, P.A.	General Fund	2,460.36
David E. Johnson, Chancery Clerk	General Fund	644.00

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 CAPS LOAN APPLICATION FOR AIRPORT INFRASTRUCTURE IMPROVEMENTS

Having received no public comment of opposition after publishing a Resolution of Intention to apply for a CAPS Loan to be used for airport infrastructure improvements, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to authorize the Mayor to sign a loan application in an amount not to exceed \$66,317.00 with the Mississippi Development Authority. The following roll call vote was taken:

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

RECESSED MEETING DATED NOVEMBER 21, 2000

VOTING NAY: None

The motion was declared carried.

ORDER TO AUTHORIZE THE PURCHASING AGENT TO ISSUE REQUESTS FOR PROPOSALS FOR PLANNING SERVICES

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Purchasing Agent to advertise for proposals from qualified firms or individuals to provide planning services including preparation of a comprehensive plan for the City. 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.

COMMUNICATION REGARDING EMPLOYMENT OF POLICE CHIEF

The following citizens addressed the Mayor and City Council regarding the rumored termination of Police Chief Brenda Smith and expressed their support for the Chief:

Ron Addington	Jeanette Secrist
Hooper Lavingne	Carol Pearson
James Rushing	Ruby Hart
Dr. Martin Berry	Frank Egger
Willie Ray Penton	Wayne Varnado
Andy James	Josie Black
Jimmy Carpenter	Corey Mikels
Lonnie Wilson	

The City Attorney stated that the Mayor and City Council could not discuss nor comment on the matter because of the confidentiality of personnel matters. 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 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.

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to enter executive session to discuss a personnel matter. The following roll call vote was taken:

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

RECESSED MEETING DATED NOVEMBER 21, 2000

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 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 personnel matter and took no action.

ORDER TO ACCEPT DONATION OF EASEMENTS

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to accept the conveyance by donation of easements of ingress and egress on, over, and across the following two properties located on the south side of Memorial Boulevard to allow for an extension of Jerusalem Avenue in connection with the City's project to install a traffic signal at the intersection of Jerusalem Avenue/Blanks Avenue and Memorial Boulevard:

1. From David M. Allison on a parcel of 1.60 acres
2. From the Heirs of Granville Holly Williams on a parcel of 2.55 acres

The following roll call vote was taken:

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

VOTING NAY: None

The motion was declared carried.

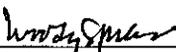
ORDER TO ADJOURN

Motion was made by Councilmember McQueen, seconded by Councilmember Roberson, to recess until November 28, 2000 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, Mayor



 Sabrina Diamond, City Clerk

*See page 75 for 11/28/00 meeting
 B7*

November 28, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, November 28, 2000, 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 Assistant Police Chief David Ervin.

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

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

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.

Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to enter executive session to discuss a personnel matter. The following 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 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 personnel matter and took no action.

COMMUNICATION REGARDING POLICE CHIEF BRENDA SMITH

Mayor Spiers stated that the Council's responsibility is to make decisions that will better the City. Accordingly, he expressed full support for the City Manager and the decisions that she makes.

The City Manager explained that Police Chief Brenda Smith would be placed on a six-month probationary period in order to further evaluate problems within the Police Department.

The goal of this probation and investigation is to improve both the Police Department and the City.

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, Mayor



Sabrina Diamond, City Clerk

December 5, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, December 5, 2000, at 6:00 p.m. in regular 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 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 November 21, 2000. 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 THE 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 a quitclaim deed to John Reynolds for 1992 and 1993 taxes on parcel #618-102-000-00-008-00. 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 ACKNOWLEDGE RECEIPT OF MONTHLY PRIVILEGE LICENSE REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Privilege License Report for October, 2000. The following roll call vote was taken:

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

REGULAR MEETING DATED DECEMBER 5, 2000

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

CONSIDER APPROVAL OF MONTHLY CLAIMS DOCKET

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the monthly claims docket for December, 2000 in the total amount of \$378,478.26. 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.

CONSIDER APPOINTMENT TO PEARL RIVER COUNTY LIBRARY SYSTEM BOARD

Motion was made by Councilmember McQueen, seconded by Councilmember Thorman, to table any appointment to the Pearl River County Library System Board for a term expiring September, 2004. 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 AUTHORIZE CITY CLERK TO ADVERTISE FOR MUNICIPAL DEPOSITORIES

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to advertise for bids for municipal depositories as required by Mississippi Code Section 27-105-353. Bids will be accepted until 2:00 p.m. on January 9, 2001 and selections will be made at the January 16, 2001 Council 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.

REGULAR MEETING DATED DECEMBER 5, 2000ORDER TO APPROVE ISSUANCE OF 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:

H.C. Dillard	General Fund	\$2,648.00
MS State Tax Commission	Utility Fund	3,500.00
COP General Fund	Utility Fund	52,000.00

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 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 October 19, 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 ACKNOWLEDGE RECEIPT OF MINUTES OF THE PLANNING COMMISSION

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to acknowledge receipt of the minutes of the Planning Commission dated November 28, 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.

CONSIDER REQUEST BY PLANNING COMMISSION TO GRANT AN EXTENSION OF PUBLIC HEARING

Upon request of the Planning Commission, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve a 45-day extension of the public hearing in process in the Planning Commission regarding the rezoning of property located off Highway 11 North and owned by Carle Cooper. After discussion, motion and second were withdrawn.

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to approve an extension until December 19, 2000 of the public hearing in process in the Planning Commission regarding the rezoning of property located of Highway 11 North and owned by Carle Cooper. The following roll call vote was taken:

REGULAR MEETING DATED DECEMBER 5, 2000

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

VOTING NAY: Roberson

The motion was declared carried.

CONSIDER REQUEST TO PLACE MOBILE HOME IN R-2 ZONE ON GILCREASE AVENUE

Motion was made by Councilmember Bates, seconded by Councilmember Guy, to grant the request of Margie Warolin to place a mobile home on her property directly across from 1520 Gilcrease Avenue, R-2 zone. The following 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 REQUEST FOR CONDITIONAL USE TO OPERATE A CAR SALES LOT ON NORTH BEECH STREET

Upon request of Mark Hampton, motion was made by Councilmember Thorman, seconded by Councilmember Bates, to approve a conditional use for to operate a car sales lot at 209 North Beech Street, R-3 zone. The following 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 ORDINANCE TO ADOPT THE 1999 EDITION OF THE SOUTHERN BUILDING CODE

An ordinance was presented for consideration relating to the adoption of the 1999 edition of the Southern Building Code. Motion was made by Councilmember Roberson, seconded by Councilmember Bates, to table any action on the adoption of the ordinance 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 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, Bates, Thorman, Guy and McQueen

REGULAR MEETING DATED DECEMBER 5, 2000

VOTING NAY: None

The motion was declared carried.

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to enter executive session to discuss a personnel matter. The following 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 personnel matters.

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 personnel matters and took no action.

ORDER TO RECESS

Motion was made by Councilmember Guy, seconded by Councilmember Thorman, to recess until December 19, 2000 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

December 19, 2000

**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 Courtroom of the Criminal Justice Center in said City, Tuesday, December 19, 2000, 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 Attorney Gerald Cruthird, City Clerk Sabrina Diamond and Police Lieutenant Jeff Wheat.

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 Roberson, to approve the minutes of the Mayor and City Council dated November 28, 2000 and December 5, 2000. 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 MONTHLY BUDGET REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Budget Report for November, 2000. 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 PUBLIC RECORDS REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Public Records Report for November, 2000. The following roll call vote was taken:

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

VOTING NAY: None

RECESSED MEETING DATED DECEMBER 19, 2000

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO ACKNOWLEDGE RECEIPT OF PRIVILEGE LICENSE REPORT

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to acknowledge receipt of the monthly Privilege License Report for November, 2000. 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, City Manager Kay Johnson entered the meeting.

CONSIDER REQUEST FOR FUNDING FROM THE PEARL RIVER COUNTY DEVELOPMENT ASSOCIATION (PRCDA)

Billy Edwards addressed the Council regarding the activities of the Pearl River County Development Association (PRCDA) during the third quarter of 2000. Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the issuance of a manual check to PRCDA for \$750.00 for budgeted funding for July, August and September 2000. 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.

COMMUNICATION FROM RAPID RESPONSE

Corey Dorn, representative of Rapid Response, addressed the Council regarding their response times for September, October and November 2000. The City Manager stated that she had received no complaints on their service. No official action was taken.

