

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

Be It Remembered that the Mayor and City Council of the City of Picayune, Pearl River County, Mississippi, met at City Hall, 203 Goodyear Blvd., in said City, Tuesday, March 5, 2019, at 5:00 p.m. in regular session with the following officials present:, Mayor Ed Pinero, Council Members, Lynn Bumpers, Jan Stevens, Larry Breland and Wayne Gouguet and City Manager Jim Luke and City Clerk Amber Hinton. Council Member Tammy Valente was absent.

It being determined a quorum was present, the following proceedings were held.

Opening prayer was given by Reverend Goss, followed by the Pledge of Allegiance led by Council Member Larry Breland.

ORDER TO APPROVE MINUTES

Motion was made by Council Member Stevens, seconded by Council Member Gouguet to approve the Minutes for the City of Picayune dated February 19, 2019.

The following roll call was made:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Council Member Valente

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

ACKNOWLEDGE RECEIPT OF MONTHLY BUDGET REPORT

Motion was made by Council Member Stevens, seconded by Council Member Gouguet to acknowledge receipt of monthly budget report for the month of February 2019.

**AF Statement of Activity - MTD and YTD with Budget
City of Picayune
For 2/28/2019**

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Financial Report	Annual Budget	M-T-D Actual	Y-T-D Actual + Encumbrances	Y-T-D Budget	Variance	Percent YTD
Revenues						
351-000-341.01-000-000 RENT T-HANGARS	132,900	1,880	72,280	55,375	16,905	54
351-000-341.02-000-000 GROUND LEASES	10,230	0	6,900	4,283	2,637	67
351-000-374.00-000-000 FUEL SALES	3,500	381	1,882	1,458	224	48
351-350-400.02-000-000 USDOT-FAA-MDOT GRANT #92	825,707	0	250,209	344,045	(63,836)	30
Total Revenues	972,337	2,241	331,071	405,141	(74,070)	34
Expenditures						
Airport Expenses						
PERSONNEL	60,130	4,805	25,379	25,054	(325)	42
SUPPLIES	9,000	483	559	3,750	3,191	6
OUTSIDE SERVICES	65,500	800	28,317	41,290	14,973	40
Total Airport Expenses	134,630	6,088	52,255	70,094	17,839	39
Total Expenditures	134,630	6,088	52,255	70,094	17,839	39
Excess Revenue Over (Under) Expenditures	837,707	(3,857)	278,816	335,047	(91,909)	33

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**CF Statement of Activity - MTD and YTD with Budget
City of Picayune
For 2/28/2019**

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Financial Report	Annual Budget	M-T-D Actual	Y-T-D Actual + Encumbrances	Y-T-D Budget	Variance	Percent YTD
Revenues						
406-000-211.00-000-000 RECORDING FEES	0	36	(33)	0	(33)	0
406-000-340.00-000-000 INTEREST INCOME	1,000	0	492	417	75	49
406-000-380.01-000-000 TRANSFER FROM GENERAL FUND	82,552	6,879	34,397	34,397	0	42
406-000-392.00-000-000 SALE OF LOTS	10,000	(322)	5,631	4,167	1,484	56
Total Revenues	93,552	6,593	40,487	38,981	1,506	43
Expenditures						
Cemetery Expenses						
PERSONNEL	92,249	6,119	35,965	38,437	2,472	39
SUPPLIES	9,545	170	2,900	3,978	1,078	30
OUTSIDE SERVICES	10,100	2,098	7,244	5,287	(1,957)	72
CAPITAL OUTLAY	0	30,994	0	0	0	0
Total Cemetery Expenses	111,894	39,381	46,109	47,702	1,593	41
Total Expenditures	111,894	39,381	46,109	47,702	1,593	41
Excess Revenue Over (Under) Expenditures	(18,342)	(32,788)	(5,622)	(8,721)	(87)	(31)

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**ED Statement of Activity - MTD and YTD with Budget
City of Picayune
For 2/28/2019**

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Financial Report	Annual Budget	M-T-D Actual	Y-T-D Actual + Encumbrances	Y-T-D Budget	Variance	Percent YTD
Revenues						
110-043-340.00-000-000 INTEREST INCOME	2,000	0	943	833	110	47
110-043-340.01-000-000 INTEREST INCOME - FARMER FRESH	0	1,132	5,710	0	5,710	0
110-043-341.00-000-000 RENT	67,875	0	0	28,281	(28,281)	0
110-043-341.02-000-000 MANNA MINISTRIES LEASE	1	0	0	0	0	0
110-402-280.00-000-000 SALES TAX-TOURISM	475,000	44,890	218,140	197,917	18,223	46
110-402-314.00-000-000 PARK BLDG RENTAL FEES	2,000	80	885	833	32	43
110-402-314.03-000-000 PARK FIELD RENTAL FEES	1,500	200	200	625	(425)	13
110-402-340.00-000-000 INTEREST INCOME-TOURISM	1,500	0	488	625	(137)	33
110-402-346.02-000-000 FRIENDSHIP PARK BRICK SPONSORSHIP DONATIONS	350	0	350	350	0	100
Total Revenues	660,226	46,302	224,696	228,464	(4,768)	41
Expenditures						
Sale of Lots Expenses						
OUTSIDE SERVICES	7,500	390	5,343	4,583	(760)	71
Total Sale of Lots Expenses	7,500	390	5,343	4,583	(760)	71
Recreation Expenses						
PERSONNEL	158,884	11,638	71,086	66,201	(4,885)	45
SUPPLIES	58,350	6,445	26,176	24,312	(1,864)	45
OUTSIDE SERVICES	53,580	1,759	22,442	22,329	(113)	42
CAPITAL OUTLAY	350	0	0	350	350	0
Total Recreation Expenses	271,174	19,842	119,704	113,192	(6,512)	44
Retirement Development Expenses						
Total Expenditures	278,674	20,232	125,047	117,775	(7,272)	45
Excess Revenue Over (Under) Expenditures	271,552	26,070	99,649	111,689	2,504	37

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GF Statement of Activity - MTD and YTD with Budget
City of Piquette
For 2/28/2019

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Financial Report	Annual Budget	M-T-D Actual	Y-T-D Actual + Encumbrances	Y-T-D Budget	Variance	Percent YTD
Revenues						
001-000-200.00-000-000 AD VALOREM TAXES-CURRENT	1,528,374	880,121	1,171,282	635,889	535,293	77
001-000-201.00-000-000 AUTO AND MOBILE HOME	224,373	23,007	101,856	83,489	8,467	45
001-000-202.00-000-000 PERSONAL TAXES	434,253	247,146	368,575	180,939	185,636	84
001-000-203.00-000-000 AD VALOREM-DELINQUENT	0	451	451	0	451	0
001-000-210.00-000-000 PENALTIES & INTEREST	45,000	770	11,083	18,750	(7,667)	25
001-000-214.00-000-000 TAX COLLECTION COSTS	69,000	33,651	56,532	28,750	27,782	82
001-000-220.00-000-000 PRIVILEGE LICENSES	36,800	429	11,555	15,333	(3,778)	31
001-000-220.01-000-000 LIQUOR PRIVILEGE TAX	6,075	1,350	4,275	2,531	1,744	70
001-000-221.00-000-000 FRANCHISE CHARGES-UTILITIES	558,886	125,983	344,301	233,288	111,015	61
001-000-222.00-000-000 BUILDING PERMITS	46,800	4,587	17,703	19,500	(1,797)	38
001-000-224.00-000-000 LOT CLEAN UP	0	11,337	14,979	0	14,979	0
001-000-227.00-000-000 INSPECTION FEES	8,000	100	1,600	3,333	(1,733)	20
001-000-241.00-000-000 FEDERAL PAYMENT IN LIEU OF	27,500	0	0	11,458	(11,458)	0
001-000-250.00-000-000 MUNICIPAL-STATE AID	15,000	0	11,847	6,250	5,597	79
001-000-251.00-000-000 HOMESTEAD EXEMPTION REIMB.	177,600	0	0	74,000	(74,000)	0
001-000-280.00-000-000 GENERAL SALES TAX	4,704,148	432,684	2,021,503	1,860,081	61,442	43
001-000-282.02-000-000 1/4 MILL LEVY FIRE PROTECTION	20,825	9,898	16,686	8,677	8,008	80
001-000-282.03-000-000 MUN. FIRE REBATE FUNDS-FOR CODE	1,831	0	0	783	(783)	0
001-000-282.04-000-000 FIRE REBATE FUNDS-NEW FIRE DEPT BLDG	60,000	0	0	25,000	(25,000)	0
001-000-283.00-000-000 POLICE MINIMUM STANDARDS	11,500	0	10,800	4,792	6,008	94
001-000-271.00-000-000 ROAD & BRIDGE TAXES	250,000	111,189	181,957	104,167	77,790	73
001-000-276.00-000-000 SCHOOL PATROL	330,504	27,542	165,251	137,710	27,541	50
001-000-330.00-000-000 COURT FINES & FEES	220,000	0	0	91,687	(91,687)	0
001-000-334.00-000-000 SPECIAL POLICE SERVICE	22,500	0	7,860	9,375	(1,515)	35
001-000-335.00-000-000 POLICE EQUIP ASSESSMENTS	250	47	228	104	124	91
001-000-338.05-000-000 COLLECTION FEE	250	0	0	104	(104)	0
001-000-340.00-000-000 INTEREST EARNED	25,000	594	5,175	10,417	(5,242)	21
001-000-348.01-000-000 WALMART GRANT TO FIRE DEPT	1,000	0	1,000	1,000	0	100
001-000-348.10-000-000 SUMMER YOUTH CAMP DONATION	0	1,000	1,000	0	1,000	0
001-000-355.00-000-000 MISCELLANEOUS INCOME	19,727	10,701	28,455	10,977	15,478	134
001-000-393.01-000-000 SALE OF VEHICLES	0	0	976	0	976	0
001-350-400.97-000-000 VAWA 2018-2019 REIMBURSEMENTS	41,785	6,614	16,219	17,410	(1,192)	39
001-350-400.98-000-000 MDOT ALTERNATIVE PROJ HIGHLAND PKWY	144,315	0	0	144,315	(144,315)	0
Total Revenues	9,030,294	1,729,161	4,569,249	3,850,147	719,101	51
Expenditures						
Municipal Council Expenses						
PERSONNEL	66,479	4,938	27,269	27,689	430	41
SUPPLIES	1,500	130	178	825	447	12
OUTSIDE SERVICES	32,000	0	3,883	13,333	9,450	12
Total Municipal Council Expenses	99,979	5,068	31,330	41,657	10,327	31
Municipal Court Expenses						

