

AGENDA
CITY OF GAUTIER, MISSISSIPPI
CITY HALL COUNCIL CHAMBERS
December 17, 2019 @ 6:30 PM

I. Call to Order

1. Prayer

2. Pledge of Allegiance

II. Agenda Order Approval

III. Announcements

- 1. Offices closed Monday, December 23rd, Tuesday, December 24th and Wednesday, December 25th in observance of Christmas; and Tuesday, December 31st and Wednesday, January 1st, 2019 in observance of New Year's Day. (Monday, December 23rd and Tuesday, December 31st are pending Council approval at tonight's meeting).**

IV. Presentation Agenda

V. Business Agenda

- 1. Consideration for a variance at 2825 Dolphin Drive, allowing a decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet. (GPC Case #19-22-VAR)**

☐	STAFF PRESENTATION	☐	PUBLIC QUESTIONS/COMMENTS (3 MINUTES PER PERSON)	☐	MOTION COUNCIL DISCUSSION/QUESTIONS	☐	VOTE
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- 2. Approval of Docket of Claims**

☐	STAFF PRESENTATION	☐	PUBLIC QUESTIONS/COMMENTS (3 MINUTES PER PERSON)	☐	MOTION COUNCIL DISCUSSION/QUESTIONS	☐	VOTE
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VI. Consent Agenda (All items approved in one motion)

- 1. Authorization for the City Manager to pay any and all cost of issuance fees related to the \$6M Mississippi Combined Utility System Revenue Bonds, Series 2019**

2. **Authorization to close City Administration offices on Monday December 23rd; Tuesday, December 24th; Wednesday, December 25th; Tuesday December 31st; and Wednesday January 1st in observance of Christmas/New Year Holiday.**
3. **Authorization to register Mayor, City Manager and Council Members to attend the 2020 MML Mid-Winter Legislative Conference to be held in Jackson, MS on January 14-16, 2020 at the Hilton Jackson**
4. **Approval to execute a lease for Public Trust Tidelands, as required for the Shepard State Park Boardwalk Project**
5. **Approval of water and sewer adjustments dated December 2019 in the amount of \$13,799.44.**
6. **Authorization to enter into a Grant Agreement with the Mississippi Department of Marine Resources for additional FY2019 Tidelands funding**
7. **Approval of minutes from Regular Council Meeting held December 3, 2019.**

VII. STUDY AGENDA

1. **Discuss Citizen Comments**
2. **Discuss Council Comments**
3. **Discuss City Manager Comments**
4. **Discuss City Clerk Comments**
5. **Discuss City Attorney Comments**

Adjourn until January 7, 2020

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**CITY OF GAUTIER, MISSISSIPPI
ANNOUNCEMENT AGENDA
December 17, 2019**

ITEM DESCRIPTION:

ANNOUNCEMENTS

1. Offices closed Monday, December 23rd, Tuesday, December 24th and Wednesday, December 25th in observance of Christmas; and Tuesday, December 31st and Wednesday, January 1st, 2019 in observance of New Year's Day. (Monday, December 23rd and Tuesday, December 31st are pending Council approval at tonight's meeting).

NOTES:

**CITY OF GAUTIER, MISSISSIPPI
PRESENTATION AGENDA
December 17, 2019**

ITEM DESCRIPTION:

PRESENTATION AGENDA

NOTES:

**CITY OF GAUTIER
Business Agenda Item #1
Fact Sheet**

Council Meeting:

December 17, 2019

Title:

Consideration for a variance at 2825 Dolphin Drive, allowing a decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet. (GPC Case #19-22-VAR)

Introduced by:

Contact Person/Telephone

Scott Ankerson 497-8000 ext. 312

Summary Explanation: Consideration for a variance at 2825 Dolphin Drive, allowing a decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet. (GPC Case #19-22-VAR).

EXHIBITS FOR REVIEW

Resolution	☐
Ordinance	☐
Contract	☐
Minutes	☐
Plan Maps	☐
Order/Public Hearing	☒
Other	☐
Submittal Authorization	City Manager

Staff Recommendation:

Approval

Motion Made by:

Torjusen ☐ **Martin** ☐ **George** ☐ **Jackson** ☐ **Vaughan** ☐ **Anderson** ☐ **Colledge** ☐

Second Made by:

Torjusen ☐ **Martin** ☐ **George** ☐ **Jackson** ☐ **Vaughan** ☐ **Anderson** ☐ **Colledge** ☐

Voted as follows:		Ayes	Nays	Abstained	Absent
Mayor	Torjusen	☐	☐	☐	☐
At Large	Martin	☐	☐	☐	☐
Ward 1	George	☐	☐	☐	☐
Ward 2	Jackson	☐	☐	☐	☐
Ward 3	Vaughan	☐	☐	☐	☐
Ward 4	Anderson	☐	☐	☐	☐
Ward 5	Colledge	☐	☐	☐	☐

Action Taken:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 000-2019

WHEREAS, the homeowner of 2825 Dolphin Drive, (PID# 86303121.000) has requested a variance to allow the decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet in a R-1 Low Density Single-Family Residential District; and

WHEREAS, the request property is zoned R-1 Low Density Single Family-Residential District. The property is a corner lot which contains an existing single-family dwelling. The applicant installed an above ground swimming pool without first obtaining the required permit. Because a permit was not obtained, the applicant was not aware that the required side yard setback for accessory structures is ten (10) feet. The swimming pool is located in the designated side yard of the property and is currently five (5) feet from the property line. The applicant is seeking a Variance to minimum side yard setback requirements for an accessory structure.

WHEREAS, the property owner requests a variance to the minimum side yard setbacks for accessory structures in a R-1 Low Density Single-Family Residential District from ten (10) feet to five (5) feet to allow an above ground swimming pool to remain at its current location. The applicant states that the swimming pool is set two and one half (2.5) feet into the ground. The applicant states that he intends to install a privacy fence around the swimming pool to meet the requirements of the International Swimming Pool and Spa Code for safety. The privacy fence will also screen the pool from view of the public right-of-way and adjoining properties.

WHEREAS, after duly noticed public hearing, the Gautier Planning Commission has recommended to approve the requested variance as presented noting that it would be a hardship to remove the tree roots to relocate the pool and that removal of the tree roots could result in damage to or loss of the trees; and

WHEREAS, the Mayor and Councilmembers hereby find that all criteria under Section 4.18.4 of the Unified Development Ordinance (have or have not) been met in this case;

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the City Council hereby (adopts or denies) the Gautier Planning Commission's recommendation to approve a variance to allow the decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet in a R-1 Low Density Single-Family Residential District at PID# 86303121.000;

IT IS FURTHER ORDERED that said Variance is hereby (approved or denied);

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **BLANK**, seconded by **BLANK** and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

BLANK by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 17, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: Babs Logan, Planning Technician
Date: 12/9/2019
Subject: 2825 Dolphin Drive - Request for a variance allowing a decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet. (GPC Case #19-22-VAR)

REQUEST:

The Planning Department has received a request from Jose Garcia for a Variance that would allow a decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet in a R-1 Low Density Single-Family Residential District at 2825 Dolphin Drive, PID #86303121.000 The application fee of \$175 was paid on October 24, 2019. All public notice requirements have been met.

BACKGROUND:

The request property is zoned R-1 Low Density Single Family Residential. The property is a corner lot which contains an existing single-family dwelling. The applicant installed an above ground swimming pool without first obtaining the required permit. Because a permit was not obtained, the applicant was not aware that the required side yard setback for accessory structures is ten (10) feet. The swimming pool is located in the designated side yard of the property and is currently five (5) feet from the property line. The applicant is seeking a Variance to minimum side yard setback requirements for an accessory structure.

DISCUSSION:

The property owner requests a variance to the minimum side yard setbacks for accessory structures in a R-1 Low Density Single-Family Residential District from ten (10) feet to five (5) feet to allow an above ground swimming pool to remain at its current location. The applicant states that the swimming pool is set two and one half (2.5) feet into the ground. The applicant states that he intends to install a privacy fence around the swimming pool to meet the requirements of the International Swimming Pool and Spa Code for safety. The privacy fence will also screen the pool from view of the public right-of-way and adjoining properties.

DETERMINATION OF APPLICABLE LAW:

The Unified Development Ordinance (UDO) defines Variances as:

A Variance is a relaxation of the terms of the Unified Development Ordinance where such Variance will not be contrary to the public interest and where, owing to conditions peculiar to the property, a literal enforcement of the Ordinance would result in an unnecessary or undue hardship. As used in this Ordinance, a Variance is authorized only for height, area and size of structure, or size of yards, separation of uses, open spaces, off-street parking spaces and some subdivision of property. The establishment or expansion of a use not permitted shall not be allowed by Variance.

The UDO defines Hardship as:

Hardship means the unnecessary hardship that would result from a failure to grant the requested variance or special exception. An unnecessary hardship exists if:

- (1) the land in question cannot yield a reasonable return if used only
 - (a) for a purpose allowed in that zone (applicable to special exceptions), or
 - (b) as permitted by the dimensional requirements of this ordinance (applicable to variances);

- (2) that the plight of the owner is due to unique circumstances of the land for which the variance or special exception is sought; and
- (3) that the use to be authorized by the variance will not alter the essential character of the locality.

The UDO defines Setback as:

Setback: (See Yard) The minimum horizontal distance between the lot or property line and the nearest front, side or rear line of the building as measured to the outside face at the enclosing wall or in structures lacking walls (as in the case of a carport) to the face of the supporting columns and beams. Setback does not include roof overhangs, except that they shall not encroach on more than fifty (50) percent of the required setback.

SETBACK, FRONT: The yard area extending along the full width of a front lot line between side lot lines and from the front lot line to the front building line in depth.

SETBACK, REAR: The yard area extending across the full width of the lot and lying between the rear lot line and the nearest line of the building. Rear-yard depth shall be measured at right angles to the rear line of the lot.

SETBACK, SIDE: The yard area lying between the side line of the lot and the nearest line of the building and extending from the front yard to the rear yard, or in the absence of a front yard or a rear yard, to the front or rear lot lines. Side-yard width shall be measured at right angles to side lines of the lot.

UDO SECTION 4.18: Variance

In certain circumstances, a Variance from the dimensional requirements (i.e. height, setbacks, square footage) of this ordinance may be granted if the applicant can prove that because of physical constraints of the property involved, he is not able to build the same type of structure that other persons with the same zoning classification can build. Variances for uses permitted will not be considered in as much as “use Variances” are not legal in the State of Mississippi.

Most Variances must be granted by the City Council; however, certain minor Variances may be granted by the Economic Development Director in accordance with Section 4.18.3 below.

4.18.1 Who May Initiate

A request for a Variance may be initiated by the property owner or agent of the owner provided that said property has not been denied a previous request for a Variance for the same property or portion of property within the past twelve (12) months.

4.18.2 Application for Variance

Applications for a Variance (from dimensional requirements) may be filed on the appropriate application available from the Economic Development/Planning Department and shall include all requested information, attachments and submittals:

4.18.3 Administrative Variances

The following dimensional variances may be granted by the Economic Development Director at his/her discretion (Note: Within the COR, Corridor Overlay District, applicants shall be required to mitigate a requested dimensional variance in accordance with the Tier Land Use Provisions in Section 5.11):

30% of required off-street parking spaces and/or

30% of required setbacks from property lines

4.18.4 Criteria for Approval

The Variance application shall demonstrate the following:

That special conditions and circumstances exist which are peculiar to this particular site (lot or parcel), structure or building involved and which are not applicable to other sites (lots or parcels) or structures or buildings in the same district;

That literal interpretation of the provisions of this Ordinance would deprive the applicant of rights commonly enjoyed by other properties in the same district under the provisions of this Ordinance;

That the special conditions and circumstances do not result from actions of the applicant; and

That granting the Variance requested will not confer upon the applicant any special privilege that is denied by this Ordinance to other similar sites (lots or parcels) structures or buildings in the same district.

RECOMMENDATION:

The Planning Commission recommends the City Council approve the Variance as presented noting that it would be a hardship to remove the tree roots to relocate the pool and that removal of the tree roots could result in damage to or loss of the trees.

The City Council may:

Approve the variance request as presented;
Approve the variance request with changes; or
Deny the variance request.

ATTACHMENTS:

1. Excerpt GPC Meeting 12.5.19
2. Combined 19-22-VAR

Excerpt from December 5, 2019 Planning Commission Meeting:

The Planning Department has received a request from Jose Garcia for a Variance that would allow a decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet in a R-1 Low Density Single-Family Residential District at 2825 Dolphin Drive. (GPC Case No. 19-22-VAR)

Scott Ankerson, Planning Director, gave a brief overview of the case.

REQUEST:

The Planning Department has received a request from Jose Garcia for a Variance that would allow a decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet in a R-1 Low Density Single-Family Residential District at 2825 Dolphin Drive, PID #86303121.000 The application fee of \$175 was paid on October 24, 2019. All public notice requirements have been met.

BACKGROUND:

The request property is zoned R-1 Low Density Single Family Residential. The property is a corner lot which contains an existing single-family dwelling. The applicant installed an above ground swimming pool without first obtaining the required permit. Because a permit was not obtained, the applicant was not aware that the required side yard setback for accessory structures is ten (10) feet. The swimming pool is located in the designated side yard of the property and is currently five (5) feet from the property line. The applicant is seeking a Variance to minimum side yard setback requirements for an accessory structure.

DISCUSSION:

The property owner requests a variance to the minimum side yard setbacks for accessory structures in a R-1 Low Density Single-Family Residential District from ten (10) feet to five (5) feet to allow an above ground swimming pool to remain at its current location. The applicant states that the swimming pool is set two and one half (2.5) feet into the ground. The applicant states that he intends to install a privacy fence around the swimming pool to meet the requirements of the International Swimming Pool and Spa Code for safety. The privacy fence will also screen the pool from view of the public right-of-way and adjoining properties.

DETERMINATION OF APPLICABLE LAW:

The Unified Development Ordinance (UDO) defines **Variances** as:

A Variance is a relaxation of the terms of the Unified Development Ordinance where such Variance will not be contrary to the public interest and where, owing to conditions peculiar to the property, a literal enforcement of the Ordinance would result in an unnecessary or undue hardship. As used in this Ordinance, a Variance is authorized only for height, area and size of structure, or size of yards, separation

of uses, open spaces, off-street parking spaces and some subdivision of property. The establishment or expansion of a use not permitted shall not be allowed by Variance.

The UDO defines **Hardship** as:

Hardship means the unnecessary hardship that would result from a failure to grant the requested variance or special exception. An unnecessary hardship exists if:

- (1) the land in question cannot yield a reasonable return if used only
 - (a) for a purpose allowed in that zone (applicable to special exceptions), or
 - (b) as permitted by the dimensional requirements of this ordinance (applicable to variances);
- (2) that the plight of the owner is due to unique circumstances of the land for which the variance or special exception is sought; and
- (3) that the use to be authorized by the variance will not alter the essential character of the locality.

The UDO defines **Setback** as:

SETBACK: (SEE YARD) The minimum horizontal distance between the lot or property line and the nearest front, side or rear line of the building as measured to the outside face at the enclosing wall or in structures lacking walls (as in the case of a carport) to the face of the supporting columns and beams. Setback does not include roof overhangs, except that they shall not encroach on more than fifty (50) percent of the required setback.

- A. **SETBACK, FRONT:** The yard area extending along the full width of a front lot line between side lot lines and from the front lot line to the front building line in depth.
- B. **SETBACK, REAR:** The yard area extending across the full width of the lot and lying between the rear lot line and the nearest line of the building. Rear-yard depth shall be measured at right angles to the rear line of the lot.
- C. **SETBACK, SIDE:** The yard area lying between the side line of the lot and the nearest line of the building and extending from the front yard to the rear yard, or in the absence of a front yard or a rear yard, to the front or rear lot lines. Side-yard width shall be measured at right angles to side lines of the lot.

UDO SECTION 4.18: Variance

In certain circumstances, a Variance from the dimensional requirements (i.e. height, setbacks, square footage) of this ordinance may be granted if the applicant can prove that because of physical constraints of the property involved, he is not able to build the same type of structure that other persons with the same zoning classification can build. Variances for uses permitted will not be considered in as much as “use Variances” are not legal in the State of Mississippi.

Most Variances must be granted by the City Council; however, certain minor Variances may be granted by the Economic Development Director in accordance with *Section 4.18.3* below.

4.18.1 Who May Initiate

A request for a Variance may be initiated by the property owner or agent of the owner provided that said property has not been denied a previous request for a Variance for the same property or portion of property within the past twelve (12) months.

4.18.2 Application for Variance

Applications for a Variance (from dimensional requirements) may be filed on the appropriate application available from the Economic Development/Planning Department and shall include all requested information, attachments and submittals:

4.18.3 Administrative Variances

The following dimensional variances may be granted by the Economic Development Director at his/her discretion (Note: Within the COR, Corridor Overlay District, applicants shall be required to mitigate a requested dimensional variance in accordance with the Tier Land Use Provisions in Section 5.11):

- A. 30% of required off-street parking spaces and/or
- B. 30% of required setbacks from property lines

4.18.4 Criteria for Approval

The Variance application shall demonstrate the following:

- A. That special conditions and circumstances exist which are peculiar to this particular site (lot or parcel), structure or building involved and which are not applicable to other sites (lots or parcels) or structures or buildings in the same district;
- B. That literal interpretation of the provisions of this Ordinance would deprive the applicant of rights commonly enjoyed by other properties in the same district under the provisions of this Ordinance;
- C. That the special conditions and circumstances do not result from actions of the applicant; and
- D. That granting the Variance requested will not confer upon the applicant any special privilege that is denied by this Ordinance to other similar sites (lots or parcels) structures or buildings in the same district.

RECOMMENDATION & CONCLUSION:

Staff has been presented with no evidence or information indicating that the variance criteria listed in UDO Article IV Section 4.18.4 A through D have been met. Planning

Commission shall record a Finding of Fact regarding the “Criteria for Approval” from the UDO as listed above.

The Planning Commission may:

1. Recommend that City Council approve variance request as presented;
2. Recommend that City Council approve the variance requests with changes; or
3. Recommend that City Council deny variance request.

Chairman Wooten asked if the applicant was present and wished to speak.

Jose Garcia spoke as to why he was requesting the Variance. He stated that he was unaware that he needed a permit for the above ground swimming pool until he was notified by Planning Staff that he did not meet the ten (10) foot side yard setback requirement for the pool. He stated that in 2017 he had placed a less expensive pool of the same size in the same location, also without a permit. The new pool that was put in about three (3) months ago replaced the previous one with one that was of better quality. Mr. Garcia also stated that this was the only place he could put the pool due to the trees and roots in his yard, and the patio on the back of his house.

During the discussion it was noted by the Commissioners that viewed the property that any removal of tree roots would possibly result in losing the trees.

Mr. Garcia also stated he will be placing a fence around the pool as is required by the UDO.

There were none in attendance speaking in opposition and Staff had received no calls or letters opposing the request.

ACTION TAKEN:

Commissioner Green made a motion to recommend that City Council approve the Variance as presented noting that it would be a hardship to remove the tree roots to relocate the pool and that removal of the tree roots could result in damage to or loss of the trees.

Commissioner Jamison seconded the motion and the following vote was recorded:

AYES:	David Wooten
	Kay C. Jamison
	Jimmy Green
	Joshua Ward
	James Lee
	William Davis

Motion passed.

Gautier Planning Commission
Regular Meeting Agenda
December 5, 2019
GPC #19-22-VAR
2825 Dolphin Road Variance Request

VII. NEW BUSINESS

1. 2825 DOLPHIN ROAD – REQUEST FOR A VARIANCE ALLOWING A DECREASE IN THE SIDE PROPERTY SETBACK FOR AN ACCESSORY STRUCTURE FROM THE REQUIRED TEN (10) FEET TO FIVE (5) FEET IN A R-1 LOW DENSITY SINGLE FAMILY RESIDENTIAL ZONING DISTRICT (GPC CASE #19-22-VAR)

GAUTIER PUBLIC HEARING PROCESS (PLANNING COMMISSION)

Planning Commission Chairman to follow procedure below. All questions/comments to be directed to the Council and not to applicant, staff, or other attendees of the meeting.

1. Chairman announces the case.
2. Chairman makes statement, "This is a Public Hearing and all statements to be made need to be true and accurate for the record."
3. Staff gives brief overview of case.
4. Applicant presents their case.
5. Anyone to speak in support of the Request? Please state your name and address for the record.
6. Anyone to speak in opposition of the Request? Please state your name and address for the record.
7. Any final comments from the applicant?
8. Questions from Commission?
9. Chairman closes public hearing – "This closes the Public Hearing portion of this case" bang of gavel
10. Motion/Deliberation/Vote

**CITY OF GAUTIER
STAFF REPORT**

To: Chairman and Members, Planning Commission

From: Scott Ankerson, Planning Director

Date: December 5, 2019

Subject: 2825 Dolphin Road - Request for a variance allowing a decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet. (GPC Case #19-22-VAR)

REQUEST:

The Planning Department has received a request from Jose Garcia for a Variance allowing a decrease in the side yard setback for an accessory structure from the required ten (10) feet to five (5) feet in a R-1 Low Density Single Family Residential Zoning District at 2825 Dolphin Drive, PID #86303121.000. The application fee of \$175 was paid on October 24, 2019. All public notice requirements have been met.

BACKGROUND:

The request property is zoned R-1 Low Density Single Family Residential. The property is a corner lot which contains an existing single-family dwelling. The applicant installed an above ground swimming pool without first obtaining the required permit. Because a permit was not obtained, the applicant was not aware that the required side yard setback for accessory structures is ten (10) feet. The swimming pool is located in the designated side yard of the property and is currently five (5) feet from the property line. The applicant is seeking a Variance to minimum side yard setback requirements for an accessory structure.

DISCUSSION:

The property owner requests a variance to the minimum side yard setbacks for accessory structures in a R-1 Low Density Single-Family Residential District from ten (10) feet to five (5) feet to allow an above ground swimming pool to remain at its current location. The applicant states that the swimming pool is set two and one half (2.5) feet into the ground. The applicant states that he intends to install a privacy fence around the swimming pool to meet the requirements of the International Swimming Pool and Spa Code for safety. The privacy fence will also screen the pool from view of the public right-of-way and adjoining properties.

DETERMINATION OF APPLICABLE LAW:

The Unified Development Ordinance (UDO) defines **Variances** as:

A Variance is a relaxation of the terms of the Unified Development Ordinance where such Variance will not be contrary to the public interest and where, owing to conditions peculiar to the property, a literal enforcement of the Ordinance would result in an unnecessary or undue hardship. As used in this Ordinance, a Variance is authorized only for height, area and size of structure, or size of yards, separation of uses, open spaces, off-street parking spaces and some subdivision of property. The establishment or expansion of a use not permitted shall not be allowed by Variance.

The UDO defines **Hardship** as:

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- (1) the land in question cannot yield a reasonable return if used only
 - (a) for a purpose allowed in that zone (applicable to special exceptions), or
 - (b) as permitted by the dimensional requirements of this ordinance (applicable to variances);
- (2) that the plight of the owner is due to unique circumstances of the land for which the variance or special exception is sought; and
- (3) that the use to be authorized by the variance will not alter the essential character of the locality.

The UDO defines **Setback** as:

SETBACK: (SEE YARD) The minimum horizontal distance between the lot or property line and the nearest front, side or rear line of the building as measured to the outside face at the enclosing wall or in structures lacking walls (as in the case of a carport) to the face of the supporting columns and beams. Setback does not include roof overhangs, except that they shall not encroach on more than fifty (50) percent of the required setback.

- A. **SETBACK, FRONT:** The yard area extending along the full width of a front lot line between side lot lines and from the front lot line to the front building line in depth.
- B. **SETBACK, REAR:** The yard area extending across the full width of the lot and lying between the rear lot line and the nearest line of the building. Rear-yard depth shall be measured at right angles to the rear line of the lot.
- C. **SETBACK, SIDE:** The yard area lying between the side line of the lot and the nearest line of the building and extending from the front yard to

the rear yard, or in the absence of a front yard or a rear yard, to the front or rear lot lines. Side-yard width shall be measured at right angles to side lines of the lot.

UDO SECTION 4.18: Variance

In certain circumstances, a Variance from the dimensional requirements (i.e. height, setbacks, square footage) of this ordinance may be granted if the applicant can prove that because of physical constraints of the property involved, he is not able to build the same type of structure that other persons with the same zoning classification can build. Variances for uses permitted will not be considered in as much as "use Variances" are not legal in the State of Mississippi.

Most Variances must be granted by the City Council; however, certain minor Variances may be granted by the Economic Development Director in accordance with *Section 4.18.3* below.

4.18.1 Who May Initiate

A request for a Variance may be initiated by the property owner or agent of the owner provided that said property has not been denied a previous request for a Variance for the same property or portion of property within the past twelve (12) months.

4.18.2 Application for Variance

Applications for a Variance (from dimensional requirements) may be filed on the appropriate application available from the Economic Development/Planning Department and shall include all requested information, attachments and submittals:

4.18.3 Administrative Variances

The following dimensional variances may be granted by the Economic Development Director at his/her discretion (Note: Within the COR, Corridor Overlay District, applicants shall be required to mitigate a requested dimensional variance in accordance with the Tier Land Use Provisions in Section 5.11):

- A. 30% of required off-street parking spaces and/or
- B. 30% of required setbacks from property lines

4.18.4 Criteria for Approval

The Variance application shall demonstrate the following:

- A. That special conditions and circumstances exist which are peculiar to this particular site (lot or parcel), structure or building involved and which are not applicable to other sites (lots or parcels) or structures or buildings in the same district;
- B. That literal interpretation of the provisions of this Ordinance would deprive the applicant of rights commonly enjoyed by other properties in the same district under the provisions of this Ordinance;

- C. That the special conditions and circumstances do not result from actions of the applicant; and
- D. That granting the Variance requested will not confer upon the applicant any special privilege that is denied by this Ordinance to other similar sites (lots or parcels) structures or buildings in the same district.

RECOMMENDATION & CONCLUSION:

Staff has been presented with no evidence or information indicating that the variance criteria listed in UDO Article IV Section 4.18.4 A through D have been met. Planning Commission shall record a Finding of Fact regarding the "Criteria for Approval" from the UDO as listed above.

The Planning Commission may:

- 1. Recommend that City Council approve variance request as presented;
- 2. Recommend that City Council approve the variance requests with changes; or
- 3. Recommend that City Council deny variance request.

ATTACHMENTS:

- 1. Applicant's Exhibit 1 – Application
- 2. City's Exhibit A – Location Map
- 3. City's Exhibit B – Existing Zoning Map
- 4. City's Exhibit C – Existing Land Use Map
- 5. City's Exhibit D – Future Land Use Map

GAUTIER, MISSISSIPPI
PLANNING DEPARTMENT
PUBLIC HEARING APPLICATION

Public Hearing Number

19-22-VAR

TO BE HEARD BY GAUTIER PLANNING COMMISSION:

FEE:

Zoning Change	_____	\$300.00
Major Development	_____	\$100.00
Variance	_____	\$175.00
Appeal to Staff Decision	_____	\$100.00

Name of Applicant :

~~Maria~~ Jose Garcia

Name of Business:

Phone:

228-2359438

Property Address: 2825 Dolphin Dr. Mailing Address (if Different):

(or Maria)

E-Mail Address:

PID # 80303121.000

Reason for request, location and intended use of Property:

5' sideyard setback variance

for swimming pool

ATTACHMENTS REQUIRED AS APPLICABLE:

- ☒ 1. Diagram of intended use, showing dimensions and distances of property, building with setbacks, parking spaces, entrances and exits.
- ☒ 2. A detailed project narrative.
- ☒ 3. Copy of protective covenants or deed restrictions, if any.
- ☒ 4. Copies of approvals, or requests for approval, from other agencies, such as, but not limited to, the Mississippi State Department of Health, U.S. Army Corp of Engineers, Mississippi Department of Environmental Quality and Department of Marine Resources.
- ☒ 5. Any other information requested by the Economic Development/Planning Director and/or members of the Technical Review Committee.

Signature of Applicant:

Jose Garcia

Date of Application:

10/18/19

FOR OFFICE USE ONLY

Date Received 10/24/19 Verify as Complete

BL/DA

Fee Amount Received 175- Initials of Employee Receiving Application

BL

Variance Request for Accessory Structure (Swimming Pool – Above Ground)

The swimming pool has already been installed without a permit, the property owner was unaware a permit was required. The swimming pool is located in the designated side yard of the property requiring a 10ft set-back from the side property line. There was not enough space for the pool to fit at the installation location and meet the required side yard set-back. The pool is currently 5 foot 2 inches from the property line which was marked by a surveyor at the time the measurement was taken. The lot is a corner lot, limiting the available space as accessory structures are not permitted to be located in the front yard. The property owners intend to install a privacy fence around the swimming pool to meet the requirements of the International Swimming Pool and Spa Code for safety as well as screening the view of the pool from the public right-of-way as well as adjoining properties.



North
Class B Survey
Date of Field Survey
September 26, 2017

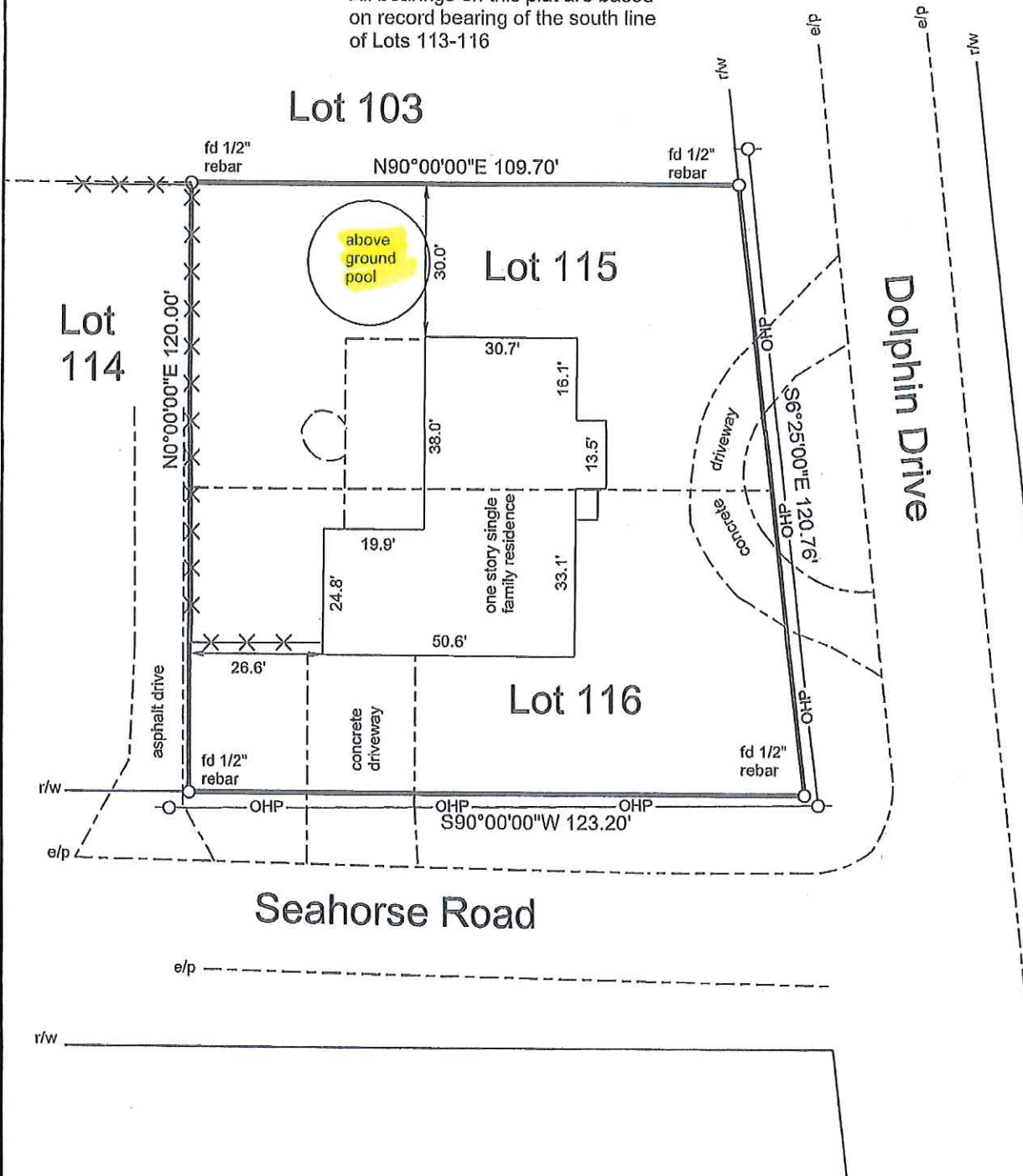
Area - 0.32 acres

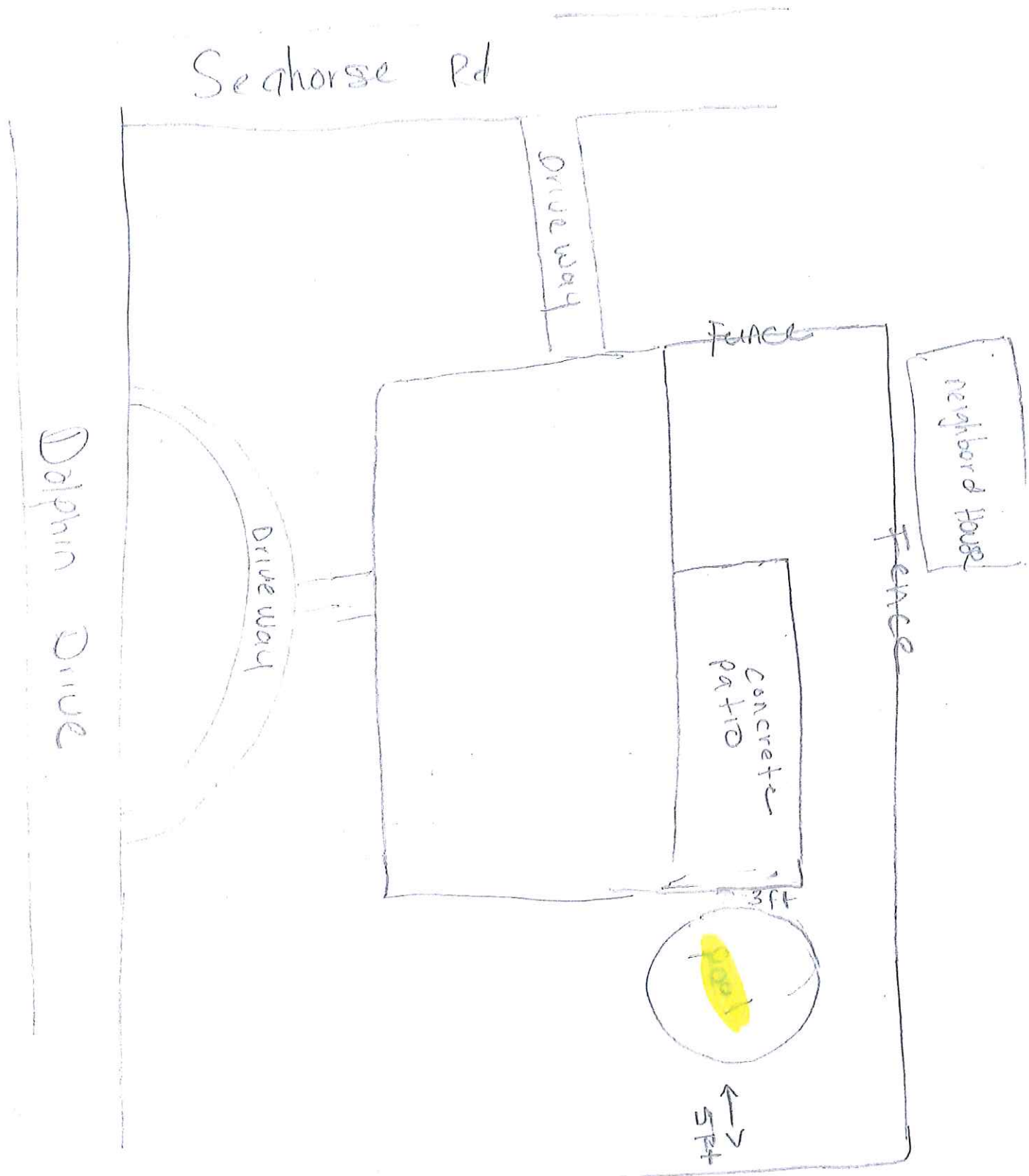
e/p - edge of pavement
r/w - right-of-way
OHP - overhead power line

Reference Materials

DB 1607, pg 255
DB 1607, pg 258

All bearings on this plat are based
on record bearing of the south line
of Lots 113-116





the swimming pool 26' x 52'
it is buried 2 1/2' ~~in~~ ground
5' away from neighbor
to the NORTH property line
10' to west of trees,
roots, stumps etc.
to the south 3' away
from patio slab + house
In conjunction the pool
was erected with
the most center position
available at hand.
ALSO the property line
midways going EAST
(2nd lot division) tree
line thickens ~~as well~~
with a couple of trees
as well.