ADOPTION OF ORDINANCE NO. 750, AN ORDINANCE TO ADOPT THE STANDARD BUILDING CODE, 1999 EDITION

The following ordinance was presented for consideration:

ORDINANCE NO. 750

AN ORDINANCE TO ADOPT THE STANDARD BUILDING CODE, 1999 EDITION

Be It Ordained by the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi, In Meeting Duly Assembled:

RECESSED MEETING DATED DECEMBER 19, 2000SECTION 1. Adoption 1999 Edition of the Standard Building Code.

The Standard Building Code, 1999 Edition is hereby adopted in its entirety.

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 or 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 become effective thirty (30) days after its adoption and publication by the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi.

Woody Spiers, Mayor

ATTEST:

Sabrina Diamond, City Clerk

The foregoing ordinance, having first been reduced to writing, was moved upon by Councilmember Guy, seconded by Councilmember Thorman, and voted upon as follows:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried and the ordinance adopted.

ORDER TO AUTHORIZE MAYOR TO SIGN CONTRACT WITH PICAYUNE HOUSING AUTHORITY FOR SUPPLEMENTAL POLICE SERVICES

Upon recommendation of the City Manager, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign the following contract with the Picayune Housing Authority for supplemental police services:

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, 2001 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

RECESSED MEETING DATED DECEMBER 19, 2000

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 dispossession 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.

RECESSED MEETING DATED DECEMBER 19, 2000

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.

RECESSED MEETING DATED DECEMBER 19, 2000ARTICLE 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;

RECESSED MEETING DATED DECEMBER 19, 2000

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.

RECESSED MEETING DATED DECEMBER 19, 2000ARTICLE 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, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO AUTHORIZE ADVERTISEMENT FOR BIDS FOR HORIZONTAL DIRECTIONAL DRILLING EQUIPMENT

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Thorman, to authorize the Purchasing Agent to advertise for bids for horizontal directional drilling equipment for the Utility Construction Department. 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 ADVERTISEMENT FOR BIDS FOR TRENCHING EQUIPMENT

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 bids for trenching equipment for the Gas Department. The following roll call vote was taken:

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

RECESSED MEETING DATED DECEMBER 19, 2000

McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

ORDER TO AUTHORIZE ADVERTISEMENT FOR BIDS FOR DUMPING BED FOR DUMP TRUCK

Upon recommendation of the Public Works Director, motion was made by Councilmember Guy, seconded by Councilmember Roberson, to authorize the Purchasing Agent to advertise for bids for a dumping bed for a dump truck for the Sewer Construction Department. 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 PURCHASE OF VEHICLES

Upon request of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the purchase of two (2) full-size Dodge Ram 1500 pickup trucks for the Streets Department from the state contract vendor or a local vendor at the state contract price of \$14,140.00 each. 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 DETERMINE APPROVAL OF SOLE-SOURCE PURCHASE

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to determine that Eagle Point Corporation is the sole source distributor for Eagle Point Advantage Series software and to authorize the purchase of the same at a cost of \$4,870.00. 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.

RECESSED MEETING DATED DECEMBER 19, 2000ORDER TO AUTHORIZE THE MAYOR TO SIGN SUPPLEMENTAL AGREEMENT FOR ENGINEERING SERVICES ON MEMORIAL BOULEVARD

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following contract with Neel-Schaffer, Inc. for engineering services for right-of-way acquisition for Memorial Boulevard project:

SUPPLEMENTAL AGREEMENT

- 1.0 General. This is a Supplemental Agreement (for Additional Services) to the Agreement for Professional Services Between City of Picayune and Neel-Schaffer, Inc., first executed July 6, 1999 (Memorial Boulevard Roadway Improvements).
- 1.1 Services. OWNER shall pay ENGINEER for Additional Services rendered under Section 2 of the AGREEMENT as follows:
 - 1.1.1 Boundary Survey of 12 parcels to determine exact amount of private property affected by roadway improvements – A fixed fee of \$8,000.00.
 - 1.1.2 Appraisal of property to be acquired for roadway improvements (\$1,500.00 each parcel) – A fixed fee of \$18,000.00.
 - 1.1.3 Initial Site Assessment (ISA) of property(s) to be acquired for roadway improvements. Neel-Schaffer, in performance of the ISA, will adhere to the ASTM Standard Practice for Environmental Site Assessments, Document Number #1527 – A fixed fee of \$6,000.00.
 - 1.1.4 Coordination of right-of-way acquisition and discussion with property owners – An hourly rate not-to-exceed \$16,000.00.
 - 1.1.5 Additional services to provide two separate construction documents to award the project in two phases of work – A fixed fee of \$15,000.00.
- 1.2 This Supplemental Agreement assumes the City of Picayune's attorney will assist with any and all legal aspects of the project.

ACCEPTED:

 Woody Spiers, Mayor
 City of Picayune, Mississippi

 Sabrina Diamond, City Clerk

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 DISPOSAL OF NATURAL GAS CYLINDERS

Upon recommendation of the Purchasing Agent, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to declare the value of the forty (40) natural gas cylinders located at the City Barn to be zero and to authorize the disposal of the cylinders. 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.

RECESSED MEETING DATED DECEMBER 19, 2000

CONSIDER CONTRACT FOR SOLID WASTE COLLECTION AND DISPOSAL

Motion was made by Councilmember Thorman, seconded by Councilmember Guy, to table any action on the proposed contract with Waste Management for solid waste collection and disposal for garbage and rubbish. 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 ISSUANCE OF MANUAL CHECKS

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

Entex	Utility Fund	\$21,105.00
Prior Energy	Utility Fund	153,910.25
Koch Gateway Pipeline	Utility Fund	22,488.21
Williams	Utility Fund	1,496.64
United States Postmaster	General Fund	2,500.00
Tax Collector of Arcadia, LA	Utility Fund	817.00
T & S Trucking	General Fund	500.00
D & L Construction	General Fund	946.00

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 COLLECTION OF PARTIAL PAYMENTS ON 2000 REAL PROPERTY TAXES

Upon recommendation of the City Clerk, motion was made by Councilmember Thorman, seconded by Councilmember Guy, to authorize the Tax Department to collect partial payments on the 2000 real property taxes as authorized by Section 27-41-3 of the Mississippi Code. 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.

RECESSED MEETING DATED DECEMBER 19, 2000ORDER TO ADOPT RESOLUTION ASKING MISSISSIPPI LEGISLATURE TO AMEND SECTION 21-35-27 OF THE MISSISSIPPI CODE

The following resolution was presented for consideration asking the Mississippi Legislature to amend Section 21-35-27 of the Mississippi Code to restore the language that states that the expenditure restrictions applied to municipal governing authorities during April through June of the last year of their term of office do not apply to contract, lease or lease-purchase contracts entered pursuant to Section 31-7-13:

RESOLUTION

Whereas, Section 21-35-27 of the Mississippi Code states that no board of governing authorities of any municipality shall expend from, or contract an obligation, against the budget made and published by it during the last year of the term of office of such governing authorities, between the first day of April and the first Monday of the following July, a sum exceeding one-fourth (1/4) of any item of the budget made and published by it, except in cases of emergency provided for in Section 21-35-19; and

Whereas, prior to July 1, 2000, the provisions of this section did not apply to a contract, lease or lease-purchase contract entered into pursuant to Section 31-7-13; and

Whereas, this Section was amended by the 2000 session of the Mississippi Legislature to remove the language that stated that the provisions of this section did not apply to a contract, lease or lease-purchase contract entered into pursuant to Section 31-7-13; and

Whereas, this amendment limits the governing authorities of a municipality to provide the most cost efficient services to the citizens and taxpayers of the municipality by securing contractual obligations with vendors that provide invaluable services to the citizens and taxpayers on a continuing basis; and

Whereas, budgeted capital expenditures, which cannot be paid for in increments, may need to be paid for during the period described in said Section due to the timing of purchases as required by the bidding procedures required by State statute; and

Whereas, this amendment may also limit the governing authorities of a municipality from paying for certain services, that are required by state statute, to be performed by officials of the municipality during the period described in said Section.

Now, therefore be it resolved that the Mayor and City Council of the City of Picayune, Mississippi, hereby request that the Mississippi Legislature restore the language that states that the provisions of Mississippi Code Ann. 21-35-27 (Supp. 2000) do not apply to a contract, lease or lease-purchase contract entered into pursuant to Section 31-7-13, and that said language be effective prior to April 1, 2001.