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GF Statement of Activity - MTD and YTD with Budget
City of Piquette
For 2/28/2019

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Financial Report	Annual Budget	M-T-D Actual	Y-T-D Actual + Encumbrances	Y-T-D Budget	Variance	Percent YTD
PERSONNEL	270,792	21,972	122,720	112,830	(9,890)	45
SUPPLIES	4,150	567	1,510	1,730	220	36
OUTSIDE SERVICES	88,125	8,229	29,705	85,053	35,348	34
CAPITAL OUTLAY	50,000	0	0	(8,333)	(8,333)	0
Total Municipal Court Expenses	411,067	28,768	153,935	171,280	17,345	37
<u>City Attorney Expenses</u>						
PERSONNEL	19,889	1,511	8,313	8,289	(24)	42
OUTSIDE SERVICES	20,000	1,498	4,988	8,333	3,345	25
Total City Attorney Expenses	39,889	3,009	13,301	16,622	3,321	33
<u>City Manager Expenses</u>						
PERSONNEL	111,352	24,011	50,479	48,397	(4,082)	45
SUPPLIES	6,000	38	757	2,499	1,742	13
OUTSIDE SERVICES	7,725	35	1,231	3,218	1,987	16
Total City Manager Expenses	125,077	24,084	52,467	52,114	(353)	42
<u>General Services Expenses</u>						
PERSONNEL	0	377	488	0	(488)	0
SUPPLIES	7,700	287	4,420	3,208	(1,212)	57
OUTSIDE SERVICES	21,000	745	4,773	8,750	3,877	23
Total General Services Expenses	28,700	1,399	9,681	11,958	2,277	34
<u>Financial Expenses</u>						
PERSONNEL	163,076	12,393	68,092	67,949	(143)	42
SUPPLIES	7,500	759	2,776	3,125	347	37
OUTSIDE SERVICES	57,575	2,735	14,614	23,989	9,375	25
Total Financial Expenses	228,151	15,887	85,484	95,063	9,579	37
<u>Grant Expenses</u>						
PERSONNEL	23,139	(13,821)	10,339	9,642	(697)	45
SUPPLIES	11,495	42	10,701	10,820	(81)	93
OUTSIDE SERVICES	7,850	1,428	3,768	1,759	(2,007)	49
Total Grant Expenses	42,284	(12,353)	24,806	22,021	(2,785)	59
<u>Code Enforcement Expenses</u>						
PERSONNEL	148,146	11,059	61,289	60,895	(394)	42
SUPPLIES	7,000	1,000	1,862	2,916	1,054	27
OUTSIDE SERVICES	20,900	385	611	8,708	8,097	3
Total Code Enforcement Expenses	174,046	12,444	63,762	72,519	8,757	37
<u>Police Administration Expenses</u>						
PERSONNEL	138,079	11,172	60,737	57,532	(3,205)	44
SUPPLIES	7,500	282	1,038	3,125	2,087	14
OUTSIDE SERVICES	6,480	(264)	4,048	3,800	(248)	63
Total Police Administration Expenses	152,039	11,170	65,823	64,457	(1,366)	43
<u>Patrol & Investigations Expenses</u>						
PERSONNEL	1,585,396	141,648	705,956	660,582	(45,374)	45
SUPPLIES	116,650	8,367	48,237	48,604	2,367	40

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**GF Statement of Activity - MTD and YTD with Budget
City of Picayune
For 2/28/2019**

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Financial Report	Annual Budget	M-T-D Actual	Y-T-D Actual + Encumbrances	Y-T-D Budget	Variance	Percent YTD
OUTSIDE SERVICES	92,780	3,753	21,987	38,239	18,252	24
Total Patrol & Investigations Expenses	1,784,826	153,768	774,180	747,425	(28,755)	43
<u>Domestic Violence Grant Expenses</u>						
<u>Custody of Prisoners Expense</u>						
PERSONNEL	173,774	13,850	70,980	72,406	1,446	41
SUPPLIES	53,000	3,429	11,337	22,083	10,746	21
OUTSIDE SERVICES	29,500	258	5,314	12,291	8,977	18
Total Custody of Prisoners Expenses	256,274	17,537	87,611	108,780	18,169	34
<u>Alcohol Countermeasures Grant Expenses</u>						
<u>Records & Communications Expenses</u>						
PERSONNEL	388,282	32,290	162,218	165,951	3,733	41
SUPPLIES	6,500	1,688	1,087	2,709	1,622	17
OUTSIDE SERVICES	14,000	0	45	5,833	5,788	0
Total Records & Communications Expenses	418,782	33,978	163,350	174,493	11,143	39
<u>School Patrol Expenses</u>						
PERSONNEL	349,762	23,813	146,160	145,735	(425)	42
SUPPLIES	17,735	2,748	10,256	7,389	(2,867)	58
OUTSIDE SERVICES	10,200	0	1,090	4,250	3,180	11
Total School Patrol Expenses	377,697	26,561	157,506	157,374	(132)	42
<u>Animal Control Expenses</u>						
PERSONNEL	36,755	2,834	16,232	15,316	(916)	44
SUPPLIES	4,000	73	626	1,667	1,041	16
OUTSIDE SERVICES	42,900	3,425	17,125	17,875	750	40
Total Animal Control Expenses	83,655	6,332	33,983	34,858	875	41
<u>Fire Department Expenses</u>						
PERSONNEL	2,158,021	156,088	899,500	899,177	(323)	42
SUPPLIES	61,147	5,424	20,202	28,714	8,512	33
OUTSIDE SERVICES	54,575	4,969	18,209	22,739	4,530	33
CAPITAL OUTLAY	524,000	727	37,498	218,333	160,867	7
Total Fire Department Expenses	2,797,743	167,188	975,377	1,168,963	193,586	35
<u>Streets & Drainage Expenses</u>						
PERSONNEL	372,416	29,699	158,504	155,173	(3,331)	43
SUPPLIES	175,685	29,612	63,286	73,201	9,915	36
OUTSIDE SERVICES	65,100	6,573	19,459	27,125	7,666	30
CAPITAL OUTLAY	441,757	82,822	84,345	229,584	135,219	21
Total Streets & Drainage Expenses	1,054,958	148,706	335,594	465,063	149,469	32
<u>Grounds & Beautification Expenses</u>						
PERSONNEL	433,959	29,853	161,884	180,816	18,932	37
SUPPLIES	104,800	8,526	30,085	43,667	13,582	29
OUTSIDE SERVICES	63,300	3,354	18,200	48,793	28,593	29
CAPITAL OUTLAY	4,591	0	0	4,591	4,591	0

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**GF Statement of Activity - MTD and YTD with Budget
City of Placayune
For 2/28/2019**

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Financial Report	Annual Budget	M-T-D Actual	Y-T-D Actual + Encumbrances	Y-T-D Budget	Variance	Percent YTD
Total Grounds & Beautification Expenses	608,650	41,733	210,189	275,887	65,698	35
<u>Equipment Maintenance Expenses</u>						
PERSONNEL	51,014	4,031	21,482	21,257	(205)	42
SUPPLIES	14,100	458	2,038	5,875	3,837	14
OUTSIDE SERVICES	2,500	0	0	1,041	1,041	0
Total Equipment Maintenance Expenses	67,614	4,489	23,500	28,173	4,673	35
<u>Transfers Expenses</u>						
OUTSIDE SERVICES	378,968	6,879	103,610	157,070	53,480	27
Total Transfers Expenses	378,968	6,879	103,610	157,070	53,480	27
<u>Aid to Other Govts Expenses</u>						
OUTSIDE SERVICES	690,000	46,148	343,013	287,500	(55,513)	50
Total Aid to Other Govts Expenses	690,000	46,148	343,013	287,500	(55,513)	50
Total Expenditures	9,828,389	742,779	3,708,482	4,171,257	462,776	38
Excess Revenue Over (Under) Expenditures	(796,105)	988,382	880,787	(321,110)	258,326	108

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**UF Statement of Activity - MTD and YTD with Budget
City of Picayune
For 2/28/2019**

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Financial Report	Annual Budget	M-T-D Actual	Y-T-D Actual + Encumbrances	Y-T-D Budget	Variance	Percent YTD
Revenues						
405-000-340.00-000-000 INTEREST INCOME	13,000	0	4,080	5,417	(1,357)	31
405-000-340.04-000-000 2013 REVENUE BOND INTEREST EARNED	1,800	0	638	750	(112)	35
405-000-351.02-000-000 MISC TAP INCOME	10,000	1,050	10,141	4,187	5,974	101
405-000-352.00-000-000 PRCUA BILLING/AMR PAYMENTS	54,000	4,857	23,289	22,500	789	43
405-000-355.00-000-000 MISC INCOME	75,000	7,583	34,402	31,250	3,152	48
405-000-355.01-000-000 MISC INCOME BAGS	4,000	213	1,273	1,687	(394)	32
405-000-355.03-000-000 CROSBY COMMONS KEY FOBS	0	150	525	0	525	0
405-000-360.01-000-000 METERED SALES WATER	2,067,237	158,808	798,088	861,349	(63,261)	39
405-000-360.02-000-000 METERED SALES GAS	4,135,899	208,583	1,808,816	1,723,291	(114,475)	39
405-000-362.00-000-000 SERVICE CONNECTION CHARGES	0	50	250	0	250	0
405-000-364.00-000-000 UTILITY LATE CHARGES	153,000	13,568	71,075	63,750	7,325	46
405-000-365.00-000-000 GARBAGE REVENUE	1,068,172	88,352	463,363	444,238	19,125	43
405-000-393.02-000-000 SALE OF EQUIPMENT & MACHINERY	0	381	12,116	0	12,116	0
Total Revenues	7,580,108	482,353	3,028,036	3,168,379	(130,343)	40
Expenditures						
Intrafund Transfers Expenses						
TRANSFERS	55,820	0	0	23,300	23,300	0
Total Intrafund Transfers Expenses	55,820	0	0	23,300	23,300	0
Utility Administration Expenses						
PERSONNEL	678,482	50,061	278,251	281,889	5,618	41
SUPPLIES	28,000	2,188	7,473	12,083	4,810	28
OUTSIDE SERVICES	98,540	5,528	30,681	41,058	10,377	31
CAPITAL OUTLAY	28,250	0	18,227	18,587	(1,880)	68
Total Utility Administration Expenses	830,272	57,755	332,632	351,577	18,945	40
Director of Public Works Expenses						
PERSONNEL	187,013	14,682	80,775	77,822	(2,853)	43
SUPPLIES	20,200	4,870	9,950	8,417	(1,533)	49
OUTSIDE SERVICES	53,650	994	14,898	22,354	7,458	28
CAPITAL OUTLAY	18,308	4,784	10,928	18,308	5,380	67
Total Director of Public Works Expenses	277,189	25,330	116,547	124,989	8,452	42
Water Regulations Expenses						
PERSONNEL	48,421	4,438	24,837	20,582	(4,245)	50
SUPPLIES	39,950	162	9,868	18,848	8,780	25
OUTSIDE SERVICES	5,800	0	2,381	2,458	97	40
Total Water Regulations Expenses	95,271	4,598	37,084	38,696	2,632	39
Well and Pump Maintenance Expenses						
SUPPLIES	22,100	1,878	12,333	9,209	(3,124)	56
OUTSIDE SERVICES	34,300	0	3,400	14,282	10,882	10