EXHIBIT A

LOCATION MAP

Prepared by:
City of Gautier
Planning Department



Legend

- Gautier_Parcels_Clip
- GAUTIER_CITYLIMITS
- Centerlines_Clip

EXHIBIT B

ZONING MAP

Prepared by:
City of Gautier
Planning Department

Legend

-  Gautier_Parcels_Clip
-  GAUTIER_CITYLIMITS
-  Centerlines_Clip

Zoning

ZONECODE

-  AG
-  C-1
-  C-2
-  C-3
-  I-2
-  MURC-1
-  MURC-2
-  MURC-MW
-  PL
-  PUD
-  R-1
-  R-2
-  R-3
-  RE
-  TC

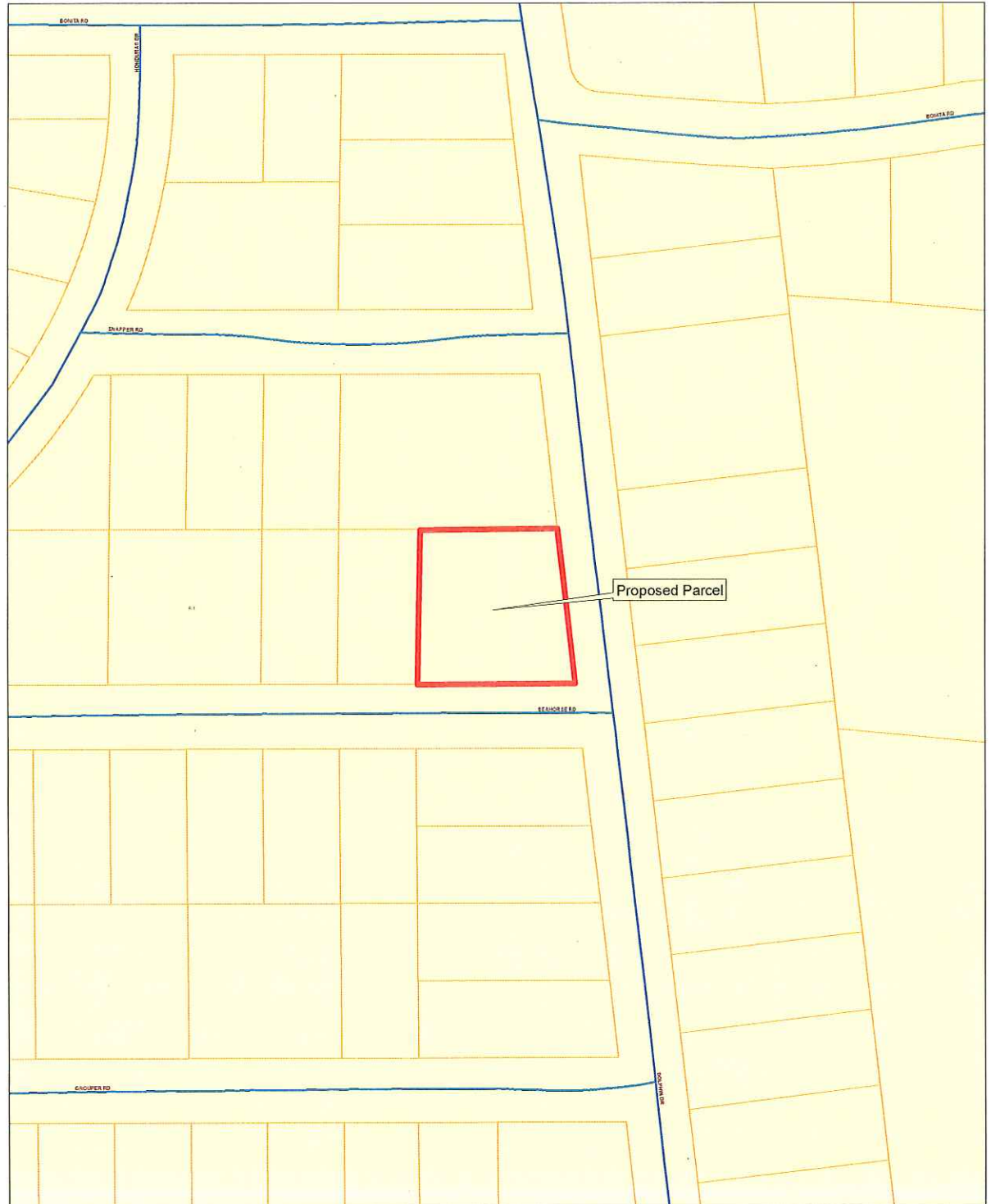


EXHIBIT C

EXISTING LAND USE MAP

Prepared by:
City of Gautier
Planning Department

Legend

-  Gautier_Parcels_Clip
-  GAUTIER_CITYLIMITS
-  Centerlines_Clip

EXISTING LAND USE

ELU_08

-  commercial-retail
-  conservation
-  civic
-  industrial
-  marina/fish camps
-  high density residential
-  mobile home
-  mobile home park
-  medium density residential
-  office
-  recreation
-  very low to low density residential
-  utility
-  vacant

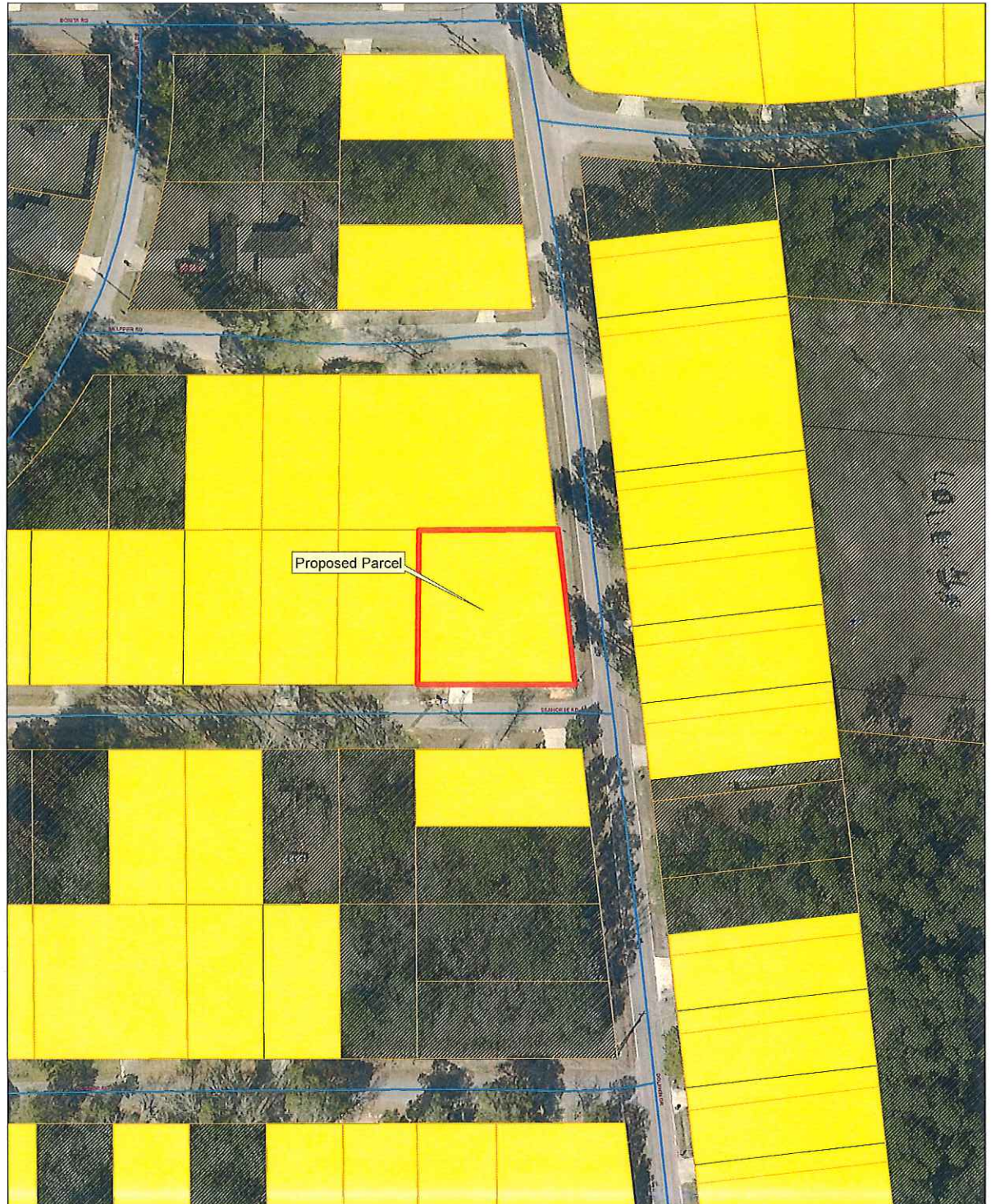


EXHIBIT D

FUTURE LAND USE MAP

Prepared by:
City of Gautier
Planning Department

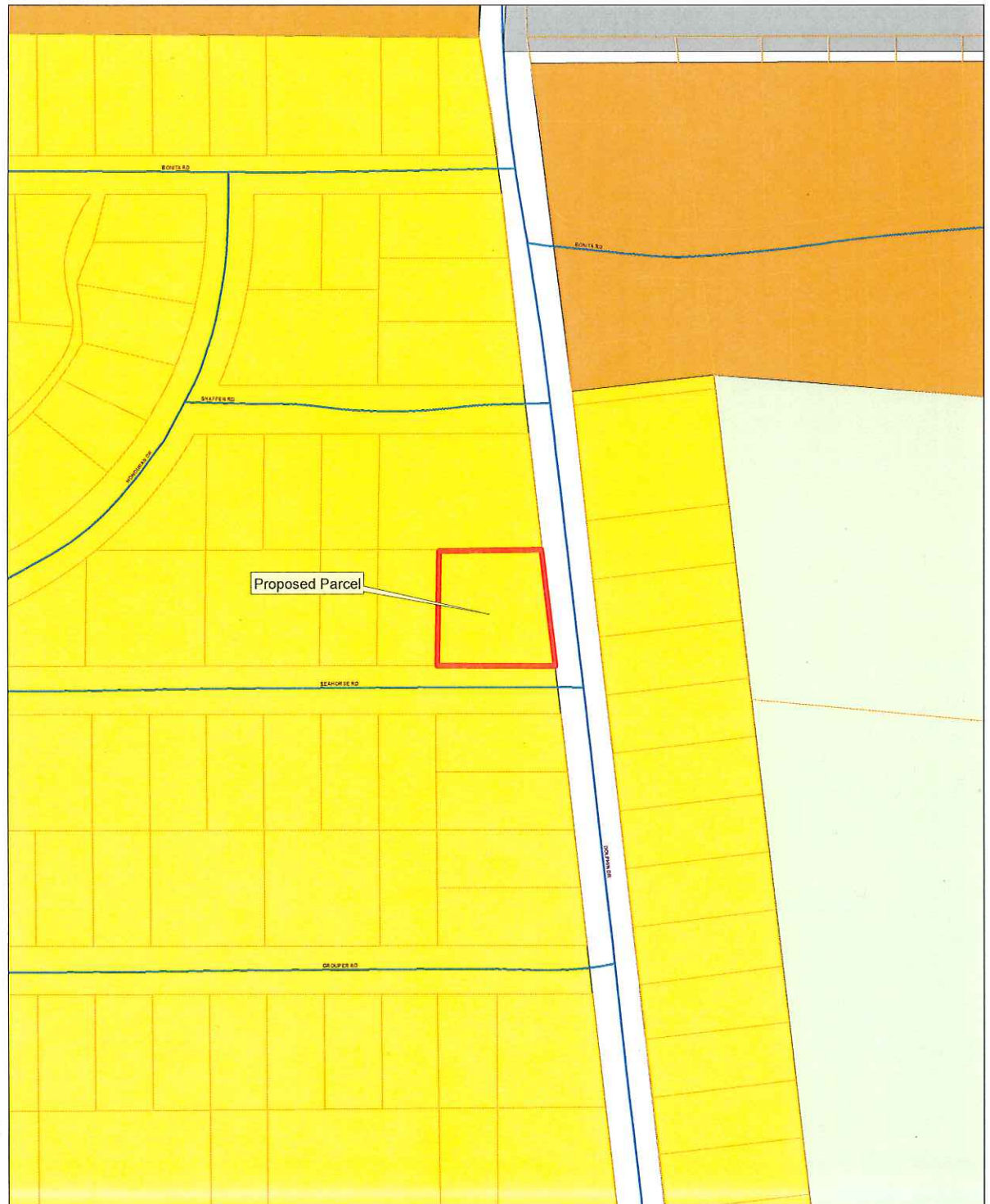
Legend

-  Gautier_Parcels_Clip
-  GAUTIER_CITYLIMITS
-  Centerlines_Clip

FUTURE LAND USE

FLU_Class

-  Civic
-  high impact commercial
-  Conservation
-  High Density Residential
-  Industrial
-  Low Density Residential
-  Medium Density Residential
-  Mobile Home Residential
-  low impact Commercial
-  Recreational
-  recreational commercial
-  Regional Scale Commercial
-  mixed use residential
-  Town Center
-  Very Low Density Residential



**CITY OF GAUTIER
Business Agenda Item #2
Fact Sheet**

Council Meeting:
Title:

**December 17, 2019
Approval of Docket of Claims**

Introduced by:
Contact Person/Telephone

Teresa Montgomery 497-8000

Summary Explanation: Approval of the Docket of Claims.

EXHIBITS FOR REVIEW

Resolution	☐
Ordinance	☐
Contract/Agreement	☐
Minutes	☐
Plan Maps	☐
Order	☒
Other	☐
Submittal Authorization	City Manager

Staff Recommendation:
Approval

Motion Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
☐		☐		☐		☐		☐	☐

Second Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
☐		☐		☐		☐		☐	☐

Voted as follows:		Ayes	Nays	Abstained	Absent
Mayor	Torjusen	☐	☐	☐	☐
At Large	Martin	☐	☐	☐	☐
Ward 1	George	☐	☐	☐	☐
Ward 2	Jackson	☐	☐	☐	☐
Ward 3	Vaughan	☐	☐	☐	☐
Ward 4	Anderson	☐	☐	☐	☐
Ward 5	Colledge	☐	☐	☐	☐

Action Taken:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 000-2019

WHEREAS, Miss. Code Ann. 21-39-9 requires governing authority to review all unpaid claims and determine if there is an obligation. An obligation exists if the related materials and supplies were properly contracted for and received by the municipality; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that Docket of Claims is hereby approved, provided that all entries thereon are true, correct, properly entered and not fraudulent.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **BLANK** seconded by **BLANK** and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

BLANK by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 17, 2019.

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	SECURE NETWORKS LLC	200582	12/17/2019	11/27/2019			2,280.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-092-698	JAN 2020 NETWORK SERVICES		3982	11/14/2019			2,280.00
001	CABLE ONE INC	200583	12/17/2019	11/27/2019			83.32	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-698	DEC 2019: CFD #122024086		11162019	11/23/2019			83.32
001	CABLE ONE INC	200584	12/17/2019	11/27/2019			83.32	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-698	DEC 2019: SFD #122025091		11162019	11/23/2019			83.32
001	CABLE ONE INC	200585	12/17/2019	11/27/2019			83.32	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-698	DEC 2019: NFD #122024383		11162019	11/23/2019			83.32
001	O'REILLY AUTO PARTS	200601	12/17/2019	12/02/2019			243.19	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-570	TEST CLIPS, SOLDER PASTE, SOLDER		1978148251	11/01/2019			17.47
	001-100-570	RADIATOR: U #45		1978148557	11/04/2019			174.76
	001-161-638	1GAL TRANS FLUID (2): ENG 4		1978148748	11/06/2019			43.98
	001-100-570	CAPSULE: U #57		1978149249	11/11/2019			5.19
	001-100-570	FUEL HOSE (2), VAC TUBING: U #57		1978150546	11/26/2019			1.79
001	SINGING RIVER ELECTRIC COOPERATIVE	200602	12/17/2019	12/02/2019			1,981.91	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-631	POLICE STATION 66298004		11182019	11/25/2019			1,198.86
	001-201-629	SIGNAL LIGHT 89113001		11182019	11/25/2019			62.54
	001-170-631	CITY PARK RESTRMS 89912001		11182019	11/25/2019			419.01
	001-201-633	STREET LIGHTS 90345002		11182019	11/25/2019			144.00
	001-092-631	RECORDS BLDG 90790001		11182019	11/25/2019			117.35
	001-170-631	FRAZIER RESTRMS 98546001		11182019	11/25/2019			40.15
001	SINGING RIVER ELECTRIC COOPERATIVE	200603	12/17/2019	12/02/2019			83.67	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-631	SPORTS PAVILION 66582005		11182019	11/25/2019			59.60
	001-170-631	ROUNDAABOUT 102311002		11182019	11/25/2019			24.07
001	SINGING RIVER ELECTRIC COOPERATIVE	200604	12/17/2019	12/02/2019			1,103.85	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-201-633	DOLPHIN ST 94987002		11182019	11/25/2019			96.04
	001-201-633	DOLPHIN ST 94988002		11182019	11/25/2019			85.39
	001-201-633	DOLPHIN ST 94989002		11182019	11/25/2019			83.48
	001-201-633	DOLPHIN ST 94990002		11182019	11/25/2019			562.32
	001-201-633	WM PAYNE 100244001		11182019	11/25/2019			69.49
	001-201-633	WM PAYNE 100245001		11182019	11/25/2019			207.13

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	SINGING RIVER ELECTRIC COOPERATIVE	200605	12/17/2019	12/02/2019			693.60	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-631	SOUTH FD 76008001		11192019	11/26/2019			233.97
	001-170-631	BACOT PARK 10137		11192019	11/26/2019			311.46
	001-201-629	SIGNAL LIGHTS 10138		11192019	11/26/2019			124.67
	001-170-631	BACOT SPLASHPAD 103751001		11192019	11/26/2019			23.50
001	SINGING RIVER ELECTRIC COOPERATIVE	200606	12/17/2019	12/02/2019			8,421.01	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-201-633	STREET LIGHTING 10054		11182019	11/25/2019			5,863.56
	001-201-629	SIGNAL LIGHTS 10054		11182019	11/25/2019			698.42
	001-092-631	CITY HALL 10054		11182019	11/25/2019			899.85
	001-170-631	FRAZIER PARK 10054		11182019	11/25/2019			49.01
	001-170-631	SENIOR BLDG 10054		11182019	11/25/2019			98.88
	001-161-631	CENTRAL FD 10054		11182019	11/25/2019			392.28
	001-170-631	CITY PARK 10054		11182019	11/25/2019			140.45
	001-092-631	PUBLIC WORKS 10054		11182019	11/25/2019			253.15
	001-092-631	HWY 90 SIGN 10054		11182019	11/25/2019			25.41
001	BORDIS & DANOS PLLC	200611	12/17/2019	12/02/2019			10,000.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-060-602	DEC 2019 RETAINER		76	12/02/2019			10,000.00
001	BAYVIEW PET MEDICAL AND DENTAL CENTER	200612	12/17/2019	12/02/2019			579.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-514	EXAM/VACCS/MEDS:CAESAR		220449	11/25/2019			447.50
	001-100-514	EXAM/VACCS/MEDS:TESS		220449	11/25/2019			131.50
001	MS DEPT OF FINANCE & ADMIN	200613	12/17/2019	12/02/2019			21,135.25	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-000-300	NOV 2019 COURT ASSESSMENTS		11302019	12/02/2019			21,135.25
001	MS DEPT OF PUBLIC SAFETY	200614	12/17/2019	12/02/2019			1,258.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-000-300	NOV 2019 SPECIAL ASSESSMENTS		11302019	12/02/2019			1,258.00
001	MS DEPT OF PUBLIC SAFETY	200615	12/17/2019	12/02/2019			454.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-000-300	NOV 2019 INTERLOCK FEES		11302019	12/02/2019			454.00
001	COMM-TECH SOLUTIONS INC	200616	12/17/2019	12/03/2019			150.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-689	LABOR: CHG ACO MESSAGE		16479	11/26/2019			150.00
001	UNITED PARCEL SERVICE	200618	12/17/2019	12/03/2019			16.40	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-092-607	RETURN: PD ITEMS		Y99492479	11/23/2019			16.40

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	MSC 7511	200619	12/17/2019	12/03/2019			113.14	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-698	GEMG00-01 RENTAL FEE		INV3397020	11/22/2019			113.14
001	MSC 7511	200620	12/17/2019	12/03/2019			178.55	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-699	FNK100-01 RENTAL FEE		INV3387688	11/19/2019			160.26
	001-100-699	MPC2504EX USAGE:B/W		INV3387688	11/19/2019			1.80
	001-100-699	MPC2504EX USAGE:COLOR		INV3387688	11/19/2019			16.49
001	TEC	200622	12/17/2019	12/03/2019			97.46	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-092-605	MONTHLY LONG DISTANCE		980927	12/01/2019			97.46
001	ACE DATA STORAGE INC	200623	12/17/2019	12/04/2019			105.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-699	NOV 2019 SHREDDING SERVICE		68802	12/01/2019			105.00
001	CABLE ONE INC	200624	12/17/2019	12/04/2019			84.62	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-698	DEC 2019: SR BLDG #120793682		11242019	12/01/2019			84.62
001	LOWES HOME CENTERS INC	200626	12/17/2019	12/04/2019			481.52	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-559	32CT NIAGARA WATER (20)		901151	10/25/2019			75.60
	001-161-639	27IN DRYER BELT		909567	10/28/2019			4.73
	001-161-559	GE 26W BULB 410, 40W TUBE BULB		909567	10/28/2019			15.17
	001-161-559	GE 26W BULB 3500		909738	10/29/2019			6.64
	001-161-559	CDT RTN: GE 26W BULB 410		918537	10/29/2019			-9.49
	001-161-559	1LB DECK SCREW		902666	10/30/2019			8.54
	001-161-559	PB LUBE COMBO, 500W BULB (3)		901306	10/31/2019			29.85
	001-161-559	21IN TARP STRAPS		902205	11/05/2019			2.36
	001-100-559	1X6X8 YEL PINE, PERF PEGBOARD		901542	11/07/2019			21.59
	001-100-559	8IN DBL PRONG HOOK (20)		901542	11/07/2019			24.20
	001-161-559	LQ WRENCH, BULB, 11OZ BLASTER		911944	11/12/2019			18.48
	001-161-559	13.2OZ DOOR LUBE		911944	11/12/2019			6.16
	001-161-559	GREEN & YEL SPRAY PAINT		910064	11/15/2019			9.46
	001-161-559	METAL HOSE MENDER		910064	11/15/2019			5.12
	001-170-559	SUPPLIES: PVC CHRISTMAS TREE		901807	11/18/2019			42.02
	001-205-559	HI-STRENGTH CONTACT ADHESIVE		901076	11/19/2019			12.34
	001-170-559	SUPPLIES: PVC CHRISTMAS TREE		901005	11/19/2019			11.92
	001-170-559	GE 100CT STRING LIGHTS (20)		911689	11/20/2019			161.00
	001-161-559	9.3OZ DOOR LUBE (2)		901368	11/21/2019			10.40
	001-161-559	WHITE & RED SPRAY PAINT		901368	11/21/2019			8.43
	001-170-634	SAFETY HASP, HEX NUT (2)		901545	11/17/2019			14.98
	001-170-634	LOCKWASHER, HEX BOLT (4)		901545	11/17/2019			2.02

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	CABLE ONE INC	200629	12/17/2019	12/04/2019			130.07	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-092-698	DEC 2019: #107571481		11242019	12/01/2019			130.07
001	DELTA SANITATION OF MS LLC	200630	12/17/2019	12/05/2019			35.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-698	FRAZIER PORT O LET		0001062303	11/30/2019			35.00
001	AUTO TRUCK AND TRAILER PARTS INC	200632	12/17/2019	12/05/2019			1,155.39	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-638	SLACK ADJ: ENG 3		278931	11/05/2019			95.00
	001-100-570	BATT: U #908		278968	11/06/2019			86.00
	001-161-638	BOLT (2), NUT (2): ENG 4		278976	11/07/2019			9.00
	001-161-638	AIR DRIER BASE: ENG 4		278978	11/07/2019			138.55
	001-161-638	AIR DRIER FILTER: ENG 4		278980	11/07/2019			95.00
	001-161-638	DEGREASER		279033	11/11/2019			8.50
	001-100-570	BATT: U #12301		279046	11/12/2019			105.00
	001-100-570	AIR FILTER (5): PD CHARGERS		279041	11/12/2019			114.96
	001-100-570	WASHER FLUID (30):PD VEHICLES		279053	11/12/2019			69.00
	001-100-570	FORD OVAL EMBLEM: RED F150		279105	11/14/2019			45.83
	001-161-638	ANTIFREZ, VALVE: ENG 3		279178	11/19/2019			43.00
	001-161-638	PUMP GAUGE: ENG 5		279240	11/21/2019			169.35
	001-161-638	LENS (6): FIRE ENGINES		279290	11/25/2019			79.50
	001-100-570	BELT, CORD, PLUG:PD COMM UNIT		279325	11/27/2019			96.70
001	GOVERNMENT BRANDS SHARED SERVICES	200633	12/17/2019	12/05/2019			1,475.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-010-698	DEC 2019 COURT SUPPORT		1-45413	12/02/2019			1,475.00
001	C SPIRE WIRELESS	200636	12/17/2019	12/06/2019			782.91	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-021-605	CITY MGR CELL PHONE		0030759348	11/30/2019			48.19
	001-040-605	ADMIN CELL PHONES		0030759348	11/30/2019			130.57
	001-090-605	BLDG-PLNG CELL PHONES		0030759348	11/30/2019			202.60
	001-090-698	IPAD SERVICE (3)		0030759348	11/30/2019			102.57
	001-094-605	GRANT-PROJ CELL PHONES		0030759348	11/30/2019			96.38
	001-170-605	RECREATION CELL PHONES		0030759348	11/30/2019			151.13
	001-205-605	MAINT CELL PHONE		0030759348	11/30/2019			51.47
001	JACKSON COUNTY ADULT DETENTION CENTER	200638	12/17/2019	12/06/2019			9,450.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-010-696	NOV 2019 ADC CHGS		11302019	12/04/2019			9,450.00
001	CENTERPOINT ENERGY	200644	12/17/2019	12/06/2019			175.87	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-630	CENTRAL FIRE STN:10/24-11/22		11000885-1	12/03/2019			160.06
	001-161-630	SOUTH FIRE STN:10/24-11/22		11000999-0	12/03/2019			15.81

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	MSC 7511	200661	12/17/2019	12/09/2019			470.88	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-092-698	FFO200-01 RENTAL FEE		INV3415366	12/05/2019			470.88
001	CINTAS CORPORATION NO 2	200662	12/17/2019	12/09/2019			312.28	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-205-535	MAINTENANCE		4034263332	11/06/2019			78.07
	001-205-535	MAINTENANCE		4034807601	11/13/2019			78.07
	001-205-535	MAINTENANCE		4035446010	11/20/2019			78.07
	001-205-535	MAINTENANCE		4036130014	11/27/2019			78.07
001	AT&T MOBILITY	200664	12/17/2019	12/09/2019			100.52	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-605	CELL SERVICE (3)	287294177255	12052019	11/27/2019			100.52
001	AT&T INTERSTATE DED PRIVATE LINE SERVS	200665	12/17/2019	12/09/2019			215.39	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-699	ACCUNET T1.5 DIGITAL SERV		3113925590	12/01/2019			215.39
001	AT&T GLOBAL NETWORK SERVS LLC	200666	12/17/2019	12/09/2019			1,086.92	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-699	NCIC EQUIPMENT CHARGES		GG68123	12/01/2019			1,086.92
001	AIRGAS USA LLC	200667	12/17/2019	12/09/2019			210.19	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-205-588	CYLINDER RENTAL		9966690498	11/30/2019			210.19
001	ALABAMA MEDIA GROUP	200669	12/17/2019	12/10/2019			878.60	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-040-615	NOTICE OF BOND SALE \$6 MIL		0009412604	11/29/2019			878.60
001	DIRECTV LLC	200670	12/17/2019	12/10/2019			152.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-698	WEST STN: 022727663 (JAN)		12132019	12/14/2019			152.00
001	FOSTERS A/C & HEATING INC	200671	12/17/2019	12/10/2019			302.50	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-698	ESA PRECISION TUNE UP (2)		P1052132	11/26/2019			302.50
001	FUELMAN	200672	12/17/2019	12/10/2019			2,194.85	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-090-525	UNL FUEL		NP57348570	12/02/2019			49.27
	001-100-525	UNL FUEL		NP57348570	12/02/2019			1,817.49
	001-161-525	UNL & DSL FUEL		NP57348570	12/02/2019			328.09
001	FUELMAN	200674	12/17/2019	12/10/2019			2,798.33	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-090-525	UNL FUEL		NP57397388	12/09/2019			76.70
	001-100-525	UNL FUEL		NP57397388	12/09/2019			2,245.32
	001-161-525	UNL & DSL FUEL		NP57397388	12/09/2019			297.84

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	FUELMAN	200674	12/17/2019	12/10/2019			2,798.33	(CONTINUED)
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-525	UNL FUEL		NP57397388	12/09/2019			178.47
001	HUB INTERNATIONAL GULF SOUTH	200676	12/17/2019	12/10/2019			930.93	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-092-625	ADD NEW RADIO SYSTEM		1682117	12/05/2019			930.93
001	K AND K JANITORIAL SERVICE	200677	12/17/2019	12/10/2019			300.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-698	FLOOR SERVICE: CENTRAL STN		1427	11/18/2019			100.00
	001-161-698	FLOOR SERVICE: NORTH STN		1427	11/18/2019			100.00
	001-161-698	FLOOR SERVICE: SOUTH STN		1427	11/18/2019			100.00
001	SBM REPORTING LLC	200678	12/17/2019	12/10/2019			175.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-090-698	12/05/19 PLANNING MTG		MB1072	12/09/2019			175.00
001	CREDIT CARD CENTER	200687	12/17/2019	12/11/2019			3,528.02	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-559	PARTS: MOVIE SCREEN		10292019	10/30/2019			27.96
	001-090-561	UNIFORM SHIRTS (10)		10292019	10/30/2019			170.79
	001-170-513	CHRISTMAS: ASST TOYS		10292019	10/31/2019			50.84
	001-170-513	CHRISTMAS: CRAFTS,BAGS		10292019	10/31/2019			187.61
	001-161-681	HOTEL-MFIA CONF: LATCH		11012019	11/04/2019			357.75
	001-045-500	LEXMARK 700Z5 IMAGING KIT		11072019	11/08/2019			239.97
	001-040-682	NIGP DUES: FARABEE		11142019	11/18/2019			190.00
	001-161-681	MARINE FIRE FIGHTING TXTBK (3)		11142019	11/18/2019			246.00
	001-090-559	UNIFORM SHIRTS (7)		11182019	11/19/2019			65.75
	001-090-559	NOTARY SUPPLIES/RENEW: BANG		11182019	11/19/2019			158.00
	001-170-511	FOOD: SENIOR THNKSGVNG LUNCH		11182019	11/19/2019			278.12
	001-170-511	TEA/CONDIMENTS: SR TKG LUNCH		11202019	11/21/2019			16.50
	001-001-615	SUPPLIES: CHRISTMAS FLOAT		11202019	11/21/2019			72.93
	001-001-615	SUPPLIES: CHRISTMAS FLOAT		11202019	11/21/2019			179.95
	001-001-615	CITY LOGO CUPS (1000)		11202019	11/21/2019			488.10
	001-001-615	CITY LOGO FLYERS (1000)		11202019	11/21/2019			668.11
	001-170-559	100 CT LIGHTS (6)		11252019	11/26/2019			119.64
	001-001-615	SUPPLIES: CHRISTMAS FLOAT		11262019	11/27/2019			10.00
001	JULIE M ROSS	200688	12/17/2019	12/11/2019			125.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-513	MUSIC: CHRISTMAS FESTIVAL		10002	12/07/2019			125.00
001	CABLE ONE INC	200694	12/17/2019	12/11/2019			83.32	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-699	DEC 2019 SUBSTN: #107718827		12012019	12/08/2019			83.32
001	INTERNATIONAL PERSONNEL MANAGEMENT ASSOC	200700	12/17/2019	12/11/2019			177.65	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-022-660	POLICE OFFICER TEST (6)		51010P8M0K	10/28/2019	200106		85.50
	001-022-660	ADMIN FEE		51010P8M0K	10/28/2019	200106		92.15

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	MID SOUTH UNIFORM & SUPPLY INC	200701	12/17/2019	12/11/2019			4,273.58	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-100-535	LS NAVY SHIRT (3)	599267	11/27/2019	200151		148.29	
	001-100-535	SS NAVY SHIRT (3)	599267	11/27/2019	200151		139.29	
	001-100-535	SS ARMORSKIN BASE SHIRT (48)	599267	11/27/2019	200151		2,052.96	
	001-100-535	NAVY PANTS (39)	599267	11/27/2019	200151		1,769.04	
	001-100-535	NYLON BLK RAID JACKET (8)	599267	11/27/2019	200151		164.00	
001	SOUTHERN PIPE & SUPPLY	200702	12/17/2019	12/11/2019			102.16	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-170-635	THERMOSTAT: SR CENTER	3688262-00	11/27/2019	200193		102.16	
001	STAPLES BUSINESS ADVANTAGE DEPT	200706	12/17/2019	12/11/2019			359.36	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-170-500	SHARPIE PERMANENT MARKER DZ	3432077251	11/27/2019	200187		13.22	
	001-170-500	DURACELL AA BATT 20PK	3432077251	11/27/2019	200187		11.24	
	001-170-500	AVERY ADDRESS LABEL 3000PK (4)	3432077251	11/27/2019	200187		86.96	
	001-170-500	DISINFECT WIPES 3PK (2)	3432077250	11/27/2019	200187		12.58	
	001-040-500	BROTHER YEL TONER 221Y	3432077249	11/27/2019	200188		55.45	
	001-040-500	BROTHER BLK TONER 221BK	3432077249	11/27/2019	200188		70.95	
	001-040-500	BROTHER MAG TONER 221M	3432077249	11/27/2019	200188		54.48	
	001-040-500	BROTHER CYAN TONER 221C	3432077249	11/27/2019	200188		54.48	
001	AFFORDABLE PAINT & BODY	200708	12/17/2019	12/11/2019			975.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-100-638	REPR ROOF PANEL: U #19591	629	12/03/2019	200150		725.00	
	001-100-638	REPR R/SIDE PANEL: U #19591	629	12/03/2019	200150		250.00	
001	PLAN HOUSE PRINTING	200709	12/17/2019	12/11/2019			100.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-090-559	34" X 500' 20# PAPER	517653	12/11/2019	200229		50.00	
	001-090-559	36" X 150' 20# PAPER (2)	517653	12/11/2019	200229		50.00	
001	SAFEGUARD BUSINESS SYSTEMS	200712	12/17/2019	12/11/2019			507.46	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-010-500	SUMMONS TO APPEAR (1000)	033816711	11/22/2019	200057		495.05	
	001-010-500	SHIPPING	033816711	11/22/2019	200057		9.42	
	001-010-500	PAPER INVOICE OPTION	033816711	11/22/2019	200057		2.99	
001	SOUTHERN TIRE MART LLC DEPT 143	200714	12/17/2019	12/11/2019			125.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-161-638	REPR FLAT RF: ENG 5	2500026913	11/26/2019	200189		40.00	
	001-161-638	SERVICE CALL: ENG 5	2500026913	11/26/2019	200189		85.00	
001	GALLS LLC	200716	12/17/2019	12/11/2019			121.74	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-090-561	B879 BADGE: CODE ENFORCEMENT	BC0992346	12/03/2019	200111		94.99	
	001-090-561	#8 FULL COLOR STATE SEAL	BC0992346	12/03/2019	200111		5.00	
	001-090-561	UNIVERSAL CLIP/NECK CHAIN HOLD	BC0992346	12/03/2019	200111		10.80	
	001-090-561	SHIPPING	BC0992346	12/03/2019	200111		10.95	

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	OCCUPATIONAL HEALTH CENTER INC	200717	12/17/2019	12/11/2019			345.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-100-604	PRE-EMP DRUG SCREEN: DONIGAN	193931	12/04/2019	200163		60.00	
	001-100-604	PRE-EMP PHYSICAL: DONIGAN	193931	12/04/2019	200163		65.00	
	001-100-604	PRE-EMP PHYSICAL: ETHERIDGE	193931	12/04/2019	200179		65.00	
	001-100-604	PRE-EMP DRUG SCREEN: ETHERIDGE	193931	12/04/2019	200179		60.00	
	001-022-604	PRE-EMP PHYSICAL: SQUIRES	193931	12/04/2019	200158		65.00	
	001-022-604	PRE-EMP DRUG SCREEN: SQUIRES	193931	12/04/2019	200158		30.00	
001	ECONOMY BOOTS SALES & SERVICE	200718	12/17/2019	12/11/2019			1,000.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	001-100-535	SZ SWAT DUTY BOOTS: ALEXANDER	18300	12/09/2019	200075		100.00	
	001-100-535	SZ SWAT DUTY BOOTS: WARD	18301	12/09/2019	200075		100.00	
	001-100-535	SZ DUTY BOOTS: WILLIAMS	18302	12/09/2019	200075		100.00	
	001-100-535	SZ DUTY BOOTS: BOND	18303	12/09/2019	200075		100.00	
	001-100-535	SZ DUTY BOOTS: PITTS	18304	12/09/2019	200075		100.00	
	001-100-535	SZ DUTY BOOTS: LONGSTREET	18308	12/09/2019	200075		100.00	
	001-100-535	SZ DUTY BOOTS: SELOVER	18309	12/09/2019	200075		100.00	
	001-100-535	SZ DUTY BOOTS: ALLMAND	18332	12/09/2019	200075		100.00	
	001-100-535	SZ DUTY BOOTS: BLEVINS	18333	12/09/2019	200075		100.00	
	001-100-535	SZ DUTY BOOTS: ELBIN	18339	12/09/2019	200075		100.00	
FUND TOTAL	1 Claims	to	Checks	58 Total	84,866.05 Manual	Held	Total	84,866.05

Release date from 12/17/2019 thru 12/17/2019

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
130	CODY D DICKERSON	200710	12/17/2019	12/11/2019			2,362.00	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	130-130-755	PROVIDE, INSTL WOOD PRIV FENCE	12102019-2	12/10/2019	200174		1,642.00	
	130-130-755	UPGRADE CORNER POSTS	12102019-2	12/10/2019	200174		720.00	
FUND TOTAL 130 Claims	to	Checks	1 Total	2,362.00	Manual	Held	Total	2,362.00

Release date from 12/17/2019 thru 12/17/2019

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
157	BARNEYS POLICE AND HUNTING SUPPLIES	200707	12/17/2019	12/11/2019			1,107.40	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	157-100-799	HELMET HIGHCUT R2S	00524278-0	11/25/2019	190930		324.90	
	157-100-799	CARRIER SHIFT 360 MOLLE WEB	00524278-0	11/25/2019	190930		242.50	
	157-100-799	PLATE HARDWARE MC SHT CUT (2)	00524278-0	11/25/2019	190930		540.00	
FUND TOTAL 157 Claims	to	Checks	1 Total	1,107.40	Manual	Held	Total	1,107.40

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
176	SINGING RIVER ELECTRIC COOPERATIVE	200607	12/17/2019	12/02/2019			1,850.53	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	176-170-631	PARK FACILITIES	76854002	11192019	11/26/2019			1,802.67
	176-170-631	HOUSE	76855002	11192019	11/26/2019			47.86
176	FOSTERS A/C & HEATING INC	200617	12/17/2019	12/03/2019			167.50	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	176-170-635	ESA PRECISION TUNE UP		P1055885	11/22/2019			167.50
176	LOWES HOME CENTERS INC	200627	12/17/2019	12/04/2019			102.22	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	176-170-559	HEX HEAD (16), EYE BOLT (4)		901936	10/29/2019			17.84
	176-170-635	TOILET REPR: SHEP MOBILE HOME		902155	11/05/2019			28.48
	176-170-559	TOMCAT BAIT, 50LB QUICKRETE		902185	11/05/2019			18.25
	176-170-559	LOCK NUT, CARRIAGE BOLT		902185	11/05/2019			1.22
	176-170-635	TOILET REPR: SHEP MOBILE HOME		901169	11/05/2019			14.65
	176-170-635	TOILET REPR: SHEP MOBILE HOME		901293	11/06/2019			21.78
176	C SPIRE WIRELESS	200637	12/17/2019	12/06/2019			51.47	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	176-170-605	CELL PHONE		0030759348	11/30/2019			51.47
176	A 1 TERMITE AND PEST CONTROL	200715	12/17/2019	12/11/2019			550.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	176-170-699	TERMITE TRTMT:SHEP BATH HOUSE		19388	11/26/2019	200184		550.00
FUND TOTAL 176 Claims	to	Checks	5 Total	2,721.72 Manual		Held	Total	2,721.72

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
303	MICHAEL BAKER INTERNATIONAL	200686	12/17/2019	12/10/2019			2,345.11	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	303-301-603	DESIGN SERVICES		1067392	11/26/2019			2,345.11
FUND TOTAL 303 Claims	to	Checks	1 Total	2,345.11	Manual		Held	Total 2,345.11

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
304	CODY D DICKERSON	200711	12/17/2019	12/11/2019			10,800.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	304-510-778	UNDER BRUSH CLEARING 12 ACRES		10102019-1	12/10/2019	200049	10,800.00	
FUND TOTAL 304 Claims	to	Checks	1 Total	10,800.00	Manual	Held	Total	10,800.00

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
350	CALDWELL TANKS INC	200684	12/17/2019	12/10/2019			169,551.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	350-721-707	CONSTRUCTION 15.88%		1	12/04/2019			169,551.00
FUND TOTAL 350	Claims to	Checks	1 Total	169,551.00	Manual		Held	Total 169,551.00

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
355	WAGGONER ENGINEERING INC	200685	12/17/2019	12/10/2019			34,000.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	355-723-762	DESIGN: WTR SUPPLY & TRMT		36431	12/06/2019			34,000.00
FUND TOTAL 355	Claims	to	Checks	1 Total	34,000.00	Manual	Held	Total 34,000.00

Docket of Claims
 Release date from 12/17/2019 thru 12/17/2019

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
360	SEYMOUR ENGINEERING PLLC	200720	12/17/2019	12/11/2019			18,486.50	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	360-726-762	VIDEO EXISTING SWR INF 60%		7366	12/11/2019			6,000.00
	360-726-762	ENGINEERING DESIGN 20%		7366	12/11/2019			12,486.50
FUND TOTAL 360 Claims	to	Checks	1 Total	18,486.50	Manual	Held	Total	18,486.50