Woody Spiers, Mayor

Sabrina Diamond, City Clerk

The above and foregoing resolution, having first been reduced to writing, was introduced by Councilmember Thorman, seconded by Councilmember Roberson, and voted upon as follows:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

RECESSED MEETING DATED DECEMBER 19, 2000

ORDER TO APPROVE BUDGET AMENDMENT #1 TO THE BUDGET FOR THE YEAR ENDING SEPTEMBER 30, 2001

Upon recommendation of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve Amendment #1 to the following line items of the budget for the year ending September 30, 2001:

<u>Item</u>	<u>Original</u>	<u>Amended</u>
GENERAL FUND		
General Government - Supplies	\$38,600	\$39,322
- Other Services	344,050	425,741
- Capital Outlay	54,600	89,100
Police Department - Personnel	1,378,386	1,379,057
- Supplies	136,765	139,450
- Other Services	152,900	156,300
- Capital Outlay	120,100	126,592
Fire Department - Supplies	51,500	52,900
- Other Services	54,700	56,370
- Capital Outlay	32,000	44,500
Public Works - Supplies	275,100	278,900
- Other Services	604,100	606,000
- Capital Outlay	449,050	1,258,677
TOBACCO GRANT		
Supplies	0	140
Other Services	0	1,600
Capital Outlay	0	370
ECONOMIC DEVELOPMENT FUND		
Support to Other Organizations	3,000	3,750
Other Services	0	5,000
Capital Outlay	10,000	310,000
FEDERAL LAW ENFORCEMENT BLOCK GRANT #3		
Capital Outlay	0	30,402
UTILITY FUND		
Administration - Capital Outlay	10,000	17,000
Construction - Supplies	1,075,100	1,089,270
- Other Services	312,750	340,430
CEMETERY FUND		
Supplies	7,400	8,350
Capital Outlay	2,500	27,500

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 ADVERTISEMENT FOR BIDS FOR AIR CONDITIONING/HEATING UNIT FOR THE CITY HALL ANNEX BUILDING

Upon request of the City Clerk, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Purchasing Agent to advertise for bids for purchase and installation of an air conditioning/heating unit for the City Hall Annex. The following roll call vote was taken:

RECESSED MEETING DATED DECEMBER 19, 2000

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 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 November 28, 2000. 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 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 December 12, 2000. 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 ACCEPT REQUEST FOR WITHDRAWAL OF REQUEST FOR PROPERTY REZONING

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to accept the request of Carle Cooper to withdraw his request for rezoning of property located off Highway 11 North. 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.

RECESSED MEETING DATED DECEMBER 19, 2000

ORDER TO APPROVE FINAL PLAT OF PHASE I, MEDICAL PLAZA

Motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to approve the final plat of Phase I, Medical Plaza submitted by David Allison and located off Highway 43 North. Phase I is 3.17 acres. 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.

CONSIDER REQUEST TO SET DATE FOR PUBLIC HEARING ON CDBG 2001 PUBLIC FACILITIES APPLICATION

Upon recommendation of the Grants Administrator, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to table any action on the request to set the date for a hearing for public input on the City's CDBG 2001 Public Facilities Application as required by CDBG guidelines. 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 EXTENSION REQUEST ON THE CAPS 1999 LOAN FOR INFRASTRUCTURE IMPROVEMENTS AT THE PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the Grants Administrator, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Mayor to sign a letter requesting an extension of completion date to December 2001 on the CAPS 1999 Loan for infrastructure improvements at the Picayune Municipal Airport. 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 CONTRACT FOR ENGINEERING SERVICES FOR SITEWORK IMPROVEMENTS AT THE PICAYUNE MUNICIPAL AIRPORT

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 Allen & Hoshall, Ltd. for engineering services for Phase A - Sitework Improvements at the Picayune Municipal Airport contingent upon the City receiving notice of approval of an EDA grant for the project:

RECESSED MEETING DATED DECEMBER 19, 2000AGREEMENT BETWEEN OWNER AND ALLEN & HOSHALL, LTD.
FOR PROFESSIONAL SERVICES

THIS IS AN AGREEMENT made as of _____, 20__ between the City of Picayune, Mississippi ("Owner") and ALLEN & HOSHALL, LTD., ARCHITECTS ENGINEERS ("Allen & Hoshall").

Owner intends to construct site work improvements at the Picayune Municipal Airport more specifically outlined in paragraph 1.2(e).

Owner and Allen & Hoshall, in consideration of their mutual covenants herein, agree as follows:

Section 1 - BASIC SERVICES OF ALLEN & HOSHALL

1.1 General. Allen & Hoshall will provide for Owner professional services in all phases of the Project to which this Agreement applies as hereinafter provided.

1.2 Final Design Phase. After written authorization to proceed with the Final Design Phase, Allen & Hoshall will:

(a) On the basis of the scope of work prepare for incorporation in the Contract Documents drawings (hereinafter called "Drawings") to show the general scope, extent and character of the work to be furnished and performed by Contractor and specifications prepared in conformance with the sixteen division format of the Construction Specifications Institute (hereinafter called "Specifications"). Contract Documents and drawings shall be prepared in typical EDA and FAA formats as applicable.

(b) Provide technical criteria, written descriptions and design data for Owner's use in filing applications for required governmental permits or approvals and assist Owner in consultations with appropriate governmental authorities.

(c) Furnish to Owner an opinion of probable Construction Cost based on the Drawings and Specifications.

(d) Prepare contract documents for review and approval by Owner, consisting of contract agreement forms, general conditions and supplementary conditions, bid forms, invitations to bid and instructions to bidders, and assist in the preparation of other related documents.

(e) Prepare design for construction through two construction contracts. Contract 1 is the earthwork and drainage related to the Chevron Building, vehicle parking, and vehicle access roadway. Contract 2 is the earthwork, paving, and drainage for wash facility, concrete aircraft apron, and taxiway extension and paving for Chevron Building parking and access road.

(f) Provide 5 sets of drawings and specifications for Owner and review agency use.

1.3 Bidding Phase. After written authorization to proceed with the Bidding Phase, Allen & Hoshall will:

(a) Assist Owner in advertising for and obtaining bids for two contracts for construction, maintain a record of prospective bidders to whom Bidding Documents have been issued, attend pre-bid conferences and receive deposits for Bidding Documents.

(b) Issue addenda as appropriate to interpret, clarify or expand the Bidding Documents.

(c) Attend the bid opening, prepare bid tabulation sheets and assist Owner in evaluating bids or proposals and in assembling and awarding contract for construction. Services shall include recommendation as to contract award and review of bidders qualifications.

1.4 Construction Phase. During the Construction Phase:

(a) General Administration of Construction Contract. Allen & Hoshall will consult with and advise Owner during the course of the construction estimated at 30 days for Contract 1 and 60 days for Contract 2. The extent and limitations of the duties, responsibilities and authority of Allen & Hoshall as assigned in the General Conditions of the Construction Contract (the "General Conditions") will not be modified, except to the extent Allen & Hoshall may otherwise agree in writing. All of Owner's instructions to Contractor will be issued through Allen & Hoshall. Allen & Hoshall will not supervise, direct or have control over Contractor's work nor shall Allen & Hoshall have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by Contractor, for safety precautions and programs incident to the work of Contractor or for any failure of Contractor to comply with laws, rules, regulations, ordinances, codes or orders.

(b) Visits to Site and Observation of Construction. Allen & Hoshall will make visits to the site as appropriate to the various stages of construction as Allen & Hoshall deems necessary in order to observe as an experienced and qualified design professional the progress and quality of Contractor's work. The purpose of these visits to the site will be to enable Allen & Hoshall to better carry out its duties and responsibilities during the Construction Phase, and, in accordance, provide for Owner a greater degree of confidence that the completed work of Contractor will conform generally to the Contract Documents.

(c) Defective Work. During such visits and on the basis of such observations, Allen & Hoshall may disapprove of or reject Contractor's work while it is in progress if Allen & Hoshall believes that such work will not produce a completed Project that conforms generally to the Contract Documents. Allen & Hoshall can neither guarantee the performance of the construction contract by Contractor nor assume responsibility for Contractor's failure to furnish and perform the work in accordance with the Contract Documents.

(d) Interpretations, Clarifications. Allen & Hoshall will issue necessary interpretations and clarifications of the Contract Documents and prepare work directive changes and change orders as required.

(e) Shop Drawings. Allen & Hoshall will review and approve (or take other appropriate action in respect of) Shop Drawings, samples and other data which Contractor is required to submit, but only for conformance with the design concept of the Project and

RECESSED MEETING DATED DECEMBER 19, 2000

compliance with the information given in the Contract Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences or procedures of construction or to safety precautions and programs incident thereto.

(f) Substitutes. Allen & Hoshall will evaluate and determine the acceptability of substitute materials and equipment proposed by Contractor.

(g) Inspections and Tests. Allen & Hoshall will have authority, as Owner's representative, to require special inspection or testing of the work, and will receive and review all certificate of inspections, testings and approvals required by laws, rules, regulations, ordinances, codes, orders, or the Contract Documents.