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**UF Statement of Activity - MTD and YTD with Budget
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Financial Report	Annual Budget	M-T-D Actual	Y-T-D Actual + Encumbrances	Y-T-D Budget	Variance	Percent YTD
Total Well and Pump Maintenance Expenses	56,400	1,878	15,733	23,501	7,768	28
<u>Sewer Construction Expenses</u>						
<u>Utility Construction Expenses</u>						
PERSONNEL	193,376	15,863	87,904	80,573	(7,331)	45
SUPPLIES	48,850	2,288	11,981	19,522	7,541	26
OUTSIDE SERVICES	24,600	3,387	4,472	10,250	5,778	18
CAPITAL OUTLAY	66,450	0	66,450	27,950	(38,500)	100
Total Utility Construction Expenses	331,276	21,536	170,807	138,295	(32,512)	52
<u>Water Operations Expenses</u>						
PERSONNEL	216,306	21,865	112,674	90,129	(22,545)	52
SUPPLIES	224,220	9,425	97,883	93,424	(4,439)	44
OUTSIDE SERVICES	48,900	1,480	10,972	24,167	13,195	22
CAPITAL OUTLAY	4,320,000	0	348,427	1,913,750	1,564,323	8
Total Water Operations Expenses	4,809,426	32,770	570,936	2,121,470	1,550,534	12
<u>Gas Operations Expenses</u>						
PERSONNEL	333,459	27,506	138,489	138,942	2,453	41
SUPPLIES	1,516,745	248,014	1,048,945	631,977	(416,968)	69
OUTSIDE SERVICES	63,500	3,417	34,825	28,459	(8,366)	55
CAPITAL OUTLAY	440,935	31,564	318,287	348,185	31,898	72
Total Gas Operations Expenses	2,354,639	310,501	1,536,546	1,145,563	(380,983)	65
<u>Garbage Expenses</u>						
GARBAGE EXPENSES	946,302	75,480	375,558	394,293	18,735	40
Total Garbage Expenses	946,302	75,480	375,558	394,293	18,735	40
<u>Loan Interest Expenses</u>						
INTEREST EXPENSE	101,535	35,889	48,954	42,306	(6,648)	48
Total Loan Interest Expenses	101,535	35,889	48,954	42,306	(6,648)	48
Total Expenditures	<u>9,858,210</u>	<u>565,747</u>	<u>3,204,777</u>	<u>4,405,000</u>	<u>1,200,223</u>	<u>33</u>
Excess Revenue Over (Under) Expenditures	<u>(2,278,102)</u>	<u>(83,394)</u>	<u>(176,741)</u>	<u>(1,246,621)</u>	<u>(1,330,566)</u>	<u>(8)</u>

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The following roll call was made:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Council Member Valente

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

BUY BACK CEMETERY PLOTS

Motion was made by Council Member Stevens, seconded by Council Member Gouguet to buy back cemetery plots from Jewel Mitchell who no longer needs them (Lot 43, Plots 1, 2, 3 & 4, Block X, New Palestine 3rd Addn.

The following roll call was made:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Council Member Valente

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

ORDER TO APPROVE DOCKET

Motion was made by Council Member Stevens, seconded by Council Member Gouguet to approve the docket for March 5, 2019 in the amount of \$ 980,209.56.

The following roll call was made:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Council Member Valente

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE RESOLUTION DECLARING THE INTENT OF THE CITY TO ISSUE GENERAL OBLIGATION BONDS, SERIES 2019

Motion was made by Council Member Breland, seconded by Council Member Stevens to approve a resolution declaring the intent of the City to issue General Obligation Bonds, Series 2019, for the purpose of constructing, improving, equipping or paving streets; and publication of the same. This bond shall not exceed six million dollars (\$6,000,000.00).

REGULAR MEETING MARCH 5, 2019

There came on for consideration the matter of providing financing for various capital improvements for the City of Picayune, Mississippi, and after a discussion of the subject matter, Council Member BRELAND offered and moved the adoption of the following resolution:

RESOLUTION DECLARING THE INTENTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI (THE "CITY"), TO EITHER ISSUE GENERAL OBLIGATION BONDS OF THE CITY, ISSUE A GENERAL OBLIGATION BOND OF THE CITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK OR ENTER INTO A LOAN WITH THE MISSISSIPPI DEVELOPMENT BANK, ALL IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED SIX MILLION DOLLARS (\$6,000,000) TO RAISE MONEY FOR THE PURPOSE OF CONSTRUCTING, IMPROVING, EQUIPPING OR PAVING STREETS, SIDEWALKS, DRIVEWAYS, PARKWAYS, WALKWAYS OR PUBLIC PARKING FACILITIES, BRIDGES, CULVERTS AND PURCHASING LAND THEREFOR IF NECESSARY; AND FOR OTHER RELATED PURPOSES AS AUTHORIZED UNDER MISSISSIPPI CODE ANN. SECTIONS 21-33-301 ET SEQ., AS AMENDED AND/OR SUPPLEMENTED FROM TIME TO TIME, INCLUDING PAYING FOR THE COST OF SUCH BORROWING, DIRECTING THE PUBLICATION OF A NOTICE OF SUCH INTENTION; AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and City Council (the "Governing Body") of the City of Picayune, Mississippi (the "City"), acting for and on behalf of the City, is authorized by Sections 21-33-301 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the "City Bond Act"), to issue general obligation bonds for the purposes set forth therein, including, but not limited to, constructing, improving, equipping or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, bridges, culverts and purchasing land therefor if necessary; and for other related purposes as authorized under Mississippi Code Ann. Sections 21-33-301 *et seq.*, as amended and/or supplemented from time to time, including paying for the cost of such borrowing (collectively, the "Project"); and

WHEREAS, the Governing Body, acting for and on behalf of the City, is also authorized under the City Bond Act and Sections 31-25-1 *et seq.*, Mississippi Code of 1972, as amended (the "Bank Act"), and other applicable laws of the State, to (a) issue a general obligation bond of the City to be sold to the Mississippi Development Bank (the "Bank") to finance the costs of the Project, or (b) enter into a loan or loans with the Bank to borrow money to finance the costs of the Project; and

WHEREAS, the Project is in accordance with and in furtherance of the provisions of the City Bond Act and the Bank Act; and

WHEREAS, the Governing Body is authorized pursuant to the City Bond Act and/or the Bank Act to provide funding for the costs of the Project either through the issuance of (a) general obligation bonds of the City pursuant to the City Bond Act in a total aggregate principal amount of not to exceed Six Million Dollars (\$6,000,000) (the "Bonds"), (b) a general obligation bond of the City to be sold to the Bank in a total aggregate principal amount of not to exceed Six Million Dollars (\$6,000,000) (the "City Bond"), or (c) by entering into a loan or loans with the Bank to borrow money from the Bank in a total principal amount not to exceed Six Million Dollars (\$6,000,000) (the "Loan"); and

WHEREAS, the assessed value of all taxable property within the City, according to the last completed assessment for taxation, was One Hundred Four Thousand Eight Hundred Seventy-three Thousand Two Hundred Eighty-two Dollars (\$104,873,282), and the City had outstanding bonded and floating indebtedness as subject to the fifteen percent (15%) debt limit prescribed by Section 21-33-303 of the City Bond Act, as amended, in the amount of Three Million Four Hundred Five Thousand Dollars (\$3,405,000), and outstanding bonded and floating indebtedness as subject to the twenty percent (20%) debt limit prescribed by Section 21-33-303 of the City Bond Act, in the amount of Three Million Four Hundred Five Thousand Dollars (\$3,405,000); and

WHEREAS, the Bonds, the City Bond or the Loan, when added to the outstanding bonded indebtedness of the City, will not result in bonded indebtedness, exclusive of indebtedness not subject to the aforesaid fifteen percent (15%) debt limit, of more than fifteen percent (15%) of the assessed value of all taxable property within the City, will not result in indebtedness, both bonded and floating, exclusive of indebtedness not subject to the aforesaid twenty percent (20%) debt limit prescribed by Section 21-33-303 of the City Bond Act, in excess of twenty percent (20%) of the assessed value of all taxable property within the City, and will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the City; and

WHEREAS, there has been no increase in said bonded and floating general obligation indebtedness of the City since the date of this resolution; and

WHEREAS, it would be in the best interest of the City for the Governing Body to provide funding for the costs of the Project by borrowing money through the issuance of the Bonds or the City Bond or by entering into the Loan; and

WHEREAS, the City reasonably expects that it will incur expenditures in connection with the Project for which the City intends to reimburse itself with the proceeds of the Bonds, the City Bond or the Loan; and

WHEREAS, the Governing Body is authorized and empowered by the City Bond Act and/or the Bank Act to issue the Bonds or the City Bond or to enter into the Loan for the purposes herein set forth and there are no other available funds on hand or available from regular sources of income for such purposes.