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
400	CABLE ONE INC	200598	12/17/2019	11/27/2019			61.16	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-698	DEC 2019: #107663106		11162016	11/23/2019			61.16
400	SINGING RIVER ELECTRIC COOPERATIVE	200608	12/17/2019	12/02/2019			5,674.39	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-631	LIFT STNS 89627001		11162019	11/22/2019			67.80
	400-651-631	LIFT STNS 89702001		11162019	11/22/2019			25.59
	400-651-631	LIFT STNS 17881		11162019	11/22/2019			2,755.27
	400-651-631	WATER WELLS 17881		11162019	11/22/2019			2,825.73
400	SINGING RIVER ELECTRIC COOPERATIVE	200609	12/17/2019	12/02/2019			4,217.92	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-631	LIFT STNS 17875		11192019	11/26/2019			222.08
	400-651-631	LIFT STNS 17883		11192019	11/26/2019			2,071.52
	400-651-631	LIFT STNS 17884		11192019	11/26/2019			1,924.32
400	SINGING RIVER ELECTRIC COOPERATIVE	200610	12/17/2019	12/02/2019			7,831.69	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-631	IONIZATION PLANT 99216002		11182019	11/25/2019			253.42
	400-651-631	LIFT STATIONS 17882		11182019	11/25/2019			2,470.71
	400-651-631	WATER WELLS 17882		11182019	11/25/2019			2,519.58
	400-651-631	CITY HALL SOUTH 17882		11182019	11/25/2019			2,587.98
400	JACKSON COUNTY UTILITY AUTHORITY	200621	12/17/2019	12/03/2019			200,859.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-668	DEC 2019 TREATMENT CHGS		594	12/01/2019			190,128.00
	400-651-668	FY 2018 ACTUAL FLOW ADJ		594	12/01/2019			10,731.00
400	CLEARWATER SOLUTIONS LLC	200625	12/17/2019	12/04/2019			170,690.75	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-672	NOV 2019 OPERATION FEE		GAUTIER084	12/01/2019			170,690.75
400	LOWES HOME CENTERS INC	200628	12/17/2019	12/04/2019			382.72	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-559	HAND PUMP		923553	11/12/2019			29.44
	400-651-581	SUPPLIES: WINTERIZING WELLS		901578	11/12/2019			218.59
	400-651-581	SUPPLIES: WINTERIZING WELLS		902834	11/13/2019			17.05
	400-651-581	5/8X5-1/2X6 TREATED PINE (4)		970300	11/15/2019			63.60
	400-651-581	5LB EXT SCREWS 1X5/8		970300	11/15/2019			28.61
	400-651-581	DB BOLT SNAP (10)		970300	11/15/2019			28.40
	400-651-581	CDT RTN: 5LB EXT SCREWS 1X5/8		901096	11/15/2019			-28.61
	400-651-581	5LB DECK SCREWS		901097	11/15/2019			25.64
400	CITY OF GAUTIER	200634	12/17/2019	12/06/2019			125,724.38	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-000-104	NOV 2019 GARBAGE PMTS		11302019	11/30/2019			125,724.38

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
400	REGIONS BANK	200635	12/17/2019	12/06/2019			55,886.04	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-680-819	INT PMT: MDB BOND 2013		5703	11/26/2019			58,853.13
	400-680-819	LESS AMOUNT ON DEPOSIT		5703	11/26/2019			-2,967.09
400	MALLETTE BROTHERS CONSTRUCTION INC	200641	12/17/2019	12/06/2019			2,140.56	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-683	41.13 FILL SAND TN		21000	11/30/2019			493.56
	400-651-683	45.35 A-BASE LIMESTONE TN		21000	11/30/2019			1,360.50
	400-651-585	9.55 A-BASE LIMESTONE TN		2100	11/30/2019			286.50
400	IRBY'S ANSWERING SERVICE	200643	12/17/2019	12/06/2019			426.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-698	HOLIDAY CHARGES		277-112719	11/27/2019			12.00
	400-650-698	BASE RATE: 11/27 - 12/24/19		277-112719	11/27/2019			414.00
400	SOUTHERN LINC	200663	12/17/2019	12/09/2019			89.32	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-698	DEC 2019 SERV CHGS		10628227	12/01/2019			80.00
	400-650-698	TAXES/FEES		10628227	12/01/2019			9.32
400	WASTE MANAGEMENT OF MS-GLF COAST INC	200668	12/17/2019	12/09/2019			696.98	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-698	ROLL - OFF TIMBERLANE		7063394768	12/02/2019			696.98
400	FUELMAN	200673	12/17/2019	12/10/2019			33.17	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-525	UNL FUEL		NP57348570	12/02/2019			33.17
400	FUELMAN	200675	12/17/2019	12/10/2019			110.36	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-525	UNL FUEL		NP57397388	12/09/2019			110.36
400	COGENT STRATEGIES LLC	200679	12/17/2019	12/10/2019			7,500.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-601	PROFESSIONAL FEES		1727	12/06/2019			7,500.00
400	MISSION COMMUNICATIONS LLC	200680	12/17/2019	12/10/2019			1,737.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-698	RENEWAL: TOWNSEND		1035655	12/04/2019			347.40
	400-651-698	RENEWAL: SKYLINE		1035655	12/04/2019			347.40
	400-651-698	RENEWAL: CALLIE RD		1035655	12/04/2019			347.40
	400-651-698	RENEWAL: GARDEN LANE		1035655	12/04/2019			347.40
	400-651-698	RENEWAL: 17MIS21787		1035655	12/04/2019			347.40
400	SOUTHERN PIPE & SUPPLY	200703	12/17/2019	12/11/2019			271.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-581	12" BELL JOINT LEAK CLAMP		3619301-00	11/20/2019	200042		271.00

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
400	HENZE ENTERPRISES INC	200704	12/17/2019	12/11/2019			420.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-585	15 CY TOPSOIL (2)		28981	12/05/2019	200195		420.00
400	C & M ELECTRIC MOTOR SERVICE INC	200705	12/17/2019	12/11/2019			1,098.60	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-584	5HP SUB PUMP: SPANISH OAK LS		12194	12/09/2019	200228		1,098.60
400	CORE & MAIN LP	200713	12/17/2019	12/11/2019			594.89	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-581	A-1/H51 OP NUT OL		L526625	11/25/2019	200166		210.93
	400-651-581	A-3/H101 O-RING F/HOLD		L526625	11/25/2019	200166		8.30
	400-651-581	A-6 ANTI-FRIC WASHER		L526625	11/25/2019	200166		2.47
	400-651-581	A5 BONNET O-RING		L526625	11/25/2019	200166		8.30
	400-651-581	A-7 OIL PLUG		L526625	11/25/2019	200166		4.33
	400-651-581	A-8 BONNET BSR OL		L526625	11/25/2019	200166		333.44
	400-651-581	G16 BONNET BOLT & NUT SET		L526625	11/25/2019	200166		9.34
	400-651-581	A-10 BONNET GASKET: FIRE HYDR		L526625	11/25/2019	200166		17.78
400	J H WRIGHT & ASSOCIATES INC	200719	12/17/2019	12/11/2019			11,302.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-584	KG5SL GRINDER PUMP SLICER		420002	12/03/2019	200180		6,500.00
	400-651-584	TELEMECANIQUE CONTACTOR 50 AMP		420002	12/03/2019	200180		350.00
	400-651-584	TELEMECANIQUE OVERLOAD		420002	12/03/2019	200180		150.00
	400-651-581	BREAKER 2P80A		420002	12/03/2019	200180		200.00
	400-651-584	RELAY MARS 64		420002	12/03/2019	200180		50.00
	400-651-584	CAPACITOR 250/270 START CAP		420002	12/03/2019	200180		30.00
	400-651-584	CAPACITOR 440/373/30 RUN CAP		420002	12/03/2019	200180		30.00
	400-651-584	BOLT & GASKET SET		420002	12/03/2019	200180		30.00
	400-651-584	BAFEZ PULL-OUT FLANGE 3"		420002	12/03/2019	200180		650.00
	400-651-584	SERVICE RATE: C BYRD LS		420002	12/03/2019	200180		990.00
	400-651-584	REWIRE CTRL PANEL:TOWNSEND LS		420066	12/05/2019	200181		2,322.00
FUND TOTAL 400 Claims	to	Checks	22 Total	597,747.93	Manual	Held	Total	597,747.93

Docket of Claims
 Release date from 12/17/2019 thru 12/17/2019

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
404	DELTA SANITATION OF MS LLC Account Number 404-677-693	200631	12/17/2019	12/05/2019			105,086.52	
		Description		Invoice #	Date	P.O.	Amount	
		NOV 2019 RES GARBAGE (6244)		0001062195	11/30/2019		105,086.52	
FUND TOTAL 404 Claims	to	Checks	1 Total	105,086.52	Manual	Held	Total	105,086.52

SUMMARY OF ALL FUNDS

FUND 1 Claims	to	Checks	58 Total	84,866.05 Manual	Held	Total	84,866.05
FUND 130 Claims	to	Checks	1 Total	2,362.00 Manual	Held	Total	2,362.00
FUND 157 Claims	to	Checks	1 Total	1,107.40 Manual	Held	Total	1,107.40
FUND 176 Claims	to	Checks	5 Total	2,721.72 Manual	Held	Total	2,721.72
FUND 303 Claims	to	Checks	1 Total	2,345.11 Manual	Held	Total	2,345.11
FUND 304 Claims	to	Checks	1 Total	10,800.00 Manual	Held	Total	10,800.00
FUND 350 Claims	to	Checks	1 Total	169,551.00 Manual	Held	Total	169,551.00
FUND 355 Claims	to	Checks	1 Total	34,000.00 Manual	Held	Total	34,000.00
FUND 360 Claims	to	Checks	1 Total	18,486.50 Manual	Held	Total	18,486.50
FUND 400 Claims	to	Checks	22 Total	597,747.93 Manual	Held	Total	597,747.93
FUND 404 Claims	to	Checks	1 Total	105,086.52 Manual	Held	Total	105,086.52
Total for all Funds			Checks	93 Total	1,029,074.23 Manual	Held	Total 1,029,074.23

CITY OF GAUTIER
Consent Agenda Item #1
Fact Sheet

Council Meeting:
Title:

December 17, 2019
Authorization for the City Manager to pay any and all cost of issuance fees related to the \$6M Mississippi Combined Utility System Revenue Bonds, Series 2019

Introduced by:
Contact Person/Telephone

City Manager 497-8000 Ext. 306

Summary Explanation: Authorization for the City Manager to pay any and all cost of issuance fees related to the \$6M Mississippi Combined Utility System Revenue Bonds, Series 2019

EXHIBITS FOR REVIEW

Resolution	☐
Ordinance	☐
Contract/Agreement	☐
Minutes	☐
Plan Maps	☐
Order	☒
Other	☐
Submittal Authorization	City Manager

Staff Recommendation:
Approval

Motion Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
☐		☐		☐		☐		☐	

Second Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
☐		☐		☐		☐		☐	

Voted as follows:		Ayes	Nays	Abstained	Absent
Mayor	Torjusen	☐	☐	☐	☐
At Large	Martin	☐	☐	☐	☐
Ward 1	George	☐	☐	☐	☐
Ward 2	Jackson	☐	☐	☐	☐
Ward 3	Vaughan	☐	☐	☐	☐
Ward 4	Anderson	☐	☐	☐	☐
Ward 5	Colledge	☐	☐	☐	☐

Action Taken:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 000-2019

WHEREAS, pursuant to a resolution adopted by the Mayor and City Council of the City of Gautier, Mississippi on December 3, 2019, the City Council authorized issuance of \$6M Mississippi Combined Utility System Revenue Bonds, Series 2019; and

WHEREAS, the issuance of said Bonds requires payment of certain contracted costs, fees, and expenses; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that City Manager Paula Yancey be authorized to take the necessary steps to pay any and all cost of issuance fees, costs and expenses related to the \$6M Mississippi Combined Utility System Revenue Bonds, Series 2019; and

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **BLANK** seconded by **BLANK** and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

BLANK by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 17, 2019.

\$6,000,000
CITY OF GAUTIER, MISSISSIPPI
COMBINED UTILITY SYSTEM REVENUE BONDS
SERIES 2019

COST OF ISSUANCE

Butler Snow – Bond Counsel	\$60,000
Expenses including State Bond Attorney	\$ 2,500
Bordis & Danos – City Attorney	\$15,000
Government Consultants - Financial Advisor	\$30,000
First National Bank of Clarksdale	<u>\$ 500</u>
 Cost of Issuance	 <u><u>\$108,000</u></u>



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

STATEMENT

\$6,000,000
CITY OF GAUTIER, MISSISSIPPI
COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2019

DATED DECEMBER 18, 2019

For municipal advisory services related to the above-referenced issue. The amount due is:

Municipal Advisory Fee & Expenses	\$30,000.00
--	--------------------

GOVERNMENT CONSULTANTS, INC. WIRING INSTRUCTIONS ARE AS FOLLOWS:

Beneficiary Name & Address:

**Government Consultants, Inc.
116 Village Boulevard
Madison, Mississippi 39110**

Beneficiary Bank:

Regions Bank

Beneficiary Account:

Account # 0176001679

Beneficiary ABA Routing #:

ABA Routing # 062005690

If remitted by check, mail to: Government Consultants, Inc.
116 Village Boulevard
Madison, Mississippi 39110

Thank you for allowing us the opportunity to serve as your municipal advisor. If you have any questions or need further assistance, please do not hesitate to contact Steve Pittman at (601) 982-0005.

**First National Bank
Trust Department
P.O. Box 220
Clarksdale, MS 38614**

**INVOICE FOR SERVICES RENDERED
December 18, 2019**

Acceptance Fee for serving as Paying
Agent, Transfer Agent and Registrar for
\$6,000,000 City of Gautier, Mississippi
Combined Utility System Revenue Bonds,
Series 2019, Dated December 18, 2019 \$500.00

BORDIS & DANOS, PLLC

Attorneys At Law

1215 Government Street
Ocean Springs, Ms 39564

Tel: (228) 215-1367

Fax: (228) 215-1358

G. Charles Bordis, IV

cbordis@bordisdanos.com

Joshua W. Danos

jdanos@bordisdanos.com

also licensed in TX and WV (inactive)

December 6, 2019

INVOICE

Steve Pittman

Government Consultants

spittman@gc-ms.net

Re: City of Gautier, Mississippi
Combined Utility System Revenue Bonds
Series 2019

Mr. Pittman,

As you know, I was authorized by the Gautier City Council to provide certain legal services in relation to the above bond issuance. Pursuant to that engagement, please accept this correspondence as my invoice for said services.

Invoice for Services Rendered in Relation to
Combined Utility System Revenue Bonds ----- \$15,000.00

Please let me know if you need anything further.

Sincerely,

Joshua W. Danos
Gautier City Attorney

Client: Gautier, MS
Matter Number: 031551.209905
Billing Professional: Steve Edds

Invoice Number: 10245322
Invoice Date: December 18, 2019
DUE UPON RECEIPT

Phil Torjusen, Mayor
3330 Highway 90
Gautier, MS 39553

RE: \$6,000,000 City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2019

INVOICE

FOR SERVICES AS BOND COUNSEL	\$60,000.00
EXPENSES INCLUDING STATE BOND ATTORNEY FEE	\$2,500.00
TOTAL CURRENT BILLING FOR THIS MATTER	<u>\$62,500.00</u>

WIRE INSTRUCTIONS

Transferee Bank: Regions Bank (Main Office)
Attn: Wire Transfer Department
1900 Fifth Avenue North
Birmingham, Alabama 35203
(800) 843-1158

ABA Routing No: 062-005-690

SWIFT CODE: UPNBUS44
(International)

For the Account of: Butler Snow LLP
(Beneficiary) 1020 Highland Colony Parkway
Suite 1400
Ridgeland, MS 39157

Operating Account No: 500-21-032-80

PLEASE REFERENCE: 10245322/031551.209905

Contact: Mandy Pope (601) 985-4110 or Steve Edds

**Please reference matter and invoice number(s) with payment.*

Tax I.D. 64-0331849

FOCUS | TEAMWORK | INNOVATION | SERVICE | EXPERIENCE | VALUE | RESPONSIVENESS

www.butlersnow.com | LAW ELEVATED

CITY OF GAUTIER
Consent Agenda Item #2
Fact Sheet

Council Meeting:
Title:

December 17, 2019
Authorization to close City Administration offices on Monday December 23rd; Tuesday, December 24th; Wednesday, December 25th; Tuesday December 31st; and Wednesday January 1st in observance of Christmas/New Year Holiday.

Introduced by:
Contact Person/Telephone

City Manager 497-8000 Ext. 306

Summary Explanation: Authorization to close City Administration offices on Monday December 23rd; Tuesday, December 24th; Wednesday, December 25th; Tuesday December 31st; and Wednesday January 1st in observance of Christmas/New Year Holiday.

EXHIBITS FOR REVIEW

Resolution	☐
Ordinance	☐
Contract	☐
Minutes	☐
Plan Maps	☐
Order	☒
Other	☐
Submittal Authorization	City Manager

Staff Recommendation:
Approval

Motion Made by:

Torjusen ☐ Martin ☐ George ☐ Jackson ☐ Vaughan ☐ Anderson ☐ Colledge ☐

Second Made by:

Torjusen ☐ Martin ☐ George ☐ Jackson ☐ Vaughan ☐ Anderson ☐ Colledge ☐

Voted as follows:		AYES	NAYS	Abstained	Absent
Mayor	Torjusen	☐	☐	☐	☐
At Large	Martin	☐	☐	☐	☐
Ward 1	George	☐	☐	☐	☐
Ward 2	Jackson	☐	☐	☐	☐
Ward 3	Vaughan	☐	☐	☐	☐
Ward 4	Anderson	☐	☐	☐	☐
Ward 5	Colledge	☐	☐	☐	☐

Action Taken:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 000-2019

WHEREAS, the City Manager, after consulting City Staff, has requested authorization from City Council to close City Administration offices on Monday December 23rd; Tuesday, December 24th; Wednesday, December 25th; Tuesday December 31st; and Wednesday January 1st in observance of Christmas/New Year Holiday; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the closing of City Administration offices on Tuesday December 24, 2019; Wednesday December 25, 2019; and Wednesday January 1, 2019 in observance of Christmas/New Year Holiday is hereby authorized.

IT IS FURTHER ORDERED that the additional days on Monday December 23, 2019 and Tuesday December 31, 2019 will not be compensated and employees will be required to charge leave.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **BLANK** seconded by **BLANK** and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

BLANK by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 17, 2019.

STATE OF MISSISSIPPI

Office of the Governor



PROCLAMATION

WHEREAS, pursuant to Miss. Code Ann. Section 3-3-7, Thanksgiving Day, Christmas Day and New Year's Day are declared legal holidays in the State of Mississippi; and

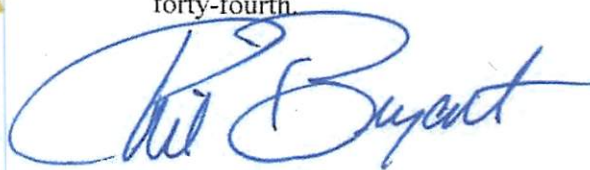
WHEREAS, during the Thanksgiving holiday and Christmas and New Year's season, many state employees will spend time with their families in Mississippi and in other states;

NOW, THEREFORE, I, Phil Bryant, Governor of the State of Mississippi, pursuant to the authority vested in me under the Constitution of the State of Mississippi and applicable statutes of the State of Mississippi, do hereby authorize the closing of all offices of the State of Mississippi on Thursday, November 28, 2019, in observance of THANKSGIVING DAY; on Wednesday, December 25, 2019, in observance of CHRISTMAS DAY; and on Wednesday, January 1, 2020, in observance of NEW YEAR'S DAY.

IN ADDITION, I hereby authorize the executive officers of all state agencies, in their discretion after considering the interests of the people of the State of Mississippi and the staffing needs of their respective agencies, to close all offices of the State of Mississippi on Friday, November 29, 2019, in further observance of the Thanksgiving holiday and on Tuesday, December 24, 2019, in further observance of Christmas; and to staff their respective agencies as needed during the Thanksgiving holiday and Christmas season.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Mississippi to be affixed.

DONE in the City of Jackson, on the 8th day of October in the year of our Lord, two thousand and nineteen, and of the Independence of the United States of America, the two hundred and forty-fourth.



**PHIL BRYANT
GOVERNOR**

BY THE GOVERNOR

CITY OF GAUTIER
Consent Agenda Item #3
Fact Sheet

Council Meeting:
Title:

December 17, 2019
Authorization to register Mayor, City Manager and Council Members to attend the 2020 MML Mid-Winter Legislative Conference to be held in Jackson, MS on January 14-16, 2020 at the Hilton Jackson

Introduced by:
Contact Person/Telephone

Cynthia Russell 497-8000 ext. 302

Summary Explanation: Authorization to register Mayor, City Manager and Council Members to attend the 2020 MML Mid-Winter Legislative Conference to be held in Jackson, MS on January 14-16, 2020 at the Hilton Jackson.

EXHIBITS FOR REVIEW

Resolution	☐
Ordinance	☐
Contract	☐
Minutes	☐
Plan Maps	☐
Order	☒
Other	☐
Submittal Authorization	City Manager

Staff Recommendation:
Approval

Motion Made by:

Torjusen ☐ **Martin** ☐ **George** ☐ **Jackson** ☐ **Vaughan** ☐ **Anderson** ☐ **Colledge** ☐

Second Made by:

Torjusen ☐ **Martin** ☐ **George** ☐ **Jackson** ☐ **Vaughan** ☐ **Anderson** ☐ **Colledge** ☐

Voted as follows:		AYES	NAYS	Abstained	Absent
Mayor	Torjusen	☐	☐	☐	☐
At Large	Martin	☐	☐	☐	☐
Ward 1	George	☐	☐	☐	☐
Ward 2	Jackson	☐	☐	☐	☐
Ward 3	Vaughan	☐	☐	☐	☐
Ward 4	Anderson	☐	☐	☐	☐
Ward 5	Colledge	☐	☐	☐	☐

Action Taken:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 000-2019

WHEREAS, Mississippi Municipal League is the official non-profit private organization of cities and towns of Mississippi; and

WHEREAS, Mississippi Municipal League lobbies the State and Federal legislatures, provides education for Municipal Elected Officials, provides technical support, represents Municipalities with public and private entities, and is a networking media for Municipal Members; and

WHEREAS, Mississippi Municipal League has greatly enhanced and improved education efforts with the implementation of the certified Municipal Officials program, which provides specialized training for municipal elected offices; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the registration of the Mayor, City Manager and Council Members to attend the 2020 MML Mid-Winter Conference to be held in Jackson, MS on January 14-16, 2019 at the Hilton Jackson is hereby authorized.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **BLANK**, seconded by **BLANK** and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

BLANK by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 17, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: Sherry Farabee, Purchasing Agent
Date: 12/10/2019
Subject: Authorization to register the Mayor, City Manager and Council Members for the 2020 MML Mid-Winter Conference to be held in Jackson, Mississippi on January 14-16, 2019 at the Hilton Jackson.

REQUEST:

City Council authorization is requested to register the Mayor, City Manager and Council Members for the 2020 MML Mid-Winter Conference to be held in Jackson, Mississippi on January 14-16, 2019 at the Hilton Jackson.

BACKGROUND:

MML is the official non-profit private organization of cities and towns of Mississippi. The MML lobbies the State and Federal legislatures, provides education for Municipal Elected Officials, provides technical support, represents Municipalities with public and private entities, and is a networking media for Municipal Members.

DISCUSSION:

The Mississippi Municipal League has greatly enhanced and improved education efforts with the implementation of the certified Municipal Officials program, which provides specialized training for municipal elected offices. There are three levels of CMO programs Basic, Advanced and Professional. This Conference allows our members to take advantage of what the League has to offer and to keep them abreast of current updates.

RECOMMENDATION:

Based on the request, City Staff recommends that City Council authorize the registration of the Mayor, City Manager and Council Members to attend the 2020 MML Mid-Winter Conference in Jackson, Ms held on January 14-16, 2019 at the Hilton Jackson.

ATTACHMENTS:

1. 2020 MML Mid-Winter Legislative Conference registration form

2020 Mississippi Municipal League Mid-Winter LEGISLATIVE CONFERENCE

January 14-16, 2020 • Hilton Jackson

1001 East County Line Road - Jackson, MS



All hard-copy registration forms will incur a \$5 administrative fee added to registration cost.
To register online and avoid paying the administrative fee, visit www.mmlonline.com/conferences.

Registration Form (Please print legibly)

Full Name _____ Title _____

City/Organization _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

Cell Phone _____ E-mail _____

CHECK APPLICABLE CONFERENCE REGISTRATION FEES

One Registration Form per Attendee

Early Registration Postmarked by 12/6/2019

- ☐ **\$140 Member/Associate Member**
\$135 if Registering Online
- ☐ **\$50 Guest/Spouse Fee** *Covers all meal events*

Guest Name _____

**Guest cannot be a city employee or municipal official*

Late Registration Postmarked by 12/20/2019

- ☐ **\$190 Member/Associate Member**
\$185 if Registering Online

Non-Member Registration

- ☐ **\$200 Non-Member Registration** Postmarked by 12/20/2019

**ON-SITE REGISTRATION IS NOT AVAILABLE
TO NON-MEMBERS.**

*All on-site payments must be made with debit or credit cards only.
No cash or check purchases will be allowed.*

*All cancellation requests must be submitted in writing no later than December 16, 2019
(30 days before the event start date) and will result in a \$10 cancellation fee.
To cancel a registration, download the conference cancellation form from the
MML website at mmlonline.com/conferences*

NO REFUNDS GIVEN AFTER 30 DAY GRACE PERIOD.

Please Select Method of Payment

☐ INVOICE ☐ CREDIT CARD

Please supply email address for credit card payments

Hotel information on back →

CITY OF GAUTIER
Consent Agenda Item #4
Fact Sheet

Council Meeting:
Title:

December 17, 2019
Approval to execute a lease for Public Trust
Tidelands, as required for the Shepard State Park
Boardwalk Project

Introduced by:
Contact Person/Telephone

April Stennett 497-8000 Ext. 315

Summary Explanation: Approval to execute a lease for Public Trust Tidelands, as required for the Shepard State Park Boardwalk Project

EXHIBITS FOR REVIEW

Resolution	☐
Ordinance	☐
Contract	☐
Minutes	☐
Plan Maps	☐
Order	☒
Other	☐
Submittal Authorization	City Manager

Staff Recommendation:

Approval

Motion Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
Anderson	☐	Colledge	☐						

Second Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
Anderson	☐	Colledge	☐						

Voted as follows:		AYES	NAYS	Abstained	Absent
Mayor	Torjusen	☐	☐	☐	☐
At Large	Martin	☐	☐	☐	☐
Ward 1	George	☐	☐	☐	☐
Ward 2	Jackson	☐	☐	☐	☐
Ward 3	Vaughan	☐	☐	☐	☐
Ward 4	Anderson	☐	☐	☐	☐
Ward 5	Colledge	☐	☐	☐	☐

Action Taken:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 000-2019

WHEREAS, the Shepard State Park Boardwalk Project includes approximately 1000 feet of pedestrian boardwalk on the northwest portion of Shepard State Park, along the marsh on the northwest side of the park, which will include educational panels and birdwatching opportunities; and

WHEREAS, the Public Trust Tidelands and submerged lands are lands lying under waters naturally subject to tidal influence. Trust Tidelands are owned by the State in trust for all people of Mississippi; and

WHEREAS, The Secretary of State is the trustee of this great public trust. It is the policy of the State of Mississippi to favor the preservation of the natural state of the public trust tidelands and their ecosystems and to prevent the despoliation and destruction of them, except where a specific alteration would serve a higher public interest in compliance with the public purposes of the trust. Land owners and interested parties can apply for a lease for public trust tidelands and submerged lands.

WHEREAS, there is no fee for municipalities; and

WHEREAS, this lease has been provided for 40 years, with an option to renew for an additional 25 years; and

WHEREAS, the Mayor and Members of the Council find that these actions are in the best interests of the City;

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the city is authorized to execute a Lease for Public Trust Tidelands, as required for the Shepard State Park Boardwalk project.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **BLANK**, seconded by **BLANK**, and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

BLANK by Mayor and Members of the Council of the City of Gautier, Mississippi,
at the meeting of December 17, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: April Stennett, Grants Administrator
Date: 12/10/2019
Subject: Shepard State Park Boardwalk – Lease for Public Trust Tidelands

REQUEST:

The Grants and Projects Department requests City Council approval to execute a Lease for Public Trust Tidelands, as required for the Shepard State Park boardwalk project.

BACKGROUND:

This project includes approximately 1000 feet of pedestrian boardwalk on the northwest portion of Shepard State Park, along the marsh on the northwest side of the park. The boardwalk will include educational panels and birdwatching opportunities.

DISCUSSION:

Public Trust Tidelands and submerged lands are lands lying under waters naturally subject to tidal influence. Trust Tidelands are owned by the State in trust for all the people of Mississippi. The Secretary of State is the trustee of this great public trust. It is the policy of the State of Mississippi to favor the preservation of the natural state of the public trust tidelands and their ecosystems and to prevent the despoliation and destruction of them, except where a specific alteration would serve a higher public interest in compliance with the public purposes of the trust. Land owners and interested parties can apply for a lease for public trust tidelands and submerged lands.

The lease has been provided for 40 years, with an option to renew for an additional 25 years. There is no fee for municipalities. It is structured as a zero-cost lease.

RECOMMENDATION:

The Grants and Projects Department recommends that City Council authorize the execution of a Lease for Public Trust Tidelands, as required for the Shepard State Park boardwalk project.

The City Council may:

- 1) Authorize the execution of a Lease for Public Trust Tidelands, as required for the Shepard State Park boardwalk project, as presented; or
- 2) Not authorize the execution of a Lease for Public Trust Tidelands, as required for the Shepard State Park boardwalk project.

ATTACHMENTS:

1. Cover Letter
2. Lease



DELBERT HOSEMAN

Secretary of State

November 21, 2019

City of Gautier
Mayor Phil Torjusen
3330 Highway 90
Gautier, MS 39553

Re: Public Trust Tideland Lease; City of Gautier (Shepard State Park Marsh Walk Pier, Boardwalk and Platforms Project; Unnamed Tributary to Mississippi Sound; Gautier, Mississippi) DMR - 190268

Dear Mayor Torjusen:

Enclosed please find the proposed rent exempt Lease to the City of Gautier for the area of Public Trust Tideland and submerged lands supporting the Shepard State Park Marsh Walk Project. Many of the provisions of the lease are standard or required by statute; other terms are particular to the City of Gautier's use. The lease term is 40 years beginning November 1, 2019, with an option to renew for an additional 25 years.

Please have the appropriate City of Gautier representative execute the document and return it to our Gulfport office. Our office will obtain the agreement of the Mississippi Department of Wildlife, Fisheries & Parks, forward to Jackson for signatures, and submit the executed document for recording.

Thank you for your courtesy and cooperation. Should you have any questions, please contact me.

Sincerely,

RAYMOND D. CARTER
Assistant Secretary of State
for the Gulf Coast

\lr

Enclosure

cc: Cypress Environmental (w/o enc.)

T-02099 (DMR #190268)

DO NOT WRITE ABOVE THIS SPACE	
Document Prepared by Office of the Secretary of State Raymond D. Carter Assistant Secretary of State for the Gulf Coast Post Office Box 97 Gulfport, MS 39502 (228) 864-0254 ☐ Not a Mississippi Attorney ☒ Mississippi Attorney Bar No. 8444	Return Original Document to Office of the Secretary of State Post Office Box 97 Gulfport, MS 39502 (228) 864-0254 <i>If left blank, original document will be returned to document preparer.</i>
PUBLIC TRUST TIDELANDS LEASE CITY OF GAUTIER, MISSISSIPPI (Shepard State Park Marsh Walk Pier, Boardwalk and Platforms Project – Unnamed Tributary to Mississippi Sound – Gautier, Mississippi)	
Lessor State of Mississippi c/o Secretary of State Public Lands Division Post Office Box 136 Jackson, Mississippi 39205-0136 (601) 359-1350	Lessee City of Gautier, Mississippi Gautier City Council c/o Mayor Phil Torjusen 3330 Hwy 90 Gautier, Mississippi 39553 (228) 497-8000 Owner Mississippi Department of Wildlife, Fisheries and Parks 1505 Eastover Drive Jackson, Mississippi 39211 (601) 432-2400
Indexing Instructions Section 1, Township 8 South, Range 7 West: Jackson County, Mississippi.	
This document contains <u>28</u> pages with the cover page(s) included as an integral part of the document. If there is not enough space for all required information on this page, continue to the next page.	

PUBLIC TRUST TIDELANDS LEASE
CITY OF GAUTIER, MISSISSIPPI
(Shepard State Park Marsh Walk Pier, Boardwalk and Platforms Project –
Unnamed Tributary to Mississippi Sound – Gautier, Mississippi)

THIS AGREEMENT is made and entered into this the 1st day of November, 2019, by and between:

THE STATE OF MISSISSIPPI, by and through the
Secretary of State
Public Lands Division
125 S. Congress Street
Suite 1600
Jackson, Mississippi 39201
Telephone: (601) 359-1350

with approval of the Governor

“LESSOR”

and

CITY OF GAUTIER, MISSISSIPPI
3330 Highway 90
Gautier, Mississippi 39553
Telephone: (228) 497-8000

“LESSEE”

and

Acknowledgement of:
MISSISSIPPI DEPARTMENT OF WILDLIFE,
FISHERIES AND PARKS
1505 Eastover Drive
Jackson, Mississippi 39211
Telephone: (601) 432-2400

“OWNER”

WITNESSETH:

THAT FOR THE TERM and in consideration of the covenants, conditions, and obligations to be observed and performed by LESSEE, the CITY of GAUTIER, MISSISSIPPI, with acknowledgement of the OWNER to exercise littoral privileges, LESSOR does hereby lease and rent unto LESSEE, pursuant to the authority of MISS. CODE ANN. § 29-1-107 (1972) as amended, the following described fastlands, submerged lands or tidelands, hereinafter referred to as LEASE PREMISES, to-wit:

A parcel of State owned submerged lands and tidelands located below the mean high water lines and across a tributary of the Mississippi Sound within Shepard State Park, Gautier, Mississippi, located in Section 1, Township 8 South, Range 7

West, Jackson County, Mississippi, and containing 6,990 square feet, more or less, as provided in the Legal Description attached hereto as Exhibit 1 (2 Pages), as depicted in the Marsh Walk Pier Layout attached hereto as Exhibit 2 (1 Page), and as shown in Pier Plan Profile and Marsh Walk Boardwalk Details of Construction, dated August 13, 2019, prepared by Cypress Environmental Science and Engineering, attached hereto as Exhibit 3 (5 Pages), each exhibit provided by or adopted by LESSEE and incorporated as a part of this LEASE.

1. TERM.

1.1 The primary term of this lease shall be for forty (40) years beginning on the 1st day of November 2019, and terminating on the 31st day of October 2059.

1.2 If at the expiration of the primary term, LESSEE has faithfully complied with all terms, covenants, conditions, and obligations of this lease, then LESSEE shall have the option to extend this lease for an additional twenty-five (25) years subject to such terms and provisions as may then be agreed upon by LESSOR and LESSEE.

1.3 If at the expiration of the secondary term, LESSEE has faithfully complied with all terms, covenants, conditions and obligations of the LEASE as renewed, then LESSEE shall have the prior right, exclusive of all other persons to re-lease LEASE PREMISES subject to such terms and provisions as may then be agreed upon by LESSOR and LESSEE.

1.4 It is expressly agreed and understood that during the secondary term of this LEASE and during the term of any future leases entered pursuant to Paragraph 1.3, LESSEE shall fully comply with all laws of the State of Mississippi governing the leasing of fastlands, submerged lands, and tidelands in effect at the time of renewal or re-leasing.

2. USE OF LEASE PREMISES

2.1 LESSEE will use LEASE PREMISES only for a six feet wide pier in eleven sections plus six platforms measuring ten feet by ten feet, for a total area of 6,990 square feet (0.146695 acres), more or less, over a tributary including marsh of the Mississippi Sound to provide a walking platform at Shepard State Park, a public project which serves the higher public purpose of providing safe recreational access to Public Trust Tidelands for visitors to Shepard State Park while protecting the natural state of the surrounding tidelands and submerged lands ("USE"). LESSEE agrees any other activity shall be excluded from use of LEASE PREMISES.

2.2 If LESSEE fails to make use of the property for the USE defined in Paragraph 2.1, above, for a period of ninety (90) consecutive days, then this lease may be terminated or canceled by LESSOR on thirty (30) days' notice.

3. CONSIDERATION.

3.1 The parties agree LEASE PREMISES contains 6,900 square feet, more or less, of submerged lands or tidelands. Because LEASE PREMISES shall be used by a governmental entity to provide a walking platform at Shepard State Park, a public project which serves the

higher public purpose of providing safe recreational access to Public Trust Tidelands for visitors to Shepard State Park while protecting the natural state of the surrounding tidelands, and submerged lands, LEASE PREMISES shall be exempt from any use or rental fees pursuant to Miss. CODE ANN. §29-15-13 (1972) as amended.

4. TAXES, SURVEY COSTS, RECORDING FEES.

4.1 To the extent a municipality may be liable for taxes, LESSEE covenants and agrees to pay any and all general taxes and special assessments, if applicable, to the above described property and LESSEE'S interest therein and improvements thereon. LESSEE covenants and agrees to pay all survey costs and recording fees in connection with this LEASE or any other fees directly incurred by the LESSOR in administering or enforcing this LEASE as allowed by applicable law.

5. TRANSFERABILITY OF LEASE.

5.1 LESSEE shall NOT sublease, assign, or transfer LEASE PREMISES without the prior written permission of the OWNER, Mississippi Department of Wildlife, Fisheries and Parks, and the SECRETARY OF STATE or his successor.

6. PUBLIC ACCESS ASSURED.

6.1 LESSEE covenant to maintain free public access to LEASE PREMISES during the term of the lease consistent with rules and regulations necessary to protect the USE.

7. DEFAULT.

7.1 The parties herein expressly agree in the event of any default under this LEASE which can be cured solely by the payment of a liquidated sum or money, it shall be lawful for LESSOR, either with or without process of law, to enter and repossess LEASE PREMISES if such default is not cured by LESSEE within thirty (30) days after written notice to LESSEE. If LESSOR elects the remedy of re-entry and repossession, then LESSEE agrees to surrender peaceably possession of LEASE PREMISES to LESSOR in the manner provided in Paragraphs 22.4 and 22.5.

7.2 LESSEE'S default under any provisions of this LEASE which cannot be cured solely by the payment of a liquidated sum of money as provided in Paragraph 7.1 shall result at the option of LESSOR in the cancellation of this LEASE after thirty (30) days written notice of default to LESSEE if such default is not cured by LESSEE within said thirty (30) day period. However, the period of time for curing any such default may be extended for a reasonable period not to exceed one hundred and eighty (180) days from date of notice of default if (a) there is a reasonable probability that such default can be cured within a reasonable time, (b) LESSEE continuously persists in a diligent, good faith effort to cure such default, and (c) during aforesaid thirty (30) day period, LESSEE undertook and maintained a diligent, good faith effort to cure such default and the failure to cure such default was not the fault of LESSEE. Any further extension of time beyond one hundred and eighty (180) days shall be granted only upon mutual written agreement of LESSOR and LESSEE. To the extent provided by Paragraph 13, LESSEE

shall be liable for the payment of all reasonable attorney fees, expenses, and costs of LESSOR incurred in the enforcement of this Paragraph 7.2.

7.3 As to all other conditions, covenants, and obligations imposed on LESSEE under this LEASE not subject to Paragraph 7.1 or 7.2, enforcement shall be by proceeding at law or in equity to restrain violation and to recover damages, if any, and including reasonable expenses of litigation and reasonable attorney fees as may be awarded by the court. Such enforcement by proceedings at law or in equity may be instituted after thirty (30) days written notice to LESSEE if the default or violation has not been cured within that thirty (30) day period. However, the period of time for curing any such default may be extended for a reasonable period not to exceed one hundred and eighty (180) days from date of notice of default if (a) there is a reasonable probability that such default can be cured within a reasonable time, (b) LESSEE continuously persists in a diligent good faith effort to cure such default, and (c) during aforesaid thirty (30) day period, LESSEE undertook and maintained a diligent, good faith effort to cure such default and the failure to cure such default was not the fault of LESSEE. Any further extension of time of more than one hundred and eighty (180) days shall only be granted upon mutual written agreement of LESSOR and LESSEE. To the extent provided by Paragraph 13, LESSEE shall be liable for the payment of all reasonable attorney fees, expenses, and costs of LESSOR incurred in the enforcement of this Paragraph 7.3.

8. IMPROVEMENTS AND MAINTENANCE.

8.1 LESSOR acknowledges that LESSEE shall own all improvements constructed by LESSEE on LEASE PREMISES as provided in Paragraph 8.2.

8.2 LESSEE covenants to construct, operate, and maintain the improvements on LEASE PREMISES shown as Marsh Walk Pier Layout attached hereto as Exhibit 3 and incorporated as a part of this LEASE. No alteration or addition to the improvements shown in said Location Map shall be constructed, placed or assembled and maintained on LEASE PREMISES until LESSOR has first approved in writing such alteration or addition. LESSOR and LESSEE will execute an addendum to this LEASE incorporating any approved changes to the Pier Layout. Such modifications must (a) be consistent with USES allowed under this LEASE, (b) not violate any local, state or federal law or regulation, (c) be approved by all necessary permitting authorities, and (d) not be inconsistent with or prohibited by any term or provision of this LEASE.

8.3 LESSEE agree to provide LESSOR with a complete description of any such improvements, modification, or additions as built.

8.4 (a) All improvements, modifications, or additions to improvements on LEASE PREMISES shall be constructed in a workmanlike manner and shall be operated and maintained at LESSEE'S expense.

(b) LESSEE shall maintain LEASE PREMISES and all improvements thereon in a good state of repair and in a clean, orderly, and attractive condition with due regard to public health and safety.