(h) Disputes Between Owner and Contractor. Allen & Hoshall will act as initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the work thereunder and will make decisions on all claims of Owner and Contractor relating to the acceptability of the work or the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of the work. Allen & Hoshall will have no liability by reason of any such interpretation or decision.

(i) Applications for Payment. Based on on-site observations, and on review of applications for payment and the accompanying data and schedules, Allen & Hoshall will determine the amounts owing to Contractor and recommend in writing payments to Contractor in such amounts. Recommendations of payment will constitute a representation to Owner, based on observations and review, that the work has progressed to the point indicated, and to the best of Allen & Hoshall's knowledge and belief, the quality of the work is generally in accordance with the Contract Documents. Retainage (10%) shall be withheld.

(j) Inspections. Allen & Hoshall will conduct an inspection to determine if the work is substantially complete and a final inspection to determine if the completed work is acceptable so that Allen & Hoshall may recommend, in writing, final payment to Contractor and may give written notice to Owner and the Contractor that the work is acceptable.

(k) Limitation of Responsibilities. Allen & Hoshall will not be responsible for the acts or omissions of any Contractor, or of any subcontractor or supplier, or any of their agents or employees or any other persons (except Allen & Hoshall's own employees and agents) at the site.

(l) Reports. Allen & Hoshall shall submit a report at least quarterly concerning the general progress of the job and describing any problems or factors contributing to delay.

(m) Record Drawings. Based on on-site observations, contractor's data, and the Owner's inspection data, record drawings (reproducible form) will be furnished to the Owner within 60 days of project construction completion.

SECTION 2 - ADDITIONAL SERVICES OF ALLEN & HOSHALL

2.1 Services Requiring Authorization in Advance. If authorized in writing by Owner, Allen & Hoshall will furnish or obtain from others Additional Services of the following types which are not included as part of the Basic Services and will be paid for by Owner as indicated in Section 5.

- Preparation of applications and supporting documents for grants, loans or advances in connection with the Project
- Preparation or review of environmental assessments and impact statements
- Services to make measured drawings of or to investigate existing conditions or facilities
 - Services resulting from significant changes in the general scope, extent or character of the Project or its design including, but not limited to, changes in size, complexity, Owner's schedule, character of construction or method of financing
 - Providing renderings or models for Owner's use
 - Preparing documents for alternate bids requested by Owner for Contractor's work which is not executed or documents for out-of-sequence work
 - Services during out-of-town travel required of Engineer other than visits to the site or Owner's office as required by Section 1
 - Assistance in connection with bid protests and rebidding contracts
 - Property surveys, topographic surveys, hydrographic surveys, or related engineering services needed for design purposes or to enable Contractor to proceed with his work
 - Preparation of operating, maintenance and staffing manuals
 - 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
 - Services in connection with work directive changes and change orders to reflect changes requested by Owner if the resulting change in compensation for Basic Services is not commensurate with the additional services rendered
 - Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitutions proposed by Contractor
 - Additional services during construction made necessary by work damaged by fire or other cause, a significant amount of defective or neglected work of Contractor, and default by Contractor
 - Services in connection with any partial utilization of the Project by Owner prior to Substantial Completion
 - Evaluating an unreasonable or extensive number of claims submitted by Contractor in connection with the work
 - Time spent by Allen & Hoshall in performing his contractual responsibilities after the stated completion date of the construction contract. Compensation for this time shall be paid by the Owner to Allen & Hoshall. The owner may recover his cost from the Contractor through liquidated damages.
 - Resident Inspector during construction phase

RECESSED MEETING DATED DECEMBER 19, 2000SECTION 3 - OWNER'S RESPONSIBILITIES

3.1 Owner will do the following, at Owner's expense and in a timely manner, so as to permit Allen & Hoshall's services to proceed expeditiously:

- Provide criteria and information as to Owner's requirements, including design objectives, space, capacity and performance requirements, expandability, and any other budgetary limitations
- Furnish copies of design and construction standards which Owner will require to be included in the Drawings and Specifications
- Furnish to Allen & Hoshall data and professional interpretations prepared by or services of others, including borings, probings and subsurface explorations, laboratory tests and inspections of samples, materials and equipment, and documentation of zoning, deed and other land use restrictions
- Provide topographic survey data for design in electronic format

SECTION 4 - PERIODS OF SERVICE

4.1 The provisions of this section 4 and the various rates of compensation for Allen & Hoshall'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 the Construction Phase.

4.2 Upon written authorization from Owner, Allen & Hoshall shall proceed with the Final Design Phase, and shall deliver Contract Documents and a revised opinion of probable Construction Cost for work on the Project by 22 December 2000 for Contract 1 and by 26 January 2001 for Contract 2.

4.3 After Owner acceptance of the Final Design Phase documentation including the most recent opinion of probable Construction Cost and upon written authorization to proceed Allen & Hoshall shall proceed with the Bidding Phase.

4.4 The Construction Phase will commence with the execution of the construction contracts for the work of the Project and will terminate upon written recommendation by Allen & Hoshall of final payment to the Contractor.

SECTION 5 - PAYMENTS TO ALLEN & HOSHALL

5.1 For Basic Services. Owner shall pay Allen & Hoshall a lump sum fee of \$63,600 for all Design Phase Services under Section 1 and a lump sum fee of \$21,200 for all Bidding and Construction Phase Services under Section 1.

5.2 For Additional Services. Owner will pay Allen & Hoshall for Additional Services rendered Allen & Hoshall's principals and employees engaged directly on the Project, on the basis of Allen & Hoshall's Payroll Costs times a factor of 2.4.

5.3 For Reimbursable Expenses. Owner will pay Allen & Hoshall the actual costs of all Reimbursable Expenses incurred in connection with all Additional Services.

5.4 Times of Payments. Allen & Hoshall will submit monthly statements for Basic and Additional Services rendered and for Reimbursable Expenses incurred. The statements will be based upon Allen & Hoshall's estimate of the proportion of the Allen & Hoshall's total services actually completed at the time of billing and will be payable by Owner monthly, upon receipt.

5.5 Other Provisions Concerning Payments. (a) If Owner fails to make any payment due Allen & Hoshall for services and expenses within thirty days after receipt of Allen & Hoshall's statement therefor, Allen & Hoshall may, after giving seven days' written notice to Owner, suspend services under this Agreement until all amounts due for services, expenses and charges have been paid; and (b) if payment is not received by the Engineer within the said 30-day period, the Owner shall pay to the Engineer a late charge of one percent (1%) per month calculated on the unpaid amount from the date of the invoice until paid.

5.6 Definitions. "Payroll Costs" used as a basis for payment mean's salaries and wages (basic and incentive) paid to all of Allen & Hoshall's personnel engaged directly on the Project, plus the cost of customary and statutory benefits. "Reimbursable Expenses" means the actual expenses incurred by Allen & Hoshall or Allen & Hoshall's independent professional associates, such as expenses for transportation and subsistence incidental thereto; toll telephone calls and telegrams; reproduction of reports, drawings, specifications, bidding documents, and similar Project-related items. "Reimbursable Expenses" will also include expenses incurred for computer time and other highly specialized equipment, including appropriate charge for previously established programs and expenses of photographic production techniques.

SECTION 6 - CONSTRUCTION COSTS AND OPINIONS OF COST

6.1 Construction Cost. the construction cost of the Project, referred to as "Construction Cost", means the total cost to Owner to construct those portions of the entire Project designed and specified by Allen & Hoshall. It will not include Allen & Hoshall's compensation, the cost of land, right-of-way, interest and financing charges or the cost of other services provided by Owner.

6.2 Opinions of Cost. Since Allen & Hoshall has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor's method of determining prices, or over competitive bidding or market conditions, Allen & Hoshall's opinions of probable Construction Cost are made on the basis of its experience and qualifications and represent its best judgment as experienced and qualified professionals, familiar with the construction industry; Allen & Hoshall cannot and does not guarantee that actual Construction cost will not vary from its opinions of probable cost. If Owner wishes greater assurance as to the Construction Cost, he will employ an independent cost estimator.

Allen & Hoshall shall redesign the project in the event the preliminary cost estimate, the final cost estimate, or the lowest responsive bid less deductive alternates, exceeds the funds available by 15 percent.