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

SECTION 1. The Governing Body, acting for and on behalf of the City, hereby declares its intention to either (a) issue and sell the Bonds pursuant to the City Bond Act in an aggregate principal amount not to exceed Six Million Dollars (\$6,000,000), (b) issue and sell the City Bond to the Bank pursuant to the City Bond Act and the Bank Act in an aggregate principal amount not to exceed Six Million Dollars (\$6,000,000), or (c) enter into the Loan with the Bank pursuant to the City Bond Act and the Bank Act in a principal amount not to exceed Six Million Dollars (\$6,000,000).

SECTION 2. The Bonds or the City Bond will be issued or the Loan will be entered into for the purpose of financing the Project, as authorized by the City Bond Act and the Bank Act.

SECTION 3. The Bonds or the City Bond may be issued in one or more series and, if issued, will be general obligations of the City payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to time, rate or amount upon all the taxable property within the geographical limits of the City. The Loan will be payable from available revenues of the City and will not constitute an indebtedness of the City within the meaning of any constitutional or statutory restrictions, limitations, or provisions, and the taxing power of the City will not be pledged to the payment of the Loan.

SECTION 4. The Governing Body proposes to direct the issuance of all or any portion of the Bonds or the City Bond or to authorize the Loan in the amount and for the purposes and secured as aforesaid at a meeting of the Governing Body to be held at its usual meeting place located at the City Hall in the City, located at 203 Goodyear Blvd, Picayune, Mississippi, at the hour of 5:00 o'clock p.m. on April 2, 2019, or at some meeting or meetings subsequent thereto; provided, however, that if ten percent (10%) or Fifteen Hundred (1500), whichever is less, of the qualified electors of the City shall file a written protest with the City Clerk against the issuance of the Bonds or the City Bond or the authorization of the Loan on or before the aforesaid date and hour, then the Bonds or the City Bond shall not be issued or the Loan shall not be entered into unless approved at an election on the question thereof called and held as is provided by law; provided, further that if no protest is filed, then the Bonds or the City Bond may be issued and sold in one or more series or the City may enter into the Loan without an election on the question of the issuance thereof at any time within a period of two (2) years after April 2, 2019.

SECTION 5. In full compliance with the City Bond Act, the City Clerk is hereby directed to publish a copy of this resolution once a week for at least three (3) consecutive weeks in *Picayune Item*, a newspaper published in the City, and having a general circulation in the City and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended, with the first publication being not less than twenty-one (21) days prior to the date set forth in

REGULAR MEETING MARCH 5, 2019

Section 4 of this resolution, and the last publication being made not more than seven (7) days prior to such date.

SECTION 6. The City Clerk is hereby directed to procure from the publisher of the aforesaid newspaper the customary proof of the publication of this resolution and the required notice and have the same before the Governing Body on the date and hour specified in Section 4 hereof.

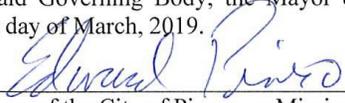
SECTION 7. The City hereby declares its official intent to reimburse itself from the proceeds of the Bonds, the City Bond or the Loan for expenses incurred with respect to the Project subsequent to the date of this resolution. This resolution is intended as a declaration of official intent under Treasury Regulation 1.150-2. The Bonds, the City Bond or the Loan will not exceed the aggregate principal amount of Six Million Dollars (\$6,000,000).

SECTION 8. If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

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

Mayor Edward Pinero	Voted: <u>YAY</u>
Councilman Larry Breland, Jr.	Voted: <u>YAY</u>
Councilwoman Lynn Bogan Bumpers	Voted: <u>YAY</u>
Councilman Wayne Gouguet	Voted: <u>YAY</u>
Councilwoman Janice Stevens	Voted: <u>YAY</u>
Councilwoman Tammy Valente	Voted: <u>YAY</u>

The motion having received the affirmative vote of a majority of the members of the Governing Body present, being a quorum of said Governing Body, the Mayor declared the motion carried and the resolution adopted this 5th day of March, 2019.



Mayor of the City of Picayune, Mississippi

ATTEST:



City Clerk

PUBLISH: March 8, March 15, March 22, and March 29, 2019

The following roll call was made:

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

VOTING NAY: None

ABSENT AND NOT VOTING: Council Member Valente

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AT THIS TIME, COUNCIL MEMBER TAMMY VALENTE ENTERED THE MEETING

APPROVE RESOLUTION AUTHORIZING THE EMPLOYMENT OF PROFESSIONALS IN CONNECTION WITH THE ISSUANCE OF THE GENERAL OBLIGATION BONDS, SERIES 2019

Motion was made by Council Member Gouguet, seconded by Council Member Valente to approve a resolution authorizing the employment of professionals in connection with the issuance of the General Obligation Bonds, Series 2019.

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PICAYUNE, MISSISSIPPI (THE "CITY"), APPROVING THE EMPLOYMENT OF PROFESSIONALS IN CONNECTION WITH THE ISSUANCE OF BONDS OF THE CITY, IN ONE OR MORE SERIES, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED SIX MILLION DOLLARS (\$6,000,000), IN THE AGGREGATE, TO RAISE MONEY FOR THE PURPOSE OF (I) CONSTRUCTING, IMPROVING, EQUIPPING OR PAVING STREETS, SIDEWALKS, DRIVEWAYS, PARKWAYS, WALKWAYS OR PUBLIC PARKING FACILITIES, BRIDGES, CULVERTS AND PURCHASING LAND THEREFOR IF NECESSARY; AND FOR OTHER RELATED PURPOSES AS AUTHORIZED UNDER MISSISSIPPI CODE ANN. SECTIONS 21-33-301 ET SEQ., AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME, INCLUDING PAYING FOR THE COST OF SUCH BORROWING AND SECTIONS 31-25-1 ET SEQ., MISSISSIPPI CODE OF 1972, AS AMENDED; THE COST OF ISSUANCE FOR THE BONDS; AND FOR RELATED IMPROVEMENTS WITHIN THE CITY.

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

1. The Governing Body has determined that it is necessary to raise money for the purpose of providing funds for the purposes set forth therein, including, but not limited to, (i) constructing, improving, equipping or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, bridges, culverts and purchasing land therefor if necessary; and for other related purposes as authorized under Mississippi Code Ann. Sections 21-33-301 et seq., as amended and/or supplemented from time to time, including paying for the cost of such borrowing (collectively, the "Project").

2. It is necessary and in the public interest for the City to issue general obligation bonds, issue qualified obligations for purchase by the Mississippi Development Bank or seek a loan from the Mississippi Development Bank, in one or more series, in the principal amount not to exceed Six Million Dollars (\$6,000,000), in the aggregate, to finance the cost of the Project (the "Bonds").

3. That in order to prepare the necessary resolutions and documents for the sale and issuance of the Bonds, it is in the best interest of the City to authorize the law firm of Butler Snow LLP, Ridgeland, Mississippi, as Bond Counsel, and Government Consultants, Inc., Madison, Mississippi, as Municipal Advisor, to prepare and distribute such resolutions and documents necessary in order to facilitate the sale and issuance of the Bonds of the City at a subsequent date, subject to the approval of the Governing Body of the City.

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

SECTION 1. The Governing Body hereby declares its intention to issue its Bonds to provide funds for the Project.

SECTION 2. The Governing Body herein employs the law firm of Butler Snow LLP, Ridgeland, Mississippi, as Bond Counsel, and Government Consultants, Inc., Madison,

REGULAR MEETING MARCH 5, 2019

Mississippi, as Municipal Advisor, and authorizes them to prepare the necessary resolutions and offering documents for the subsequent sale and issuance of the Bonds, subject to the approval of the Governing Body of the City.

SECTION 3. The terms of employment for Bond Counsel are set forth in the engagement letter (the "Engagement Letter") attached hereto as **EXHIBIT A**. The form of the Engagement Letter and the execution thereof by the Mayor is hereby approved and authorized.

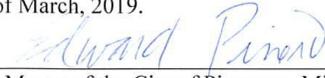
SECTION 4. In connection with the employment of Municipal Advisor, the City is hereby requested to execute the Independent Registered Municipal Advisor ("IRMA") Representation Letter (the "IRMA Letter") attached hereto as **EXHIBIT B**. The form of the IRMA Letter and the execution of same by the Mayor is hereby approved and authorized.

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, but only to the extent of such conflict.

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

Mayor Edward Pinero	Voted: <u>YAY</u>
Councilman Larry Breland, Jr.	Voted: <u>YAY</u>
Councilwoman Lynn Bogan Bumpers	Voted: <u>YAY</u>
Councilman Wayne Gouguet	Voted: <u>YAY</u>
Councilwoman Janice Stevens	Voted: <u>YAY</u>
Councilwoman Tammy Valente	Voted: <u>YAY</u>

The motion having received the affirmative vote of a majority of the members of the Governing Body present, being a quorum of said Governing Body, the Mayor declared the motion carried and the resolution adopted this 5th day of March, 2019.



Mayor of the City of Picayune, Mississippi

ATTEST:


City Clerk

EXHIBIT A

Bond Counsel Engagement Letter

BUTLER | SNOW

March 5, 2019

VIA EMAIL

Mayor & City Council
City of Picayune, Mississippi
203 Goodyear Blvd.
Picayune, Mississippi 39466

Re: Picayune, Mississippi (the "City"), General Obligation Bonds in the Principal Amount Not to Exceed Six Million Dollars (\$6,000,000) (the "Bond")

Dear Mayor & City Council:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to the City in connection with the issuance of the above-referenced Bond. We understand that the Bond is being issued for the purpose of providing funds constructing, improving, equipping or paving streets, sidewalks, driveways, parkways, walkways or public parking facilities, bridges, culverts and purchasing land therefor if necessary; repairing, improving and extending sanitary, storm, drainage or sewerage systems; and for other related purposes (the "Project"); and paying for costs of issuance of the Bonds, and will be secured by the full faith and credit of the City as authorized by Mississippi (the "State") law. It is also our understanding that the Bonds may be issued through the Mississippi Development Bank.