(c) LESSEE, with the prior written approval of the OWNER and provided to LESSOR may contract or assign the duties of Paragraph 8.4 to a third party governmental or private entity. LESSEE must remain responsible for these duties.

8.5 LESSEE shall diligently prosecute construction of improvements to completion, to the end that such improvements shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof.

9. COMPLIANCE WITH APPLICABLE LAWS AND RESTRICTIONS ON USE.

9.1 LESSEE shall comply with all applicable federal, state, county or city laws, statutes, regulations, building codes, building requirements, safety or conservation regulations, fire codes, ordinances, environmental and health laws and regulations, zoning regulations and permits (collectively "RESTRICTIONS"). If LESSEE is charged with a violation of such RESTRICTIONS and the violations complained of do not pose an immediate threat to the public health or safety or damage or destruction to or waste of LEASE PREMISES, then LESSEE shall have the right to contest a complaint of violation of such RESTRICTIONS in the manner provided by law, without such contest constituting a default under this LEASE. However, nothing herein shall be deemed or construed to prohibit or limit LESSOR'S right to take any action available in equity or law to protect LEASE PREMISES and adjoining State property, including the property owned and controlled by the OWNER, from damage, waste, or destruction.

9.2 To the extent provided by Paragraph 13, LESSEE shall hold LESSOR harmless from any liability, claims, or damages arising as a result of a breach of the covenants of Paragraph 9.1 and from all costs, expenses and charges arising therefrom, which covenant shall survive the expiration or termination of this LEASE.

9.3 Unless expressly approved by LESSOR, which approval may be withheld by LESSOR in its sole discretion, LESSEE shall not change or attempt any change in zoning, or obtain or apply for a conditional use permit, zoning variance or exception or other similar approval with respect to the use or development of the LEASE PREMISES not expressly allowed under Paragraph 2; and shall not use, develop or attempt to use or develop the LEASE PREMISES or any portion thereof not expressly allowed under Paragraph 2.

9.4 Except as provided in other agreements, LESSEE shall not, under the terms of this LEASE, construct any structure of any type on State property adjacent to or adjoining LEASE PREMISES.

9.5 LESSEE shall not use LEASE PREMISES in violation of any state or federal regulation pertaining to coastal wetlands, or this lease shall be subject to termination or cancellation by LESSOR upon thirty (30) days written notice to LESSEE.

9.6 LESSEE shall maintain the LEASE PREMISES at LESSEE'S expense and in a clean, orderly, healthful, and attractive condition, keeping the structures and equipment located thereon in a good state of repair in the interests of public health and safety, and subject to inspection by LESSOR or his representative at any time.

9.7 The parties expressly agree LESSEE will not occupy or use, nor permit to be occupied or used, LEASE PREMISES for any activity deemed hazardous or for any unlawful purposes.

10. NO CLAIM OF TITLE OR INTEREST.

10.1 In accepting this LEASE, LESSEE acknowledges and agrees that LESSEE makes no claim of fee simple title ownership or other interest in and to LEASE PREMISES except for those rights and uses as may be claimed by a leaseholder under this LEASE, and LESSEE further acknowledges that the fee simple title to LEASE PREMISES is vested in LESSOR.

10.2 LESSEE further acknowledges and agrees that he is entitled to no rights to adjoining lands, submerged lands, or tidelands because of this lease.

11. CATASTROPHIC DESTRUCTION.

11.1 In the event of catastrophic destruction by natural causes of LESSEE'S improvements on the LEASE PREMISES, LESSEE may terminate this LEASE at their option, provided the LEASE PREMISES are surrendered in a condition at least equal to that at the inception of this LEASE.

11.2 LESSOR agrees that it shall interpose no objection should LESSEE decide to rebuild the improvements demolished in such a catastrophe; however, LESSOR reserves the right to terminate the LEASE unless either LESSEE notifies LESSOR within one hundred and eighty (180) days after the catastrophic destruction, of its intent to rebuild, setting forth the schedule for rebuilding and thereafter, with due diligence on schedule, reconstructs the improvements shown on the Location Map, or any alterations or modifications thereof all as described and provided for in Paragraph 8.2 of this LEASE, consistent with the USES and terms set forth in this LEASE. The schedule for rebuilding shall not exceed two (2) years and shall provide for the commencement of construction not more than three hundred, sixty-five (365) days after notice of the intent to rebuild is given.

12. PROTECTION OF LEASE PREMISES.

12.1 LESSEE shall be responsible for any damages that may be caused to LEASE PREMISES by the activities of LESSEE under this lease, and shall exercise due diligence in the protection of LEASE PREMISES against damage or waste from any and all causes.

12.2 LESSEE shall not deposit, or allow to be deposited, any refuse, waste or substances regulated under local, state or federal environmental or health laws on LEASE PREMISES. Nor shall LESSEE make any such deposits on or damage any submerged lands or tidelands or other property belonging to the State of Mississippi adjacent to LEASE PREMISES. Disposition of refuse and waste shall be consistent with local, state and federal environmental and health laws and regulations. Failure to comply with such laws and regulations shall be deemed a material breach of this LEASE.

13. LESSEE LIABILITY.

13.1 The LESSEE is covered under The Mississippi Tort Claims Act. Subject to the Mississippi Torts Claims Act, the LESSEE agree to be responsible for all losses, claims, demands, liabilities, damages, costs, expenses, payments, suits, actions, recoveries, and judgments of every kind arising or caused by the negligent and intentional acts of the LESSEE including, but not limited to, employees, agents, and contractors and subcontractors resulting from or in any way connected with their use of or their presence on the LEASE PREMISES or that arise out of or are related to their performance under the LEASE. However, nothing in this LEASE will be construed to conflict with the Mississippi Tort Claims Act, MISS. CODE ANN. § 11-46-1 et seq. (1972) as amended.

14. QUIET AND PEACEFUL POSSESSION.

14.1 LESSEE shall have quiet and peaceful possession of LEASE PREMISES so long as LESSEE complies with the terms and provisions of this LEASE.

15. RIGHT OF ENTRY / INSPECTION RIGHTS.

15.1 LESSOR or its authorized representative shall have the right to enter onto LEASE PREMISES or improvements thereon at any reasonable hour to inspect LEASE PREMISES for purposes of verifying compliance with the terms and provisions of this LEASE.

16. LESSOR NOT RESPONSIBLE.

16.1 LESSEE assumes full responsibility for the condition of LEASE PREMISES during the term of this LEASE. LESSOR shall not be liable or responsible for any damages or injuries caused by any vices or defects therein to LESSEE or to any occupant or to anyone in or on LEASE PREMISES who derives his right to be thereon from LESSEE.

17. RELIANCE.

17.1 In executing this LEASE, LESSOR is relying on a legal description, survey, general description and/or site plan depiction (Exhibits 1, 2, and 3) provided by and or adopted by the LESSEE and LESSEE expressly assume the responsibility for the correctness thereof.

18. RESERVATION OF MINERAL RIGHTS.

18.1 LESSEE further covenant and agree that this lease and interest of LESSEE shall not include any mineral, oil or gas, coal, lignite, or other subterranean rights whatsoever.

19. WAIVER NOT A DISCHARGE.

19.1 No failure, or successive failures, on the part of LESSOR to enforce any provisions, nor any waiver or successive waivers on its part of any provision herein, shall operate as a discharge thereof or render the same inoperative or impair the right of LESSOR to enforce the same upon any renewal thereof or in the event of subsequent breach or breaches.

20. NOTICE.

20.1 (a) All notifications required under the terms of this LEASE shall be made by U.S. mail, return receipt requested, to the parties at the following addresses:

Secretary of State:	Public Lands Division (by U. S. Mail) Post Office Box 136 Jackson, Mississippi 39205-0136 (by Courier) 125 S. Congress Street Suite 1600 Jackson, Mississippi 39201 Telephone: (601) 359-1350 Facsimile: (601) 359-1461
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City of Gautier, Mississippi:	Mayor of Gautier On behalf of City Council (by U.S. Mail or Courier) 3330 Highway 90 Gautier, MS 39553 Telephone: (228) 497-8000
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Mississippi Department of Wildlife, Fisheries, and Parks:	Executive Director (by U.S. Mail or Courier) 1505 Eastover Drive Jackson, Mississippi 39211 Telephone: (601) 432-2400
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20.1 (b) Notices shall be effective upon receipt by the receiving party. Upon written request, LESSOR and LESSEE agree that they will promptly acknowledge in writing to the other receipt of any notice received pursuant to any provision of this LEASE.

20.2 LESSOR or LESSEE may change the identity of the party designated to receive notices under this LEASE by delivering, in the manner provided in Paragraph 20.1, notification of such change. The notice of change in party designated to receive notice shall clearly state the name, title or office, address for U.S. Mail delivery and address for courier delivery, telephone number and facsimile number of the new party designated to receive notices under this LEASE.

Neither LESSOR nor LESSEE shall be entitled to designate, at any one time, more than one party to receive notices under this LEASE. Any such notice of change in the party designated to receive notice under this LEASE shall be effective upon receipt of such notice.

21. LAWS OF MISSISSIPPI TO GOVERN.

21.1 The laws of the State of Mississippi shall govern this LEASE, both as to interpretation and performance. Jurisdiction and venue shall be at the election of LESSOR.

22. CANCELLATION OR TERMINATION OF LEASE.

22.1 In the event of the invalidation of any material provision of this LEASE by a final, non-appealable judgment or court order, either LESSOR or LESSEE may cancel this LEASE or LESSOR and LESSEE may renegotiate this LEASE on mutually agreeable terms.

22.2 LESSEE shall be in default if LESSEE should at any time fail to make permitted USES of LEASE PREMISES or abandon LEASE PREMISES for a period of ninety (90) consecutive days, and this LEASE may be canceled by LESSOR after thirty (30) days written notice to LESSEE, provided, LESSOR and LESSEE may, within sixty (60) days from the giving of such notice, negotiate a new lease of LEASE PREMISES on mutually agreeable terms. Any further extension of time under this Paragraph 22.2 shall be granted only upon mutual written agreement of LESSOR and LESSEE. All such notices shall be provided to OWNER.

22.3 If not sooner cancelled or terminated, this LEASE shall terminate at 11:59 P.M. central (standard or daylight savings) time on the last day of the primary term, or if renewed pursuant to Paragraph 1.2, then this LEASE shall terminate at 11:59 P.M. central (standard or daylight savings) time on the last day of the secondary term.

22.4 Immediately upon the cancellation or termination of this LEASE for any reason, LESSOR shall be entitled to take possession of LEASE PREMISES, custom and usage to the contrary notwithstanding, and LESSEE covenants and agrees immediately and peaceably to quit, deliver up and surrender possession of LEASE PREMISES to LESSOR, provided LESSEE shall promptly remove or made to be removed improvements and restore LEASE PREMISES as provided in Paragraph 22.5.

22.5 If so required by LESSOR, LESSEE shall have one hundred and eighty (180) days from the date this LEASE is cancelled or terminated for any reason to remove LESSEE'S improvements, structures, and equipment and to restore LEASE PREMISES to a condition at least equal to that at the inception of this LEASE. If LESSEE declines or fails to remove such improvements, structures and equipment or restore LEASE PREMISES within the time provided, then such improvements, structures and equipment will be deemed forfeited by LESSEE, and may be removed and/or sold by LESSOR. Any costs incurred by LESSOR in the removal of such improvements, structures, and equipment or restoring LEASE PREMISES shall be paid for from the proceeds of sale of such improvements, structures, and equipment. If funds derived from the sale of such improvements, structures and equipment are insufficient to pay such costs; LESSEE shall be liable for such deficiency.

22.6 OWNER, on notice of default not cured by LESSEE or cancellation or termination of LEASE, agrees to assume the duties, obligations and responsibilities of LESSEE. Should OWNER not assume the duties, obligations and responsibilities of LESSEE, the LEASE will be cancelled or terminated.

22.7 To the extent provided by Paragraph 13, and any other applicable state law, LESSEE shall be liable for the payment of all reasonable attorney fees, expenses, and costs of LESSOR incurred in the enforcement of this Paragraph 22.

23. MISCELLANEOUS.

23.1 As a condition precedent to the exercise of any USE or right granted to LESSEE under this LEASE, LESSEE covenant and bind themselves, their successors and assigns to comply faithfully and timely with all the terms and provisions of this LEASE.

23.2 The remedies set forth in this LEASE are not exclusive, and the election of one remedy by LESSOR shall not be deemed or construed as a waiver of any other remedy available to LESSOR. In addition to the remedies provided in this LEASE, LESSOR shall be entitled to whatever remedies it may have otherwise at law or in equity.

23.3 LESSOR and LESSEE agree that they will execute and deliver, at the request of the other, any and all such documents or other written instruments as may be reasonably necessary or appropriate to carry out and effectuate the intent and purpose of this LEASE and the EXHIBITS attached hereto.

23.4 No amendments or additions to LEASE shall be binding unless in writing and signed by all parties.

23.5 All covenants and agreements herein shall bind and inure to the benefit of the parties hereto and to their successors and assigns.

23.6 This instrument constitutes the entire agreement between LESSOR and LESSEE and supersedes all prior understandings, previous negotiations, and any memoranda of understanding with respect to the subject matter hereof.

23.7 Each individual executing this LEASE on behalf of LESSEE represents and warrants that he/she is duly authorized to do so on behalf of said City of Gautier, Mississippi, and that this LEASE is binding upon LESSEE in accordance with its terms.

23.8 Each individual acknowledging this LEASE on behalf of OWNER represents and warrants that he/she is duly authorized to do so on behalf of said Mississippi Department of Wildlife, Fisheries, and Parks and that this LEASE is binding upon OWNER in accordance with its terms.

23.9 LESSOR, LESSEE, and OWNER acknowledge the Memorandum of Understanding between OWNER and LESSEE to manage Shepard State Park, attached hereto as "Exhibit 4" (3 Pages).

23.10 OWNER acknowledges LESSEE can exercise littoral privileges associated with the upland property adjoining and adjacent to LEASE PREMISES for the project associated with this LEASE.

24. DEFINITIONS.

24.1 LEASE shall mean that lease agreement by and between the State of Mississippi, by the Secretary of State, with the approval of the Governor, and the City of Gautier, Mississippi, as acknowledged by the Mississippi Department of Wildlife, Fisheries, and Parks, and beginning November 1, 2019, for certain submerged lands or tidelands referred to as LEASE PREMISES.

24.2 LEASE PREMISES shall mean a parcel of State owned submerged lands and tidelands located below the mean high water lines and across a tributary of the Mississippi Sound within Shepard State Park, Gautier, Mississippi, located in Section 1, Township 8 South, Range 7 West, Jackson County, Mississippi, and containing 6,990 square feet, more or less, as provided in the Legal Description attached hereto as Exhibit 1 (2 Pages), as depicted in the Marsh Walk Pier Layout attached hereto as Exhibit 2 (1 Page), and as shown in Pier Plan Profile and Marsh Walk Boardwalk Details of Construction, dated August 13, 2019, prepared by Cypress Environmental Science & Engineering, attached hereto as Exhibit 3 (5 Pages), each exhibit provided by or adopted by LESSEE and incorporated as a part of this LEASE.

24.3 LESSEE shall mean the City of Gautier, Mississippi.

24.4 LESSOR shall mean the State of Mississippi, owner of the Public Trust Tidelands, acting by and through the Secretary of State, with the approval of the Governor.

24.5 OWNER shall mean the Mississippi Department of Wildlife, Fisheries, and Parks as owner of the uplands adjoining and adjacent to the LEASE PREMISES.

24.6 RESTRICTIONS shall mean any and all federal, state, county, district or city laws, statutes, regulations, building codes, building requirements, safety or conservation regulations, fire codes, ordinances, environmental and health laws and regulations, zoning regulations and permits applicable to LESSEE'S use of and activities on LEASE PREMISES.

24.6 USE shall have the meaning set forth in Paragraph 2.1 herein.

Remainder of Page Intentionally Left Blank; Signatures Begin Next Page, 13.

IN WITNESS WHEREOF, this lease is executed by LESSOR and LESSEE, this the ____ day of _____, 2019.

LESSEE:

CITY of GAUTIER, MISSISSIPPI

By: _____

Print Name: _____

Title: _____

STATE OF MISSISSIPPI
COUNTY OF JACKSON

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for said county and state, on this ____ day of _____, 2019, within my jurisdiction the within named _____, personally known to me to be the _____ of the CITY OF GAUTIER, MISSISSIPPI, who acknowledged that he/she executed the above and foregoing LEASE AGREEMENT as the act and deed of said Municipality, on the date and for the purposes therein stated, being first duly authorized to so do.

NOTARY PUBLIC

My Commission Expires:

Acknowledgement by OWNER this the ____ day of _____, 2019.

OWNER:

**MISSISSIPPI DEPARTMENT OF WILDLIFE,
FISHERIES, AND PARKS**

By: _____

Print Name: _____

Title: _____

STATE OF MISSISSIPPI
COUNTY OF HINDS

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for said county and state, on this ____ day of _____, 2019, within my jurisdiction the within named _____, personally known to me to be the _____ of the MISSISSIPPI DEPARTMENT OF WILDLIFE, FISHERIES, AND PARKS, who acknowledged that he/she executed the above and foregoing LEASE AGREEMENT as the act and deed of said Agency, on the date and for the purposes therein stated, being first duly authorized to so do.

NOTARY PUBLIC

My Commission Expires:

LESSOR:
STATE OF MISSISSIPPI

By: _____
C. DELBERT HOSEMAN, JR.
SECRETARY OF STATE

STATE OF MISSISSIPPI
COUNTY OF HINDS

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for said county and state, on this _____ day of _____, 2019, within my jurisdiction the within named C. DELBERT HOSEMAN, JR., personally known to me to be the SECRETARY OF STATE of the STATE OF MISSISSIPPI, who acknowledged that he executed the above and foregoing LEASE AGREEMENT as the act and deed of said SECRETARY OF STATE for and on behalf of the STATE OF MISSISSIPPI, on the date and for the purposes therein stated, being first duly authorized to so do.

NOTARY PUBLIC

My Commission Expires:

APPROVED BY THE GOVERNOR of the State of Mississippi on the _____ day of _____, 2019.

PHIL BRYANT, GOVERNOR

STATE OF MISSISSIPPI
COUNTY OF HINDS

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for said county and state, on this _____ day of _____, 2019, within my jurisdiction the within named PHIL BRYANT, personally known to me to be the GOVERNOR of the STATE OF MISSISSIPPI, who acknowledged that he executed the above and foregoing LEASE AGREEMENT as the act and deed of said GOVERNOR for and on behalf of the STATE OF MISSISSIPPI, on the date and for the purposes therein stated, being first duly authorized to so do.

NOTARY PUBLIC

My Commission Expires:

PUBLIC TRUST TIDELANDS LEASE
CITY OF GAUTIER, MISSISSIPPI

**(Shepard State Park Marsh Walk Pier, Boardwalk and Platforms Project –
Unnamed Tributary to Mississippi Sound – Gautier, Mississippi)**

Exhibit 1 (2 Pages)
Legal Description

The Public Trust Tidelands Lease Premises Area is that area located in the footprint of the Marsh Walk Pier that is located below the mean high water line, all located within the Shepard State Park, Section 1, Township 8 South, Range 7 West, Jackson County, Mississippi. The pier's centerline is as described below. The pier shall extend to the left and right of the centerline 3.0 feet in each direction causing the pier to be 6.0 feet wide.

Beginning at a location of 30.3758610°,-088.6343754°, Segment 1 proceeds 125 feet southeast at a 135° angle from north to 30.3756176°,-088.6340956° where Segment 1 terminates at the beginning of Platform 1. Continue along the same line for 5 feet until point 30.3756076°,-088.6340848° (center point of Platform 1) before turning 90° to the north (45° northeast of north) and continuing 5 feet to the start of Segment 2 at a point of 30.3756173°,-088.6340735°. Continue 80 feet to point 30.3757730, -088.6338939° where Segment 2 terminates at the beginning of Platform 2. Continue along the same line for 5 feet until point 30.3757827°,-088.6338827° (center of Platform 2) before turning 90° to the south (135° southeast of north) and continuing 5 feet to the start of Segment 3 at a point of 30.3757730°,-088.6338715°. Continue 185 feet to point 30.3754126°,-088.6334574° where Segment 3 terminates at the beginning of Platform 3. Continue along the same line for 5 feet until point 30.3757730°,-088.6338715° (center of Platform 3) before turning 90° to the north (45° northeast of north) and continuing 5 feet to the start of Segment 4 at a point of 30.3457979°,-091.6224610°. Continue 270 feet 30.3759366°,-088.6328285° where Segment 4 terminates at the beginning of Platform 4. Continue along the same line for 5 feet until point 30.3759463°,-088.6328173° (center of Platform 4) before turning 90° to the south (135° southeast of north) and continuing 5 feet to the start of Segment 5 at a point of 30.3759365°,-088.6328059°. Continue 145 feet to point 30.3756541°,-088.6324815° where Segment 5 terminates at the beginning of Platform 5. Continue along the same line for 5 feet until point 30.3756444°,-088.6324703° (center of Platform 5) before turning 90° to the north (45° northeast of north) and continuing 5 feet to the start of Segment 6 at a point of 30.3756541°,-088.6324591°. Continue 145 feet to point 30.3757020°,-088.6324023° where Segment 6 terminates at the beginning of Platform 6. Continue along the same line for 5 feet until point 30.3461205°,-091.6214276° (center of Platform 6) before turning 90° to the south (135° southeast of north) and continuing 5 feet to the start of Segment 7 at a point of 30.3461205°,-091.6214276°. Continue 115 feet to a point of 30.3754781°,-088.6321222° where the pier terminates for a total of 6,390 square feet, more or less.

Pier Segments 1, 2, 3, 4, 5, and 6 terminate at 10 foot by 10 foot platforms set on a 45° bias from north for a total of 600 square feet, more or less. The center of each platform is located along the centerline of the pier as described above. The northern, southern, eastern, and western point of each platform are as follows:

Platform 1

Northern Point	30.3756270°, -088.6340847°
Southern Point	30.3755881°, -088.6340848°
Eastern Point	30.3756075°, -088.6340623°
Western Point	30.3756076°, -088.6341072°

Platform 2

Northern Point	30.3758021°, -088.6338827°
Southern Point	30.3757632°, -088.6338828°
Eastern Point	30.3757827°, -088.6338603°
Western Point	30.3757827°, -088.6339051°

Platform 3

Northern Point	30.3754223°, -088.6334461°
Southern Point	30.3753834°, -088.6334462°
Eastern Point	30.3754028°, -088.6334238°
Western Point	30.3754029°, -088.6334686°

Platform 4

Northern Point	30.3759657°, -088.6328172°
Southern Point	30.3759268°, -088.6328173°
Eastern Point	30.3759462°, -088.6327948°
Western Point	30.3759463°, -088.6328397°

Platform 5

Northern Point	30.3756638°, -088.6324703°
Southern Point	30.3756249°, -088.6324703°
Eastern Point	30.3756444°, -088.6324479°
Western Point	30.3756444°, -088.6324927°

Platform 6

Northern Point	30.3757310°, -088.6323908°
Southern Point	30.3756923°, -088.6323911°
Eastern Point	30.3757116°, -088.6323684°
Western Point	30.3757118°, -088.6324135°

PUBLIC TRUST TIDELANDS LEASE
CITY OF GAUTIER, MISSISSIPPI
(Shepard State Park Marsh Walk Pier, Boardwalk and Platforms Project –
Unnamed Tributary to Mississippi Sound – Gautier, Mississippi)

Exhibit 2 (1 Page)
Marsh Walk Pier Layout



NOTE:
PLATFORMS ARE 10' X 10'
(TYPICAL)



Project Number	18346
Project Name	Shepard State Park Marsh Walk Pier
Project Location	Shepard State Park, Mississippi
Project Status	Completed
Project Date	2018

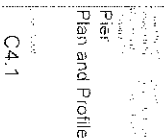
Pier
Layout

City of Gautier, Mississippi
Shepard State Park Pier
Project Number: 18346

PUBLIC TRUST TIDELANDS LEASE
CITY OF GAUTIER, MISSISSIPPI
(Shepard State Park Marsh Walk Pier, Boardwalk and Platforms Project –
Unnamed Tributary to Mississippi Sound – Gautier, Mississippi)

Exhibit 3 (5 Pages)
Marsh Walk Pier Boardwalk Details of Construction

CYPRESS
Lives at the intersection of Science & Engineering

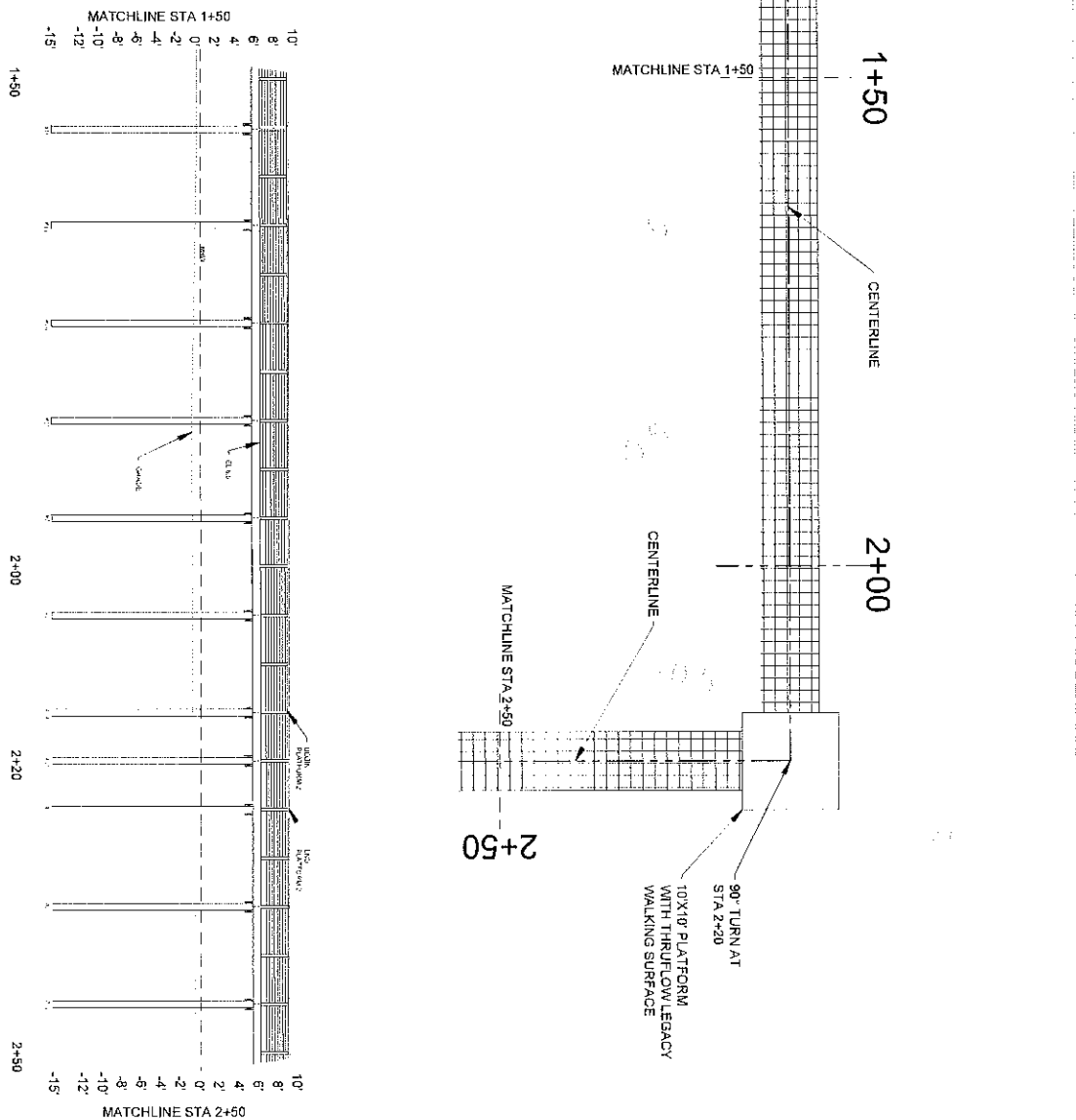


**PUBLIC TRUST TIDELANDS LEASE
CITY OF GAUTIER, MISSISSIPPI
(Shepard State Park Marsh Walk Pier)
Exhibit 3 (Page 2 of 5)**

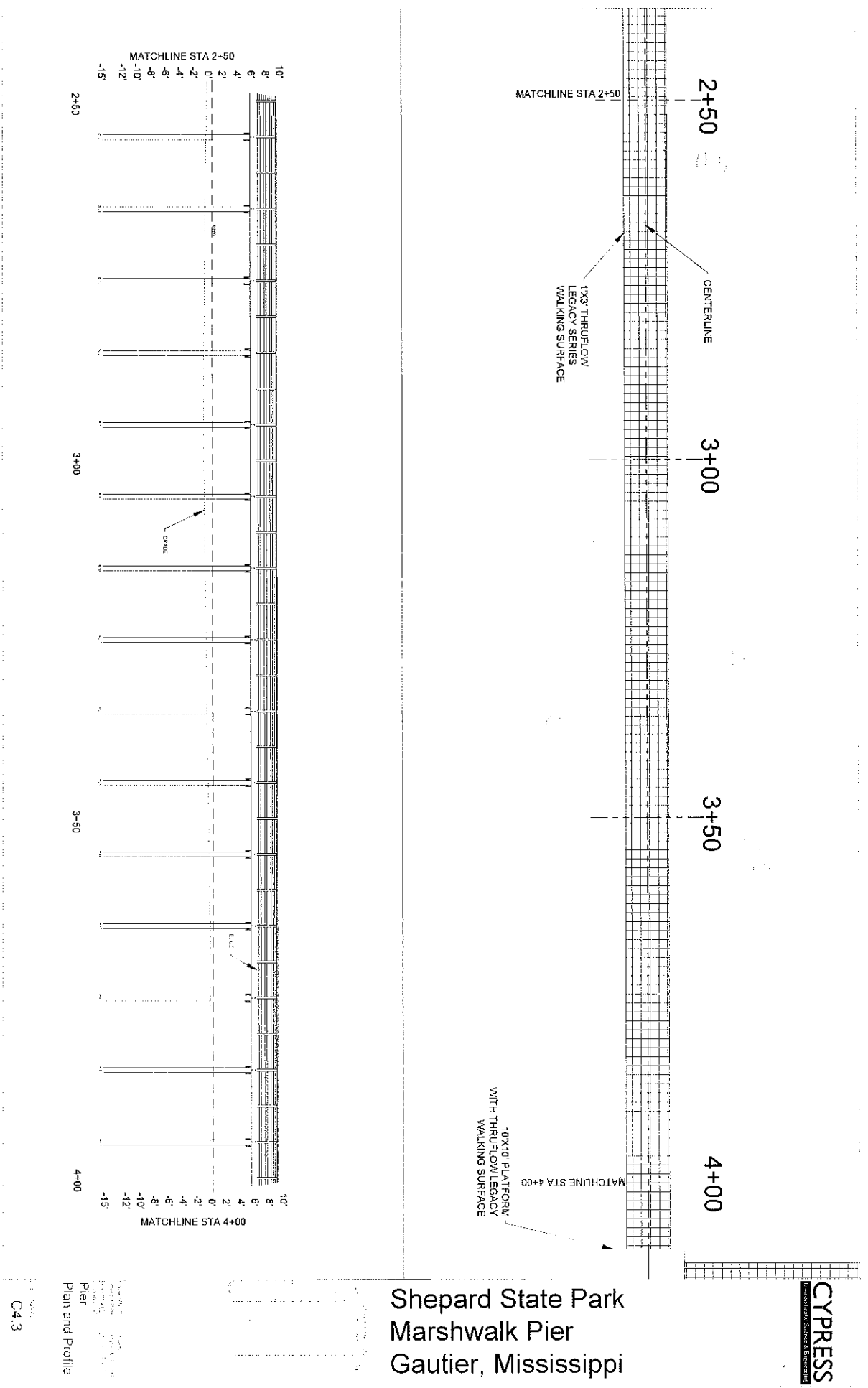
CYPRESS
Environmental Science & Engineering

Shepard State Park
Marshwalk Pier
Gautier, Mississippi

C4.2
Pier
Plan and Profile

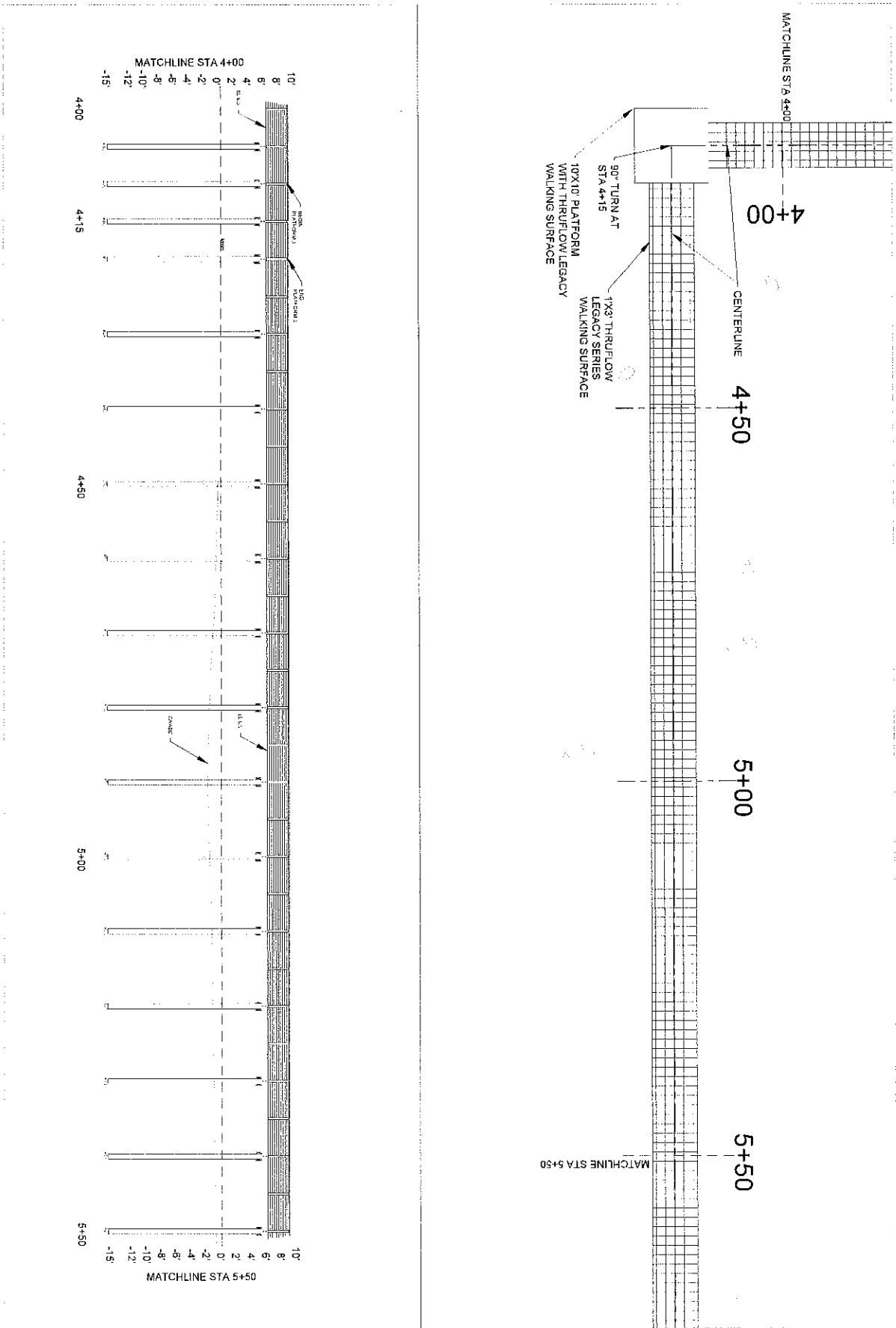


**PUBLIC TRUST TIDELANDS LEASE
CITY OF GAUTIER, MISSISSIPPI
(Shepard State Park Marsh Walk Pier)
Exhibit 3 (Page 3 of 5)**



**PUBLIC TRUST TIDELANDS LEASE
CITY OF GAUTIER, MISSISSIPPI
(Shepard State Park Marsh Walk Pier)
Exhibit 3 (Page 4 of 5)**

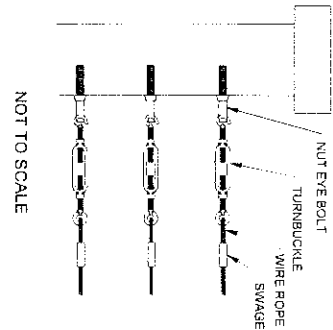
CYPRESS
Environmental Science & Engineering



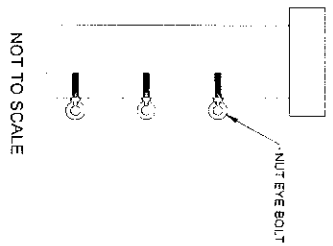
Shepard State Park
Marshwalk Pier
Gautier, Mississippi

**PUBLIC TRUST TIDELANDS LEASE
CITY OF GAUTIER, MISSISSIPPI
(Shepard State Park Marsh Walk Pier)
Exhibit 3 (Page 5 of 5)**

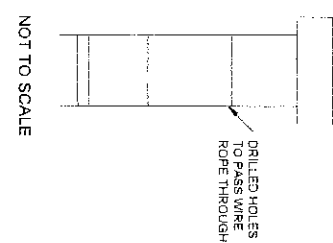
**WIRE ROPE FASTENER
(WEST DETAIL)**



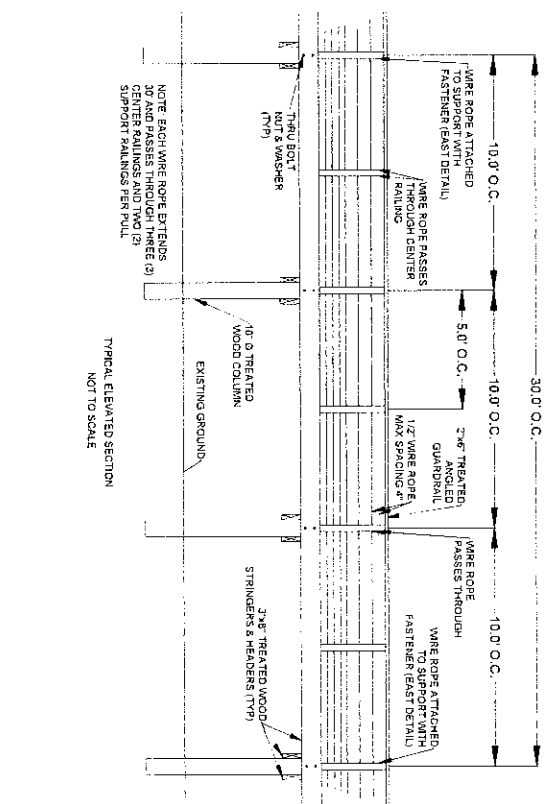
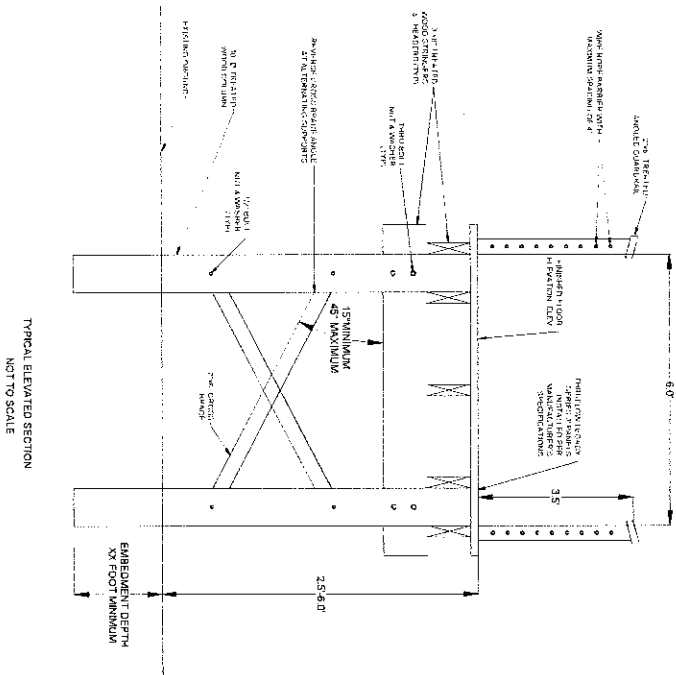
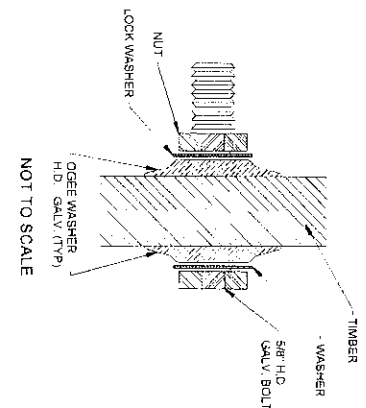
**WIRE ROPE FASTENER
(EAST DETAIL)**



**CENTER POST
DETAIL**



**THRU-BOLT
DETAIL**



**Boardwalk
Details**

**City of Gautier, Mississippi
Shepard State Park Pier
Project Number: 18346**

**MEMORANDUM OF UNDERSTANDING
AND
INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE MISSISSIPPI DEPARTMENT OF WILDLIFE, FISHERIES, AND PARKS
AND
THE CITY OF GAUTIER, MISSISSIPPI**

This Memorandum of Understanding is entered into between the Mississippi Department of Wildlife, Fisheries, and Parks (MDWFP), and the City of Gautier, Mississippi, (Gautier) concerning the operation and maintenance of Shepard State Park, and related facilities, located near Gautier, Mississippi.