RECESSED MEETING DATED DECEMBER 19, 2000SECTION 7 – ALLOCATION OF RISKS – PROFESSIONAL LIABILITY INSURANCE

7.1 Liability Limitation. Owner and Allen & Hoshall have discussed their risks, rewards and benefits of the Project and Allen & Hoshall's total fee for services. Based upon all allocation of risks mutually agreed upon by Owner and Allen & Hoshall, Ltd., Owner agrees that, to the fullest extent permitted by law, ALLEN & HOSHALL'S LIABILITY TO OWNER AND ANYONE CLAIMING BY, THROUGH OR UNDER OWNER, FOR ANY AND ALL INJURIES, CLAIMS, LOSSES, EXPENSES, DAMAGES OR CLAIM OR LITIGATION EXPENSES (INCLUDING ATTORNEY'S FEES) ARISING OUT OF THIS AGREEMENT FROM ANY CAUSE OR CAUSES SHALL NOT EXCEED THE TOTAL AMOUNT OF \$500,000. SUCH CAUSES INCLUDE BUT ARE NOT LIMITED TO ALLEN & HOSHALL'S NEGLIGENCE (INCLUDING PROFESSIONAL NEGLIGENCE), ERRORS, OMISSIONS, STRICT LIABILITY, BREACH OF CONTRACT OR BREACH OF WARRANTY.

SECTION 8 – MISCELLANEOUS

8.1 Termination. The obligation to provide further services under this Agreement may be terminated by either party upon thirty (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 termination party.

8.2 Reuse of Documents. Allen & Hoshall will retain an ownership and property interest in all documents including Drawings and Specifications prepared or furnished by it pursuant to this Agreement, whether or not the Project is completed. Such 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 Allen & Hoshall for the specific purpose intended will be at Owner's sole risk and without liability or legal exposure on the part of Allen & Hoshall. Owner will indemnify and hold harmless Allen & Hoshall and its independent professional consultants from all claims, damages, losses and expenses including attorneys' fees resulting therefrom. Any such verification or adaptation by Allen & Hoshall will entitle him to further compensation at rates to be agreed upon with Owner.

8.3 Severability. If any provision of this Agreement or any part thereof will be determined to be invalid or unenforceable for any reason, the remaining provisions of this Agreement will be enforceable and enforced as if such invalid or unenforceable provision or part had not been included.

8.4 Controlling Law. This Agreement is to be governed by the law of the State of Mississippi.

8.5 Successors. This Agreement shall be binding upon and inure to the benefit of Owner and Allen & Hoshall and their respective successors and permitted assigns. Neither party will have the right to assign any right, duty or interest hereunder without the written consent of the other party. Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Owner and Allen & Hoshall, and their respective successors and permitted assigns.

8.6 Entire Agreement; Amendment. This Agreement constitutes the entire agreement between Owner and Allen & Hoshall and supersedes all prior written or oral understandings. This Agreement may be amended, supplemented, or modified only by a written instrument signed by both parties.

SECTION 9 – ADDITIONAL PROVISIONS

9.1 Funding for this project is in part from the Economic Development Administration (EDA). Allen & Hoshall agrees to abide by applicable EDA requirements for engineering services.

9.2 Allen & Hoshall shall comply with Executive Order 11246, entitled "Equal Employment Opportunity" as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

9.3 Allen & Hoshall shall comply with the Copeland "Anti-Kickback" Act (18 USC 874) as supplemented in Department of Labor regulations (29 CFR, Part 3). This Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he/she is otherwise entitled. (The Recipient shall report all suspected or reported violations to EDA).

9.4 Allen & Hoshall shall comply with the Davis-Bacon Act (40 USC 276a to a-7) as supplemented by Department of Labor regulations (29 CFR Part 5). Under this Act contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less often than once a week. A copy of the current prevailing wage determination issued by the Department of Labor must be included in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. (All suspected or reported violations shall be reported to EDA. Davis-Bacon wage determinations are not applicable to Recipient employed "Force Account" workers).

9.5 In contracts which involve the employment of mechanics or laborers, Allen & Hoshall shall comply with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by Department of Labor regulations (29 CFR, Part 5). Under Section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate not less than 1-1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surrounding or under working conditions which are unsanitary, hazardous, or dangerous to his/her health and safety. These requirements do not apply to the

RECESSED MEETING DATED DECEMBER 19, 2000

purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. Work performed by employees of the Recipient (in-house forces) on the EDA-assisted project will be subject to the following:

1. Work performed in excess of eight hours per day will be reimbursed by EDA at the normal rate of pay unless the Recipient can show that a higher rate is required by State or local law or union contract;

2. Work performed in excess of 40 hours per week may be reimbursed by EDA at a higher rate than normal if the Recipient can show that it normally pays for such work at a higher rate. In any case the rate for work in excess of 40 hours per week may not exceed one and one half times the normal hourly rate.

9.6 All contracts involving research, developmental, experimental or demonstration work requiring that all patentable processes, discoveries or inventions which arise or are developed in the course of, or under, such contract shall be reported to EDA. The Government has an interest in any such patentable processes, discoveries or inventions corresponding to the percentage of total project cost funded by EDA.

9.7 Allen & Hoshall shall allow the Recipient, EDA, the Comptroller General of the United States, or any of their duly authorized representatives, access to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract, for the purpose of making audit, examination, excerpts, and transcriptions.

9.8 Allen & Hoshall shall maintain all relevant project records for three years after the Recipient has made final payment to the contractor and all other pending matters are closed.

9.9 Allen & Hoshall shall comply with all Federal statutes relating to non-discrimination. These include but are not limited to:

1. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color, or national origin;

2. Section 112 of PL 92-45 and Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, and 1685-1686) which prohibits discrimination on the basis of sex;

3. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794) which prohibits discrimination on the basis of handicaps;

4. The Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107) which prohibits discrimination because of age;

5. The Drug Abuse Office and Treatment Act of 1972 (P.L. 93-255), as amended, relating to non-discrimination on the basis of drug abuse;

6. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to non-discrimination on the basis of alcohol abuse or alcoholism;

7. Section 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290dd-3 and 290ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records;

8. Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing;

9. Any other non-discrimination provisions in the specific statute(s) under which the application for Federal assistance is being made; and

9.10 Allen & Hoshall shall incorporate into the proposed construction contract documents a designation of all of the different types of construction which will be used for the project; such as Building, Heavy or Highway in accordance with all local and State laws and practices. For this purpose either the plans, the specifications or both shall clearly delineate where each type stops and another starts.

9.11 Allen & Hoshall shall consider in the establishment of the compensation any cost savings that may be realized through multiple use of the same design.

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 ADVERTISEMENT FOR CONSTRUCTION BIDS FOR PHASE A - SITework IMPROVEMENTS AT THE PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the Public Works Director, motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to authorize the Purchasing

RECESSED MEETING DATED DECEMBER 19, 2000

Agent to advertise for construction bids for Phase A – Sitework Improvements at the Picayune Municipal Airport. There will be two (2) bids for construction – one for building earthwork and one for the remaining sitework improvements. 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 THE MAYOR TO SIGN CONTRACT FOR ENGINEERING SERVICES FOR INFRASTRUCTURE IMPROVEMENTS AT THE PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Mayor to sign the following contract with Dungan Engineering, P.A. for engineering services for Phase B – Infrastructure Improvements at the Picayune Municipal Airport contingent upon the City receiving notice of approval of an EDA grant for the project:

ENGINEERING SERVICES CONTRACT
CITY OF PICAYUNE
INFRASTRUCTURE IMPROVEMENTS FOR
NEW CHEVRON FACILITY AT
PICAYUNE MUNICIPAL AIRPORT
DE PROJECT NO. 1700C003
PICAYUNE, MS

THIS CONTRACT entered into by and between the CITY OF PICAYUNE hereinafter designated as the OWNER, and DUNGAN ENGINEERING, P.A., Columbia, Mississippi, hereinafter designated as the ENGINEER.

WHEREAS: The OWNER contemplates construction of infrastructure improvements (including domestic water, fire protection, and sanitary sewer services) for the new Chevron Facility at the Picayune Municipal Airport.

WHEREAS: Certain engineering services are required in the investigation, planning, design and execution of the said infrastructure improvements, including domestic water, fire protection, and sanitary sewer services, and

WHEREAS: The OWNER does hereby employ the ENGINEER to furnish the aforesaid engineering services,

NOW THEREFORE, the parties hereto do mutually agree as follows:

ARTICLE I
ENGINEER'S SERVICES

The ENGINEER AGREES, in consideration of payments to be made by the OWNER, as hereinafter set out, to furnish certain engineering services as follows:

ITEM ONE: PLANNING AND DESIGN PHASE
Upon authorization in writing by the OWNER to proceed, the ENGINEER shall prepare design drawings, specifications, and contract documents for the purpose of awarding one contract for the finishing of all materials, and any contracts for labor and equipment not available through OWNER'S work force and equipment inventory.
The ENGINEER shall prepare and furnish to the OWNER cost estimates of all work included in the completed drawings, specifications, and contract documents.
The ENGINEER shall obtain the approval of such agencies and legally constituted authorities as under the laws of the State of Mississippi have jurisdiction over the review of the drawings and specifications for the proposed project, and shall also obtain the approval of such Federal agencies as have jurisdiction over the review of drawings, specifications, and contract documents of the proposed project.