SCOPE OF ENGAGEMENT

In connection with this engagement, we expect to perform the following duties:

1. Subject to the completion of proceedings to our satisfaction, render our legal opinion (the "Bond Opinion") regarding the validity and binding effect of the Bond, the source of payment and security for the Bond, and the excludability of interest on the Bond from gross income for federal and State income tax purposes;
2. Prepare and review documents necessary or appropriate for the authorization, issuance and delivery of the Bond and coordinate the authorization and execution of such documents;
3. Assist the City in seeking from any other governmental authorities such approvals, permissions, and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance and delivery of the Bond, except that we will not be responsible for any required Blue Sky filings;
4. Review legal issues relating to the structure of the Bond issue;
5. Pursue validation proceedings under State law;

Mayor & City Council
City of Picayune, Mississippi
March 5, 2019
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6. If applicable, assist the City in preparing the official statement (the "**Official Statement**") and subject to satisfactory completion of our review, provide to the City written advice that in the course of our participation, no information has come to our attention that leads us to believe that the Official Statement, as of its date (except for financial statements, other statistical data, feasibility reports and statements of trends and forecasts and book-entry language contained in the Official Statement and its appendices, as to which we will express no opinion), contains any untrue statement of material fact or omits to state any material fact necessary to make the statements in the Official Statement, in light of the circumstances under which they were made, not misleading; and provided, that if we prepare an Official Statement then there will be a fee of \$5,000 in addition to the fee quoted below

7. Assist the City in presenting information to bond or bond rating organizations, if necessary, and providers of credit enhancement relating to legal issues affecting the issuance of the Bond;

8. Prepare and review the notice of sale pertaining to the competitive sale of the Bonds;
and

9. If applicable, draft the continuing disclosure undertaking of the City. However, based on our review and discussions with the City's municipal advisor, if it is determined that the City is not in compliance with any of its existing continuing disclosure undertakings, then with your permission we will update said undertakings for a separate fee as set forth below.

Our Bond Opinion will be addressed to the City and will be delivered by us on the date of delivery of the Bond. The Bond Opinion will be based on facts and laws existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the City with applicable laws relating to the Bond. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bond and its security. We understand that you will direct members of your staff and other employees of the City to cooperate with us in this regard. In rendering our Bond Opinion, we will expressly rely upon other counsel as to due authorization, execution and delivery of Bond documents executed by the City.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties under this engagement, without a separate engagement as may hereafter be agreed between the parties, do not include:

(a) Except as described in paragraph 6 above, assisting in the preparation or review of the Official Statement or any other disclosure document, if applicable, with respect to the Bond, or performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document or rendering advice that the Official Statement or other disclosure document, if applicable, does not contain any untrue statement of a material fact or

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City of Picayune, Mississippi
March 5, 2019
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omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;

(b) Preparing request for tax rulings from the Internal Revenue Service ("**IRS**") or no action letters from the Securities and Exchange Commission ("**SEC**");

(c) Preparing Blue Sky or investment surveys with respect to the Bond;

(d) Drafting State constitutional or legislative amendments;

(e) Pursuing test cases or other litigation, such as contested validation proceedings;

(f) Making an investigation or expressing any view as to the creditworthiness of the City or the Bond;

(g) Except as described in paragraph 9 above and if applicable, assisting in the preparation of, or opining on, a continuing disclosure undertaking pertaining to the Bond or, after closing, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking;

(h) Representing the City in IRS examinations or inquiries, or SEC investigations;

(i) After closing, providing continuing advice to the City or any other party concerning any actions necessary to assure that interest paid on the Bond will continue to be excludable from gross income for federal income tax purposes (e.g., our engagement does not include rebate calculations for the Bond). Although our present engagement does not include rebate analysis and post-issuance advice relating to the Bond, we would like to discuss with you a separate engagement involving rebate and other post-issuance compliance matters for the Bond and other bond issues or Bonds that you may have issued on various occasions. This includes the drafting of a formal debt management policy and post-issuance tax compliance policy;

(j) Giving and/or providing any financial advice or recommendations concerning the issuance of the Bond as mandated by SEC rules; or

(k) Addressing any other matters not specifically set forth above that is not required to render our Bond Opinion.

ATTORNEY-CLIENT RELATIONSHIP

Upon execution of this engagement letter, the City will be our client and an attorney-client relationship will exist between us. We understand that counsel to the City will assist with the issuance of the Bond, particularly as to the authorization, execution and delivery of Bond documents. We assume that all other parties will retain such counsel, as they deem necessary and appropriate to represent their interest in this transaction. We further assume that all other parties understand that in this transaction we represent only the City, we are not counsel to any

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City of Picayune, Mississippi
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other party, and we are not acting as an intermediary among the parties. Our services as Bond counsel are limited to those contracted for in this letter, and the City's execution of this engagement letter will constitute an acknowledgment of those limitations. Our representation of the City will not affect, however, our responsibility to render an objective Bond Opinion.

Our representation of the City and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bond, or the final series thereof. Nevertheless, subsequent to the Closing of each series of Bonds, we will mail, if required, to the IRS the appropriate IRS Form 8038-G and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bond.

PROSPECTIVE CONSENT

As you are aware, Butler Snow represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the City, one or more of our present or future clients will have transactions with the City. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Bond. We do not believe that such representation, if it occurs, will adversely affect our ability to represent you as provided in this engagement letter, either because such matters will be sufficiently different from the issuance of the Bond so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bond. Execution of this engagement letter will signify the City's consent to our representation of others consistent with the circumstances described in this paragraph.

FEEES

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing represented by the Bond; (ii) the duties we will undertake pursuant to this engagement letter; (iii) the time we anticipate devoting to the financing; and (iv) the responsibilities we will assume in connection therewith, our fee for each series of the Bond will not exceed one percent (1%) of the principal amount of the Bonds; plus any of the fees with respect to the preparation and distribution of the Official Statement describe above in Paragraph 6; and plus expenses for each series of the Bonds in an amount not to exceed \$3,500 for items such as travel costs, deliveries, copies, transcripts, telephone charges, filing fees, computer-assisted research and other expenses (see enclosure for standard charges for expenses).

If the financing for the Bonds is not consummated, we understand and agree that we will not be paid for our time expended on your behalf but will be paid for client charges made or incurred on your behalf.

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City of Picayune, Mississippi
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RECORDS

At your request, papers and property furnished by you will be returned promptly upon receipt of payment for outstanding fees and client charges. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other material retain by us after the termination of this engagement.

If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this engagement letter dated and signed by an authorized officer, retaining the original for your files.

Thank you again for this opportunity to be of service. We look forward to working with you.

Sincerely,

Butler Snow LLP



Troy Johnston

Enclosures

STATEMENT TO BE SIGNED BY CITY OF PICAYUNE, MS:

The execution by me of the above Engagement Letter was authorized by Resolution of the City Council dated MARCH 5, 2019. I have read the above Engagement Letter and understand and agree to its contents, including the fee and billing arrangements.

CITY OF PICAYUNE, MS

By:



Mayor

Date: 3.5.19

BUTLER SNOW LLP
STANDARD BILLING TERMS AND CHARGES FOR EXPENSES
 As of January 1, 2016

Butler Snow LLP (the "Firm") will bill clients on a monthly basis for legal services, unless another arrangement is agreed to and approved in writing by the Firm and the Client. The Firm typically sends bills for legal services and expenses via the U.S. Postal Service or by e-mail. Electronic billing services may also be used by specific agreement.

It is our goal that our bills are easy to understand, simple, and reflect appropriate charges for the value our services provided. As such, we do not charge for many incidental costs or routine services. We are continually working to ensure that our bills are clear and understandable. Should you have questions about any aspect of your bill, please contact the Firm as soon as possible so that your concerns may be quickly resolved. The chart below spells out the complete details of our expense charges. Our bills are due upon receipt of the bill, unless other arrangements are agreed to in advance.

Any overpayments or duplicate payments the Firm receives that cannot be posted to an outstanding bill ("unapplied payments") will be deposited into the Firm's operating account upon receipt and posted as unapplied cash to the client's account. These unapplied payments will either be applied to a future bill or refunded to the client, whichever is appropriate.

Document Reproduction	No charge for routine reproduction (under 50 pages per day)
Normal sized documents (up to 11 x 17)	For reproduction in excess of 50 pages per day – Black & White: \$0.10/page Color: \$0.25/page Bates Labeling –
	Electronic: \$0.05/page Manual: \$0.15/page
Oversize documents (size in excess of 11 x 17)	Charge for each page – no exclusion Black & white: \$6.00/page Color: \$30.00/page
Electronic Data Manipulation for reproduction	\$75 per hour
Document Scanning	No charge for routine scanning (except evidentiary materials)
	Bulk scanning of evidentiary documents: \$0.06/page (additional charge for document coding)
Oversize documents (size in excess of 11 x 17)	\$10.00/page
Wire Transfers	Outgoing: International: \$50/wire Domestic: \$25/wire
Data/Audio/Visual Duplication & Reproduction	CD/DVD: \$12.00 for each disc Portable Media Devices: Priced per data storage size
Litigation Support Services	Data Processing: \$250.00/gb per occurrence Data Storage: \$35.00/gb per month Litigation Support specialized software and equipment at actual cost with prior client approval.
Computerized Legal Research	No charge for basic research. \$35/search for public records, special treatises, briefs, motions and expert directory databases. Specialized research at actual cost with prior client approval
Electronic retrieval of Court documents	\$0.40 / document
Fax and Long Distance Phone	No charge for calls or Fax transmissions within the United States. Non-domestic and conference calls charged at actual cost.
Travel (personal vehicle)	Current Standard Mileage Rate as allowed by the IRS
Messenger Delivery and Service of Subpoenas or Summons	Deliveries under 10 miles one way-No charge; 10-25 miles one way - \$30.00; over 25 miles one way - \$10.00/hour plus mileage; Service of Subpoenas/Summons - \$35.00 plus delivery
Overnight Package Delivery	Charged at actual cost per package
Postage	No charge for routine postage (under \$25 per day) Bulk mailing postage: at actual cost

**NOTICE TO CLIENTS OF BUTLER SNOW'S
RECORD RETENTION & DESTRUCTION POLICY FOR CLIENT FILES**

Butler Snow maintains its client files electronically. Ordinarily, we do not keep separate paper files. We will scan documents you or others send to us related to your matter to our electronic file for that matter and will ordinarily retain only the electronic version while your matter is pending. **Unless you instruct us otherwise, once such documents have been scanned to our electronic file, we will destroy all paper documents provided to us.** If you send us original documents that need to be maintained as originals while the matter is pending, we ordinarily will scan those to our client file and return the originals to you for safekeeping. Alternatively, you may request that we maintain such originals while the matter is pending. If we agree to do that, we will make appropriate arrangements to maintain those original documents while the matter is pending.