WHEREAS, beginning in December of 1976, Mr. Horace A. Shepard conveyed certain tracts of land to the State of Mississippi, Afor the purpose of establishing a forest reserve, a public park, and a bird and other wildlife sanctuary.

WHEREAS, the State of Mississippi established Shepard State Park upon the lands conveyed from Mr. Horace A. Shepard.

WHEREAS, the original deeds transferring the lands of the Shepard State Park and Refuge contain a determinable fee contingency that should the State ever cease to operate the property as a Aforest reserve, a public park, and a bird and other wildlife sanctuary, the State would be divested of ownership and the property would pass to a third party.

WHEREAS, the City of Gautier, Mississippi has approached the MDWFP about taking over operation of Shepard State Park and possibly further developing the facilities at the park consistent with city plans for expansion, economic development and related purposes consistent with the restrictions contained in the original granting deeds.

WHEREAS, the Mississippi Commission on Wildlife, Fisheries, and Parks at their regular meeting of _____, 2012, stated its approval and acceptance of Gautier's proposal and authorized the Executive Director to execute any such agreement necessary to effect the transfer of the operation of Shepard State Park to the City of Gautier.

WHEREAS, The City of Gautier, at its regularly scheduled City Council meeting of Dec. 18th, 2012, authorized its City Manager to enter into and execute any such agreement as may be necessary to effect the transfer of operation of Shepard State park to the City of Gautier.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, the parties agree as follows:

RESPONSIBILITIES OF THE CITY OF GAUTIER:

The City of Gautier will operate Shepard State park in a manner consistent with its current operations as a Aforest reserve, a public park, and a bird and other wildlife sanctuary.

The City of Gautier assures that it has or will employ personnel qualified to operate and maintain the park in as good or better condition as it is at present. The City of Gautier further assures that it will continue to operate the park as a park, and as a bird and wildlife sanctuary/refuge.

The City of Gautier agrees that it will continue to operate and maintain those facilities constructed with funds from the Land and Water Conservation Fund grants in a manner consistent with the rules and regulations applicable thereto, to include, but not be limited to, making application, with the assistance of the MDWFP, to become a Substitute Sponsor under the LWCF grants.

RESPONSIBILITIES OF THE MDWFP:

The MDWFP will provide technical assistance to the City of Gautier in the management of the park as a bird and wildlife sanctuary/refuge, to include, but not be limited to:

- Technical assistance with preserving and maintaining critical wildlife habitat;

- Technical assistance with preserving and maintaining certain marine and/or estuarine ecosystems

- Technical maintenance of all timber and timber management - this item recognizes that all standing timber on Shepard State Park belongs to the MDWFP. Timber resources shall be managed according to MDWFP timber management policies. Should the City of Gautier wish to develop any part of the park, the City shall obtain the MDWFP's prior approval and assistance, and any timber to be removed shall be removed by the MDWFP. All income derived from timber management practices of the MDWFP shall be shared equally by and between the MDWFP and the City of Gautier (50% each).

Income generated by or derived from public use of the park such as gate fees, user fees, special event fees, etc., shall belong to the City of Gautier.

To the extent allowed under state purchasing laws and regulations, the MDWFP will make available to the City of Gautier such equipment and facilities as the City may need to operate and maintain the park. This shall include, but not be limited to those structures constructed and standing on the park grounds, as well as those certain items of equipment or other

inventory set forth on the inventory schedule attached hereto as Exhibit A.

The MDWFP will provide technical guidance and assistance to the City in its application to become a substitute sponsor under the LWCF grant(s).

OTHER PROVISIONS:

The parties agree that they will execute any such other and further agreements as may be necessary for the City to operate, manage and maintain the Park.

The City of Gautier shall have the right to make an offer or offers of employment to any current employees of the MDWFP presently working at Shepard State Park. In the event any employees choose to change their employment to the City of Gautier, the MDWFP shall work with the City to make the transition seamless so as to prevent any loss of or gap in benefits, etc.

Either party to this agreement may terminate the agreement upon 90 days written notice.

ASSURANCES:

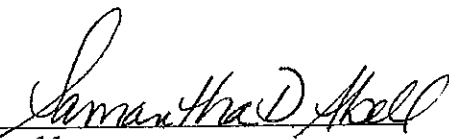
The City of Gautier assures the MDWFP that its operation, management and maintenance of the park shall comply with all applicable laws, regulations and rules, including but not limited to equal employment opportunity laws, nondiscrimination laws and the rules and regulations of the United States Department of Interior, National Park Service.

IT IS THE INTENT OF THE PARTIES HERETO, that this agreement shall survive in perpetuity and be binding upon successive city government administrations and commissions of Wildlife, Fisheries and Parks; and/or each party's successors or assigns, to the extent allowed by law.

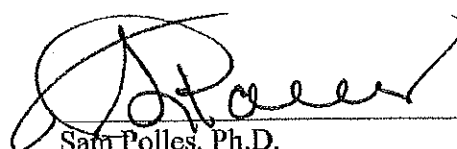
SO AGREED and executed, this the 19th day of December, 2012.

CITY OF GAUTIER

MISSISSIPPI DEPARTMENT OF WILDLIFE,
FISHERIES, AND PARKS



Honorable
City Manager



Sam Polles, Ph.D.
Executive Director

CITY OF GAUTIER
Consent Agenda Item #5
Fact Sheet

Council Meeting:
Title:

December 17, 2019
Approval of water and sewer adjustments dated
December 2019 in the amount of \$13,799.44.

Introduced by:
Contact Person/Telephone

Cynthia Russell 497- 8000 ext. 302

Summary Explanation: Approval of water and sewer adjustments dated December 2019 in the amount of \$13,799.44.

EXHIBITS FOR REVIEW

Resolution	☐
Ordinance	☐
Contract	☐
Minutes	☐
Plan Maps	☐
Order	☒
Other	☐
Submittal Authorization	City Manager

Staff Recommendation:
Approval

Motion Made by:

Torjusen ☐ Martin ☐ George ☐ Jackson ☐ Vaughan ☐ Anderson ☐ Colledge ☐

Second Made by:

Torjusen ☐ Martin ☐ George ☐ Jackson ☐ Vaughan ☐ Anderson ☐ Colledge ☐

Voted as follows:		Ayes	Nays	Abstained	Absent
Mayor	Torjusen	☐	☐	☐	☐
At Large	Martin	☐	☐	☐	☐
Ward 1	George	☐	☐	☐	☐
Ward 2	Jackson	☐	☐	☐	☐
Ward 3	Vaughan	☐	☐	☐	☐
Ward 4	Anderson	☐	☐	☐	☐
Ward 5	Colledge	☐	☐	☐	☐

Action Taken:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi the following:

ORDER NUMBER 000-2019

WHEREAS, the City Council has authorized the City Manager to establish payment plans and fee adjustments contingent upon Council approval; and

WHEREAS, the City Council has adopted a Comprehensive Fee Schedule that establishes such fees for the equitable provision of services;

WHEREAS, based on the reasons included on the attached documentation, the Mayor and Council hereby find that, due to unforeseen events, the respective users did not receive the benefit of the relevant utility;

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi that the attached list of water and sewer adjustments dated December 2019 in the amount of \$13,799.44 is hereby approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **BLANK**, seconded by **BLANK** and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

BLANK by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 17, 2019.

DECEMBER 2019 UTILITY ADJUSTMENTS

ACCT #	WATER	SEWER	L/C	CAPACITY	TAX	ADJ	REASON FOR ADJUSTMENT
013-43401-004		639.27	105.00			\$744.27	Busted Water Line
016-04401-000		417.54	105.00			\$522.54	Busted Water Line
019-44001-002		242.44	105.00			\$347.44	Pool Fill
023-06901-001		617.71	105.00			\$722.71	Busted Water Line
027-25601-002		68.36				\$68.36	Pool Fill
039-07401-005		178.99	35.00			\$213.99	Pool Fill
041-02101-000		213.31				\$213.31	Busted Water Line
054-00901-000		483.02		300.00		\$783.02	Busted Water Line
056-03101-002	252.28	283.70	105.00			\$640.98	Theft Police Report
056-05001-000		119.23				\$119.23	Busted Water Line
065-20701-001		373.97	105.00			\$478.97	Busted Water Line
065-26201-002		238.74	70.00			\$308.74	Busted Water Line
067-00501-000		246.32	70.00			\$316.32	Valve
074-09101-006		232.26	70.00			\$302.26	Busted Water Line
080-03801-001		123.95	70.00			\$193.95	Valve
080-10901-003		231.34	35.00			\$266.34	Valve
089-01001-001		509.86				\$509.86	Busted Water Line
089-08601-003	867.46	175.00				\$1,042.46	Busted Water Line
089-10601-005		16.30				\$16.30	Pool Fill
090-09581-004		172.33	70.00			\$242.33	Busted Water Line
092-14501-001		145.58		50.00		\$195.58	Busted Water Line
101-01801-001	209.22	229.03	175.00			\$613.25	Theft Police Report
110-17111-000		740.69				\$740.69	Theft Police Report
113-18801-002		48.65				\$48.65	Pool Fill
119-03401-001		123.68				\$123.68	Busted Water Line
122-00101-001	189.77	285.73	105.00	200.00	7.35	\$787.85	Theft Police Report
122-09021-000		1,670.78		800.00		\$2,470.78	Busted Water Line
128-04901-002		41.90				\$41.90	Busted Water Line
139-13001-001		303.77	140.00			\$443.77	Busted Water Line
139-41951-001		174.91	105.00			\$279.91	Busted Water Line
TOTAL	1,518.73	9,348.36	1,575.00	1,350.00	7.35	\$13,799.44	

COMPLETED

THESE FOLLOW POLICY/ RECOMMEND APPROVAL

CITY OF GAUTIER
Consent Agenda Item #6
Fact Sheet

Council Meeting:
Title:

December 17, 2019
Authorization to enter into a Grant Agreement with the Mississippi Department of Marine Resources for additional FY2019 Tidelands funding.

Introduced by:
Contact Person/Telephone

April Havens 497-8000 ext. 315

Summary Explanation: Authorization to enter into a Grant Agreement with the Mississippi Department of Marine Resources for additional FY2019 Tidelands funding for the Town Commons Park Project in the amount of \$150,000.

EXHIBITS FOR REVIEW

Resolution	☐
Ordinance	☐
Contract/Agreement	☒
Minutes	☐
Plan Maps	☐
Order	☐
Other	☒
Submittal Authorization	City Manager

Staff Recommendation:

Approval

Motion Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
☐		☐		☐		☐		☐	

Second Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
☐		☐		☐		☐		☐	

Voted as follows:		Ayes	Nays	Abstained	Absent
Mayor	Torjusen	☐	☐	☐	☐
At Large	Martin	☐	☐	☐	☐
Ward 1	George	☐	☐	☐	☐
Ward 2	Jackson	☐	☐	☐	☐
Ward 3	Vaughan	☐	☐	☐	☐
Ward 4	Anderson	☐	☐	☐	☐
Ward 5	Colledge	☐	☐	☐	☐

Action Taken

There came on for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 000-2019

WHEREAS, on April 19, 2019, the City of Gautier received a Tidelands Grant Agreement from the Department of Marine Resources for a FY2019 Tidelands grant award in the amount of \$250,000 for the Town Commons Park Project. On December 5, 2019, the City received an agreement for an additional \$150,000 bringing the total 2019 allocation to \$400,000; and

WHEREAS, the goal of the Town Commons Park Project is to provide innovative public access opportunities to the general public for recreational purposes, and this goal can be met through continued work to build a major urban park; and

WHEREAS, in order to utilize these funds, the City must enter the attached agreement; and

WHEREAS, the Mayor and Council Members find that entering into this agreement is in the best interest of the City of Gautier;

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the City is hereby authorized to enter into a grant agreement with Mississippi Department of Marine Resources (MDMR) for FY2019 Tidelands funding for the Town Commons Park Project in the amount of \$150,000.00.

IT IS FURTHER ORDERED that the City Manager or City Clerk authorized to execute any and all documents necessary for this purpose.

Motion was made by **BLANK**, seconded by **BLANK** and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

BLANK by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 17, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: April Stennett, Grants Administrator
Date: 12/11/2019
Subject: FY2019 Tidelands Grant Agreement for Additional Funds – Town Commons Park Project (FY19-P618-03)

REQUEST:

The Grants and Projects Department requests City Council authorization to enter into a grant agreement with the Mississippi Department of Marine Resources (MDMR) for additional FY2019 Tidelands funding for the Town Commons Park Project in the amount of \$150,000.

BACKGROUND:

On April 19, 2019, the City of Gautier received a Tidelands Grant Agreement from the Department of Marine Resources for a FY2019 Tidelands grant award in the amount of \$250,000.00 for the Town Commons Park Project. On December 5, 2019, the City received an agreement for an additional \$150,000 in funding. This brings the total 2019 allocation to \$400,000.

DISCUSSION:

The goal of this project is to provide innovative public access opportunities to the general public for recreational purposes. This goal can be met through continued work to build a major urban park, Town Commons Park, that will include low impact amenities such as boardwalks, trails, wetland paths, observation areas, a festival lawn, and more. This unique 32-acre setting will provide areas for hiking, bird and wildlife viewing, as well as areas for entertainment and active play. The goal is to preserve the wetland and ecosystems in this area for the benefit of all who will use the park. Through careful planning and placement of the amenities, the site will be preserved and can be enjoyed by the all park visitors. Phase I amenities and activities will include access roads, parking, Town Green (open lawn), restrooms/concessions, amphitheater, large pavilion, pickle ball/tennis/multi-use courts, and more, as funding allows.

RECOMMENDATION:

The Grants and Projects Department recommends that City Council authorize entering into a grant agreement with the Mississippi Department of Marine Resources (MDMR) for FY2019 Tidelands funding for the Town Commons Park Project in the additional amount of \$150,000.

The City Council may:

- 1) Approve entering into a grant agreement with the Mississippi Department of Marine Resources (MDMR) for FY2019 Tidelands funding for the Town Commons Park Project in the additional amount of \$150,000; or
- 2) Not approve entering into a grant agreement with the Mississippi Department of Marine Resources (MDMR) for FY2019 Tidelands funding for the Town Commons Park Project in the additional amount of \$150,000.

ATTACHMENTS:

1. Tidelands Grant Agreement

**MISSISSIPPI DEPARTMENT OF MARINE RESOURCES****Tidelands Grant Agreement
City of Gautier – Additional Funding
FISCAL YEAR 2019**

City of Gautier hereby agrees to expend funds as authorized by the Mississippi Legislature in H.B. 1656 2019 Regular Session and Mississippi Code Section 29-15-9.

The Mississippi Department of Marine Resources will disburse funds in the amount of **\$ 150,000.00** for the Town Commons Park upon (1) receipt of this signed document; (2) MDMR possession of amended application with complete and final project designs and plans; (3) release of funds from the Mississippi Department of Finance and Administration; and (4) availability of said funds. The Mississippi Department of Marine Resources shall make progress payments in installments based on work completed and material used in the performance of a Tidelands project only after receiving written verification using Form TTF-3 (Attachment 1) and Form TTF-4 or Form TTF-5.

The **City of Gautier** agrees to:

- 1) Expend monies for the project as designated by the Legislature in H.B. 1656 2019 Regular Session Town Commons Park and Mississippi Code Section 29-15-9 and be subject to an audit by the State Auditor.
- 2) Provide the Department of Marine Resources with detailed reports beginning June 30, 2020, and every six months thereafter for the duration of project, using the attached form TTF-4 (Attachment 2). Project reports will include:
 - Final project design and budget
 - Benefits to the public and community
 - Visual presentation (photographs) of project
 - Narrative description of project
 - Description of Work Completed
 - Milestones for Completion
 - Funds expended (to include Tidelands and Matching Funds)
- 3) Provide the Department of Marine Resources with a Notification of Completion – TTF-5 (to be included in final payment request-Form TTF-3) to include a detailed final report of entire project, using the attached forms (Attachment 3).
- 4) Erect a prominent, permanent sign to be displayed at all funded public access and construction related projects. The sign shall read "Funds for this project appropriated by the Mississippi Legislature, 2019 Tidelands Trust Fund, through the Secretary of State, Delbert Hosemann, and the Mississippi Department of Marine Resources."

On behalf of the **City of Gautier** I have read, understand, and agree to all terms listed above, and recognize that failure to comply with any portion of this Grant Agreement could jeopardize the receipt of any future Tidelands Trust Funds Appropriations.



Joe Spraggins, Executive Director
Department of Marine Resources

12-5-19

Date

Phil Torjusen, Mayor
City of Gautier

Date

CITY OF GAUTIER
Consent Agenda Item #7
Fact Sheet

Council Meeting:
Title:

December 17, 2019
Approval of minutes from Regular Council Meeting held
December 3, 2019.

Introduced by:

Contact Person/Telephone

Cynthia Russell 497-8000 Ext. 302

Summary Explanation: Approval of minutes from Regular Council Meeting held December 3, 2019.

EXHIBITS FOR REVIEW

Resolution	☐
Ordinance	☐
Contract/Agreement	☐
Minutes	☒
Plan Maps	☐
Order	☒
Other	☐
Submittal Authorization	City Manager

Staff Recommendation:

Approval

Motion Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
								Anderson	☐
									Colledge
									☐

Second Made by:									
Torjusen	☐	Martin	☐	George	☐	Jackson	☐	Vaughan	☐
								Anderson	☐
									Colledge
									☐

Voted as follows:		Ayes	Nays	Abstained	Absent
Mayor	Torjusen	☐	☐	☐	☐
At Large	Martin	☐	☐	☐	☐
Ward 1	George	☐	☐	☐	☐
Ward 2	Jackson	☐	☐	☐	☐
Ward 3	Vaughan	☐	☐	☐	☐
Ward 4	Anderson	☐	☐	☐	☐
Ward 5	Colledge	☐	☐	☐	☐

Action Taken:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 000-2019

WHEREAS, Miss. Code Ann. 21-15-33 requires that the minutes be adopted and approved by a majority of the members of the governing body at the next regular meeting or within thirty (30) days of the meeting they represent, whichever occurs first. Upon such approval, the minutes are valid from and after the date of the meeting; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the minutes from Regular Council Meeting held December 3, 2019 are hereby approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **BLANK** seconded by **BLANK** and the following vote was recorded:

AYES:

NAYS:

MAYOR

ATTEST:

CITY CLERK

BLANK by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 17, 2019.

**Tuesday
December 3, 2019
Gautier, Mississippi**

BE IT REMEMBERED THAT A REGULAR MEETING of the Mayor and Members of the Council of the City of Gautier, Mississippi was held December 3, 2019 at 6:30 PM in the City Hall Municipal Building, 3330 Highway 90, Gautier, Mississippi.

Those present were Mayor Phil Torjusen, Council Members Mary Martin, Cameron George, Richard Jackson, Casey Vaughan, Rusty Anderson, and Adam Colledge. Also present were Paula Yancey, City Manager; Cynthia Russell, City Clerk; Josh Danos, City Attorney and other concerned citizens.

**AGENDA
CITY OF GAUTIER, MISSISSIPPI
CITY HALL COUNCIL CHAMBERS
December 3, 2019 @ 6:30 PM**

I. Call to Order

- 1. Prayer**
- 2. Pledge of Allegiance**

II. Agenda Order Approval

III. Announcements

- 1. Gautier Gator Chorale will be spreading Holiday Cheer on Wednesday, December 11th at City Hall @ 10:00 a.m.**
- 2. City of Gautier's Lights and Lagniappe on the Bayou – Saturday, December 7th at 3:00 p.m. at Gautier City Hall**
- 3. 22nd Annual City of Gautier Rotary Christmas Parade – Saturday, December 7th at 1:00 p.m.**
- 4. Offices closed Tuesday, December 24th and Wednesday, December 25th in observance of the Christmas Holiday**

IV. Presentation Agenda

- 1. Recognition of the 2019 Jackson County Youth Football League Super Bowl Champions**

V. Business Agenda

1. Authorization to award and execute the Contract for Shepard State Park Log Cabin, Phase III

☐	STAFF PRESENTATION	☐	PUBLIC QUESTIONS/COMMENTS (3 MINUTES PER PERSON)	☐	MOTION COUNCIL DISCUSSION/QUESTIONS	☐	VOTE
--------------------------	-----------------------	--------------------------	--	--------------------------	---	--------------------------	------

2. Approval of a General Services Agreement with Seymour Engineering

☐	STAFF PRESENTATION	☐	PUBLIC QUESTIONS/COMMENTS (3 MINUTES PER PERSON)	☐	MOTION COUNCIL DISCUSSION/QUESTIONS	☐	VOTE
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3. Authorization to approve Change Order No. 2 for the City Park Fitness Trail

☐	STAFF PRESENTATION	☐	PUBLIC QUESTIONS/COMMENTS (3 MINUTES PER PERSON)	☐	MOTION COUNCIL DISCUSSION/QUESTIONS	☐	VOTE
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4. Authorization to Acknowledge Bids and Award Contract for Video Inspection and Flow Monitoring Services for Old Spanish Trail/Gautier Vancleave Road Sewer Improvements Project

☐	STAFF PRESENTATION	☐	PUBLIC QUESTIONS/COMMENTS (3 MINUTES PER PERSON)	☐	MOTION COUNCIL DISCUSSION/QUESTIONS	☐	VOTE
--------------------------	-----------------------	--------------------------	--	--------------------------	---	--------------------------	------

5. Resolution authorizing and directing the issuance of Combined Utility System Revenue Bonds Series 2019, not to exceed \$6,000,000

☐	STAFF PRESENTATION	☐	PUBLIC QUESTIONS/COMMENTS (3 MINUTES PER PERSON)	☐	MOTION COUNCIL DISCUSSION/QUESTIONS	☐	VOTE
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6. Authorization for the Emergency Repair of the Beasley Well

☐	STAFF PRESENTATION	☐	PUBLIC QUESTIONS/COMMENTS (3 MINUTES PER PERSON)	☐	MOTION COUNCIL DISCUSSION/QUESTIONS	☐	VOTE
--------------------------	-----------------------	--------------------------	--	--------------------------	---	--------------------------	------

7. Approval of Docket of Claims

☐	STAFF PRESENTATION	☐	PUBLIC QUESTIONS/COMMENTS (3 MINUTES PER PERSON)	☐	MOTION COUNCIL DISCUSSION/QUESTIONS	☐	VOTE
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VI. Consent Agenda **(All items approved in one motion)**

1. Authorization to remove two (2) firearms from Police Department Inventory for proper disposal
2. Authorization to remove three (3) sets of rear window prisoner transport bars from Police Department Inventory and declare surplus
3. Approval of the Gautier Historic Preservation Commission Re-appointments
4. Receive September 2019 Finance Report

5. **Authorization to remove vehicles from inventory, declare surplus and properly dispose**
6. **Approval of the in-kind service request for the 2019 Gautier Rotary Club Christmas Parade**
7. **Approval of Minutes from Recess Council Meeting held November 19, 2019**
8. **Approval for road closure and traffic control for the 22nd Annual Gautier Rotary Christmas Parade**

VII. STUDY AGENDA

1. **Discuss Citizen Comments**
2. **Discuss Council Comments**
3. **Discuss City Manager Comments**
4. **Discuss City Clerk Comments**
5. **Discuss City Attorney Comments**

Recess until December 17, 2019 at 6:30 PM
www.gautier-ms.gov

Meeting was called to order by Mayor Torjusen at 6:30pm.

Councilman Colledge made the motion to approve the agenda order with the following revisions:

1. Add to Presentation- Recognition of Duncan Noble from the National Association of Realtors for the status of Realtor Emeritus
2. Add Revised Business Agenda Item 5 Resolution- Resolution authorizing and directing the issuance of Combined Utility System Revenue Bonds, Series 2019 not to exceed \$6,000,000.
3. Add Business Agenda Item 8- Approval of Amendment #3 to the professional services agreement with Heflin Engineering for work associated with the Shepard State Park Marsh Boardwalk project.

4. Add Business Agenda Item 9- Approval of an LPA Utility Agreement and Easement with AT&T for Martin Bluff Roadway Improvements (STP-9194-00(001) LPA/105069-811000).
5. Remove Consent Agenda Item 9- added in error to agenda

Councilwoman Martin seconded the motion. The vote was carried unanimously.

Announcements

1. Gautier Gator Chorale will be spreading Holiday Cheer on Wednesday, December 11th at City Hall @ 10:00 a.m.
 2. City of Gautier's Lights and Lagniappe on the Bayou – Saturday, December 7th at 3:00 p.m. at Gautier City Hall
 3. 22nd Annual City of Gautier Rotary Christmas Parade – Saturday, December 7th at 1:00 p.m.
 4. Offices closed Tuesday, December 24th and Wednesday, December 25th in observance of the Christmas Holiday
-

Presentation

1. Recognition of the 2019 Jackson County Youth Football League Super Bowl Champions
 2. Recognition of Duncan Noble from National Association of Realtors for the status of Realtor Emeritus
-



**Join
the City of Gautier for
Lights & Lagniappe
on the Bayou
Saturday, December 7th
3:00 p.m.
Gautier City Hall**

**Tree Lighting. Pictures with Santa. Fun.
Fireworks. Winter Wonderland
Snow Party . Christmas Festivities**



Rotary Club of Gautier

Service Above Self



CHRISTMAS PARADE

Dec. 7, 2019

1:00 PM

**NO ENTRY
FEE**

**For info on riding
in the parade call:
228-297-3063**

STATE OF MISSISSIPPI

Office of the Governor



PROCLAMATION

WHEREAS, pursuant to Miss. Code Ann. Section 3-3-7, Thanksgiving Day, Christmas Day and New Year's Day are declared legal holidays in the State of Mississippi; and

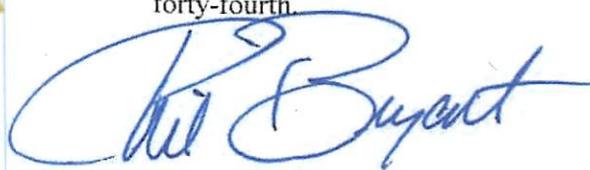
WHEREAS, during the Thanksgiving holiday and Christmas and New Year's season, many state employees will spend time with their families in Mississippi and in other states;

NOW, THEREFORE, I, Phil Bryant, Governor of the State of Mississippi, pursuant to the authority vested in me under the Constitution of the State of Mississippi and applicable statutes of the State of Mississippi, do hereby authorize the closing of all offices of the State of Mississippi on Thursday, November 28, 2019, in observance of THANKSGIVING DAY; on Wednesday, December 25, 2019, in observance of CHRISTMAS DAY; and on Wednesday, January 1, 2020, in observance of NEW YEAR'S DAY.

IN ADDITION, I hereby authorize the executive officers of all state agencies, in their discretion after considering the interests of the people of the State of Mississippi and the staffing needs of their respective agencies, to close all offices of the State of Mississippi on Friday, November 29, 2019, in further observance of the Thanksgiving holiday and on Tuesday, December 24, 2019, in further observance of Christmas; and to staff their respective agencies as needed during the Thanksgiving holiday and Christmas season.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Mississippi to be affixed.

DONE in the City of Jackson, on the 8th day of October in the year of our Lord, two thousand and nineteen, and of the Independence of the United States of America, the two hundred and forty-fourth.

A handwritten signature in blue ink, reading "Phil Bryant".

**PHIL BRYANT
GOVERNOR**

BY THE GOVERNOR

Councilman Colledge made the motion to award a contract to the lowest and best bidder, David Rush Construction, LLC, for Shepard State Park Log Cabin, Phase III, as presented, in an amount not to exceed \$495,000.00. Councilman Vaughan seconded the motion. The vote was carried unanimously.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 259-2019

WHEREAS, the City of Gautier has requested bids for the Shepard State Park Log Cabin, Phase III project; and

WHEREAS, sealed bids for this project were received and were opened on October 29, 2019; and

WHEREAS, the low bidder was David Rush Construction, LLC, with a bid of \$495,000.00; and

WHEREAS, Goodwyn, Mills & Cawood is providing engineering services, bidding, and construction administration for this project; and

WHEREAS, Goodwyn, Mills & Cawood has tabulated the bid results and recommends awarding this contract to David Rush Construction, LLC, as the lowest and best bid; and

WHEREAS, the Mayor and Members of Council find that it is in the best interests of the City to adopt the recommendation of Goodwyn, Mills & Cawood to award the contract to David Rush Construction, LLC; and

WHEREAS, the Mayor and Council Members hereby find that David Rush Construction, LLC, has submitted the lowest and best bid for the this project; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the award and execution of a contract with David Rush Construction, LLC, for the Shepard State Park Log Cabin, Phase III project is hereby authorized and approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilman Colledge**, seconded by **Councilman Vaughan**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Richard Jackson
 Rusty Anderson
 Adam Colledge

NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: April Stennett, Grants Administrator
Date: 11/22/2019
Subject: Shepard State Park Log Cabin, Phase III, Contract Execution

REQUEST:

The Grants and Projects Department requests City Council authorization to acknowledge receipt of two bids for the Shepard State Park Log Cabin, Phase III, project and award and execute a contract with the low bidder, David Rush Construction, LLC, in an amount not to exceed \$495,000.

BACKGROUND:

A two-story historic log cabin known as the "Wilson House" was donated to the city by Mr. Brian Britt. The building was originally constructed in the early 1920's alongside US Highway 49 in Gulfport, Mississippi. The structure was built by Walter Alfred Cox and became the homestead of Clark Wilson and his wife, Marjorie Welch Wilson. The 3,000-square-foot cabin is made of southern yellow pine logs, and has been relocated from the northeast corner of Dobson Road and Allen Road to the entrance of Shepard State Park.

Phase I of the Shepard State Park Historic Log Cabin Welcome Center included disassembly, transportation, and reassembly of the log cabin at the entrance of Shepard State Park, a new foundation for the structure, a new parking lot, sidewalks, RV dump station, etc.

Phase II's scope of work included front and back stairs, landings, guards, handrails, concrete ADA ramp, back wall construction and repairs, roof repairs, sealant, exterior doors, window glass replacements, etc.

Phase III will include the completion of the exterior repairs and all interior renovations, to include electrical, mechanical and plumbing.

DISCUSSION:

On October 29, 2019, sealed proposals for Shepard Park Welcome Center Phase III were received from two qualified general contractors. The bidders were David Rush Construction, LLC and Phoenix Construction, LLC. The low bidder was David Rush Construction, LLC, with a bid of \$495,000.

Goodwyn, Mills & Cawood, Inc. reviewed the bids and recommends awarding the contract to David Rush Construction, LLC.

This phase of the project is being funded through Tidelands and the general obligation bond.

RECOMMENDATION:

The Grants and Projects Department recommends that City Council acknowledge receipt of two bids for the Shepard State Park Log Cabin, Phase III, project and award and execute a contract with the low bidder, David Rush Construction, LLC, in an amount not to exceed \$495,000.

The City Council may:

- 1) Authorize the Award and Execution of the Contract; or
- 2) Reject all bids and modify the scope of the project; or
- 3) Reject all bids and re-advertise.

ATTACHMENTS:

AIA[®] Document A101[™] – 2017

Standard Form of Agreement Between Owner and Contractor where the basis of payment is a Stipulated Sum

AGREEMENT made as of the day of in the year
(In words, indicate day, month and year.)

BETWEEN the Owner:
(Name, legal status, address and other information)

City of Gautier, Mississippi
3330 Highway 90
Gautier, MS 39553

and the Contractor:
(Name, legal status, address and other information)

David Rush Construction, LLC
18391 Runnymede Rd
Pass Christian, MS 39571

for the following Project:
(Name, location and detailed description)

Shepard Park Welcome Center Phase III
Gautier, MS

The Architect:
(Name, legal status, address and other information)

GMC, PLLC
11 North Water Street, Suite 15250
Mobile, AL 36602

The Owner and Contractor agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

The parties should complete A101[™]–2017, Exhibit A, Insurance and Bonds, contemporaneously with this Agreement. AIA Document A201[™]–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

TABLE OF ARTICLES

- 1 THE CONTRACT DOCUMENTS
- 2 THE WORK OF THIS CONTRACT
- 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION
- 4 CONTRACT SUM
- 5 PAYMENTS
- 6 DISPUTE RESOLUTION
- 7 TERMINATION OR SUSPENSION
- 8 MISCELLANEOUS PROVISIONS
- 9 ENUMERATION OF CONTRACT DOCUMENTS

EXHIBIT A INSURANCE AND BONDS

ARTICLE 1 THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. An enumeration of the Contract Documents, other than a Modification, appears in Article 9.

ARTICLE 2 THE WORK OF THIS CONTRACT

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

ARTICLE 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ 3.1 The date of commencement of the Work shall be:

(Check one of the following boxes.)

☐ The date of this Agreement.

☒ A date set forth in a notice to proceed issued by the Owner.

☐ Established as follows:

(Insert a date or a means to determine the date of commencement of the Work.)

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

§ 3.2 The Contract Time shall be measured from the date of commencement of the Work.

§ 3.3 Substantial Completion

§ 3.3.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall achieve Substantial Completion of the entire Work:

(Check one of the following boxes and complete the necessary information.)

Init.

☒ Not later than One Hundred Eighty (180) calendar days from the date of commencement of the Work.

☐ By the following date:

§ 3.3.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work are to be completed prior to Substantial Completion of the entire Work, the Contractor shall achieve Substantial Completion of such portions by the following dates:

Portion of Work	Substantial Completion Date
N/A	N/A

§ 3.3.3 If the Contractor fails to achieve Substantial Completion as provided in this Section 3.3, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

ARTICLE 4 CONTRACT SUM

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be Four Hundred Ninety-Five Thousand Dollars and Zero Cents (\$ \$495,000.00), subject to additions and deductions as provided in the Contract Documents.

§ 4.2 Alternates

§ 4.2.1 Alternates, if any, included in the Contract Sum:

Item	Price
N/A	N/A

§ 4.2.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.
(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)

Item	Price	Conditions for Acceptance
N/A	N/A	N/A

§ 4.3 Allowances, if any, included in the Contract Sum:
(Identify each allowance.)

Item	Price
Allowance No. 1	30,500.00 included in the Contract Sum.
Allowance No. 2	7,500.00 included in the Contract Sum.
Allowance No. 3	5,000.00 included in the Contract Sum.
OH&P on All Allowances	4,300.00 included in the Contract Sum.

§ 4.4 Unit prices, if any:

(Identify the item and state the unit price and quantity limitations, if any, to which the unit price will be applicable.)

Item	Units and Limitations	Price per Unit (\$0.00)
N/A	N/A	N/A

§ 4.5 Liquidated damages, if any:

(Insert terms and conditions for liquidated damages, if any.)

The General Contractor and Owner recognize that time is of the essence of this agreement and that the Owner will suffer financial loss if the work is not completed within the times specified in the Bid Form, Section 00 31 00 - 4 of 6, Length of Construction, and Article 3 of this Contract, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the Owner if the Facility is not completed on time. Accordingly, instead of requiring any such proof, Owner and General Contractor agree to liquidated damages for delay (but not as penalty). The General Contractor shall pay One Hundred Dollars and No Cents (\$100.00) per day for

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User Notes:

each day that expires after the date specified for Substantial Completion until the Facility is substantially complete. After Substantial Completion is attained, if the General Contractor shall neglect, refuse or fail to complete the remaining Work within the Contract Time, included any extension granted thereof by the Owner, the General Contractor shall pay the Owner One Hundred Dollars and No Cents (\$100.00) for each day that expires after the time specified in the Bid Form, Section 00 31 00 - 4 of 6, Length of Construction, and Article 3 of this Contract for completion and readiness for final payment until the Facility and all Work is completed and ready for Final Payment.

§ 4.6 Other:

(Insert provisions for bonus or other incentives, if any, that might result in a change to the Contract Sum.)

ARTICLE 5 PAYMENTS

§ 5.1 Progress Payments

§ 5.1.1 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.

§ 5.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

§ 5.1.3 Payments are due and payable in accordance with Mississippi law, and shall be paid following approval on the next claims docket following receipt of a properly submitted invoice.

§ 5.1.4 Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to substantiate its accuracy, as the Architect may require. This schedule of values shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.5 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.6 In accordance with AIA Document A201™-2017, General Conditions of the Contract for Construction, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 5.1.6.1 The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified.

§ 5.1.6.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201-2017;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A201-2017; and
- .5 Retainage withheld pursuant to Section 5.1.7.

Init.

§ 5.1.7 Retainage

§ 5.1.7.1 For each progress payment made prior to Substantial Completion of the Work, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)

Five (5 %)

§ 5.1.7.1.1 The following items are not subject to retainage:

(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)

N/A

§ 5.1.7.2 Reduction or limitation of retainage, if any, shall be as follows:

(If the retainage established in Section 5.1.7.1 is to be modified prior to Substantial Completion of the entire Work, including modifications for Substantial Completion of portions of the Work as provided in Section 3.3.2, insert provisions for such modifications.)

On any contract as described herein, of which the total amount is Two Hundred Fifty Thousand Dollars (\$250,000.00) or greater, or on any contract with a subcontractor, regardless of amount, five percent (5%) shall be retained until the work is at least fifty percent (50%) complete, on schedule and satisfactory in the architect's opinion, at which time fifty percent (50%) of the retainage held to date shall be returned to the prime contractor for distribution to the appropriate subcontractors and suppliers. Provided, however, that future retainage shall be withheld at the rate of two and one-half percent (2 1/2%)

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, upon Substantial Completion of the Work, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for Payment pursuant to this Section 5.1.7. The Application for Payment submitted at Substantial Completion shall not include retainage as follows:

(Insert any other conditions for release of retainage upon Substantial Completion.)

§ 5.1.8 If final completion of the Work is materially delayed through no fault of the Contractor, the Owner shall pay the Contractor any additional amounts in accordance with Article 9 of AIA Document A201-2017.

§ 5.1.9 Except with the Owner's prior approval, the Contractor shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

§ 5.2 Final Payment

§ 5.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Article 12 of AIA Document A201-2017, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment has been issued by the Architect.

§ 5.2.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows:

Payments are due and payable in accordance with Mississippi law, and shall be paid following approval on the next claims docket following receipt of a properly submitted invoice.

(Paragraphs deleted)

Init.

ARTICLE 6 DISPUTE RESOLUTION

§ 6.1 Initial Decision Maker

The Architect will serve as the Initial Decision Maker pursuant to Article 15 of AIA Document A201–2017, unless the parties appoint below another individual, not a party to this Agreement, to serve as the Initial Decision Maker.

(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)

§ 6.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A201–2017, the method of binding dispute resolution shall be as follows:

(Check the appropriate box.)

☐ Arbitration pursuant to Section 15.4 of AIA Document A201–2017

☒ Litigation in a court of the State of Mississippi

☐ Other *(Specify)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

ARTICLE 7 TERMINATION OR SUSPENSION

§ 7.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A201–2017.

(Paragraphs deleted)

§ 7.2 The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2017.

ARTICLE 8 MISCELLANEOUS PROVISIONS

§ 8.1 Where reference is made in this Agreement to a provision of AIA Document A201–2017 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 The Owner's representative:

(Name, address, email address, and other information)

April Stennett
Grants and Projects Director
City of Gautier
3330 Highway 90
Gautier, Mississippi 39553
Telephone Number: 228-497-1878

§ 8.3 The Contractor's representative:

(Name, address, email address, and other information)

David Rush
Managing Member

Init.

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User Notes:

(809070905)

David Rush Construction, LLC18391 Runnymede Road
Pass Christian, Mississippi 39571
Telephone Number: 228-255-1286

§ 8.4 Neither the Owner's nor the Contractor's representative shall be changed without ten days' prior notice to the other party.