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It is the intent of the ENGINEER that he shall furnish as part of his basic services, any reasonable quantity of plans, specifications, bid sheets, cost estimates, design analyses, and other contract documents as may be required. However, it is agreed that the total quantity of any one item shall not exceed ten (10) copies. Additional copies will be furnished upon request of the OWNER at the actual cost of reproduction of such additional copies.

ITEM TWO: CONSTRUCTION/CONTRACT ADMINISTRATION PHASE

The ENGINEER shall have a responsible representative present at all meetings and letting of contracts for the proposed work and shall advise and assist the OWNER in the making of awards of contracts to successful bidders. The ENGINEER shall act in a general advisory and consulting capacity to the OWNER throughout the construction period and shall:

Make or assist the OWNER in making all reports required by any State or Federal Agency relating to the project.

Be available to the Contractor and the OWNER for interpretation of drawings, specifications, and contract documents and prepare construction change orders as they are required for the proper execution of the work.

Review shop drawings, diagrams, illustrations, catalog data, samples, the results of tests and inspections, and other compliance with the information given in the contract documents.

Based on his review of the Contractors applications for payment and supporting data, determine the amounts owing to the Contractor and approve in writing payment to the Contractor in such amounts.

Conduct, in company with the OWNER, a final inspection of the Project for compliance with the information given in the contract documents, and approve in writing final payment to the Contractor.

Upon the completion of all construction awarded in accordance with the terms of this Contract, the ENGINEER shall furnish to the OWNER a set of record drawings covering the work actually installed.

The ENGINEER shall not be responsible for the methods and means employed by the Contractor in the performance of the construction work. Further, the ENGINEER shall not be responsible for the safety of the workmen and others who might be injured during the course of construction work by the Contractor, or for property which may be damaged; his obligation under this section of the Contract being limited to the making of periodic observations and reports to the OWNER concerning the compliance of the completed construction work with the contract documents.

ITEM THREE: CONSTRUCTION SURVEYS

The Engineer shall provide qualified personnel to set necessary construction stakes for proposed utility lines, easements, or equipment locations.

All surveying activities shall comply with minimum standards set forth by state and local governments.

ITEM FOUR: ADDITIONAL SERVICES

When authorized in writing by the OWNER, the ENGINEER shall furnish or obtain from others additional services not otherwise specifically provided for in ITEM ONE, TWO or THREE of SERVICES. These services shall include but not be limited to the following:

Provide residential inspection at the project site to observe the progress and quality of the executed work.

Prepare changes in design or perform other services resulting from substantial changes begin made in the general scope of the project.

Prepare revisions of studies, reports, design documents, drawings, or specifications, which have been previously approved by the OWNER.

Prepare detailed renderings, exhibits, or scale models for the project.

Provide special analyses or studies of the environmental effects of the project, or other OWNER needs such as the preparation of operating and maintenance manuals, special operating drawings, charts, or other pertinent data.

Provide additional or extended services during construction caused by fire, storm, work stoppages, or other prolongation of the contract time, acceleration of work schedule beyond the ENGINEER'S established office working hours, or the Contractor's default due to delinquency or insolvency.

Prepare for and give testimony as an expert witness or make any other appearance on behalf of the OWNER before governmental, quasi-governmental, or civic bodies in connection with proceedings involving the project.

ARTICLE 2
PAYMENTS

IN PAYMENT for the services hereinbefore described under ARTICLE I, ENGINEER'S SERVICES, the OWNER agrees to pay and does allow the ENGINEER the following amounts:

ITEM ONE: PLANNING & DESIGN PHASE

RECESSED MEETING DATED DECEMBER 19, 2000

- For services performed pursuant to ITEM ONE, PLANNING & DESIGN PHASE, the lump sum amount of Six point seven percent (6.07%) of the construction contract amount.
The fee for ITEM ONE of SERVICES shall be due and payable periodically as the work is accomplished.
- ITEM TWO: CONSTRUCTION/CONTRACT ADMINISTRATION PHASE
For services performed pursuant to ITEM TWO, CONSTRUCTION CONTRACT ADMINISTRATION PHASE, the lump sum amount of twenty four thousand and no/100 (\$24,000.00).
The above stated fee is based upon a project of the scope and magnitude here in before described. In the event that the scope of the project is revised, the ENGINEER will recalculate the lump sum fee to be paid and will submit the revised fee in the form of a Contract Amendment for approval by the OWNER.
Payment for Construction Phase shall be due and payable from time to time as payments are made to the construction Contractor, with such payments being proportioned to the payments made to the Contractor, and with final payment being due and payable when the project is completed and accepted.
- ITEM THREE: CONSTRUCTION SURVEYS
For services performed pursuant to ITEM THREE, CONSTRUCTION SURVEYS, the amount of Eight thousand five hundred and no/100 (\$8,500.00).
The above stated fee is based upon a project of the scope and magnitude here in before described. In the event that the scope of the project is revised, the ENGINEER will recalculate the lump sum fee to be paid and will submit the revised fee in the form of a Contract Amendment for approval by the OWNER.
Payment for Surveys shall be due and payable from time to time as payments are made to the construction Contractor, with such payments being proportioned to the payments made to the Contractor, and with final payment being due and payable when the project is completed and accepted.
- ITEM FOUR: ADDITIONAL SERVICES
Payment for services rendered by the ENGINEER for Item Four shall be based on the attached hourly rate schedule (see Attachment "A") and shall be due and payable from time to time as the work is completed. Any reimbursement for subconsultants or expenses shall be agreed upon in writing by the OWNER and the ENGINEER at the time of authorization for said work.

ARTICLE 3
GENERAL CONSIDERATIONS

The ENGINEER'S estimate of the construction cost is the opinion of the ENGINEER of the probable construction cost on the date of the estimate and is supplied as a guide only. Since the ENGINEER has no control over the cost of labor and materials or over competitive bidding and market conditions, the ENGINEER does not guarantee the accuracy of such opinion as compared to Contractor bids or actual cost to the OWNER.

The ENGINEER will prepare the drawings and specifications in accordance with generally accepted engineering practices and makes no warranty, either expressed or implied, as part of this Agreement.

The ENGINEER does not guarantee the performance or safety of materials and equipment provided by any construction Contractors, which materials and equipment may include but not necessarily be limited to pipe, valves, fittings, traps, conduit, wiring, steel, wire, nails, lumber, cement, aggregate, bricks, files, pumps, motors, compressors, electrical apparatus of all types, all metal pressure and storage vessels furnished and erected in place as required to provide a complete, functional unit and all other materials and equipment as are required to provide a complete, safe, and functional facility.

This Agreement may be terminated by either party upon seven days' written notice should the other party fail substantially to perform in accordance with its terms through no fault of the other. In the event this Agreement should be terminated by the OWNER, the ENGINEER shall be paid his compensation for services performed prior to receipt of written notice of such termination. In all cases where termination has resulted due to one party failing substantially to perform in accordance with the terms of this Agreement, such party will remain liable to the other for all damages incurred as a result of breach of this Agreement.

This Agreement may be terminated by either party upon seven days' written notice should either party be unable to substantially perform in accordance with its terms due to circumstances beyond the control of the parties. In event of such termination, neither party will remain liable to the other for damages incurred as a result of such termination.

Plans and specifications shall be the property of the OWNER, whether the project for which they are made is executed or not. The OWNER shall be permitted to retain copies, including reproducible copies of plans and specifications for information and reference in connection with the OWNER's use and occupancy. The plans and specifications may be used by the OWNER on other projects, for additions to this project, or for completion of this project by others upon payment by the OWNER of appropriate compensation to the ENGINEER for ITEM ONE services as provided in ARTICLE 2.

If the project is suspended for more than six months or abandoned in whole or in part the ENGINEER shall be paid his compensation for services performed prior to receipt of written notice from the OWNER of such suspension or abandonment, together with reimbursable expenses then due, as described in ARTICLE 2, PAYMENTS.

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The ENGINEER shall keep and maintain books, records, and other documents relating directly to the receipt and disbursement of grant funds; and any duly authorized representative of the Governors Office of Federal-State Programs, Department of Community Development, the U.S. Department of Housing and Urban Development (HUD) and/or the Controller General of the United States shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all such books, records, and other documents of the ENGINEER until the completion of all close-out procedures respecting this grant and the final settlement and conclusion of all issues arising out of this grant.

The ENGINEER agrees that any duly authorized representative of the Governors Office of Federal-State Programs, Department of Community Development the U.S. Department of Housing and Urban Development (HUD) and/or the Controller General of the United States shall, at all reasonable times, have access to any portion of the Project in which the ENGINEER is involved until the completion of all close-out procedures respecting this grant.