At all times, records and documents in our possession relating to your representation are subject to Butler Snow's Record Retention and Destruction Policy for Client Files. Compliance with this policy is necessary to fulfill the firm's legal and ethical duties and obligations, and to ensure that information and data relating to you and the legal services we provide are maintained in strict confidence at all times during and after the engagement. All client matter files are subject to these policies and procedures.

At your request, at any time during the representation, you may access or receive copies of any records or documents in our possession relating to the legal services being provided to you, excluding certain firm business or accounting records. We reserve the right to retain originals or copies of any such records or documents as needed during the course of the representation.

Unless you instruct us otherwise, once our work on this matter is completed, we will designate your file as a closed file on our system and will apply our document retention policy then in effect to the materials in your closed files. At that time, we ordinarily will return to you any original documents we have maintained in accordance with the preceding paragraph while the matter was pending. Otherwise, we will retain the closed file materials for our benefit and subject to our own policies and procedures concerning file retention and destruction. Accordingly, if you desire copies of any documents (including correspondence, e-mails, pleadings, contracts, agreements, etc.) related to this matter or generated while it was pending, you should request such copies at the time our work on this matter is completed.

You will be notified and given the opportunity to identify and request copies of such items you would like to have sent to you or someone else designated by you. You will have 30 days from the date our notification is sent to you to advise us of any items you would like to receive. You will be billed for the expense of assimilating, copying and transmitting such records. We reserve the right to retain copies of any such items as we deem appropriate or necessary for our use. Any non-public information, records or documents retained by Butler Snow and its employees will be kept confidential in accordance with applicable rules of professional responsibility.

Any file records and documents or other items not requested within 30 days will become subject to the terms of Butler Snow's Record Retention and Destruction Policy for Client Files and will be subject to final disposition by Butler Snow at its sole discretion. Pursuant to the terms of

Butler Snow's Record Retention and Destruction Policy for Client Files, all unnecessary or extraneous items, records or documents may be removed from the file and destroyed. The remainder of the file will be prepared for closing and placed in storage or archived. It will be retained for the period of time established by the policy for files related to this practice area, after which it will be completely destroyed. This includes all records and documents, regardless of format.

While we will use our best efforts to maintain confidentiality and security over all file records and documents placed in storage or archived, to the extent allowed by applicable law, Butler Snow specifically disclaims any responsibility for claimed damages or liability arising from damage or destruction to such records and documents, whether caused by accident; natural disasters such as flood, fire, or wind damage; terrorist attacks; equipment failures; breaches of Butler Snow's network security; or the negligence of third-party providers engaged by our firm to store and retrieve records.

46351147.v1

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members, Valente, Bumpers, Stevens, Breland and Gouquet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE THE ENGAGEMENT OF PROFESSIONALS IN CONJUNCTION WITH THE GENERAL OBLIGATION BONDS, SERIES 2019

Motion was made by Council Member Bumpers, seconded by Council Member Stevens to approve the engagement of professionals in conjunction with the General Obligation Bonds, Series 2019.

EXHIBIT B

Independent Registered Municipal Advisor Representation Letter

46207312.v3



GOVERNMENT CONSULTANTS, INC.
Consulting & Municipal Advisory Firm

116 Village Boulevard
Madison, Mississippi 39110

Telephone: (601) 982-0005
Facsimile: (601) 982-2448
Email: gcms@gc-ms.net

March 5, 2019

Mayor and City Council
City of Picayune, Mississippi
203 Goodyear Blvd.,
Picayune, MS 39466

Re: City of Picayune, Mississippi
Not to Exceed \$6,000,000 City of Picayune, Mississippi General Obligation Bonds, Series 2019;
OR
Not to Exceed \$6,000,000 Mississippi Development Bank Special Obligation Bonds, Series 2019
(City of Picayune, Mississippi General Obligation Bond Project) (the "Bonds")
[Disclosure and Engagement Letter (the "Letter")]

Dear Mayor and City Council,

We are writing you to provide certain disclosures to you as representative of the City of Picayune, Mississippi (the "Issuer" or the "Obligor") as required by the Securities and Exchange Commission ("SEC") and Municipal Securities Rulemaking Board ("MSRB" or the "Board"). Government Consultants, Inc. ("GCI" or the "Municipal Advisor") is an Independent Registered Municipal Advisor and welcomes the opportunity to provide municipal advisory services to the Issuer or Obligor for the issuance of the above referenced Bonds.

Disclosures Concerning our Role as Municipal Advisor

- (i) The Municipal Advisor has a fiduciary duty to the Issuer or Obligor. This is different than an underwriter, if any, who only has an obligation to deal fairly with you, as Issuer or Obligor. The underwriter, if any, has financial and other interests that differ from the Issuer or Obligor, unlike the Municipal Advisor who has no financial or other interests that differ from the Issuer or Obligor.
- (ii) We shall provide advice concerning the structure, timing, terms, sizing and other similar matters related to any potential bond or debt issuance by the Issuer or Obligor.
- (iii) We shall make a reasonable inquiry to the relevant facts that help determine what course of action to take that best suits the Issuer or Obligor. A reasonable analysis will be conducted to determine that all advice and/or recommendation(s), are not based on materially inaccurate or incomplete information.
- (iv) We shall evaluate possible material risks, benefits and alternatives with the Issuer or Obligor.
- (v) Our duties are limited to this transaction and the above-mentioned disclosures.

The MSRB provides a brochure covering information for municipal advisory client protections and appropriate regulatory authority contact information on the MSRB homepage at <http://www.msrb.org>.

Disclosure Concerning Conflicts of Interest and Other Information

MSRB Rule G-42 requires that GCI provide in writing any disclosures relating to actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in MSRB Rule G-42, if applicable. After reasonable due diligence by GCI, there are no known material conflicts of interest that may affect GCI's ability to serve as a municipal advisor to the Issuer or Obligor. If new material conflict(s) of interest occurs after the delivery and execution of this Letter, GCI will disclose all new material conflict(s) of interest to the Issuer or Obligor.

In addition to providing disclosures concerning material conflict(s) of interest, MSRB Rule G-42 further requires GCI to have a fiduciary duty that includes a duty of loyalty and duty of care to the Issuer or Obligor and to disclose our role and duties as a Municipal Advisor. Our primary obligation is to always act in the best interest of the Issuer or Obligor.

Disclosure Concerning the Compensation

Our compensation for serving as municipal advisor will be contingent on the closing of the transaction(s) for the issuance of bonds and is based, in part, on the size of the bonds. We will negotiate with the Issuer or Obligor as to compensation and will be paid upon closing of the transaction(s). The Municipal Advisor will abide by its fiduciary duty to the Issuer or Obligor and provide unbiased and independent advice as required by MSRB.

Disclosure of Information Regarding Legal Events and Disciplinary History

MSRB Rule G-42 requires that all municipal advisors, including GCI, provide in writing to their clients certain legal or disciplinary events that are material to the Issuer's or Obligor's evaluation of GCI or the integrity of GCI management or personal. GCI believes there are no known legal or disciplinary events reported on any Form MA or Form MA-I that are material to your evaluation of GCI and there are no recent changes made on any Form MA or Form MA-I that are material to your evaluation. Any such information, whether material or not must be reported on Form MA and/or MA-I filed with the SEC, which forms are available and which can be viewed on the SEC's EDGAR system website at <http://www.sec.gov/edgar/searchedgar/companysearch.html>.

Disclosure Relating to Issuing Bonds

As with any issuance of debt, your obligation to pay principal and interest when due, will be a contractual obligation that will require you to make these payments no matter what budget restraints you encounter. The failure to pay principal and interest when due, could cause you to be in default. A default may negatively impact your credit ratings and may effectively limit your ability to publicly offer bonds or other securities at market rate levels. Please be aware of the following basic aspects of the Bonds.

Fixed rate bonds are interest bearing debt securities issued by an issuer or obligor. The interest rates for these bonds are specified at closing and will not change while the bonds are outstanding. Maturity dates for fixed rate bonds are fixed at the time of the issuance and may include serial maturities (specified principal amounts are payable on the same date each year until final maturity) or a term maturity (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. Interest on fixed rate bonds is typically paid semiannually at a stated fixed rate or rates for each maturity.

General obligation bonds are debt securities to which your full faith and credit is pledged to pay principal and interest. Also, the Issuer or Obligor pledges to use your ad valorem taxing power, if needed, to pay principal and interest.

REGULAR MEETING MARCH 5, 2019

This debt issuance is secured by a millage collected within the jurisdiction of the Issuer or Obligor. The Issuer or Obligor promises to collect the taxes and repay the debt to which it is pledged.

Additionally, the Bonds will be offered as federally tax-exempt obligations. This requires that you comply with various Internal Revenue Service ("IRS") requirements and restrictions relating to how you use and invest the proceeds of the bond issue, how you use any facilities constructed with the proceeds of the bond issue and other restrictions throughout the term of the Bonds.

It is recommended that you consult with bond counsel on such tax matters related to the issuance of the Bonds.

Disclosure Concerning the Term of Engagement

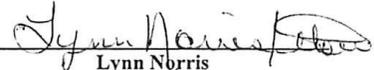
The Term of Engagement is effective on the execution date of the document that employed GCI as the Issuer's or Obligor's appointed municipal advisor and ends upon the closing and delivery of the Bonds. The Engagement may be terminated with or without cause by the Issuer or Obligor or the Municipal Advisor. A written notice must be delivered to the other party, specifying the effective date of the termination.

Acknowledgement

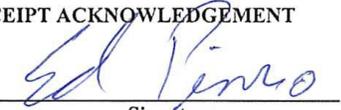
We must seek your acknowledgement that you have received this Letter. Accordingly, please acknowledge receipt of this Letter on behalf of the Issuer or Obligor in the space provided below. If you are not authorized to execute this Letter on behalf of the Issuer or Obligor, please notify GCI immediately so the correct individual may be contacted. Please let us know if you have any questions or concerns.

Sincerely,

Government Consultants, Inc.