§ 8.5 Insurance and Bonds

§ 8.5.1 The Owner and the Contractor shall purchase and maintain insurance as set forth in AIA Document A101™-2017, Standard Form of Agreement Between Owner and Contractor where the basis of payment is a Stipulated Sum, Exhibit A, Insurance and Bonds, and elsewhere in the Contract Documents.

§ 8.5.2 The Contractor shall provide bonds as set forth in AIA Document A101™-2017 Exhibit A, and elsewhere in the Contract Documents.

§ 8.6 Notice in electronic format, pursuant to Article 1 of AIA Document A201-2017, may be given in accordance with AIA Document E203™-2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

(If other than in accordance with AIA Document E203-2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)

§ 8.7 Other provisions:

ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS

§ 9.1 This Agreement is comprised of the following documents:

- .1 AIA Document A101™-2017, Standard Form of Agreement Between Owner and Contractor
- .2 AIA Document A101™-2017, Exhibit A, Insurance and Bonds
- .3 AIA Document A201™-2017, General Conditions of the Contract for Construction
- .4 AIA Document E203™-2013, Building Information Modeling and Digital Data Exhibit, dated as indicated below:

(Insert the date of the E203-2013 incorporated into this Agreement.)

- .5 Drawings

Number	Title	Date
See Exhibit B		

- .6 Specifications

Section	Title	Date	Pages
See Exhibit B			

- .7 Addenda, if any:

Number	Date	Pages
Addendum No. 1	Friday, October 18, 2019	21
Addendum No. 2	Monday, October 21, 2019	2
Addendum No. 3	Friday, October 25, 2019	15

Portions of Addenda relating to bidding or proposal requirements are not part of the Contract

Init.

Documents unless the bidding or proposal requirements are also enumerated in this Article 9.

.8 Other Exhibits:

(Check all boxes that apply and include appropriate information identifying the exhibit where required.)

☐ AIA Document E204™-2017, Sustainable Projects Exhibit, dated as indicated below:
(Insert the date of the E204-2017 incorporated into this Agreement.)

☐ The Sustainability Plan:

Title	Date	Pages
-------	------	-------

☒ Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
Federal Grantees	Supplemental General Conditions	September 11, 2018	
E-Verify	Immigration Status Verification	September 11, 2018	

.9 Other documents, if any, listed below:

(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201™-2017 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor's bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals, are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)

This Agreement entered into as of the day and year first written above.

OWNER (Signature)

Paula Yancey, City Manager
(Printed name and title)

CONTRACTOR (Signature)

David Rush, Managing Member
(Printed name and title)

Init.

Additions and Deletions Report for AIA® Document A101™ – 2017

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

Note: This Additions and Deletions Report is provided for information purposes only and is not incorporated into or constitute any part of the associated AIA document. This Additions and Deletions Report and its associated document were generated simultaneously by AIA software at 10:52:48 ET on 11/26/2019.

PAGE 1

City of Gautier, Mississippi
3330 Highway 90
Gautier, MS 39553

...

David Rush Construction, LLC
18391 Runnymede Rd
Pass Christian, MS 39571

...

Shepard Park Welcome Center Phase III
Gautier, MS

...

GMC, PLLC
11 North Water Street, Suite 15250
Mobile, AL 36602

PAGE 2

☒ A date set forth in a notice to proceed issued by the Owner.

PAGE 3

☒ Not later than One Hundred Eighty (180) calendar days from the date of commencement of the Work.

...

N/A

N/A

...

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be Four Hundred Ninety-Five Thousand Dollars and Zero Cents (\$ \$495,000.00), subject to additions and deductions as provided in the Contract Documents.

...

N/A

N/A

...

N/A

N/A

N/A

...

Allowance No. 1

30,500.00 included in the Contract Sum.

Allowance No. 2

7,500.00 included in the Contract Sum.

Allowance No. 3

5,000.00 included in the Contract Sum.

OH&P on All Allowances

4,300.00 included in the Contract Sum.

...

N/A

N/A

N/A

...

The General Contractor and Owner recognize that time is of the essence of this agreement and that the Owner will suffer financial loss if the work is not completed within the times specified in the Bid Form, Section 00 31 00 - 4 of 6, Length of Construction, and Article 3 of this Contract, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the Owner if the Facility is not completed on time. Accordingly, instead of requiring any such proof, Owner and General Contractor agree to liquidated damages for delay (but not as penalty). The General Contractor shall pay One Hundred Dollars and No Cents (\$100.00) per day for each day that expires after the date specified for Substantial Completion until the Facility is substantially complete. After Substantial Completion is attained, if the General Contractor shall neglect, refuse or fail to complete the remaining Work within the Contract Time, included any extension granted thereof by the Owner, the General Contractor shall pay the Owner One Hundred Dollars and No Cents (\$100.00) for each day that expires after the time specified in the Bid Form, Section 00 31 00 - 4 of 6, Length of Construction, and Article 3 of this Contract for completion and readiness for final payment until the Facility and all Work is completed and ready for Final Payment.

PAGE 4

§ 5.1.3 Provided that an Application for Payment is received by the Architect not later than the day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the day of the month. If an Application for Payment is received by the Architect after the application date fixed above, payment of the amount certified shall be made by the Owner not later than () days after the Architect receives the Application for Payment.

(Federal, state or local laws may require payment within a certain period of time.) Payments are due and payable in accordance with Mississippi law, and shall be paid following approval on the next claims docket following receipt of a properly submitted invoice.

PAGE 5

Five (5 %)

...

N/A

...

On any contract as described herein, of which the total amount is Two Hundred Fifty Thousand Dollars (\$250,000.00) or greater, or on any contract with a subcontractor, regardless of amount, five percent (5%) shall be retained until the work is at least fifty percent (50%) complete, on schedule and satisfactory in the architect's opinion, at which time fifty percent (50%) of the retainage held to date shall be returned to the prime contractor for distribution to the appropriate subcontractors and suppliers. Provided, however, that future retainage shall be withheld at the rate of two and one-half percent (2 1/2%)

...

Payments are due and payable in accordance with Mississippi law, and shall be paid following approval on the next claims docket following receipt of a properly submitted invoice.

§ 5.3 Interest

Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

(Insert rate of interest agreed upon, if any.)

—%

PAGE 6

☒ Litigation in a court of competent jurisdiction of the State of Mississippi

...

§ 7.1.1 If the Contract is terminated for the Owner's convenience in accordance with Article 14 of AIA Document A201-2017, then the Owner shall pay the Contractor a termination fee as follows:

(Insert the amount of, or method for determining, the fee, if any, payable to the Contractor following a termination for the Owner's convenience.)

...

April Stennett
Grants and Projects Director
City of Gautier
3330 Highway 90
Gautier, Mississippi 39553
Telephone Number: 228-497-1878

...

David Rush
Managing Member
David Rush Construction, LLC 18391 Runnymede Road
Pass Christian, Mississippi 39571
Telephone Number: 228-255-1286

PAGE 7

See Exhibit B

...

See Exhibit B

...

<u>Addendum No. 1</u>	<u>Friday, October 18, 2019</u>	<u>21</u>
<u>Addendum No. 2</u>	<u>Monday, October 21, 2019</u>	<u>2</u>
<u>Addendum No. 3</u>	<u>Friday, October 25, 2019</u>	<u>15</u>

PAGE 8

☒ Supplementary and other Conditions of the Contract:

...

Federal Grantees

E-Verify

Supplemental General
Conditions
Immigration Status
Verification

September 11,
2018
September 11,
2018

...

Paula Yancey, City Manager

David Rush, Managing Member

Certification of Document's Authenticity

AIA® Document D401™ – 2003

I, James R. Walker, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 10:52:48 ET on 11/26/2019 under Order No. 1831144354 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document A101™ – 2017, Standard Form of Agreement Between Owner and Contractor where the basis of payment is a Stipulated Sum, as published by the AIA in its software, other than those additions and deletions shown in the associated Additions and Deletions Report.

(Signed)

(Title)

(Dated)

AIA® Document A101™ – 2017 Exhibit A

Insurance and Bonds

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Contractor, dated the day of in the year
(In words, indicate day, month and year.)

for the following **PROJECT**:
(Name and location or address)

Shepard Park Welcome Center Phase III
Gautier, MS

THE OWNER:
(Name, legal status and address)

City of Gautier, Mississippi
3330 Highway 90
Gautier, MS 39553

THE CONTRACTOR:
(Name, legal status and address)

David Rush Construction, LLC
18391 Runnymede Rd
Pass Christian, MS 39571

TABLE OF ARTICLES

- A.1 GENERAL**
- A.2 OWNER'S INSURANCE**
- A.3 CONTRACTOR'S INSURANCE AND BONDS**
- A.4 SPECIAL TERMS AND CONDITIONS**

ARTICLE A.1 GENERAL

The Owner and Contractor shall purchase and maintain insurance, and provide bonds, as set forth in this Exhibit. As used in this Exhibit, the term General Conditions refers to AIA Document A201™–2017, General Conditions of the Contract for Construction.

ARTICLE A.2 OWNER'S INSURANCE

§ A.2.1 General

Prior to commencement of the Work, the Owner shall secure the insurance, and provide evidence of the coverage, required under this Article A.2 and, upon the Contractor's request, provide a copy of the property insurance policy or policies required by Section A.2.3. The copy of the policy or policies provided shall contain all applicable conditions, definitions, exclusions, and endorsements.

§ A.2.2 Liability Insurance

The Owner shall be responsible for purchasing and maintaining the Owner's usual general liability insurance.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Document A201™–2017, General Conditions of the Contract for Construction. Article 11 of A201™–2017 contains additional insurance provisions.

§ A.2.3 Required Property Insurance

§ A.2.3.1 Unless this obligation is placed on the Contractor pursuant to Section A.3.3.2.1, the Owner shall purchase and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, property insurance written on a builder's risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner's property insurance coverage shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained until Substantial Completion and thereafter as provided in Section A.2.3.1.3, unless otherwise provided in the Contract Documents or otherwise agreed in writing by the parties to this Agreement. This insurance shall include the interests of the Owner, Contractor, Subcontractors, and Sub-subcontractors in the Project as insureds. This insurance shall include the interests of mortgagees as loss payees.

§ A.2.3.1.1 **Causes of Loss.** The insurance required by this Section A.2.3.1 shall provide coverage for direct physical loss or damage, and shall not exclude the risks of fire, explosion, theft, vandalism, malicious mischief, collapse, earthquake, flood, or windstorm. The insurance shall also provide coverage for ensuing loss or resulting damage from error, omission, or deficiency in construction methods, design, specifications, workmanship, or materials. Sub-limits, if any, are as follows:

(Indicate below the cause of loss and any applicable sub-limit.)

Causes of Loss	Sub-Limit
----------------	-----------

§ A.2.3.1.2 **Specific Required Coverages.** The insurance required by this Section A.2.3.1 shall provide coverage for loss or damage to falsework and other temporary structures, and to building systems from testing and startup. The insurance shall also cover debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and reasonable compensation for the Architect's and Contractor's services and expenses required as a result of such insured loss, including claim preparation expenses. Sub-limits, if any, are as follows:

(Indicate below type of coverage and any applicable sub-limit for specific required coverages.)

Coverage	Sub-Limit
----------	-----------

(Paragraph deleted)

§ A.2.3.1.4 **Deductibles and Self-Insured Retentions.** If the insurance required by this Section A.2.3 is subject to deductibles or self-insured retentions, the Owner shall be responsible for all loss not covered because of such deductibles or retentions.

§ A.2.3.2 **Occupancy or Use Prior to Substantial Completion.** The Owner's occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance company or companies providing the insurance under Section A.2.3.1 have consented in writing to the continuance of coverage. The Owner and the Contractor shall take no action with respect to partial occupancy or use that would cause cancellation, lapse, or reduction of insurance, unless they agree otherwise in writing.

§ A.2.3.3 Insurance for Existing Structures

If the Work involves remodeling an existing structure or constructing an addition to an existing structure, the Owner shall purchase and maintain, until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, "all-risks" property insurance, on a replacement cost basis, protecting the existing structure against direct physical loss or damage from the causes of loss identified in Section A.2.3.1, notwithstanding the undertaking of the Work. The Owner shall be responsible for all co-insurance penalties.

§ A.2.4 Optional Extended Property Insurance.

The Owner shall purchase and maintain the insurance selected and described below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. For each type of insurance selected, indicate applicable limits of coverage or other conditions in the fill point below the selected item.)

- ☐ **§ A.2.4.1 Loss of Use, Business Interruption, and Delay in Completion Insurance**, to reimburse the Owner for loss of use of the Owner's property, or the inability to conduct normal operations due to a covered cause of loss.
- ☐ **§ A.2.4.2 Ordinance or Law Insurance**, for the reasonable and necessary costs to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of the Project.
- ☐ **§ A.2.4.3 Expediting Cost Insurance**, for the reasonable and necessary costs for the temporary repair of damage to insured property, and to expedite the permanent repair or replacement of the damaged property.
- ☐ **§ A.2.4.4 Extra Expense Insurance**, to provide reimbursement of the reasonable and necessary excess costs incurred during the period of restoration or repair of the damaged property that are over and above the total costs that would normally have been incurred during the same period of time had no loss or damage occurred.
- ☐ **§ A.2.4.5 Civil Authority Insurance**, for losses or costs arising from an order of a civil authority prohibiting access to the Project, provided such order is the direct result of physical damage covered under the required property insurance.
- ☐ **§ A.2.4.6 Ingress/Egress Insurance**, for loss due to the necessary interruption of the insured's business due to physical prevention of ingress to, or egress from, the Project as a direct result of physical damage.
- ☐ **§ A.2.4.7 Soft Costs Insurance**, to reimburse the Owner for costs due to the delay of completion of the Work, arising out of physical loss or damage covered by the required property insurance: including construction loan fees; leasing and marketing expenses; additional fees, including those of architects, engineers, consultants, attorneys and accountants, needed for the completion of the construction, repairs, or reconstruction; and carrying costs such as property taxes, building permits, additional interest on loans, realty taxes, and insurance premiums over and above normal expenses.

§ A.2.5 Other Optional Insurance.

The Owner shall purchase and maintain the insurance selected below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance.)

- ☐ **§ A.2.5.1 Cyber Security Insurance** for loss to the Owner due to data security and privacy breach,

Init.

including costs of investigating a potential or actual breach of confidential or private information.
(Indicate applicable limits of coverage or other conditions in the fill point below.)

[] § A.2.5.2 Other Insurance

(List below any other insurance coverage to be provided by the Owner and any applicable limits.)

Coverage	Limits

ARTICLE A.3 CONTRACTOR'S INSURANCE AND BONDS

§ A.3.1 General

§ A.3.1.1 Certificates of Insurance. The Contractor shall provide certificates of insurance acceptable to the Owner evidencing compliance with the requirements in this Article A.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section A.3.2.1 and Section A.3.3.1. The certificates will show the Owner as an additional insured on the Contractor's Commercial General Liability and excess or umbrella liability policy or policies.

§ A.3.1.2 Deductibles and Self-Insured Retentions. The Contractor shall disclose to the Owner any deductible or self-insured retentions applicable to any insurance required to be provided by the Contractor.

§ A.3.1.3 Additional Insured Obligations. To the fullest extent permitted by law, the Contractor shall cause the commercial general liability coverage to include (1) the Owner, the Architect, and the Architect's consultants as additional insureds for claims caused in whole or in part by the Contractor's negligent acts or omissions during the Contractor's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Contractor's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 07 04, CG 20 37 07 04, and, with respect to the Architect and the Architect's consultants, CG 20 32 07 04.

§ A.3.2 Contractor's Required Insurance Coverage

§ A.3.2.1 The Contractor shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Contractor shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

(If the Contractor is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)

§ A.3.2.2 Commercial General Liability

§ A.3.2.2.1 Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars and Zero Cents (\$ 1,000,000.00) each occurrence, Two Million Dollars and Zero Cents-- (\$ 2,000,000.00) general aggregate, and Two Million Dollars and Zero Cents (\$ 2,000,000.00) aggregate for products-completed operations hazard, providing coverage for claims including

- 1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- 2 personal injury and advertising injury;
- 3 damages because of physical damage to or destruction of tangible property, including the loss of use of such property;
- 4 bodily injury or property damage arising out of completed operations; and

Init.

.5 the Contractor's indemnity obligations under Section 3.18 of the General Conditions.

§ A.3.2.2.2 The Contractor's Commercial General Liability policy under this Section A.3.2.2 shall not contain an exclusion or restriction of coverage for the following:

- .1 Claims by one insured against another insured, if the exclusion or restriction is based solely on the fact that the claimant is an insured, and there would otherwise be coverage for the claim.
- .2 Claims for property damage to the Contractor's Work arising out of the products-completed operations hazard where the damaged Work or the Work out of which the damage arises was performed by a Subcontractor.
- .3 Claims for bodily injury other than to employees of the insured.
- .4 Claims for indemnity under Section 3.18 of the General Conditions arising out of injury to employees of the insured.
- .5 Claims or loss excluded under a prior work endorsement or other similar exclusionary language.
- .6 Claims or loss due to physical damage under a prior injury endorsement or similar exclusionary language.
- .7 Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project.
- .8 Claims related to roofing, if the Work involves roofing.
- .9 Claims related to exterior insulation finish systems (EIFS), synthetic stucco or similar exterior coatings or surfaces, if the Work involves such coatings or surfaces.
- .10 Claims related to earth subsidence or movement, where the Work involves such hazards.
- .11 Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.

§ A.3.2.3 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Contractor, with policy limits of not less than (\$) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

§ A.3.2.4 The Contractor may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella insurance policies result in the same or greater coverage as the coverages required under Section A.3.2.2 and A.3.2.3, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ A.3.2.5 Workers' Compensation at statutory limits.

§ A.3.2.6 Employers' Liability with policy limits not less than One Million Dollars and Zero Cents (\$ 1,000,000.00) each accident, One Million Dollars and Zero Cents (\$ 1,000,000.00) each employee, and One Million Dollars and Zero Cents (\$ 1,000,000.00) policy limit.

§ A.3.2.7 Jones Act, and the Longshore & Harbor Workers' Compensation Act, as required, if the Work involves hazards arising from work on or near navigable waterways, including vessels and docks

§ A.3.2.8 If the Contractor is required to furnish professional services as part of the Work, the Contractor shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than (\$) per claim and (\$) in the aggregate.

§ A.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, the Contractor shall procure Pollution Liability insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate.

§ A.3.2.10 Coverage under Sections A.3.2.8 and A.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than (\$) per claim and (\$) in the aggregate.

§ A.3.2.11 Insurance for maritime liability risks associated with the operation of a vessel, if the Work requires such activities, with policy limits of not less than (\$) per claim and (\$) in the aggregate.

§ A.3.2.12 Insurance for the use or operation of manned or unmanned aircraft, if the Work requires such activities, with policy limits of not less than (\$) per claim and (\$) in the aggregate.

§ A.3.3 Contractor's Other Insurance Coverage

§ A.3.3.1 Insurance selected and described in this Section A.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Contractor shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

(If the Contractor is required to maintain any of the types of insurance selected below for a duration other than the expiration of the period for correction of Work, state the duration.)

§ A.3.3.2 The Contractor shall purchase and maintain the following types and limits of insurance in accordance with Section A.3.3.1.

(Select the types of insurance the Contractor is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. Where policy limits are provided, include the policy limit in the appropriate fill point.)

☐ § A.3.3.2.1 Property insurance of the same type and scope satisfying the requirements identified in Section A.2.3, which, if selected in this section A.3.3.2.1, relieves the Owner of the responsibility to purchase and maintain such insurance except insurance required by Section A.2.3.1.3 and Section A.2.3.3. The Contractor shall comply with all obligations of the Owner under Section A.2.3 except to the extent provided below. The Contractor shall disclose to the Owner the amount of any deductible, and the Owner shall be responsible for losses within the deductible. Upon request, the Contractor shall provide the Owner with a copy of the property insurance policy or policies required. The Owner shall adjust and settle the loss with the insurer and be the trustee of the proceeds of the property insurance in accordance with Article 11 of the General Conditions unless otherwise set forth below:
(Where the Contractor's obligation to provide property insurance differs from the Owner's obligations as described under Section A.2.3, indicate such differences in the space below. Additionally, if a party other than the Owner will be responsible for adjusting and settling a loss with the insurer and acting as the trustee of the proceeds of property insurance in accordance with Article 11 of the General Conditions, indicate the responsible party below.)

☐ § A.3.3.2.2 Railroad Protective Liability Insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for Work within fifty (50) feet of railroad property.

☐ § A.3.3.2.3 Asbestos Abatement Liability Insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.

☐ § A.3.3.2.4 Insurance for physical damage to property while it is in storage and in transit to the construction site on an "all-risks" completed value form.

☐ § A.3.3.2.5 Property insurance on an "all-risks" completed value form, covering property owned by the Contractor and used on the Project, including scaffolding and other equipment.

☒ § A.3.3.2.6 Other Insurance
(List below any other insurance coverage to be provided by the Contractor and any applicable limits.)

Coverage	Limits
Builder's Risk Insurance	\$495,000.00

§ A.3.4 Performance Bond and Payment Bond

The Contractor shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located, as follows:

(Specify type and penal sum of bonds.)

Type	Penal Sum (\$0.00)
Payment Bond	\$495,000.00
Performance Bond	\$495,000.00

Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond, or contain provisions identical to AIA Document A312™, current as of the date of this Agreement.

ARTICLE A.4 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

Additions and Deletions Report for AIA® Document A101™ – 2017 Exhibit A

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

Note: This Additions and Deletions Report is provided for information purposes only and is not incorporated into or constitute any part of the associated AIA document. This Additions and Deletions Report and its associated document were generated simultaneously by AIA software at 10:54:08 ET on 11/26/2019.

PAGE 1

Shepard Park Welcome Center Phase III
Gautier, MS

...

City of Gautier, Mississippi
3330 Highway 90
Gautier, MS 39553

...

David Rush Construction, LLC
18391 Runnymede Rd
Pass Christian, MS 39571

PAGE 2

~~§ A.2.3.1.3 Unless the parties agree otherwise, upon Substantial Completion, the Owner shall continue the insurance required by Section A.2.3.1 or, if necessary, replace the insurance policy required under Section A.2.3.1 with property insurance written for the total value of the Project that shall remain in effect until expiration of the period for correction of the Work set forth in Section 12.2.2 of the General Conditions.~~

PAGE 4

§ A.3.2.2.1 Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than One Million Dollars and Zero Cents (\$ 1,000,000.00) each occurrence, Two Million Dollars and Zero Cents-- (\$ 2,000,000.00) general aggregate, and Two Million Dollars and Zero Cents (\$ 2,000,000.00) aggregate for products-completed operations hazard, providing coverage for claims including

PAGE 5

§ A.3.2.6 Employers' Liability with policy limits not less than One Million Dollars and Zero Cents (\$ 1,000,000.00) each accident, One Million Dollars and Zero Cents (\$ 1,000,000.00) each employee, and One Million Dollars and Zero Cents (\$ 1,000,000.00) policy limit.

PAGE 6

☒ § A.3.3.2.6 Other Insurance

PAGE 7

Builder's Risk Insurance \$495,000.00

...

Payment Bond	<u>\$495,000.00</u>
Performance Bond	<u>\$495,000.00</u>



October 30, 2019

Ms. April Stennett
Grants and Projects Director
City of Gautier
3330 Highway 90
Gautier, MS 39553

RE: Shepard Park Welcome Center Phase III
for the City of Gautier
GMC PROJECT NO.: AMOB190011

Dear Ms. Stennett:

On October 29, 2019 at 2:00 p.m. sealed proposals for Shepard Park Welcome Center Phase III were received by the City of Gautier from two qualified General Contractors at which time they were publicly opened and read. David Rush Construction, LLC is the apparent lowest responsive bidder.

After careful evaluation and review of the Contract Documents, it is our recommendation that the contract for construction be awarded to the low bidder, David Rush Construction, LLC in the amount of \$495,000.00.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

GOODWYN, MILLS & CAWOOD, INC.

A handwritten signature in blue ink, appearing to read "Chris Lunsford".

Chris Lunsford, AIA

/djh



TABULATION OF BIDS
for SHEPARD PARK WELCOME
CENTER PHASE III

October 30, 2019
AM/OB190006

Total Base Bid:

I certify that the above bids were received sealed and were publicly opened and read aloud at the time and place indicated and that this is a true and correct tabulation of all bids received for this project.

Chris Lunsford

Alabama Registration No. 6115

Sworn before me this 30th day of October, 2019.

Doris Howard

My commission expires: January 11, 2021

David Rush Construction, LLC 1831 Runnymede Road Pass Christian, MS 39571	Phoenix Construction, LLC 2190 Popps Ferry Road Biloxi, MS 39532
GC LICENSE NO.: 14565-MC	GC LICENSE NO.: 19024-MC
NOTATIONS:	NOTATIONS: -\$30,000.00
<u>ITEMS RECEIVED</u>	<u>ITEMS RECEIVED</u>
☒ PROPOSAL FORM	☒ PROPOSAL FORM
☒ BID BOND Old Republic	☒ BID BOND Granite Re, Inc.
☒ NON COLLUSION AFFIDAVIT	☒ NON COLLUSION AFFIDAVIT
☒ STATEMENT OF DEBARMENT	☒ STATEMENT OF DEBARMENT
☒ LIST OF PRIMARY SUB-CONTRACTORS	☒ LIST OF PRIMARY SUB-CONTRACTORS
☒ ADDENDUM 1	☒ ADDENDUM 1
☒ ADDENDUM 2	☒ ADDENDUM 2
☒ ADDENDUM 3	☒ ADDENDUM 3
\$	\$ \$ 560,200.00
\$ \$ 495,000.00	\$ \$ 530,200.00

Councilwoman Martin made the motion to enter into a Professional Services Agreement with Seymour Engineering, as presented, for general services. Councilman Anderson seconded the motion. The vote was carried unanimously.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 260-2019

WHEREAS, Seymour Engineering has been performing professional services to the City under an expiring agreement;

WHEREAS, the services furnished by Seymour Engineering include miscellaneous studies, field investigations, reports, reviews, design, construction phase and other assigned responsibilities to support the operation of the City; and

WHEREAS, the Mayor and Members of the Council of the City of Gautier, Mississippi, hereby find that entering the attached professional services agreement with Seymour Engineering for a new term is in the best interests of the City;

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the City is hereby authorized to enter into a professional services agreement with Seymour Engineering for professional services through June 30, 2021.

IT IS FURTHER ORDERED that this work will operate through the engineering budget Mayor and Council approved on such small items.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilwoman Martin**, seconded by **Councilman Anderson**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: April Stennett, Grants Administrator
Date: 11/25/2019
Subject: Approval of a General Services Agreement with Seymour Engineering

REQUEST:

The Grants and Projects Department requests that City Council approve the Professional Services Agreement with Seymour Engineering for general services.

BACKGROUND:

From time to time, the need arises for an engineer to look at small jobs and make recommendations as to how they can be resolved by public works. This includes drainage, ditches, culverts, and water and sewer issues. The need also arises for surveys and easements.

DISCUSSION:

The city's current general services contract with Seymour has expired, and this new agreement would last through June 30, 2021. This contract would enable the City Manager to ask for engineering assistance on small jobs as needed. The City Manager will operate within the engineering budget the Council approved on such small items.

RECOMMENDATION:

The Grants and Projects Department recommends that City Council approve the Professional Services Agreement between the City of Gautier and Seymour Engineering.

The City Council may:

- 1) Approve the Professional Services Agreement between the City of Gautier and Seymour Engineering; or
- 2) Not approve the Professional Services Agreement between the City of Gautier and Seymour Engineering.

ATTACHMENTS:

**AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN CITY OF GAUTIER AND
SEYMOUR ENGINEERING, PLLC**

The AGREEMENT made this ____ day of _____, 2019, by City of Gautier, hereinafter referred to as the OWNER, and Seymour Engineering, PLLC, hereinafter referred to as ENGINEER, WITNESSETH, that the parties hereto mutually agree as follows:

WHEREAS, the OWNER selected ENGINEER as the City Engineer to furnish miscellaneous studies, field investigations, reports, reviews, design, construction phase and other assigned responsibilities to support the OWNER in the municipal operation of the City, hereinafter referred to as PROFESSIONAL Services; and

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

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

PURPOSE

The purpose of this AGREEMENT is to establish the ENGINEER's scope of services and payment provisions for the PROFESSIONAL SERVICES.

ARTICLE I - ENGINEER'S RESPONSIBILITIES

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

ARTICLE II - ENGINEER'S RESPONSIBILITIES

1. The ENGINEER shall have sole responsibility for and furnish all necessary labor, direct and indirect cost to perform and complete the PROFESSIONAL SERVICES which may be requested by the OWNER.

ARTICLE III - PERIOD OF SERVICES

1. The period of services shall be thru June 30, 2021.

ARTICLE IV - COMPENSATION

1. As consideration for providing the services enumerated in the AGREEMENT, the OWNER shall pay the ENGINEER at the Standard Hourly Rates (including reimbursable) as shown in Exhibit A attached to this AGREEMENT.
2. The ENGINEER shall submit invoices to the OWNER once per month during the progress of the work. Such invoices shall be reviewed and approved by the OWNER for reimbursement. Payment will be made to the ENGINEER within 30 days following receipt of the invoice.

ARTICLE V - LEGAL RELATIONS

1. The ENGINEER shall comply with all federal, state, and local laws, regulations, and ordinances applicable to the work to be done under this AGREEMENT.
2. The ENGINEER shall maintain throughout the Period of Services defined in Article III of this AGREEMENT the following coverage.
 - 2.1 Professional errors and omissions coverage with a limit of \$1,000,000.00 per occurrence.
 - 2.2 Workmen's Compensation and Employer's Liability Insurance and any other insurance coverage as may be required by law in the State of Mississippi.
 - 2.3 Comprehensive Automobile and Vehicle Liability Insurance. This insurance shall be written in comprehensive form and shall protect the OWNER against claims for injuries to members of the public and/or damage to property of others arising from ENGINEER's use of motor vehicles or any other equipment and shall cover operation with respect to operations under this AGREEMENT. The limits of liability shall not be less than the following:

Bodily Injury	\$500,000.00 each person \$500,000.00 each occurrence
Property Damage	\$500,000.00 each occurrence
 - 2.4 Comprehensive General Liability:

This insurance shall be written in comprehensive form including OWNERS' protective products and operations insurance and shall protect the OWNER against claims arising out of any act, or omission to act, of the ENGINEER or any of its agents, employees or subcontractors.

The limits of liability shall not be less than the following:

Bodily and Personal Injury	\$300,000.00 each person \$1,000,000.00 each occurrence
Property Damage	\$500,000.00 each occurrence \$500,000.00 aggregate
 - 2.5 The insurance coverage specified above shall constitute minimum requirements.

3. Insurance furnished in compliance with the above must be with an insurance company either authorized to do business in the State of Mississippi, or said policy shall be registered and delivered in accordance with the insurance laws of the State of Mississippi.
4. ENGINEER agrees to indemnify owner for any and all claims, damages, legal fees and expenses incurred arising out of or caused by any acts or omissions of ENGINEERS, its agents and employees under the AGREEMENT.
5. ENGINEER shall be construed to be an independent consultant.

ARTICLE VI - CHANGES, AMENDMENTS

1. This AGREEMENT may be amended as mutually deemed necessary by the ENGINEER and the OWNER, such amendments shall be made a part of the AGREEMENT.
2. Nothing in this AGREEMENT shall preclude the ENGINEER and the OWNER from clarifying, adding to, or reducing the scope of the AGREEMENT.

ARTICLE VII - MISCELLANEOUS

All work under this AGREEMENT shall be performed in accordance with generally accepted professional standards, and shall be subject to inspection and acceptance of the OWNER. The ENGINEER shall be responsible for the technical adequacy of his work.

This AGREEMENT (consisting of Pages 1 to 3 inclusive) together with the Exhibits identified herein constitute the entire AGREEMENT between the OWNER and ENGINEER and supersede all prior written or oral understandings. This AGREEMENT and said Exhibits may only be amended, supplemented, modified or canceled by a duly executed written instrument.

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

ACCEPTED FOR OWNER:

CITY OF GAUTIER

ATTEST

ACCEPTED FOR ENGINEER:

SEYMOUR ENGINEERING, PLLC

ATTEST

EXHIBIT A

SEYMOUR ENGINEERING STANDARD HOURLY RATES

PRINCIPAL ENGINEER (P.E.)	\$175.00/HOUR
SENIOR STRUCTURAL/CIVIL ENGINEER (P.E.)	\$150.00/HOUR
ENGINEER (P.E.)	\$140.00/HOUR
PROJECT MANAGER	\$125.00/HOUR
ENGINEER (E.I.T.)	\$100.00/HOUR
ENVIRONMENTAL SCIENTIST.....	\$ 95.00/HOUR
SENIOR ENGINEERING TECHNICIAN.....	\$ 85.00/HOUR
TECHNICIAN/INSPECTOR	\$ 75.00/HOUR
DESIGN/CADD TECHNICIAN.....	\$ 75.00/HOUR
DRAFTSMAN (CADD)	\$ 65.00/HOUR
ADMINISTRATIVE ASSISTANT/SPECIFICATIONS TECHNICIAN	\$ 50.00/HOUR
CLERICAL	\$ 40.00/HOUR
SURVEY TECHNICIAN (P.L.S.)	\$ 85.00/HOUR
PARTY CHIEF	\$ 70.00/HOUR
SURVEY ASSISTANT	\$ 60.00/HOUR
SURVEY CREW (TWO-MAN).....	\$125.00/HOUR
SURVEY CREW (THREE-MAN)	\$145.00/HOUR
SURVEY CREW (GLOBAL POSITIONING SYSTEM).....	\$145.00/HOUR
HYDROGRAPHIC SURVEY CREW.....	\$150.00/HOUR

REIMBURSABLE

Travel, lodging, shipping and reproduction costs shall be reimbursable expenses billed to the project.

Councilman Vaughan made the motion to approve Change Order No. 2 for the City Park Fitness Trail, as presented. Councilwoman Martin seconded the motion. The vote was carried unanimously.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 261-2019

WHEREAS, the City of Gautier has awarded and executed a contract with Advanced Construction and Development, LLC, to construct the City Park Fitness Trail; and

WHEREAS, Seymour Engineering is providing surveying, engineering plans and specifications, and construction phase services (bidding and construction administration) for the City Park Fitness Trail; and

WHEREAS, Change Order No. 2 would add a stone pad for additional exercise equipment, install five additional drainage pipes to the fitness trail, and add 100 days to the contract due to site conditions, additional scope, and weather; and

WHEREAS, the cost of Change Order No. 2 is \$8,793 and will increase the contract sum from \$156,083 to \$164,876; and

WHEREAS, this project is being funded through Tidelands and the general obligation bond; and

WHEREAS, Seymour Engineering has reviewed the change order and recommends approval;

WHEREAS, it is in the best interest of the City of Gautier to approve the change order; and

WHEREAS, the Mayor and Council Members find, consistent with fact, that this change order is necessary and incidental to the completion of the work as originally bid, is commercially reasonable, is not made to circumvent the public purchasing statutes, and that the increase in costs is reasonable;

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that Change Order No.2 for the City Park Fitness Trail Project is hereby approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilman Vaughan**, seconded by **Councilwoman Martin**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: April Stennett, Grants Administrator
Date: 11/25/2019
Subject: City Park Fitness Trail — Change Order No. 2

REQUEST:

The Grants and Projects Department requests that City Council approve Change Order No. 2 for the City Park Fitness Trail project.

BACKGROUND:

This project includes a half-mile asphalt trail with outdoor exercise/fitness modules, exercise instructions, trail signage and a small parking area in the undeveloped portion of City Park, east of current amenities. The trail will also tie into the senior center parking area and back side of the playground.

Seymour Engineering is providing surveying, engineering plans and specifications, and construction phase services (bidding and construction administration) for the City Park Fitness Trail. Advanced Construction and Development, LLC received the contract to construct the trail

DISCUSSION:

Change Order No. 2 would add a stone pad for additional exercise equipment, concrete footings for select equipment, and install five additional drainage pipes to the fitness trail. This change order would also add 100 days to the contract (delays due to weather, site conditions and additional scope).

The cost of this change order is \$8,793. The contract sum will be increased from \$156,083 to \$164,876.

Seymour Engineering has reviewed the change order and recommends approval. This project is being funded through Tidelands and the general obligation bond.

RECOMMENDATION:

The Grants and Projects Department recommends that City Council approve Change Order No. 2 for the City Park Fitness Trail project.

The City Council may:

- 1) Approve Change Order No. 2 as presented; or
- 2) Not approve Change Order No. 2 as presented.

ATTACHMENTS:

CHANGE ORDER

OWNER:

The City of Gautier
3330 U.S.-90
Gautier, MS 39553

CHANGE ORDER NO.**2****DATE:** November 25, 2019**CONTRACTOR:**

Advanced Construction and Development, LLC
619 Hillside Drive
Biloxi, MS 39532

ENGINEER: Seymour Engineering, PLLC**PROJECT:** City Park Nature Trail,
Gautier, Mississippi

SUMMARY:

This change order serves to increase the contract amount and increase the contract time.

The following Items have been added to the Contractor's scope of work:

- Construct a #57 stone pad (24'Wx21'L) for the City's fitness equipment. This includes all incidental work needed such as select fill, fabric, grassing, border, etc. (see attached Fitness Equipment Pad layout).
- Construct the concrete footings needed to support the fitness equipment selected by the City being the Chest Press, Elliptical Machine, Leg Press, Rowing Machine, Ski Walker, and Two-Sided Rotator, all of which are distributed by *Outdoor Fitness, Inc.* (see attached equipment footing requirements).
- Insall five (5) additional drainage pipes in various locations (see attached site layout map with new pipe crossing locations) and grade accordingly to said pipes which includes demo of asphalt, piping, new asphalt, or any other work associated with the installation.

The addition of these items to the Contract will increase the contract amount by \$8,793.00.

Given the additional scope, rain delays, site conditions due to rain, and to allow the asphalt paving of the parking area to be performed by others, the Contract Time will need to be extended by 100 days.