Also reference the attached special provisions and regulations stipulated by the U.S. Department of Housing and Urban Development (HUD) (Pages 1-11) (see Attachment "B").

**ARTICLE 4
EQUAL EMPLOYMENT OPPORTUNITY**

During the performance of this contract the ENGINEER agrees as follows:

The ENGINEER will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The ENGINEER will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The ENGINEER agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided setting forth the provisions of this non-discrimination clause.

The ENGINEER will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

The ENGINEER will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

The ENGINEER will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the ENGINEER's noncompliance with the non-discrimination clauses of this contract or with any such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the ENGINEER may be declared ineligible for further Government contracts or Federally assisted construction contracts, in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 2_____.

OWNER
CITY OF PICAYUNE
By: _____
Title Mayor
ENGINEER: /s/ James Lee Mock
DUNGAN ENGINEERING, P.A.
By: James Lee Mock
Title Vice-President

WITNESS: _____

WITNESS: _____

ATTACHMENT "A"

DUNGAN ENGINEERING
P.O. BOX 150
1574 HIGHWAY 98 EAST
COLUMBIA, MS 39429
Phone: 601/731-2600 Fax: 601/736-6501

➤ Schedule of Hourly Billing Rates	
Principle Engineer (When Applicable)	\$ 90.00/Hr.
Professional Engineer	\$ 75.00/Hr.
Engineer (E.I.)	\$ 60.00/Hr.
Professional Land Surveyor	\$ 75.00/Hr.
Senior Engineering Technician	\$ 60.00/Hr.
Engineering Technician II	\$ 50.00/Hr.
Engineering Technician I	\$ 40.00/Hr.

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Draftsman/CAD (Part-time)	\$ 30.00/Hr.
Office/Data Processor	\$ 35.00/Hr.
Survey Manager	\$ 75.00/Hr.
GPS Survey Crew	\$100.00/Hr.
Survey Crew	\$ 90.00/Hr.
E-911 Survey Crew	\$ 75.00/Hr.
Construction Inspector (When not an Eng. Tech.)	\$ 30.00/Hr.

➤ *Travel Time Shall Be Billed both to and from Destination.*

ATTACHMENT "B"
SPECIAL PROVISIONS AND REGULATIONS
STIPULATED BY

THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

For the purpose of clarification, the Contracted Party shall refer to the firm providing professional or construction services to the Grantee as specified in the contract to which this document is attached.

1. Access of Grantee, State of Mississippi, HUD and Others to CDBG Documents, Papers, and Books
The Contracted Party agrees to allow the Grantee, State of Mississippi, HUD the Comptroller General of the United States, and any of their duly authorized representatives access to any books, documents, papers, and records of the Contracted Party which are directly pertinent to the CDBG Program for the purpose of making audits, examinations, excerpts, and transcriptions.
2. Termination of Contract For Cause
If, through any cause, the Contracted Party shall fail to fulfill in a timely and proper manner, his obligations, or stipulations of this Contract, the Grantee shall thereupon have the right to terminate this Contract by giving written notice to the Contracted Party of such termination and specifying the effective date of such termination. In such event, all finished or unfinished documents, data, studies and reports prepared by the Contracted Party shall entitle the Contracted Party's receipt of just and equitable compensation for any satisfactory work completed on such documents.
Notwithstanding the above, the contracted Party shall not be relieved of liability to the Grantee for damages sustained or the Grantee by virtue of any breach of the Contract by the Contracted Party. The Owner may withhold any payments to the Contracted Party for the purpose of set off until such time as the exact amount of damages due the Grantee from the Contracted Party is determined.
3. Termination for Convenience of the Grantee
The Grantee may terminate this contract any time by a notice in writing from the Grantee to the Contracted party. If the Contract is terminated by the Owner as provided herein, the Contracted Party will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Contracted Party covered by this Contract, less payments of compensation previously made provided that if less than sixty percent of the services covered by this Contract have been performed upon the effective date of such termination, the Contracted Party shall be reimbursed (in addition to the above payment) for that portion of actual out-of-pocket expenses (not otherwise reimbursed under this Contract) incurred by the Contracted Party during the contract period which are directly attributable to the portion of the services covered by this Contract.
4. Records
All records required to be kept on the project shall be maintained for at least three years after final payment and until all other pending matters under the grant are closed.
5. Health and Safety Standards
Contracts, subcontracts, and subgrants of amounts in excess of \$2,000 shall comply with Section 107 of the Contract Work Hours and Safety Standards Act. Section 107 of the Act is applicable to construction, work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to this health and safety as determined under construction, safety, and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or contracts for transportation.
6. Environmental Compliance
Contracts, subcontracts, and subgrants of amounts in excess of \$100,000 shall comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1957 (h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency (EPA) regulations (40 CFR, 15), which prohibit the use under nonexempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. The provisions shall require reporting of violations to the grantor agency and the U.S. EPA Assistant Administrator for Enforcement (EN-329).
7. Energy Efficiency
All participants in the projects shall recognize mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (PL-94-163).

RECESSED MEETING DATED DECEMBER 19, 20008. Changes

The Grantee may, from time to time, request changes in the scope of the services of the Contracted Party to be performed hereunder. Such changes, including any increase or decrease in the amount of the Contracted Party's compensation which are mutually agreed upon by and between the Grantee and the Contracted Party, shall be incorporated in written amendments to this Contract.

9. Personnel

The Contracted Party represents that it has, or will secure at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the Grantee.

All the services required hereunder will be performed by the Contracted Party or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services.

No person who is serving sentence in a penal or correctional institution shall be employed on work under this Contract.

10. Anti-Kickback Rules

Contracts, subcontracts, and subgrants shall comply with all applicable requirements of the "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. 874; and Title 40 U.S.C. 276c).

Salaries of personnel performing work under this Contract shall be paid unconditionally and not less than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable "Anti-Kickback" regulations issued by the Secretary of Labor.

11. Withholding of Salaries

If in the performance of this Contract, there is any underpayment of salaries by the Contracted Party or by any subcontracted thereunder, the Grantee shall withhold from the Contracted Party out of payment due to him an amount sufficient to pay to employees underpaid the difference between the salaries required thereby to be paid and the salaries actually paid such employees for the total number of hours worked. The amounts withheld shall be disbursed by the Grantee for and on account of the contracted party or subcontractor to the respective employees to whom they are due.

12. Claims and Disputes Pertaining to Salary Rates

Claims and disputes pertaining to salary rates or to classifications of professional staff or technicians performing work under this Contract shall be promptly reported in writing by the Contracted Party to the Grantee for the latter's decision which shall be final with respect thereto.

13. Equal Employment Opportunity

Contracts, subcontracts, and subgrants of amounts in excess of \$10,000 shall comply with Executive Order 11246, and the regulations issued pursuant thereto (24 CFR 130 and 41 CFR Chapter 60), which provides that no person shall be discriminated against on the basis of race, color, religion, gender, or national origin in all phases of employment during the performance of Federal or Federally assisted construction contracts. Contractors and subcontractors of Federal and Federally assisted construction contracts shall take affirmative action to ensure fair treatment in employments, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates or pay or other forms of compensation and selection for training apprenticeship.

14. Anti-Discrimination Clauses

Contracts, Subcontracts, and subgrants of amounts in excess of \$10,000 shall comply with the following clauses:

1. Title VI of the Civil Rights Act of 1964 (PL 88-352), and the regulations issued pursuant thereto (24 CFR 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits;
2. Title VIII of the Civil Rights Act of 1968 (PL 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and taking action to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services;
3. Executive Order 11063, as amended by Executive Order 12259, on equal opportunity in housing and nondiscrimination in the sale or rental of housing built with Federal assistance; and
4. Section 109 of the Housing and Community Development Act of 1974, as amended which requires that no person in the United States shall on the grounds of race, color, national origin or gender be excluded from participation in, be denied the benefits or be subjected to discrimination under, any program or activities funded in whole or in part with community development funds made available pursuant to the Act. Section 109 further provides that any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U. S. C. 6 101 et seq.) or with respect to an

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otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C.796) shall also apply to any such program or activity.