BY:  BY: 
Lynn Norris Nick Schorr

RECEIPT ACKNOWLEDGEMENT

BY:  dated as of date of approval on March 5, 2019
Signature Date
Dr. Ed Pinero, Mayor, City of Picayune, Mississippi
Authorized Representative's Name

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members, Valente, Bumpers, Stevens, Breland and Gouquet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

AUTHORIZE OUT OF STATE TRAVEL FOR AMBER HINTON AND TERI FEELEY

Motion was made by Council Member Breland, seconded by Council Member Gouguet to authorize out of state travel for Amber Hinton and Teri Feeley to attend IIMC Conference in Birmingham, AL in May 2019.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members, Valente, Bumpers, Stevens, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

ACCEPT DONATION OF TWO CEMENT TABLES AND TWO BENCHES

Motion was made by Council Member Breland, seconded by Council Member Valente to accept donations of two cement tables and two benches.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members, Valente, Bumpers, Stevens, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE ENGINEERING AGREEMENT FOR A PRELIMINARY INVESTIGATION AND RECOMMENDATION FOR THE CITY HALL DRAINAGE IMPROVEMENT PROJECT

Motion was made by Council Member Breland, seconded by Council Member Gouguet to approve Engineering Agreement for a Preliminary Investigation and Recommendation for the City Hall Drainage Improvement Project.



February 12, 2019

Mayor Ed Pinero, Jr.
City of Picayune
203 Goodyear Blvd
Picayune, Mississippi 39466

RE: City of Picayune
City Hall Drainage Improvement Project
Preliminary Investigation and Recommendation

Dear Mayor Pinero:

Thank you for allowing us the opportunity to assist you with this project. According to the laws set forth by the Mississippi State Board of Registration for Professional Engineers and Surveyors, we can only submit a cost estimate for providing professional services if we are selected for the work based on our qualifications. Therefore, we are submitting this not to exceed cost estimate portion of this proposal with the understanding that it is for budgetary estimate purposes only and is not being used for comparative pricing of the other professional firms. I have reviewed the engineering and surveying work required in connection with the above referenced. I am pleased to provide this letter of agreement for the following engineering services:

I. Preliminary Investigation and Recommendation

Dungan Engineering, P.A. will provide all engineering and surveying necessary for the development of a conceptual plan for the above referenced project. The intent of this project is to determine the most feasible method of eliminating flooding of the interior of the new city hall building. This will include conventional surveys and investigations of the existing subsurface storm drainage, roof drains, topography, Hydrologic and Hydraulic calculations, conceptual planning and opinion of probable cost. This scope of services does not include final design and preparation of contract documents. The need for these items will be determined by the city at a later date.

II. Professional Fees

Dungan Engineering, P.A. proposes to provide all necessary engineering and drafting services, as outlined above, for a lump sum fee equal as outlined below:

Preliminary Investigation and Recommendation	\$7,500.00
--	------------

We would expect to start our services immediately after receipt of written confirmation you had accepted our proposal and complete the work in four weeks' time. We intend to perform this work in accordance with generally accepted engineering and surveying principles.

SERVICE. STRENGTH. SOLUTIONS.

925 Goodyear Boulevard | Picayune, MS 39466
P (601) 799-1037 | F (601) 799-0480



If you accept this proposal please execute both copies of this Letter of Agreement and return one (1) to our office. This letter of agreement is subject to the attached thirty (30) "General Terms and Conditions".

Thanks again for your consideration. We look forward to working with you on this project. If you have any questions or comments, please call me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'BRW'.

Brooks Wallace, P.E.
Vice President
Dungan Engineering, P.A.

Accepted By  _____
City of Picayune

Enclosures

SERVICE. STRENGTH. SOLUTIONS.

925 Goodyear Boulevard | Picayune, MS 39466
P (601) 799-1037 | F (601) 799-0480

GENERAL TERMS AND CONDITIONS

1. **Relation Between Engineer and Client.** Engineer shall serve as Client's professional engineering consultant in those phases of the Project to which this Agreement applies. The relationship is that of a buyer and seller of professional services and it is understood that the parties have not entered onto any joint venture or partnership with the other. The Engineer shall not be considered to be the agent of the Client.
2. **Responsibility of the Engineer.** Engineer will strive to perform services under this Agreement in a manner consistent with that standard of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. No other representation, express or implied, and no warranty or guarantee is included or intended in this Agreement or in any report, opinion, document, or otherwise.

Notwithstanding anything to the contrary which may be contained in this Agreement or any other material incorporated herein by reference, or in any agreement between the Client and any other party concerning the Project, the Engineer shall not have control of and shall not be responsible for the means, methods, techniques, sequences or procedures of construction; or the safety, safety precautions or programs of the Client, the construction contractor, other contractors or subcontractors performing any of the work or providing any of the services on the Project. Nor shall the Engineer be responsible for the acts or omissions of the Client, or for the failure of the Client, any contractor or subcontractor, or any other engineer, architect or consultant not under contracts to the Engineer to carry out their respective responsibilities in accordance with the Project documents, this Agreement or any other agreement concerning the Project.

Engineer shall determine the amounts owing to the construction contractor and recommend in writing payments to the contractor in such amounts. By recommending any payment, the Engineer will not thereby be deemed to have represented that exhaustive, continuous or detailed reviews or examinations have been made to check the quality or quantity of the contractor's work.

3. **Responsibility of the Client.** Client shall provide all criteria and full information as to his requirements for the Project, including budgetary limitations. Client shall arrange for Engineer to enter upon public and private property and obtain all necessary approvals and permits required from all governmental authorities having jurisdiction over the Project.

Client shall give prompt written notice to the Engineer whenever Client observes or otherwise becomes aware of any development that affects the scope or timing of Engineer's services, or any defect or nonconformance in the work of any construction contractor.

Client shall examine all documents presented by Engineer, obtain advice of an attorney or other consultant as Client deems appropriate for such examinations and provide decisions pertaining thereto within a reasonable time so as not to delay the service of the Engineer.

4. **Designation of Authorized Representatives.** Each party shall designate one or more persons to act with authority in its behalf with respect to appropriate aspects of the Project. The persons designated shall review and respond promptly to all communications received from the party.
5. **Ownership of Documents.** Drawings, specifications, reports and any other documents prepared by Engineer in connection with any or all of the services furnished hereunder shall be the property of Client. Engineer shall have the right to retain copies of all documents and drawings for its files.
6. **Reuse of Documents.** All documents, including drawings and specifications furnished by Engineer pursuant to this Agreement, are intended for use on the Project only. They should not be used by Client or others on extensions of the Project or on any other project. Any reuse, without written verification or

adaption by Engineer, shall be at Client's sole risk, and Client shall indemnify and hold harmless Engineer from all claims, damages, losses and expenses, including attorney's fees arising out of or resulting therefrom.

7. **Opinions of Cost.** Since the Engineer has no control over the cost of labor, materials, equipment or services furnished by the contractor, or over the contractor's methods of determining prices, or over competitive bidding or market conditions, the Engineer cannot and does not guarantee that proposals, bids or actual construction costs will not vary from his opinions or estimates of construction costs.
8. **Changes.** Client reserves the right by written change order or amendment to make changes in requirements, amount of work or engineering time schedule adjustments; and Engineer and Client shall negotiate appropriate adjustments in fee and/or schedule acceptable to both parties to accommodate any changes.
9. **Delays.** If the Engineer's services are delayed by the Client, or for other reasons beyond the Engineer's control, for more than one year, the fee provided for in this Agreement shall be adjusted equitably.
10. **Subcontracts.** Engineer may subcontract portions of the services, but each subcontractor must be approved by Client in writing.
11. **Suspension of Services.** Client may, at any time, by written order to Engineer, require Engineer to stop all, or any part, of the services required by this Agreement. Upon receipt of such an order, Engineer shall immediately comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the services covered by the order. Client, however, shall pay all costs associated with suspension including all costs necessary to maintain continuity and the staff required to resume the services upon expiration of the suspension of work order. Engineer will not be obligated to provide the same personnel employed prior to suspension when the services are resumed in the event the period of any suspension exceeds 30 days. Client will reimburse Engineer for the costs of such suspension and remobilization.
12. **Termination.** This Agreement may be terminated by either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. This Agreement may be terminated by Client, under the same terms, whenever Client shall determine that termination is in its best interests. Cost of termination, including salaries, overhead and fee, incurred by the Engineer either before or after the termination date shall be reimbursed by Client.
13. **Notices.** Any notice or designation required to be given by either party hereto shall be in writing and, unless receipt of such notice is expressly required by the terms hereof, it shall be deemed to be effectively served when deposited in the mail with sufficient first class postage affixed and addressed to the party to whom such notice is directed at such party's place of business or such other address as either party shall hereinafter furnish to the other party by written notice as herein provided.
14. **Indemnification.** Engineer shall indemnify and hold harmless Client from Client's loss or expense, including reasonable attorney's fees for claims for personal injury (including death) or property damage arising out of the sole negligent act, error or omission of Engineer.

Client shall indemnify and hold harmless Engineer from Engineer's loss or expense, including reasonable attorney's fees, for claims for personal injuries (including death) on property damage arising out of the sole negligent act, error or omission of Client.

In the event of joint or concurrent negligence of Engineer and Client, each shall bear that portion of the loss or expense that its share of the joint or concurrent negligence bears to the total negligency (including that of third parties) which caused the personal injury or property damage.

Client shall not be liable to the Engineer, and the Engineer shall not be liable to the Client, for any special,

incidental or consequential damages, including, but not limited to, loss of use and loss of profit, incurred by either party due to the fault of the other, regardless of the nature of this fault, or whether it was committed by the Client of the Engineer or their employees, agents or subcontractors, by reason of services rendered under this Agreement.