THE CONTRACT AMOUNT IS AS SHOWN ON THE NEXT PAGE:

THE CONTRACT IS AMENDED AS SHOWN BELOW:

(Not valid until executed by the Owner, Engineer, and Contractor)

The original Contract Sum:	\$177,000.00
Net Change by previously authorized Change Orders:	(\$20,917.00)
The Contract Sum prior to this Change Order was:	\$156,083.00
The Contract Sum will now Change (+):	\$8,793.00
The New Contract Sum including this Change Order will be:	\$164,876.00

The original Contract Time:	3/25/2019
Net Change by previously authorized Change Orders:	50
The Date of Substantial Completion prior to this Change Order:	9/11/2019
The Contract Time will now Change by (+) days:	100
The New Date of Substantial Completion will be:	12/20/2019

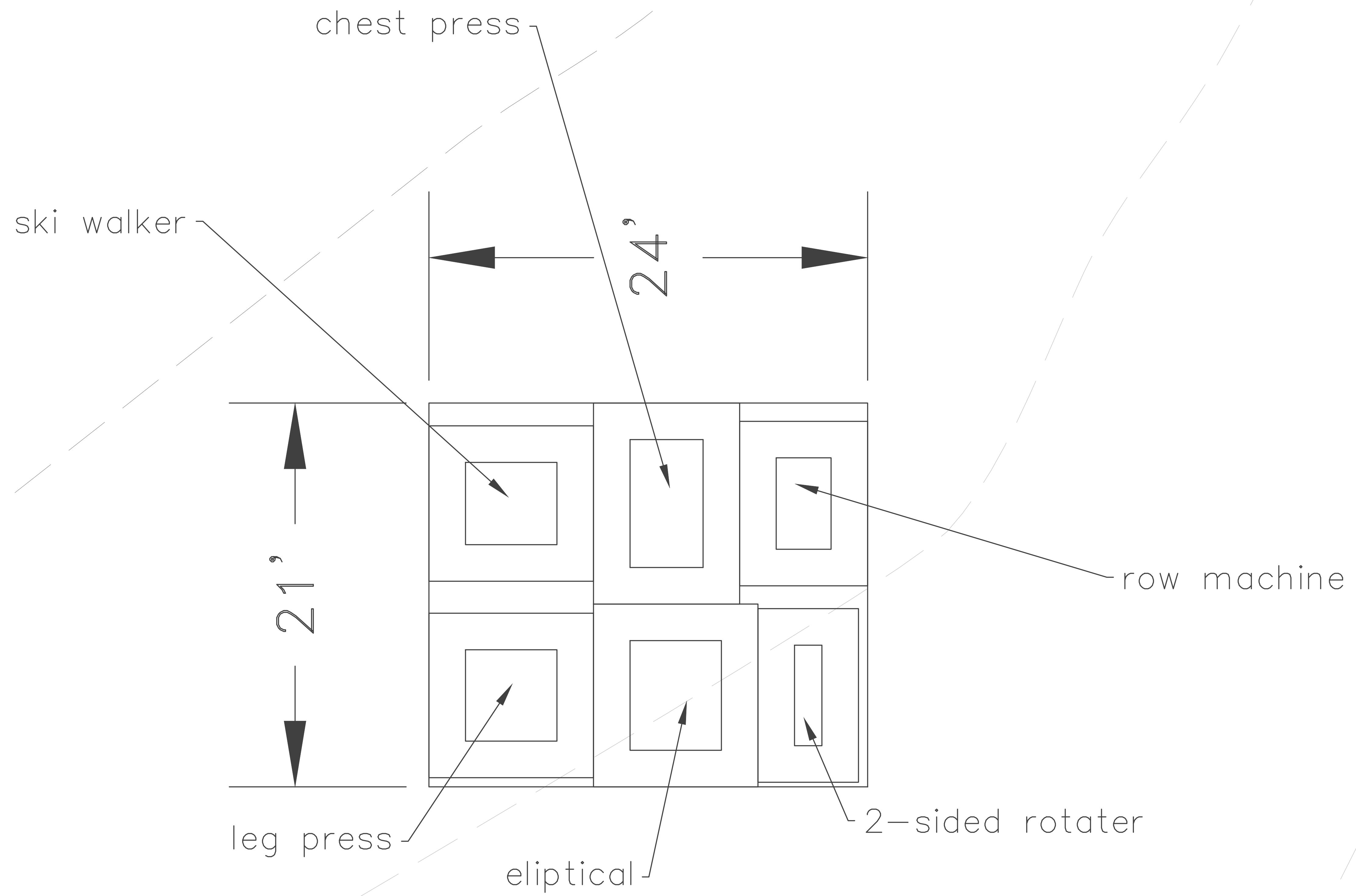
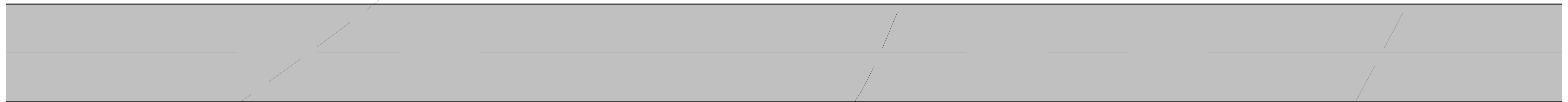
CONTRACTOR:

ENGINEER:

OWNER:

By: _____ By:  By: _____

Date: _____ Date: 11/25/2019 Date: _____



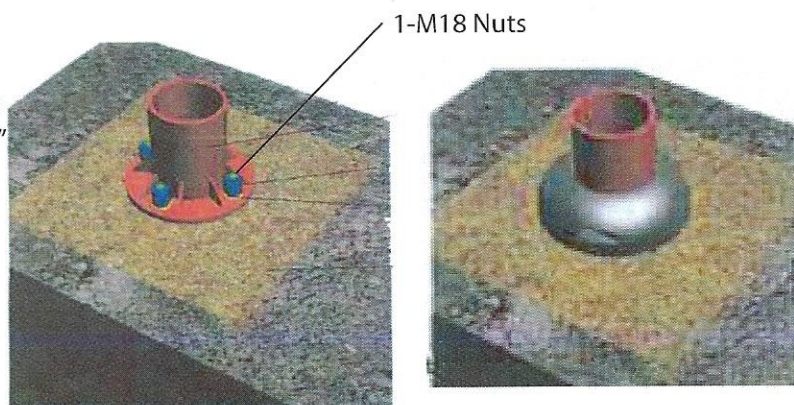
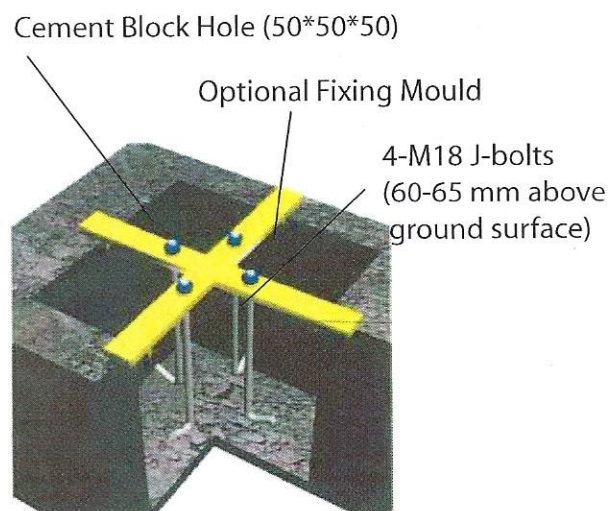
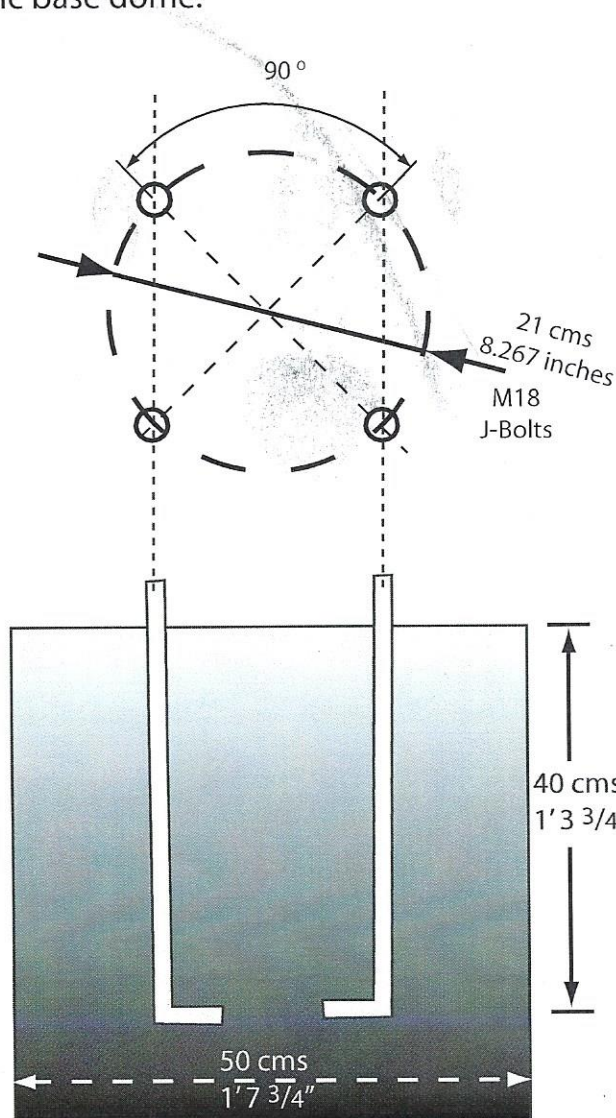
CHEST PRESS DOUBLE

OUTDOOR FITNESS

Installation Diagram

(877) 517-2200 or (719) 488-3812
support@outdoor-fitness.com

- Excavate a hole measuring 50*50*50 cms (1'7 ³/₄") as per the drawing.
- First pour cement into the hole to form a cement layer of 100 mm. Installer should create a template based on the position of the holes on the equipment, then position the J-bolts with the do-it-yourself fixing mould and put the bolts into the hole. (Refer to the diagram below).
- Pour concrete into the hole assuring that bolts are perpendicular to and 6.0 - 6.5 centimeters (2 ¹/₂") above the ground surface. After pouring, double check the position of the anchor bolts against the actual positioning the equipment and make sure the concrete surface is very flat. Allow concrete to set for 24 hours prior to permanently placing the equipment.
- When the concrete is hardened; fasten the equipment to the J-bolts with 4 M18 nuts together with M18 spacers, as illustrated. After installation, check the perpendicularity of the equipment to ground surface with tolerance less than 1/100. Cover the Anchor bolts with plastic base dome.

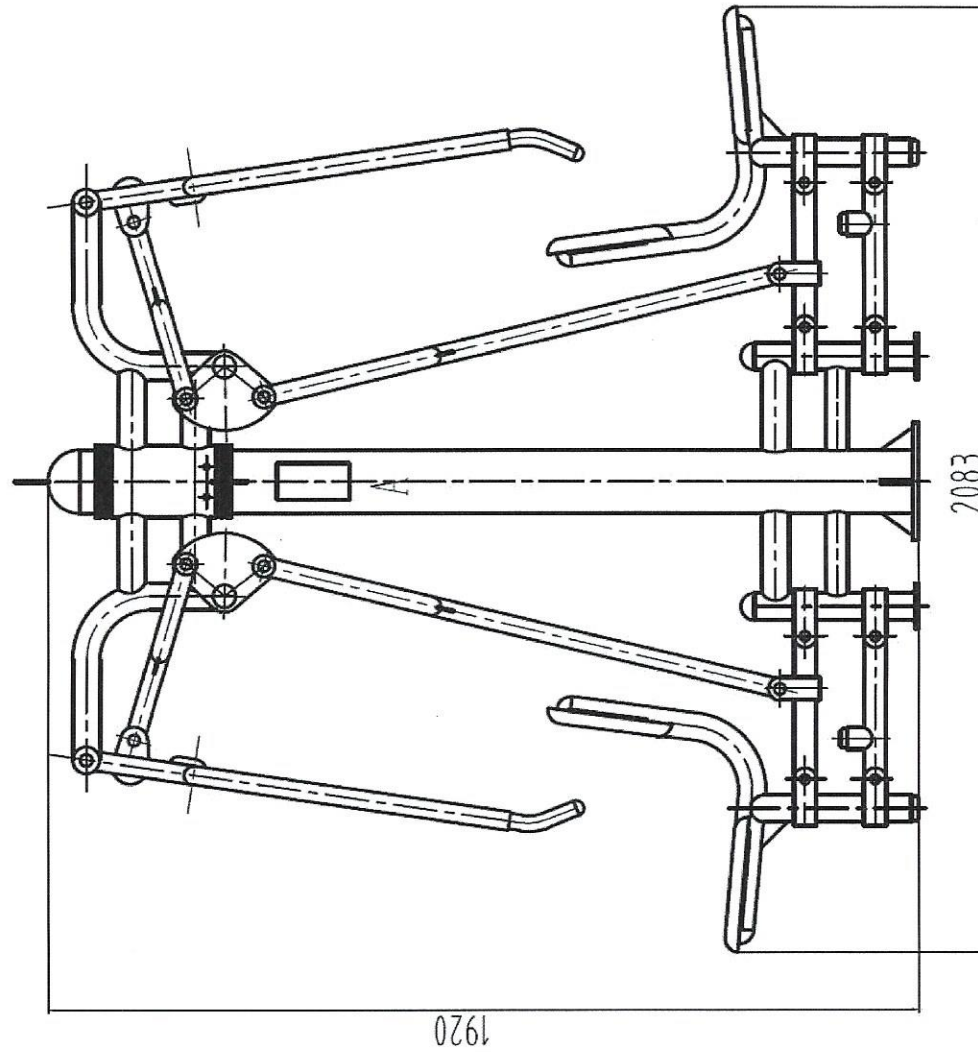
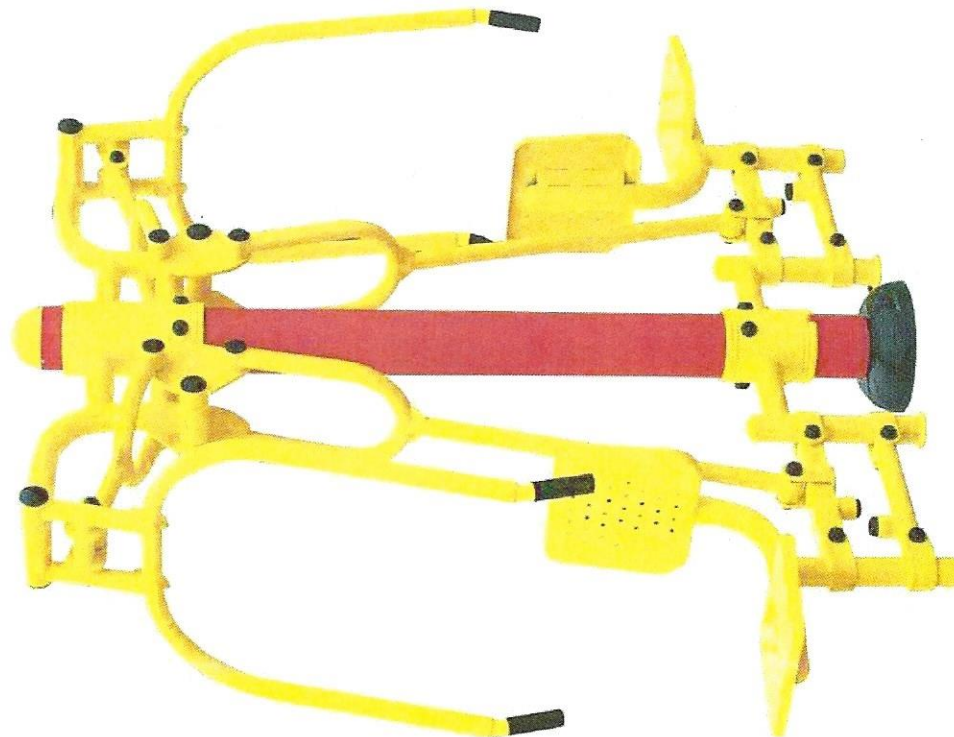


CHEST PRESS (Pg2)

Installation Diagram

OUTDOOR FITNESS

(877) 517-2200 or (719) 488-3812
support@outdoor-fitness.com

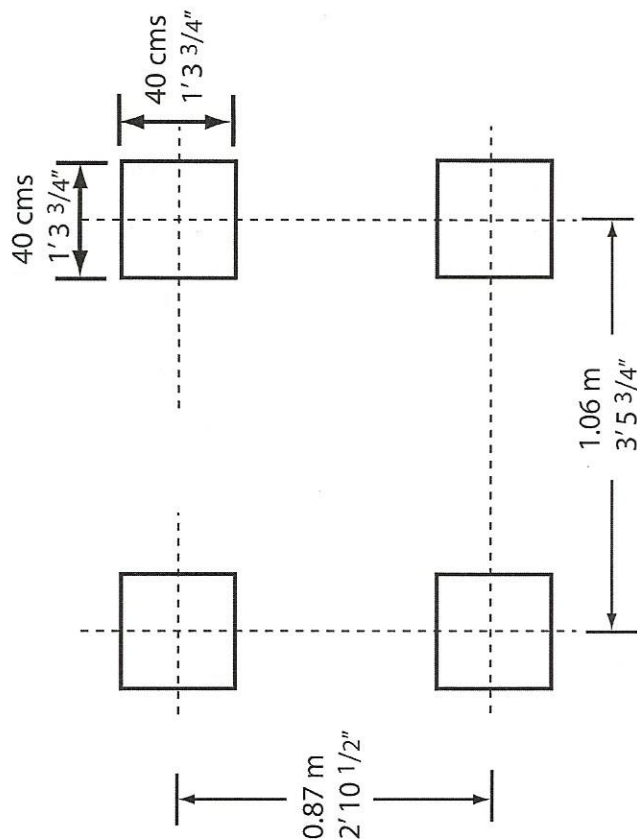


SKI WALKER

Installation Diagram

OUTDOOR FITNESS

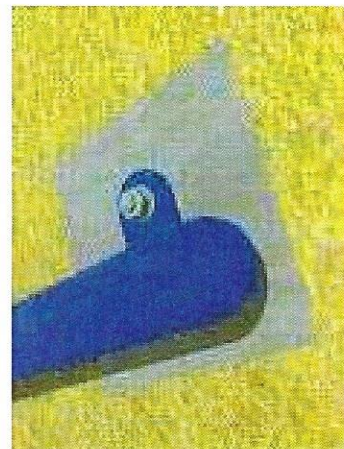
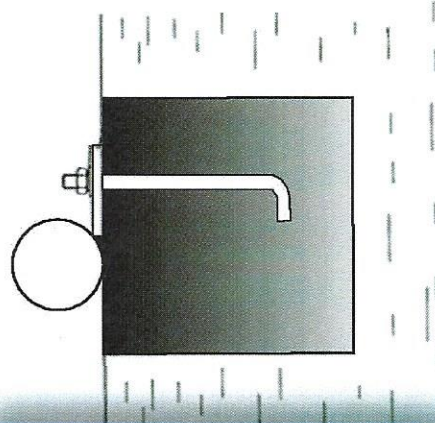
(877) 517-2200 or (719) 488-3812
support@outdoor-fitness.com



Instructions:

Excavate 4 holes measuring 40*40*40 centimeters (1' 3 3/4") as per the drawing .

Attach anchor bolts to the equipment. Place in hole using equipment as template for positioning the anchor bolts. Pour cement into the hole to form a cement layer and firmly hold the anchor bolts. Remove equipment as cement dries, allowing up to 24 hours. When the concrete is hardened, put the equipment on the surface of the cement using bolts to fix in place.

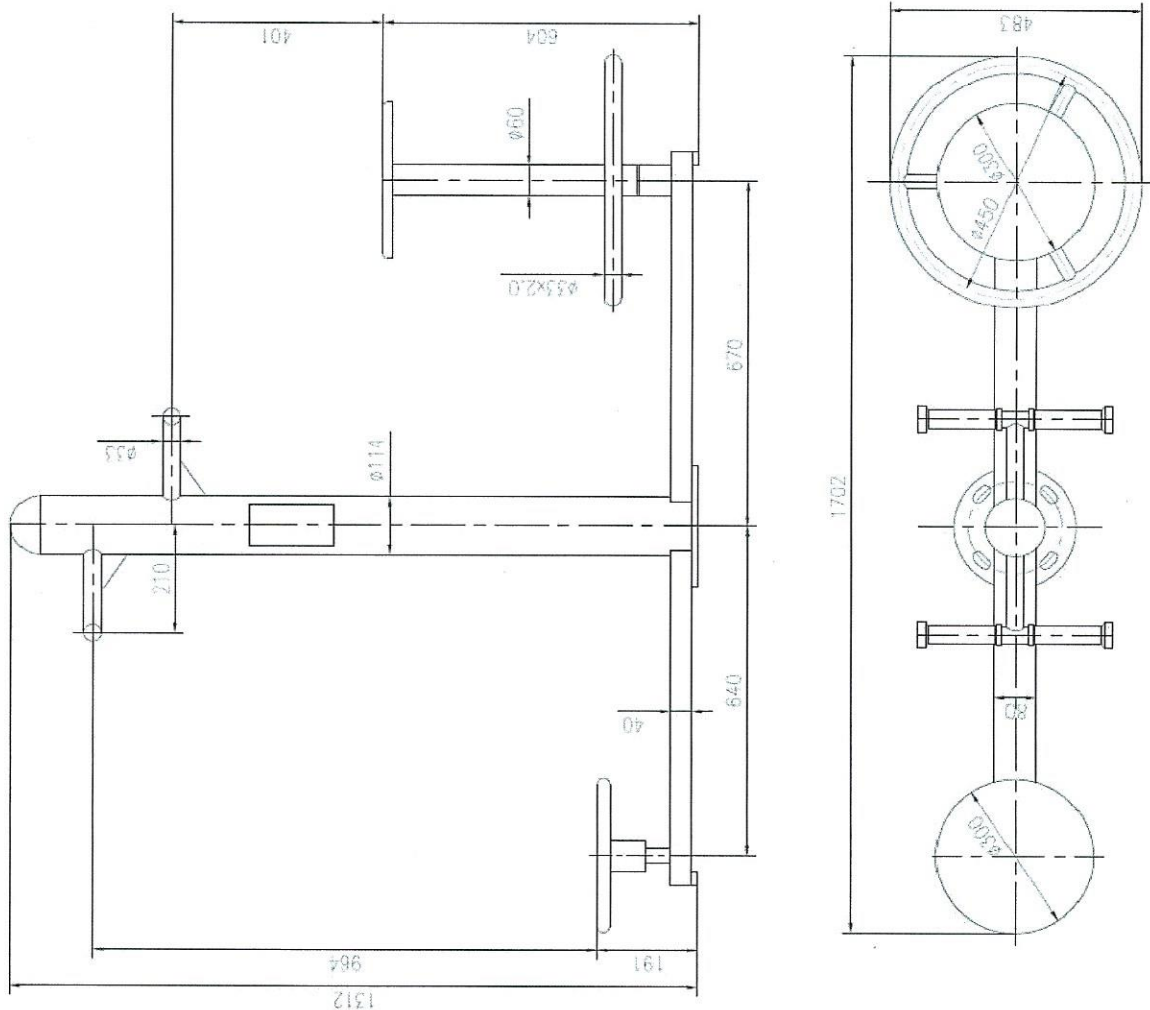


TWO-SIDED ROTATOR

Installation Drawing

OUTDOOR FITNESS

(877) 517-2200 or (719) 488-3812



Dimensions (installed)

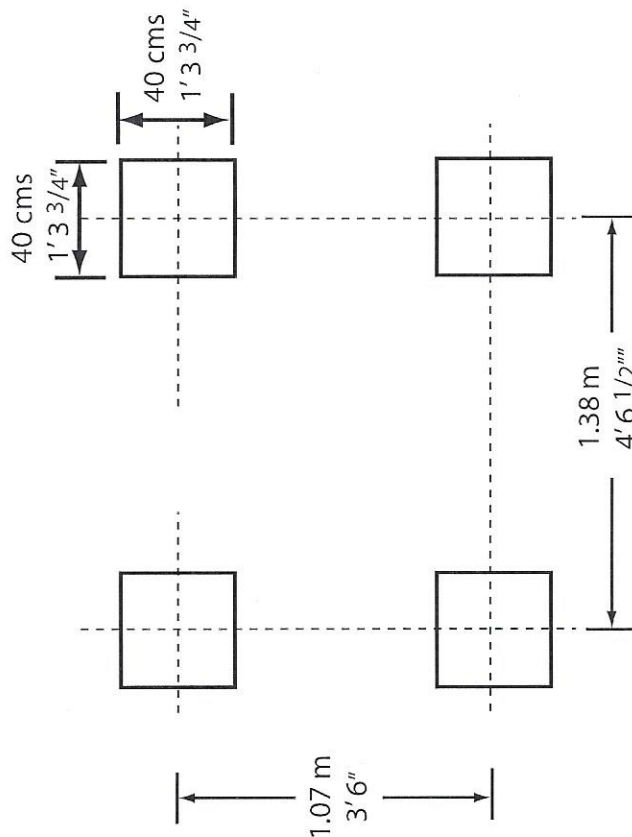
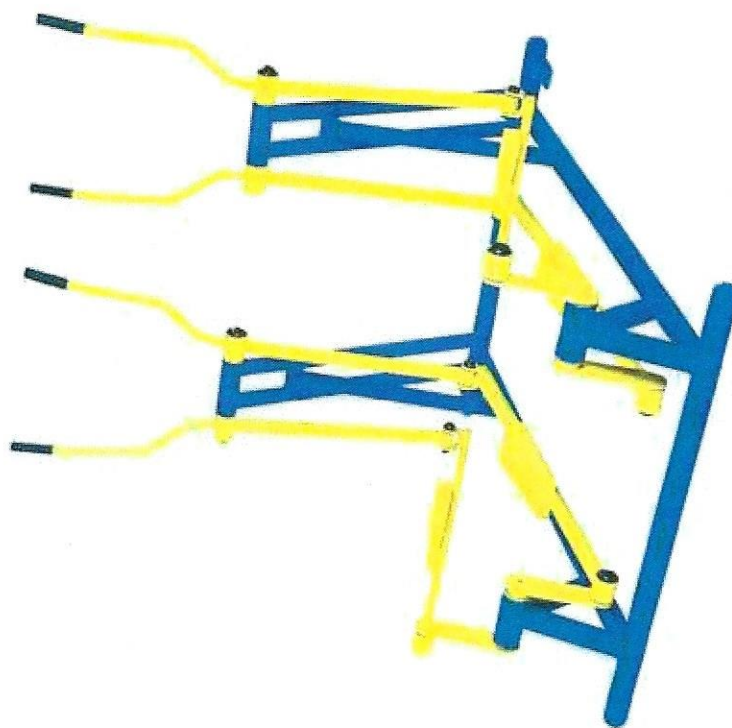
Length	1.7 m	5' 7 1/4"
Width	0.48 m	1' 7"
Height	1.31 m	4' 4"

ELLIPTICAL MACHINE DOUBLE

OUTDOOR FITNESS

Installation Diagram

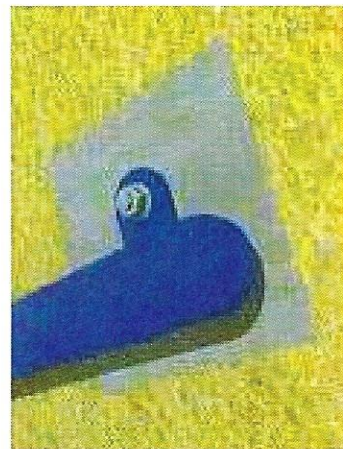
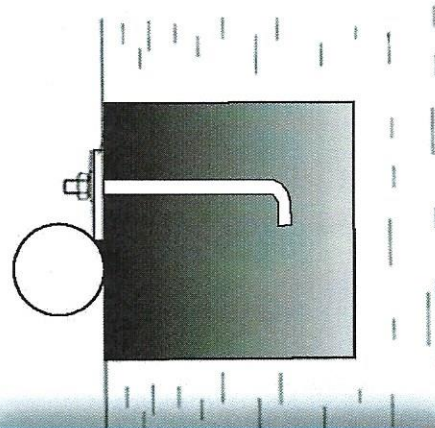
(877) 517-2200 or (719) 488-3812
support@outdoor-fitness.com



Instructions:

Excavate 4 holes measuring 40*40*40 centimeters (1'3 3/4") as per the drawing .

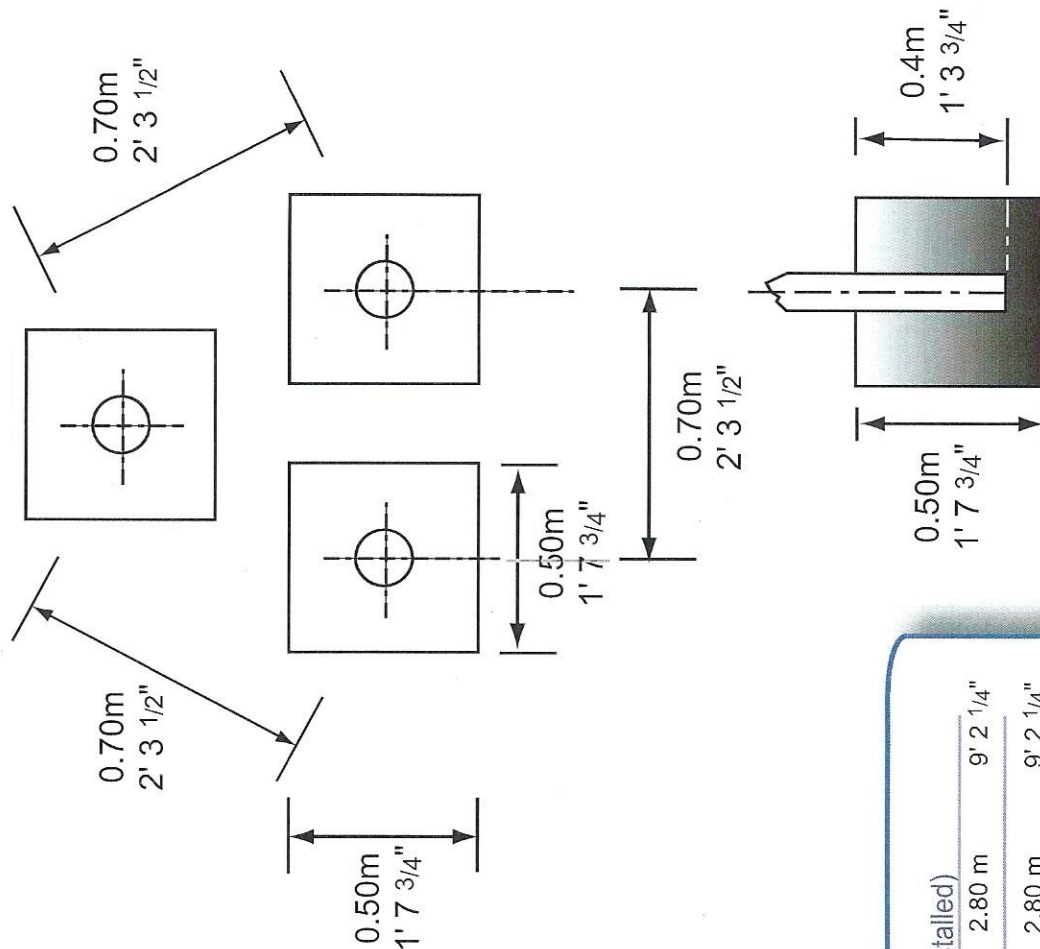
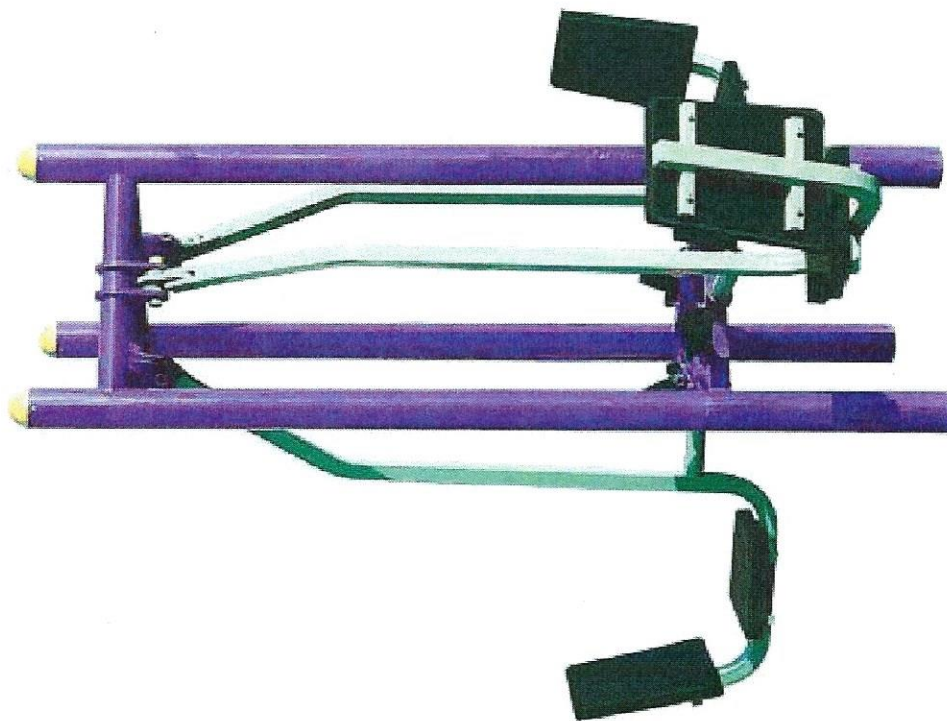
Attach anchor bolts to the equipment. Place in hole using equipment as template for positioning the anchor bolts. Pour cement into the hole to form a cement layer and firmly hold the anchor bolts. Remove equipment as cement dries, allowing more than 24 hours. When the concrete is hardened, put the equipment on the surface of the cement using bolts to fix in place.



LEG PRESS

OUTDOOR FITNESS

Installation Support
(877) 517-2200 or (719) 488-3812
support@outdoor-fitness.com



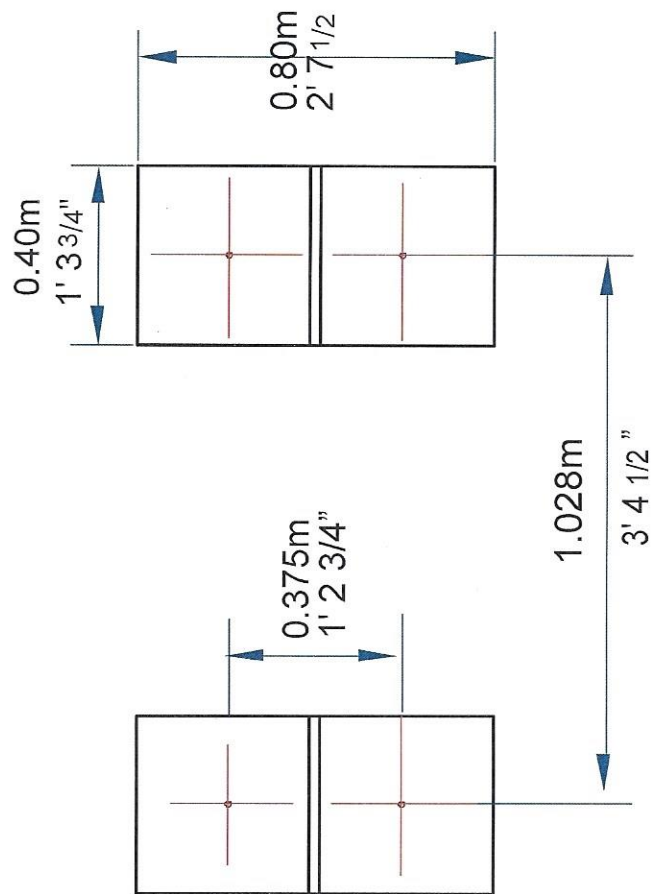
Weight		Dimensions (installed)	
Net Weight	202.0 kgs.	445.3 lbs.	Length 2.80 m 9' 2 1/4"
Ship Weight	211.0 kgs.	465.2 lbs.	Width 2.80 m 9' 2 1/4"
			Height* 2.50 m 8' 2 1/2"

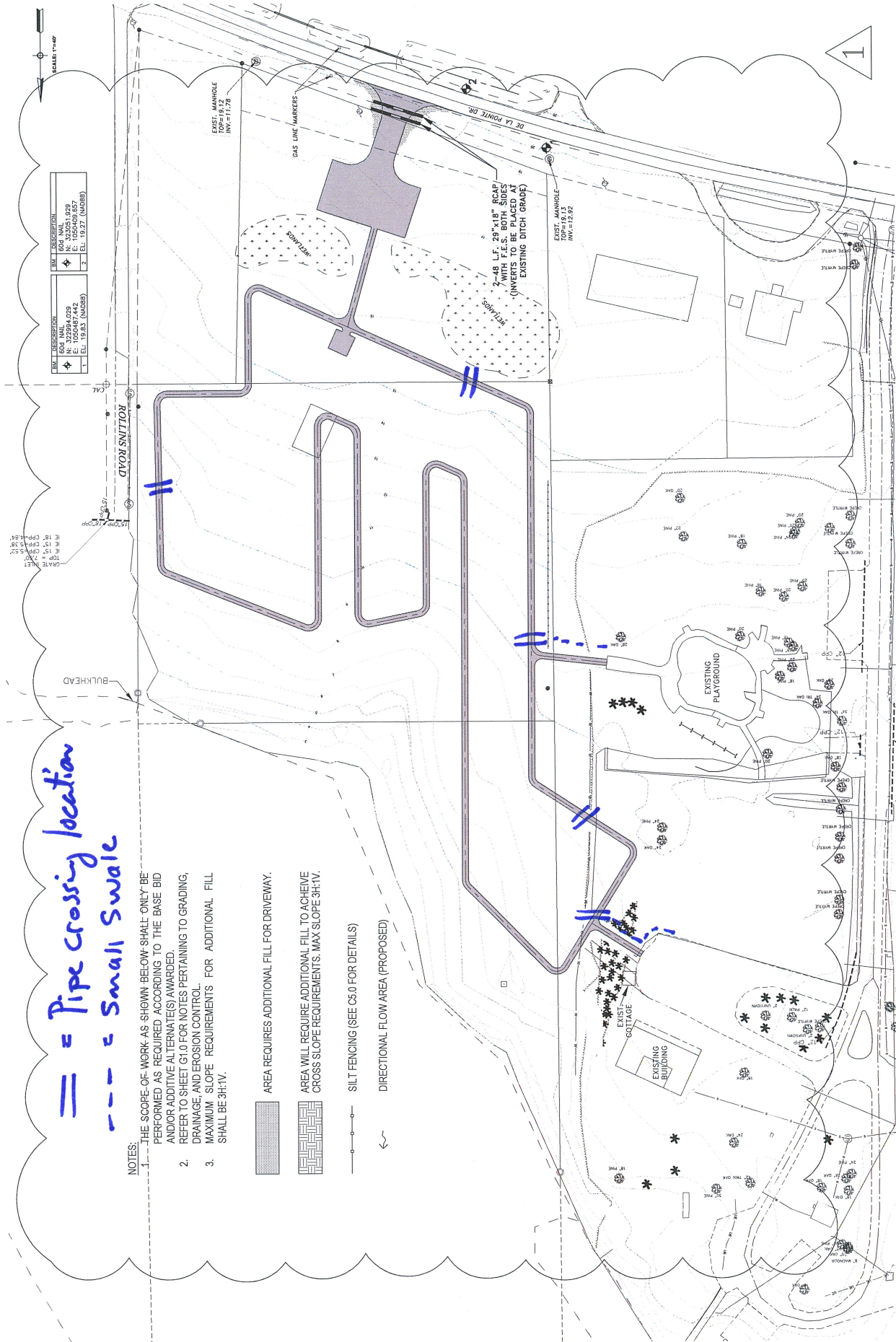
ROWING MACHINE

OUTDOOR FITNESS

Installation Drawing

(877) 517-2200 or (719) 488-3812
support@outdoor-fitness.com





Councilman Colledge made the motion to award the contract for video inspection and flow monitoring services to Suncoast Infrastructure, Inc., for the Old Spanish Trail/ Gautier Vancleave Road Sewer Improvements Project, as presented. Councilman Vaughan seconded the motion. The vote was carried unanimously.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 262-2019

WHEREAS, the City of Gautier has requested bids for the video inspection and flow monitoring services in connection with Old Spanish Trail/Gautier Vancleave Road sewer improvements project (RESTORE); and

WHEREAS, sealed bids for this project were received from four contractors and were opened on November 21, 2019; and

WHEREAS, the lowest and best bidder was Suncoast Infrastructure, Inc., with a bid of \$146,340.00; and

WHEREAS, the proper proposal documentation, including bid bond, is in order as required by the contract documents; and

WHEREAS, Seymour Engineering has checked the bids and recommends approval; and

WHEREAS, the Mayor and Members of Council find that it is in the best interests of the City to accept bids and authorize the award and execution of the contract with Suncoast Infrastructure, Inc. for the Old Spanish Trail/Gautier Vancleave Road Sewer Improvements Project (RESTORE) in the amount of \$146,340.00; and

WHEREAS, the Mayor and Council Members hereby find that Suncoast Infrastructure, Inc. has submitted the lowest and best bid; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the award and execution of a contract with Suncoast Infrastructure, Inc., for the Old Spanish Trail/Gautier Vancleave Road Sewer Improvements Project (RESTORE) is hereby authorized and approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilman Colledge**, seconded by **Councilman Vaughan**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

PASSED AND ADOPTED by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: April Stennett, Grants Administrator
Date: 11/25/2019
Subject: Authorization to Acknowledge Bids and Award Contract for Video Inspection and Flow Monitoring Services for the Old Spanish Trail/Gautier Vancleave Road Sewer Improvements Project

REQUEST:

The Grants and Projects Department requests that City Council acknowledge receipt of four bids for video inspection and flow monitoring services in connection to the Old Spanish Trail/Gautier Vancleave Road sewer improvements project (RESTORE) and award a contract to the low bidder, Suncoast Infrastructure, Inc.

BACKGROUND:

The City of Gautier has been awarded a \$2.3 million grant by the Mississippi Department of Environmental Quality as part of the Mississippi Gulf Coast Water Quality Improvement Program. The city will install a new sanitary sewer system consisting of gravity lines, force mains, and a lift station to transport the sewer to the existing wastewater treatment plant. The new lines will be installed along Old Spanish Trail and Gautier Vancleave Road.

DISCUSSION:

Four bids for this project were received and opened Nov. 21, 2019. The bidders were Gulf Coast Underground, LLC, R.S. Allen Construction, Inc., Smith Industrial Services, Inc., and Suncoast Infrastructure, Inc. The low bidder was Suncoast Infrastructure, Inc., with a bid of \$146,340.

Seymour Engineering has checked the bids and recommends approval.