15. Section 3 Clause (See Attachment A)
Contracts, subcontracts, and subgrants of amounts in excess of \$100,000 shall comply with Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U. S. C. 17010) requiring that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project area be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the area of the project.
16. Discrimination Because of Certain Labor Matters
No person employed on the work covered by this Contract shall be discharged or in any way discriminated against because he has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his employer.
17. Compliance with Local Laws
The Contracted Party shall comply with all applicable laws, ordinances, and codes of the state and local governments, and shall commit no trespass on any public or private property in performing any of the work embraced by this Contract.
18. Subcontracting
None of the services covered by this Contract shall be subcontracted without prior written consent of the Grantee. The Contracted Party shall be as fully responsible to the Grantee for the acts and omissions of his subcontractors and of persons either directly or indirectly employed by him. The Contracted Party shall insert in each subcontract appropriate provisions requiring compliance with the special provisions and regulations stipulated by HUD and the CDBG Program.
19. Assignability
The Contracted Party shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the Grantee provided that claims for money due or to become due the Contracted Party from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution, or to a Trustee in Bankruptcy, without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.
20. Interest of Members of Local Public Agency and Others
The Contracted Party agrees to establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have a family, business, or other tie.
The Contracted Party will comply with Section 21-39-1, Mississippi Code Annotated (1972), which prohibits municipal officers and employees from having or owning any interest or share, individually or as agent or employee of any person or corporation, either directly or indirectly, in any contract made or let by the governing authorities of such municipality for the construction or doing of any public work, or for the sale or purchase of any materials, supplies, or property of any description, or for any other purpose whatsoever, or in any subcontract arising therefrom or connected therewith, or to receive, either directly or indirectly, any portion of share of any money or other thing paid for the construction or doing of any public work, or for the sale or purchase of any property, or upon any other contract made by the governing authorities of the municipality, or subcontract arising therefrom or connected therewith.
The Contracted Party will also be aware of and avoid any violation of Sections 97-11-19, Mississippi Code Annotated (Supp. 1982), which prescribed a criminal penalty for any public officer who has an interest in any contract passed by the board of which he is a member during the term he was a member and for one year thereafter.
21. Interest of Certain Federal Officers
No member of or delegate to the Congress of the United States and no Resident Commissioner, shall be admitted any share of part of this Contract or to any benefit to arise therefrom.
22. Interest of Contractor
The Contracted Party stipulates that they presently have no interest and shall not acquire any interest direct or indirect in the above described project or any parcels therein or any other interest which would conflict in any manner or degree with the performance of their services hereunder. The Contracted Party further agrees that in the performance of this Contract no person having any such interest shall be employed.
23. Political Activity
The Contracted Party will comply with the provisions of the Hatch Act (5 U.S.C. 1501 et seq.), which limits the political activity of employees.
24. Davis-Bacon Act Requirements
The Contracted Party will comply with Section 110 of the Housing and Community Development Act of 1974, as amended, which requires that all laborers and mechanics employed by contractors or subcontractor on construction work assisted under the Act shall be paid at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 376a-276a5), and it will comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.). However, these requirements apply to the rehabilitation of residential property only if such property is designed for residential use of eight or more families.

RECESSED MEETING DATED DECEMBER 19, 2000**25. Uniform Act Requirements**

The Contracted Party will comply with all applicable requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (43 U.S.C. 4630) as specified in regulation issued by the Secretary of the Department of Housing and Urban Development and published in 24 CFR 570-1.

26. Lead-Based Paint Requirements

The Contracted Party will comply with Title IV of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831) which prohibits the use of lead-based paint in residential structures constructed or rehabilitated with Federal assistance in any form.

27. Compliance with Office of Management and Budget

The Contracted Party shall comply with the regulations, policies, guidelines, and requirements of the Office of Management and Budget, Circulars A-95, A-102, and A-54, as they relate to the use of Federal funds under this contract.

28. The Contracted Party shall comply with the flood insurance purchase requirements of Section 102 (2) of the Flood Disaster Protection Act of 1973, (PL 93-234, 87 Stat. 975) approved December 31, 1976. Section 102 (a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of Department of Housing and Urban Development as an area having special flood hazards. The phrase, "Federal financial assistance," includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, any other form of direct or indirect Federal assistance.**29. Historic Preservation**

The Contracted Party agrees to assist the Federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U. S. C. 470), Executive Order 11593, and the Archaeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.) by (a) consulting with the State Historic Preservation officer on the conduct of investigations, as necessary, to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (CFR part 600.8) by the activity, and notifying the Federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Federal grantor agency and the state grantor agency to avoid or mitigate adverse effects upon such properties.

30. Program Monitoring

The Contracted Party agrees to assist and cooperate with the Federal grantor agency and the state grantor agency or their duly designated representatives in the monitoring of the project or projects to which this grant relates, and to provide in form and manner approved by the state grantor agency such monitoring reports, progress reports, and the like as may be required and to provide such reports at the times specified.

31. Discrimination Due to Beliefs

No person with responsibilities in operation of the project to which this grant relates will discriminate with respect to any program participant or any applicant for participation in such program because of political affiliation or beliefs.

32. Confidential Findings

All of the reports, information data, etc., prepared or assembled by the Contracted Party under this Contract are confidential and the Contracted Party agrees that the shall not be made available to any individual or organization without prior written approval of the Grantee.

33. Third-Party Contracts

Contracts, Subcontracts, and Subgrants of amounts in excess of \$2,000 shall include the following provisions:

1. Each Participating Party shall keep and maintain books, records, and other documents relating directly to the receipt and disbursements of such grant funds.
2. Any duly authorized representative of the Mississippi Department of Economic and Community Development, the U.S. Department of Housing and Urban Development, and the Comptroller General of the United States shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all such books, records, and other documents of such Participating Party until the completion of all close-out procedures respecting this grant and the final settlement and conclusion of all issues arising out of this grant.
3. The Grantee shall include in all contracts with Participating Parties a provision that each Participating party agrees that any duly authorized representative of the Mississippi Department of Economic and Community Development, the U.S. Department of Housing and Urban Development, and Comptroller General of the United States shall at all reasonable times, have access to any portion of the Project which such Participating Party is involved until the completion of all close-out procedures respecting this grant.
4. Federal Labor Standards Provisions as required by 29 CFR Part 5,5, para (a), and any such other clauses as the Grantee may require.

The Contracted Party shall cause appropriate provisions to be inserted in all subcontracts relative to the work to bind subcontractors to the Contracted Party by the terms of the Special Provisions and Regulations Stipulated by HUD and the CDBG Program, and to give the Contracted Party the same power as the Grantee may exercise over the Contracted Party under any provision of the contract documents.

34. Bonding Requirements

For construction of facility improvement contracts or subcontracts exceeding \$100,000, the minimum requirements are as follows:

1. A bid guarantee from each bidder equivalent to five percent of the bid price.

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2. A performance bond on the part of the contractor for 100 percent of the contract price.
 3. A payment bond on the part of the contractor for 100 percent of the contract price.
- For construction or facility improvement contracts or subcontracts of \$100,000 or less, the contracted party shall conform to the insurance requirements set forth by the Grantee and stipulated in Contract Documents between the contracted party and the Grantee.
35. Insurance Requirements
The contracted party shall conform to the insurance requirements set forth by the Grantee and stipulated in Contract Documents between the contracted party and the Grantee.

ATTACHMENT A: SECTION 3 CLAUSE

All Section 3 covered contracts shall include the following clause (24 CFR Part 135.38):

1. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development (HUD) Act of 1968, as amended, 12 U.S.C. 1701 u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assisted projects covered by Section 3 shall to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance.
2. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
3. The contractor agrees to send each labor organization or representative or worker with which the contractor has collective bargaining agreement or other understanding, if any, a notice advising the labor organization or worker's representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job tides subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
4. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 13.5. The contractor will not subcontract with any subcontractor where the contractor has notice of knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
5. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
6. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of contract for default, and debarment or suspension from future HUD assisted contracts.
7. With respect to work performed in connection with Section 3 covered Indian Housing assistance, Section 7(b) of the Indian Self-determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible, (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

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.

RECESSED MEETING DATED DECEMBER 19, 2000ORDER TO AUTHORIZE ADVERTISEMENT FOR CONSTRUCTION BIDS FOR PHASE B -- INFRASTRUCTURE IMPROVEMENTS AT THE PICAYUNE MUNICIPAL AIRPORT

Upon recommendation of the Public Works Director, motion was made by Councilmember Roberson, seconded by Councilmember Thorman, to authorize the Purchasing Agent to advertise for construction bids for Phase B -- Infrastructure Improvements at the Picayune Municipal Airport. There will be two (2) bids for construction -- one for all utility improvements and one for the public wash facility. 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 recommendation of the City Manager, motion was made by Councilmember Thorman, 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, Thorman, Guy and McQueen

VOTING NAY: None

ABSENT AND NOT VOTING: Councilmember Bates

The motion was declared carried.

Motion was made by Councilmember Thorman, seconded by Councilmember Roberson, to enter executive session to discuss a personnel matter. 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 personnel matter.

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 personnel matter and took no action.

RECESSED MEETING DATED DECEMBER 19, 2000

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, 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