15. **Legal Proceedings.** In the Event's employees are at any time required by Client to provide testimony, answer interrogatories or otherwise provide information ("testimony") in preparation for or at a trial, hearing, proceeding or inquiry ("proceeding") arising out of the services that are the subject of this Agreement, where Engineer is not a party to such a proceeding, Client will compensate Engineer for its services and reimburse Engineer for all related direct costs incurred in connection with providing such testimony. This provision shall be of no effect if the parties have agreed in a separate agreement or an amendment to this Agreement to terms which specifically supersede this provision, nor shall this provision apply in the event Client engages Engineer to provide expert testimony or litigation support, which services shall be the subject of a separate agreement or an amendment to this Agreement.
16. **Successors and Assigns.** The terms of this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided however, that neither party shall assign this Agreement in whole or in part without the prior written approval of the other.
17. **Insurance.** Within the context of prudent business practices, Engineer shall endeavor to maintain workmen's compensation and unemployment compensation of a form and in an amount as required by state law; comprehensive liability with maximum limits of \$500,000/\$1,000,000; automotive liability with maximum limits of \$50,000/\$500,000; and professional liability insurance with an annual limit of \$500,000. Client recognizes that insurance market is erratic and Engineer cannot guarantee to maintain the coverages identified above.
18. **Information Provided by the Client.** The Engineer shall indicate to the Client the information needed for rendering of services hereunder. The Client may elect to provide this information (including services by others) to the Engineer. In this case, the Client recognizes that the Engineer cannot assure the sufficiency of such information. Accordingly, the Engineer shall not be liable for any claims for injury or loss arising from errors, omissions or inaccuracies in documents or other information provided by the Client. In addition, the Client agrees to compensate the Engineer for any time spent or expenses incurred in defending such claim or in making revisions to his work as a direct or indirect result of information provided by the Client which is sufficient.
19. **Subsurface Conditions and Utilities.** Client recognizes that a comprehensive sampling and testing program implemented by trained and experienced personnel of Engineer of Engineer's subconsultants with appropriate equipment may fail to detect certain hidden conditions. Client also recognizes that actual environmental, geological and geotechnical conditions that Engineer properly inferred to exist between sampling points may differ significantly from those that actually exist.

Engineer will locate utilities which will affect the project from information provided by the Client and utility companies and from Engineer's surveys. In that these utility locations are based, at least in part, or information from others, Engineer cannot and does not warrant their completeness and accuracy.
20. **Hazardous Materials.** When hazardous materials are known, assumed or suspected to exist at a project site, Engineer is required to take appropriate precautions to protect the health and safety of his personnel, to comply with the applicable laws and regulations and to follow procedures deemed prudent to minimize physical risks to employees and the public. Client hereby warrants that, if he knows or has any reason to assume or suspect that hazardous materials may exist at the project site, he will inform Engineer in writing prior to initiation of services under this Agreement.

Hazardous materials may exist at a site where there is no reason to believe they could or should be present. Client agrees that the discovery of unanticipated hazardous materials constitutes a changed condition mandating a renegotiation of the scope of work or termination of services. Engineer agrees to notify Client as soon as practically possible should unanticipated hazardous materials or suspected hazardous materials be encountered. Client waives any claim against Engineer and agrees to indemnify, defend and hold

Engineer harmless from any claim or liability for injury or loss arising from Engineer's encountering unanticipated hazardous materials or suspected hazardous materials. Client also agrees to compensate Engineer for any time spent and expenses incurred by Engineer in defense of any such claim.

21. **Risk Allocation.** The Client recognizes that Engineer's fee includes an allowance for funding a variety of risks which affect the Engineer by virtue of his agreeing to perform services on the Client's behalf. One of these risks stems from the Engineer's potential for human error. In order for the Client to obtain the benefits of a fee which includes a lesser allowance for risk funding, the Client agrees to limit the Engineer's liability to the Client and all construction contractors arising from the Engineer's professional acts, errors, or omissions, such that the total aggregate liability of the Engineer to all those named shall not exceed \$50,000 or the Engineer's total fee for the services rendered on this project, whichever is greater.
22. **Anticipated Change Orders.** Client recognizes and expects that a certain amount of imprecision and incompleteness is to be expected in construction contract documents; that contractors are expected to furnish and perform work, materials and equipment that may reasonably be inferred from the contract documents or from the prevailing custom or trade usage as being required to produce the intended result whether or not specifically called for; and that a certain amount of change orders are to be expected. As long as Engineer provides services in a manner consistent with that standard of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions, client agrees not to make any claim against Engineer for cost of these change orders unless these costs become a significant part of the construction contract amount. In no case will Client make claim against Engineer for costs incurred in the change order work is a necessary part of the Project for which Client would have incurred cost if work had been included originally in the contract documents unless Client can demonstrate that such costs were higher through issuance of the change order than they would have been if originally included in the contract documents in which case any claim of Client against Engineer will be limited to the cost increase and not the entire cost of the change order.
23. **Payment.** Engineer shall submit monthly statements to Client. Payment in full shall be done upon receipt of the invoice. If payments are delinquent after 30 days from invoice date, the Client agrees to pay interest on the unpaid balance at the rate of one percent per month. Payment for Engineer's services is not contingent on any factor except Engineers ability to provide services in a manner consistent with that standard of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions.
24. **Force Majeure.** Neither Client nor Engineer shall be liable for any fault or delay caused by contingency beyond their control including, but not limited to, acts of God, wars, strikes, walkouts fires, natural calamities, or demands or requirements of governmental agencies.
25. **Compliance with Laws.** To the extent they apply to its employees or its services, the Engineer shall comply with all applicable United States, state, territorial and commonwealth laws, including ordinances of any political subdivisions or agencies of the United States, any state, territory, or commonwealth thereof.
26. **Separate Provisions.** If any provisions of this Agreement are held to be invalid or unenforceable, the remaining provisions shall be valid and binding.
27. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the principal place of business of the Engineer.
28. **Amendment.** This Agreement shall not be subject to amendment unless other instrument is executed by duly authorized representatives of each of the parties.
29. **Entire Understanding of Agreement.** This Agreement represents and incorporates the entire understanding of the parties hereto, and each party acknowledges that there are no warranties, representations, covenants or understandings of any kind, matter or description whatsoever, made by either party to the other except as expressly set forth herein. Client and Engineer hereby agree that any purchase orders, invoices, confirmations, acknowledgments or other similar documents executed or delivered with

respect to the subject matter hereof that conflict with the terms of this Agreement shall be null, void and without effect to the extent they conflict with the terms of this Agreement.

30. **Design without Construction Phase Services.** Should Client provide Construction Phase services with either Client's representatives or a third party, Engineer's Basic Services under this Agreement will be considered to be completed upon completion of the Final Design Phase or Bidding or Negotiating Phase.

It is understood and agreed that if Engineer's Basic Services under this Agreement do not include Project observation, or review of the Contractor's performance, or any other Construction Phase services, and that such services will be provided by Client, then Client assumes all responsibility for interpretation of the Contract Documents and for construction observation or review and waives any claims against the Engineer that may be in any way connected thereto.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members, Valente, Bumpers, Stevens, Breland and Gouquet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

APPROVE A CONTRACT CHANGE ORDER ON THE US HWY 11 UTILITY RELOCATE PROJECT

Motion was made by Council Member Stevens, seconded by Council Member Bumpers to approve a Contract Change Order to decrease the unit price for the asphalt used on the US Highway 11 Utility Relocate Project.

Contract Change Order

OWNER: City of Des Moines
 CONTRACTOR: T. F. Wallace Construction, Inc.
 DATE: February 22, 2019
 CHANGE ORDER #: 3
 PROJECT NAME: US Highway 11 Utility Relocate Project
 REASON FOR CHANGE: MDOJ gave us approval to place the asphalt without a separator therefore the unit cost has decreased

(You are hereby requested to comply with the following changes from the contract plans, specifications, and contract documents)

Item No	Description of Change	Original Unit Cost	Adjusted Unit Cost	Contract Unit Cost Change	Unit	Contract Quantity	Current Quantity	Contract Quantity Change	Contract Change Amount	Final Quantity	Final Contract Cost																																																																												
0278-A	Removal of Concrete and the Asphalt Pavement and Replacement with Hot-Mix Asphalt	\$ 130.00	\$ 90.00	-\$40.00	SY	1,000	1,000	0	-\$40,000.00	1,000	\$160,000.00																																																																												
<table border="0" style="width: 100%;"> <tr> <td colspan="10">This Contract Change:</td> <td style="text-align: right;">-\$240,000.00</td> </tr> <tr> <td colspan="10">Original Contract Amount:</td> <td style="text-align: right;">\$ 2,139,506.00</td> </tr> <tr> <td colspan="10">Current Contract Amount:</td> <td style="text-align: right;">\$ 2,153,641.30</td> </tr> <tr> <td colspan="10">Revised Contract Amount:</td> <td style="text-align: right;">\$ 1,913,641.30</td> </tr> <tr> <td colspan="10">Current Completion Date:</td> <td style="text-align: right;">2/22/2019</td> </tr> <tr> <td colspan="10">Final Retention Required by Change:</td> <td style="text-align: right;">0</td> </tr> <tr> <td colspan="10">Revised Contract Completion Date:</td> <td style="text-align: right;">2/22/2019</td> </tr> </table>											This Contract Change:										-\$240,000.00	Original Contract Amount:										\$ 2,139,506.00	Current Contract Amount:										\$ 2,153,641.30	Revised Contract Amount:										\$ 1,913,641.30	Current Completion Date:										2/22/2019	Final Retention Required by Change:										0	Revised Contract Completion Date:										2/22/2019
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THIS DOCUMENT SHALL BE AN AMENDMENT TO THE CONTRACT AND ALL PROVISIONS OF THE CONTRACT WILL APPLY.

Recommended By: _____ Engineer _____ Date _____
 Accepted By: Joey Reegan _____ Date 3-22-19
 Approved By: Ed Pinero _____ Date _____

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members, Valente, Bumpers, Stevens, Breland and Gougnet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

ACCEPT AGREEMENT WITH EDKO VEGETATION MANAGERS

Motion was made by Council Member Breland, seconded by Council Member Stevens to accept agreement with Edko Vegetation Managers for Renewal Herbicide Application Program for Municipal Airport 2019.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members, Valente, Bumpers, Stevens, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

MOTION TO RECESS

Motion was made by Council Member Valente, seconded by Council Member Stevens to recess until Tuesday, March 19, 2019 at 5:00 pm.

The following roll call was made:

VOTING YEA: Mayor Ed Pinero, Council Members, Valente, Bumpers, Stevens, Breland and Gouguet

VOTING NAY: None

ABSENT AND NOT VOTING: None

ABSTAINING AND NOT VOTING: None

The motion was declared carried.

Ed Pinero, Mayor

ATTEST:

Amber Hinton, City Clerk