RECOMMENDATION:

The Grants and Projects Department recommends that City Council acknowledge receipt of four bids for video inspection and flow monitoring services in connection to the Old Spanish Trail/Gautier Vancleave Road sewer improvements project (RESTORE) and award a contract to the low bidder, Suncoast Infrastructure, Inc.

The City Council may:

- 1) Acknowledge the bids and award a contract to the low bidder, as presented; or
- 2) Not acknowledge the bids and not award a contract to the low bidder as presented.

ATTACHMENTS:

SUPPLEMENTARY CONDITIONS
OF THE
CONSTRUCTION CONTRACT

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SUPPLEMENTARY CONDITIONS

Prepared for the City of Gautier

GENERAL

These Supplementary Conditions amend or supplement the Standard General Conditions of the Construction Contract (No. C-700, 2007 Edition) and other provisions of the Contract Documents as indicated below. All provisions that are not so amended or supplemented remain in full force and effect.

The terms used in these Supplementary Conditions have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the same meanings stated below, which are applicable to both the singular and plural thereof.

The Contractor's attention is directed to Division 1, GENERAL REQUIREMENTS, which contains other directions pertinent to the project.

SPECIFIC COMMENTS

ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

SC-1.01.A.19. *Engineer* -- ADD the following language at the end of the last sentence in Paragraph 1.01.A.19:

Wherever in these Contract Documents the word "Engineer" or "E/A" or "A/E" appears, it shall be understood to mean the Engineer, Seymour Engineering, PLLC, and their authorized representatives, acting either directly or indirectly as authorized agents of the Owner.

SC-1.01.A.29. *Owner* -- ADD the following language at the end of the last sentence in Paragraph 1.01.A.29:

Whenever in these Contract Documents the word "Owner" appears, it shall be understood to mean the City of Gautier acting by and through their official minutes, and their authorized representatives.

SC-1.01.A.44. *Substantial Completion* – AMEND the language in the first sentence of Paragraph 1.01.A.44 to read as follows:

CHANGE the language from “in the opinion of Engineer,” to “in the opinion of the Engineer and Owner,”

ARTICLE 2 – PRELIMINARY MATTERS

SC-2.01.B *Evidence of Insurance* DELETE Paragraphs and 2.01.B in its entirety and INSERT the following in its place:

B. Before any Work at the Site is started, Contractor shall deliver to Owner, with copies to each additional insured identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance which either of them or any additional insured may reasonably request) .which Contractor is required to purchase and maintain in accordance with Article 5.

SC-2.02 *Copies of Documents* AMEND the language in the first sentence in Paragraph 2.02.A to read as follows:

CHANGE the language from “up to ten” to “up to three unless otherwise noted in Article 4”.

SC-2.03 *Commencement of Contract Times; Notice to Proceed* DELETE the last sentence in its entirety.

SC-2.06.B *Preconstruction Conference; Designation of Authorized Representative* AMEND the language in the second sentence in Paragraph 2.06.B to read as follows:

“Contractor’s representative shall have the authority to transmit instructions, receive information, render decisions relative to the Contract, and otherwise act on behalf of Contractor. Owner’s representative is authorized to act as a liaison with respect to the Project.”

SC-2.07 Initial Acceptance of Schedules ADD the following new language at the end of Paragraph 2.07.A.2:

The requirements for specification Section 01300 - Submittals During Construction shall also be met prior to accepting the Schedule of Submittals.

SC-2.08 Narrative Report Outline ADD the following new paragraph immediately following Paragraph 2.07:

SC-2.08 A narrative report as outlined in Specification section 01311 shall be required and shall accompany all Payment Applications prior to approval.

ARTICLE 3 – CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE

SC-3.03.A Reporting Discrepancies Add this sentence to the end of Paragraph 3.03A.1:

1. Even though Contractor is required to notify Engineer as to possible quantity differences, there shall be no price adjustment given to the Contractor as a result of any variation between the estimated quantities and the actual quantities necessary to complete the required work.

SC-3.03.B Resolving Discrepancies ADD the following new language at the end of this section:

- c. Whenever the Contract Documents contain contradictions or discrepancies within the document, the most costly means or method shall be applied.

ARTICLE 4 – AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS; REFERENCE POINTS

SC-4.01.A Availability of Lands DELETE the last sentence.

SC-4.01.B Availability of Lands DELETE this paragraph in its entirety.

SC-4.02 Subsurface and Physical Conditions DELETE Paragraph 4.02.A and Paragraph 4.02.B in their entirety and REPLACE 4.02A.1 and 4.02B.1 with the following:

- A.1. Subsurface data known to Owner at the time of considering said project may have changed as a result of weather conditions, regular marine traffic, incidental work within the area, expansion of marsh grasses and submerged aquatic vegetations, etc. Any such change or a combination of change could present different conditions thus have an impact on the quantity of dredge material necessary to complete the required work and comply with all permit requirements.
- B.1. Technical data is advisory only and Contractor is solely responsible for the accuracy of any data used for their field assessment and evaluation of site conditions of required work to be completed.

SC-4.02.C Site Surveys ADD the following new paragraph immediately after Paragraph 4.02.B:

- C. *Site Surveys:* Site survey information has been compiled from past records and limited field investigations and although stated with as much accuracy as possible, may contain errors or discrepancies. Contractor shall perform investigations as necessary to accomplish the Work. Any unknown item encountered that impacts the Work shall be handled under Article 4.03.

SC-4.03.C.1 Possible Price and Times Adjustments DELETE Paragraph 4.03C Possible Price and Times Adjustments in its entirety and REPLACE with the following:

4.03C. Contractor may only be entitled to an adjustment in price or time due to abnormal weather conditions or other conditions when such claim is validated by Engineer. However, Contractor will not be entitled to increase in price due to any variations in estimated to completed dredge quantities.

SC-4.04.B.2 Underground Facilities; Not Shown or Indicated AMEND the language in the second sentence of paragraph 4.04.B.2 to read as follows:

CHANGE the language from “An equitable adjustment shall be made in the Contract Price...” to “An equitable adjustment may be made in the Contract Price...”.

SC-4.05 Reference Points AMEND the language in the second sentence of Paragraph 4.05.A to read as follows:

CHANGE the language from “without prior written approval of Owner” to “without prior written approval of Owner and Engineer”.

SC-4.06 Hazardous Environmental Conditions at Site DELETE Paragraphs 4.06.A and 4.06.B in their entirety and INSERT the following in their place:

- A. No reports or drawings of hazardous conditions at the site are known to the Owner or Engineer.
- B. Not used.

SC-4.06.G Hazardous Environmental Conditions at Site DELETE Paragraphs 4.06.G in its entirety.

SC-4.07 Site Investigation and Representation ADD the following new paragraph immediately after Paragraph 4.06:

SC-4.07 Site Investigation and Representation

The Contractor acknowledges that he has satisfied himself as to the nature and location of the Work; the general and local conditions, particularly those bearing upon availability of transportation, disposal, handling and storage of materials; availability of labor, water, electric power, and roads; uncertainties of weather, river stages, or similar physical conditions at the site; the conformation and conditions of the ground; the character of equipment and facilities needed preliminary to and during the prosecution of the work; and all other matters which can in any affect the Work or the cost thereof under this Contract. The Contractor further acknowledges subject to conditions in Section 4.02 that he has satisfied himself as to the character, quality, and quantity of surface and subsurface materials and groundwater to be encountered from inspecting the site. Any failure by the Contractor to acquaint himself with all the available information will not relieve him from responsibility for properly estimating the difficulty or cost of successfully performing the Work. Neither the Owner nor the Engineer assumes responsibility for any conclusion or interpretation made by the Contractor.

ARTICLE 5 – BONDS AND INSURANCE

SC-5.03.B Certificates of Insurance DELETE Paragraph 5.03.B in its entirety.

SC-5.03 Certificates of Insurance ADD the following new paragraph immediately after Paragraph 5.03.E:

- F. The Contractor shall be required to submit a Certificate of Insurance with every pay application; or, no later than every thirty (30) days for the term of Contract. If an approved Certificate of Insurance is not included with the pay application, then it will be considered non-compliant with the Contract Documents and returned to the Contractor.

SC-5.04 Contractor's Liability Insurance ADD the following new paragraph immediately after Paragraph 5.04.B:

- C. The limits of liability for the insurance required by Paragraph 5.04 of the General Conditions shall provide coverages for not less than the following amounts or greater where required by Laws and Regulations:
1. Worker's Compensation, and related coverage under Paragraph 5.04.A.1 and A.2 of the General Conditions:
 - a. Statutory
 - b. Applicable Federal: Statutory (e.g. Longshoreman's)
 - c. Employer's Liability: \$100,000 or Statutory
 2. Contractor's General Liability under Paragraph 5.04.A.3 through A.6 of the General Conditions which shall include completed operations and product liability coverages and eliminate the exclusion with respect to property under the care, custody and control of Contractor:
 - a. General Aggregate: \$ 1,000,000.00
 - b. Products- Completed \$ 1,000,000.00
Operations Aggregate
 - c. Personal and Advertising \$ 1,000,000.00
Injury
 - d. Each Occurrence (Bodily \$ 1,000,000.00
Injury and Property Damage)
 - e. Property Damage liability insurance will provide Explosion, Collapse and Under-ground coverages where applicable.
 - f. Excess or Umbrella Liability
 - 1) General Aggregate \$ 1,000,000.00
 - 2) Each Occurrence \$ 1,000,000.00
 3. Automobile Liability under Paragraph 5.04.A.6 of the General Conditions:
 - a. Bodily Injury:

Each Person	\$ 1,000,000.00
Each Accident	\$ 1,000,000.00
 - b. Property Damage:

Each Accident	\$ 1,000,000.00
---------------	-----------------
 - c. Combined Single:

Limit of	\$ 1,000,000.00
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4. The Contractual Liability coverage required by Paragraph 5.04.B.4 of the General Conditions shall provide coverage for not less than the following:
 - a. Bodily Injury:

Each Person	\$ 1,000,000.00
-------------	-----------------
 - b. Property Damage:

Each Accident	\$ 1,000,000.00
Annual Aggregate	\$ 1,000,000.00
5. The list of names, other persons, or entities to be included on the policy as additional insured are as per Paragraph 5.11.

SC-5.06.A Property Insurance DELETE Paragraph 5.06.A in its entirety and INSERT the following in its place:

- A. When available, Contractor shall purchase and maintain property insurance upon the Work at the Site in the amount of the full replacement cost thereof.
 1. This insurance shall:
 - a. include the interests of Owner, Contractor, Subcontractors, Engineer and any other individuals or entities identified herein, and the officers, directors, partners, employees, agents and other consultants and subcontractors of any of them each of whom is deemed to have an insurable interest and shall be listed as an insured or additional insured;
 - b. in addition to the individuals and entities specified, include additional insured per Paragraph 5.11.
 - c. be written on a Builder's Risk "all-risk" or open peril or special causes of loss policy form that shall at least include insurance for physical loss and damage to the Work, temporary buildings, falsework, and materials and equipment in transit and shall insure against at least the following perils or causes of loss: fire, lightning, extended coverage, theft, vandalism and malicious mischief, earthquake, collapse, debris removal, demolition occasioned by enforcement of Laws and Regulations, water damage (other than that caused by flood), and such other perils or causes of loss as may be specifically required by the Supplementary Conditions;
 - d. include expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects);
 - e. cover materials and equipment stored at the Site or at another location that was agreed to in writing by Owner prior to being incorporated in the Work, provided that such materials and equipment have been included in an Application for Payment recommended by Engineer;
 - f. allow for partial utilization of the Work by Owner;
 - g. include testing and start up; and
 - h. be maintained in effect until final payment is made unless otherwise agreed to in writing by Owner, Contractor and Engineer with 30 days written notice to each other additional insured to whom a certificate of insurance has been issued.
 2. Contractor shall be responsible for any deductible or self-insured retention.

3. The policies of insurance required to be purchased and maintained by Contractor in accordance with this Paragraph SC-5.06.A shall comply with the requirements of paragraph 5.06.C of the General Conditions.

SC-5.06.B DELETE this article in its entirety.

SC-5.06.E DELETE this Paragraph in its entirety.

SC-5.07.A Waiver of Rights DELETE the third and fourth sentences in their entirety.

SC-5.07.B DELETE this Paragraph in its entirety.

SC-5.11 Additional Insured ADD the following new paragraph immediately after Paragraph 5.10.

SC- 5.11 *Additional Insured*

- A. Where applicable, all insurance policies shall name the Owner and Engineer as herein before defined as additional insured.

ARTICLE 6 – CONTRACTOR’S RESPONSIBILITY

SC-6.06 Concerning Subcontractor’s, Suppliers, and Others ADD a new paragraph immediately after Paragraph 6.06.G:

- H. Owner or Engineer may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor on Work performed for Contractor by a particular Subcontractor or Supplier.

SC-6.07.B Patent Fees and Royalties DELETE this paragraph in its entirety.

SC-6.12 Record Documents ADD a new paragraph immediately after Paragraph 6.12.A:

- B. Owner may withhold progress payments until record documents are properly updated. Final payment may not be made until all record documents are accepted in writing by Owner.

SC-6.17 Shop Drawings and Samples ADD the following new paragraphs immediately after Paragraph 6.17.E:

- F. Contractor shall furnish required submittals with sufficient information and accuracy in order to obtain required approval of an item with no more than three submittals. Engineer will record Engineer’s time for reviewing subsequent submittals of Shop Drawings, samples or other items requiring approval and Contractor shall reimburse Owner for Engineer’s charges for such time.
- G. In the event that Contractor requests a substitution for a previously approved item, Contractor shall reimburse Owner for Engineer’s charges for such time unless the need for such substitution is beyond the control of Contractor.

SC-6.19 Contractor’s General Warranty ~~Warranty~~ and Guarantee ADD the following new paragraph immediately after Paragraph 6.19.C:

- D. Unless additional warranties are included in the technical specifications, the Contractor shall guarantee all Work for a period of one-year following Substantial Completion.

SC-6.20 Indemnification DELETE this article in its entirety and **INSERT** the following in its place:

- A. Contractor shall defend, indemnify and hold harmless Owner and Engineer, their agents, servants, employees, officers, directors, members, partners, successors and assigns from actions, causes, suits, costs, claims, damages, expenses and demands whatsoever in law or in equity, (including but not limited to all fees and charges of engineers, architects, and attorneys and all court or other dispute resolution costs), with

respect to, or on account of, any injury, including bodily injury, disability or death, or damages to property, including loss of the use thereof, in any way attributable to or in connection with performance of the Contractor under this Contract.

ARTICLE 7 – OTHER WORK AT SITE

SC-7.04 *Claims Between Contractors* ADD a new paragraph immediately after Paragraph 7.03:

SC-7.04 Claims Between Contractors

- A. Should Contractor cause damage to the work or property of any other contractor at the Site, or should any claim arising out of Contractor's performance of the Work at the Site be made by any other contractor against Contractor, Owner, Engineer, or the construction coordinator, Contractor shall promptly attempt to settle with such other contractor by agreement, or to otherwise resolve the dispute by arbitration or at law.
- B. Contractor shall, to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner, Engineer, the construction coordinator and the officers, directors, partners, employees, agents and other consultants and subcontractors of each and any of them from and against all claims, costs, losses and damages (including, but not limited to, fees and charges of engineers, architects, attorneys, and other professionals and court and arbitration costs) arising directly, indirectly or consequentially out of any action, legal or equitable, brought by any other contractor against Owner, Engineer, Engineer's Consultants, or the construction coordinator to the extent said claim is based on or arises out of Contractor's performance of the Work. Should another contractor cause damage to the Work or property of Contractor or should the performance of work by any other contractor at the Site give rise to any other Claim, Contractor shall not institute any action, legal or equitable, against Owner, Engineer, or the construction coordinator or permit any action against any of them to be maintained and continued in its name or for its benefit in any court or before any arbiter which seeks to impose liability on or to recover damages from Owner, Engineer, or the construction coordinator on account of any such damage or Claim.
- C. If Contractor is delayed at any time in performing or furnishing Work by any act or neglect of another contractor, and Owner and Contractor are unable to agree as to the extent of any adjustment in Contract Times attributable thereto, Contractor may make a Claim for an extension of times in accordance with Article 12. An extension of the Contract Times shall be Contractor's exclusive remedy with respect to Owner, Engineer, and construction coordinator for any delay, disruption, interference, or hindrance caused by any other contractor. This paragraph does not prevent recovery from Owner, Engineer, or construction coordinator for activities that are their respective responsibilities.

ARTICLE 8 – OWNER'S RESPONSIBILITIES

SC-8.02 *Replacement of Engineer* AMEND the language of Paragraph 8.02.A to read as follows: INSERT "resignation or" immediately before "termination". DELETE "to whom Contractor makes no reasonable objection,".

SC-8.11 *Evidence of Financial Arrangements* Add the following new paragraph immediately after Paragraph 8.11.A:

- B. On request of Contractor prior to the execution of any Change Order involving a significant increase in the Contract Price, Owner shall furnish to Contractor reasonable evidence that adequate financial arrangements have been made by Owner to enable Owner to fulfil the increased financial obligations to be undertaken by Owner as a result of such Change Order.

ARTICLE 9 – ENGINEER'S STATUS DURING CONSTRUCTION

SC-9.03 *Project Representative* AMEND the language in the second sentence of Paragraph 9.03.A to read as follows:

DELETE the language "the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in".

SC-9.07A *Determination for Unit Price Work* AMEND the language in the first sentence of Paragraph 9.07 to read as follows:

“Engineer will determine the actual quantities and classifications of completed Unit Price Work performed by Contractor.”

SC-9.08.B *Decisions on Requirements of Contract Documents and Acceptability of Work* AMEND the language in the first sentence of Paragraph 9.08.B to read as follows:

“Engineer will, with reasonable promptness, render a written recommendation or decision on the issue referred.”

SC-9.08.B *Decisions on Requirements of Contract Documents and Acceptability of Work* AMEND the language in the last sentence of Paragraph 9.08.B to read as follows:

“The date of the Engineer’s recommendation / decision shall be the date it is rendered in writing and provided to both parties.”

SC-9.08.C *Decisions on Requirements of Contract Documents and Acceptability of Work* DELETE Paragraph 9.08.C in its entirety and INSERT the following in its place:

“Engineers written recommendation or decision on the issue referred is subject to the provision of Paragraph 10.05.”

ARTICLE 10 – CHANGES IN THE WORK; CLAIMS

C-10.05.A *Engineer’s Decision Required* DELETE the last sentence of Paragraph 10.05.A.

SC-10.05.C Item 1, REPLACE “deny” with “recommend denial of”. Item 2, REPLACE “approve” with “recommend approval of”.

SC-10.05.E DELETE Paragraph 10.05.E in its entirety and INSERT the following in its place:

“Owner or Contractor may invoke dispute resolution in Article 16 within 30 days of the engineer’s recommendation of denial or approval.”

ARTICLE 11 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

SC-11.03.B Amend the language in the second sentence of Paragraph 11.03.B as follows:

“*Determinations* of actual quantities and classifications of completed Unit Price Work performed by the Contractor will be made by Engineer subject to the provisions of Paragraph 9.07.”

SC-11.03.D DELETE Paragraph 11.03.D in its entirety and INSERT the following in its place:

- D. There shall be no increase in price due to a variation in actual dredge quantities from the estimated quantities and any variation shall be the sole responsibility of Contractor in formulation of his bid and shall include any possible variations from estimate.

ARTICLE 12 – CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT ITEMS

No Comment.

ARTICLE 13 – TESTS AND INSPECTIONS; CORRECTIONS, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK

SC-13.03.A ADD the following new sentence immediately after the first sentence of Paragraph 13.03.A:

Timely notice shall be as stated in the appropriate specification and no less than 24 hours prior to scheduling the Work.

ARTICLE 14 – PAYMENTS TO CONTRACTOR AND COMPLETION

SC-14.02.A.1 *Application for Payments* AMEND the language in the first sentence of Paragraph 14.02.A.1 to read as follows:

CHANGE the language from “At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application accompanied by such supporting documentation as is required by the Contract Documents.” to “On or before the 20th day of each month, Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed by the 15th of that month, accompanied by such supporting documentation as is required by the Contract Documents.”

SC-14.02.A.3 *Application for Payments* DELETE Paragraph 14.02.A.3 in its entirety and INSERT the following in its place:

3. The Owner will retain 10% of the amount of each estimate until final completion of the project. On monthly estimates subsequent to the first estimate submitted that includes invoices for stored materials for which payment to the Contractor has been made, there shall be a signed statement that the invoices have been paid by the Contractor.

The statement shall read as follows:

This is to certify that payment has been made for invoiced materials included in previous monthly estimate no. _____ thru _____.

Signed: _____

In the event that such statement is not furnished or the manufacturers or material suppliers notify the Owner in writing that they have not been paid for materials included on previous estimates, the Owner may reduce payment in accordance with Paragraph 14.02.

SC-14.02.C *Payment Becomes Due* AMEND the language in the first sentence of Paragraph 14.02.C.1 to read as follows:

CHANGE the language from “Ten days after presentation of the Application for Payment to Owner,” to “Ten days after approval of the Application for Payment by Owner”.

SC-14.07.C.1 *Payment Becomes Due* AMEND the language in the first sentence of Paragraph 14.07.C.1 to read as follows:

CHANGE the language from “Thirty days” to “Sixty days”

SC-14.09.A.1 *Waiver of Claims* DELETE this article in its entirety.

ARTICLE 15 – SUSPENSION OF WORK AND TERMINATION

No comment.

SC-15.02.C Owner May Terminate for Cause DELETE the second sentence of Paragraph 15.02.C.

SC-15.02.D DELETE in its entirety.

SC-15.02.F DELETE in its entirety and REPLACE with: “The termination provisions of the Standard General Conditions of the Construction Contract and the Supplementary Conditions of the Construction Contract shall supercede the termination procedures of any performance bond provided under the provisions of paragraph 5.01A.”

ARTICLE 16 – DISPUTE RESOLUTION

SC-16.01 Delete Paragraph 16.01 in its entirety and insert the following in its place:

SC-16.01 Meet to Confer and Negotiate

- A. Within 30 days of notice of Engineers recommended action under 10.05C3 or 10.05D, Owner or Contractor may give to the other party written notice of intent to submit the Claim to a process of bilateral negotiations as set forth below
- B. Within 30 days of the delivery of such notice, Owner and Contractor shall meet and confer regarding the Claim. A good-faith effort to negotiate resolution shall be made by both parties.
- C. If the negotiations contemplated by Paragraph SC-16.01.B are unsuccessful, management representatives of Owner and Contractor at least one tier above the individuals who met under SC16.01.B shall meet, confer, and negotiate within 30 days of the closure of the unsuccessful negotiations.
- D. If the Claim is not resolved by negotiation, Engineer’s action under Paragraph 10.05C or a denial pursuant to Paragraphs 10.05C3 or 10.05D may be submitted to a court of competent jurisdiction to be determined or the parties may agree to submit the claim to another dispute resolution process
- E. Nothing in this article shall be deemed to prohibit or interfere with the rights of the parties to file a court action where necessary to preserve their rights to proceed with litigation.

ARTICLE 17 – MISCELLANEOUS

SC-17.05 Controlling Law DELETE Paragraph 17.05.A in its entirety and INSERT the following in its place:

- A. The terms and conditions of this Contract shall be construed and interpreted under, and all respective rights and duties shall be governed by, the laws of the State of Mississippi. Wherever applicable, each provision of these Contract Documents shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of these Contract Documents shall be prohibited by or invalid under applicable law, such provisions shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of these Contract Documents.
- B. This Contract shall not be construed more strictly against one party than the other merely by virtue of the fact that it may have been prepared by one of the parties.

This document has important legal consequences; consultation with an attorney is encouraged with respect to its use or modification. This document should be adapted to the particular circumstances of the contemplated Project and the controlling Laws and Regulations.

STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

Prepared by

ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

and

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CONSTRUCTION SPECIFICATIONS INSTITUTE

These General Conditions have been prepared for use with the Suggested Forms of Agreement Between Owner and Contractor (EJCDC C-520 or C-525, 2007 Editions). Their provisions are interrelated and a change in one may necessitate a change in the other. Comments concerning their usage are contained in the Narrative Guide to the EJCDC Construction Documents (EJCDC C-001, 2007 Edition). For guidance in the preparation of Supplementary Conditions, see Guide to the Preparation of Supplementary Conditions (EJCDC C-800, 2007 Edition).

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STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

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ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

A. Wherever used in the Bidding Requirements or Contract Documents and printed with initial capital letters, the terms listed below will have the meanings indicated which are applicable to both the singular and plural thereof. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.

1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.

2. *Agreement*—The written instrument which is evidence of the agreement between Owner and Contractor covering the Work.

3. *Application for Payment*—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.

4. *Asbestos*—Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.

5. *Bid*—The offer or proposal of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.

6. *Bidder*—The individual or entity who submits a Bid directly to Owner.

7. *Bidding Documents*—The Bidding Requirements and the proposed Contract Documents (including all Addenda).

8. *Bidding Requirements*—The advertisement or invitation to bid, Instructions to Bidders, Bid security of acceptable form, if any, and the Bid Form with any supplements.

9. *Change Order*—A document recommended by Engineer which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the

Contract Times, issued on or after the Effective Date of the Agreement.

10. *Claim*—A demand or assertion by Owner or Contractor seeking an adjustment of Contract Price or Contract Times, or both, or other relief with respect to the terms of the Contract. A demand for money or services by a third party is not a Claim.

11. *Contract*—The entire and integrated written agreement between the Owner and Contractor concerning the Work. The Contract supersedes prior negotiations, representations, or agreements, whether written or oral.

12. *Contract Documents*—Those items so designated in the Agreement. Only printed or hard copies of the items listed in the Agreement are Contract Documents. Approved Shop Drawings, other Contractor submittals, and the reports and drawings of subsurface and physical conditions are not Contract Documents.

13. *Contract Price*—The moneys payable by Owner to Contractor for completion of the Work in accordance with the Contract Documents as stated in the Agreement (subject to the provisions of Paragraph 11.03 in the case of Unit Price Work).

14. *Contract Times*—The number of days or the dates stated in the Agreement to: (i) achieve Milestones, if any; (ii) achieve Substantial Completion; and (iii) complete the Work so that it is ready for final payment as evidenced by Engineer's written recommendation of final payment.

15. *Contractor*—The individual or entity with whom Owner has entered into the Agreement.

16. *Cost of the Work*—See Paragraph 11.01 for definition.

17. *Drawings*—That part of the Contract Documents prepared or approved by Engineer which graphically shows the scope, extent, and character of the Work to be performed by Contractor. Shop Drawings and other Contractor submittals are not Drawings as so defined.

18. *Effective Date of the Agreement*—The date indicated in the Agreement on which it becomes effective, but if no such date is indicated, it means the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver.

19. *Engineer*—The individual or entity named as such in the Agreement.

20. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but which does not involve a change in the Contract Price or the Contract Times.

21. *General Requirements*—Sections of Division 1 of the Specifications.

22. *Hazardous Environmental Condition*—The presence at the Site of Asbestos, PCBs, Petroleum, Hazardous Waste, or Radioactive Material in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto.

23. *Hazardous Waste*—The term Hazardous Waste shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.

24. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

25. *Liens*—Charges, security interests, or encumbrances upon Project funds, real property, or personal property.

26. *Milestone*—A principal event specified in the Contract Documents relating to an intermediate completion date or time prior to Substantial Completion of all the Work.

27. *Notice of Award*—The written notice by Owner to the Successful Bidder stating that upon timely compliance by the Successful Bidder with the conditions precedent listed therein, Owner will sign and deliver the Agreement.

28. *Notice to Proceed*—A written notice given by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work under the Contract Documents.

29. *Owner*—The individual or entity with whom Contractor has entered into the Agreement and for whom the Work is to be performed.

30. *PCBs*—Polychlorinated biphenyls.

31. *Petroleum*—Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), such

as oil, petroleum, fuel oil, oil sludge, oil refuse, gasoline, kerosene, and oil mixed with other non-Hazardous Waste and crude oils.

32. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising the Contractor's plan to accomplish the Work within the Contract Times.

33. *Project*—The total construction of which the Work to be performed under the Contract Documents may be the whole, or a part.

34. *Project Manual*—The bound documentary information prepared for bidding and constructing the Work. A listing of the contents of the Project Manual, which may be bound in one or more volumes, is contained in the table(s) of contents.

35. *Radioactive Material*—Source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954 (42 USC Section 2011 et seq.) as amended from time to time.

36. *Resident Project Representative*—The authorized representative of Engineer who may be assigned to the Site or any part thereof.

37. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and which establish the standards by which such portion of the Work will be judged.

38. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements to support scheduled performance of related construction activities.

39. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor's Applications for Payment.

40. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information which are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work.

41. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements for access thereto, and such other lands

furnished by Owner which are designated for the use of Contractor.

42. *Specifications*—That part of the Contract Documents consisting of written requirements for materials, equipment, systems, standards and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable thereto.

43. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work at the Site.

44. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion thereof.

45. *Successful Bidder*—The Bidder submitting a responsive Bid to whom Owner makes an award.

46. *Supplementary Conditions*—That part of the Contract Documents which amends or supplements these General Conditions.

47. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or Subcontractor.

48. *Underground Facilities*—All underground pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or attachments, and any encasements containing such facilities, including those that convey electricity, gases, steam, liquid petroleum products, telephone or other communications, cable television, water, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.

49. *Unit Price Work*—Work to be paid for on the basis of unit prices.

50. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction, and furnishing, installing, and incorporating all materials

and equipment into such construction, all as required by the Contract Documents.

51. *Work Change Directive*—A written statement to Contractor issued on or after the Effective Date of the Agreement and signed by Owner and recommended by Engineer ordering an addition, deletion, or revision in the Work, or responding to differing or unforeseen subsurface or physical conditions under which the Work is to be performed or to emergencies. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the change ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order following negotiations by the parties as to its effect, if any, on the Contract Price or Contract Times.

1.02 Terminology

A. The words and terms discussed in Paragraph 1.02.B through F are not defined but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.

B. Intent of Certain Terms or Adjectives:

1. The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or *terms* of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to *describe* an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Paragraph 9.09 or any other provision of the Contract Documents.

C. Day:

1. The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.

D. Defective:

1. The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:

- a. does not conform to the Contract Documents; or
- b. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
- c. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 14.04 or 14.05).

E. *Furnish, Install, Perform, Provide:*

1. The word “furnish,” when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.

2. The word “install,” when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials, or equipment complete and ready for intended use.

3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.

4. When “furnish,” “install,” “perform,” or “provide” is not used in connection with services, materials, or equipment in a context clearly requiring an obligation of Contractor, “provide” is implied.

F. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

ARTICLE 2 – PRELIMINARY MATTERS

2.01 *Delivery of Bonds and Evidence of Insurance*

A. When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner such bonds as Contractor may be required to furnish.

B. *Evidence of Insurance:* Before any Work at the Site is started, Contractor and Owner shall each deliver to the other, with copies to each additional insured identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance which either of them or any additional insured may reasonably request) which Contractor and Owner respectively are required to purchase and maintain in accordance with Article 5.

2.02 *Copies of Documents*

A. Owner shall furnish to Contractor up to ten printed or hard copies of the Drawings and Project Manual. Additional copies will be furnished upon request at the cost of reproduction.

2.03 *Commencement of Contract Times; Notice to Proceed*

A. The Contract Times will commence to run on the thirtieth day after the Effective Date of the Agreement or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Agreement. In no event will the Contract Times commence to run later than the sixtieth day after the day of Bid opening or the thirtieth day after the Effective Date of the Agreement, whichever date is earlier.

2.04 *Starting the Work*

A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work shall be done at the Site prior to the date on which the Contract Times commence to run.

2.05 *Before Starting Construction*

A. *Preliminary Schedules:* Within 10 days after the Effective Date of the Agreement (unless otherwise specified in the General Requirements), Contractor shall submit to Engineer for timely review:

1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract Documents;

2. a preliminary Schedule of Submittals; and

3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during

performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.06 *Preconstruction Conference; Designation of Authorized Representatives*

A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work and to discuss the schedules referred to in Paragraph 2.05.A, procedures for handling Shop Drawings and other submittals, processing Applications for Payment, and maintaining required records.

B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit instructions, receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.07 *Initial Acceptance of Schedules*

A. At least 10 days before submission of the first Application for Payment a conference attended by Contractor, Engineer, and others as appropriate will be held to review for acceptability to Engineer as provided below the schedules submitted in accordance with Paragraph 2.05.A. Contractor shall have an additional 10 days to make corrections and adjustments and to complete and resubmit the schedules. No progress payment shall be made to Contractor until acceptable schedules are submitted to Engineer.

1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the *Contract Times*. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.

2. Contractor's Schedule of Submittals will be acceptable to Engineer if it *provides* a workable arrangement for reviewing and processing the required submittals.

3. Contractor's Schedule of Values will be acceptable to Engineer as to *form* and substance if it provides a reasonable allocation of the Contract Price to component parts of the Work.

ARTICLE 3 – CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE

3.01 *Intent*

A. The Contract Documents are complementary; what is required by one is as binding as if required by all.

B. It is the intent of the Contract Documents to describe a functionally complete project (or part thereof) to be constructed in accordance with the Contract Documents. Any labor, documentation, services, materials, or equipment that reasonably may be inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the indicated result will be provided whether or not specifically called for, at no additional cost to Owner.

C. Clarifications and interpretations of the Contract Documents shall be issued by Engineer as provided in Article 9.

3.02 *Reference Standards*

A. Standards, Specifications, Codes, Laws, and Regulations

1. Reference to standards, specifications, manuals, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean the standard, specification, manual, code, or Laws or Regulations in effect at *the* time of opening of Bids (or on the Effective Date of the Agreement if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.

2. No provision of any such standard, specification, manual, *or* code, or any instruction of a Supplier, shall be effective to change the duties or responsibilities of Owner, Contractor, or Engineer, or any of their subcontractors, consultants, agents, or employees, from those set forth in the Contract Documents. No such provision or instruction shall be effective to assign to Owner, Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the Contract Documents.

3.03 *Reporting and Resolving Discrepancies*

A. *Reporting Discrepancies:*

1. *Contractor's Review of Contract Documents Before Starting Work:* Before undertaking each part of the Work, Contractor shall carefully study and compare the Contract Documents and check and verify pertinent figures therein and all applicable field *measurements*. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy which Contractor discovers, or has actual knowledge of, and shall obtain a written interpretation or clarification from Engineer before proceeding with any Work affected thereby.

2. *Contractor's Review of Contract Documents During Performance of Work:* If, during the performance of the Work, Contractor *discovers* any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) any standard, specification, manual, or code, or (c) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 6.16.A) until an amendment or supplement to the Contract Documents has been issued by one of the methods indicated in Paragraph 3.04.

3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. Resolving *Discrepancies*:

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the Contract Documents shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between the provisions of the Contract Documents and:

a. the provisions of any standard, specification, manual, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference in the Contract Documents); or

b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Amending and Supplementing Contract Documents*

A. The Contract Documents may be amended to provide for additions, deletions, and revisions

in the Work or to modify the terms and conditions thereof by either a Change Order or a Work Change Directive.

B. The requirements of the Contract Documents may be supplemented, and minor variations and deviations in the Work may be authorized, by one or more of the following ways:

1. A Field Order;

2. Engineer's approval of a Shop Drawing or Sample (subject to the provisions of Paragraph 6.17.D.3); or

3. Engineer's *written* interpretation or clarification.

3.05 *Reuse of Documents*

A. Contractor and any Subcontractor or Supplier shall not:

1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its *consultants*, including electronic media editions; or

2. reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other *project* without written consent of Owner and Engineer and specific written verification or adaptation by Engineer.

B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein shall preclude Contractor from retaining copies of the Contract Documents for record purposes.

3.06 *Electronic Data*

A. Unless otherwise stated in the Supplementary Conditions, the data furnished by Owner or Engineer to Contractor, or by Contractor to Owner or Engineer, that may be relied upon are limited to the printed copies (also known as hard copies). Files in electronic media format of text, data, graphics, or other types are furnished only for the convenience of the receiving party. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.

B. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the

party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the transferring party.

C. When transferring documents in electronic media format, the transferring party makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by the data's creator.

**ARTICLE 4 – AVAILABILITY OF LANDS;
SUBSURFACE AND PHYSICAL CONDITIONS;
HAZARDOUS ENVIRONMENTAL CONDITIONS;
REFERENCE POINTS**

4.01 Availability of Lands

A. Owner shall furnish the Site. Owner shall notify Contractor of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work. Owner will obtain in a timely manner and pay for easements for permanent structures or permanent changes in existing facilities. If Contractor and Owner are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times, or both, as a result of any delay in Owner's furnishing the Site or a part thereof, Contractor may make a Claim therefor as provided in Paragraph 10.05.

B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which the Work is to be performed and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.

C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

4.02 Subsurface and Physical Conditions

A. *Reports and Drawings:* The Supplementary Conditions identify:

1. those reports known to Owner of explorations and tests of subsurface conditions at or contiguous to the Site; and

2. those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities).

B. *Limited Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the "technical data" contained in such reports and drawings, but such reports and drawings are not Contract Documents. Such "technical data" is identified in the Supplementary Conditions. Except for such reliance on such "technical data," Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:

1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or

2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or

3. any Contractor interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions, or information.

4.03 Differing Subsurface or Physical Conditions

A. *Notice:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed either:

1. is of such a nature as to establish that any "technical data" on which Contractor is entitled to rely as provided in Paragraph 4.02 is materially inaccurate; or

2. is of such a nature as to require a change in the Contract Documents; or

3. differs materially from that shown or indicated in the Contract Documents; or

4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 6.16.A), notify Owner and Engineer in writing about such

condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except as aforesaid) until receipt of written order to do so.

B. *Engineer's Review:* After receipt of written notice as required by Paragraph 4.03.A, Engineer will promptly review the pertinent condition, determine the necessity of Owner's obtaining additional exploration or tests with respect thereto, and advise Owner in writing (with a copy to Contractor) of Engineer's findings and conclusions.

C. *Possible Price and Times Adjustments:*

1. The Contract Price or the Contract Times, or both, will be equitably adjusted to the extent that the existence of such differing subsurface or physical condition causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:

a. such condition must meet any one or more of the categories described in Paragraph 4.03.A; and

b. with respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraphs 9.07 and 11.03.

2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times if:

a. Contractor knew of the existence of such conditions at the time Contractor made a final commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract; or

b. the existence of such condition could reasonably have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such final commitment; or

c. Contractor failed to give the written notice as required by Paragraph 4.03.A.

3. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times, or both, a Claim may be made therefor as provided in Paragraph 10.05. However, neither Owner or Engineer, or any of their officers, directors, members, partners,

employees, agents, consultants, or subcontractors shall be liable to Contractor for any claims, costs, losses, or damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by Contractor on or in connection with any other project or anticipated project.

4.04 *Underground Facilities*

A. *Shown or Indicated:* The information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or contiguous to the Site is based on information and data furnished to Owner or Engineer by the owners of such Underground Facilities, including Owner, or by others. Unless it is otherwise expressly provided in the Supplementary Conditions:

1. Owner and Engineer shall not be responsible for the accuracy or completeness of any such information or data provided by others; and

2. the cost of all of the following will be included in the Contract Price, and Contractor shall have full responsibility for:

a. reviewing and checking all such information and data;

b. locating all Underground Facilities shown or indicated in the Contract Documents;

c. coordination of the Work with the owners of such Underground Facilities, including Owner, during construction; and

d. the safety and protection of all such Underground Facilities and repairing any damage thereto resulting from the Work.

B. *Not Shown or Indicated:*

1. If an Underground Facility is uncovered or revealed at or contiguous to the Site which was not shown or indicated, or not shown or indicated with reasonable accuracy in the Contract Documents, Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 6.16.A), identify the owner of such Underground Facility and give written notice to that owner and to Owner and Engineer. Engineer will promptly review the Underground Facility and determine the extent, if any, to which a change is required in the Contract Documents to reflect and document the consequences of the

existence or location of the Underground Facility. During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.

2. If Engineer concludes that a change in the Contract Documents is required, a Work Change Directive or a Change Order will be issued to reflect and document such consequences. An equitable adjustment shall be made in the Contract Price or Contract Times, or both, to the extent that they are attributable to the existence or location of any Underground Facility that was not shown or indicated or not shown or indicated with reasonable accuracy in the Contract Documents and that Contractor did not know of and could not reasonably have been expected to be aware of or to have anticipated. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment in Contract Price or Contract Times, Owner or Contractor may make a Claim therefor as provided in Paragraph 10.05.

4.05 *Reference Points*

A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.06 *Hazardous Environmental Condition at Site*

A. *Reports and Drawings:* The Supplementary Conditions identify those reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at the Site.

B. *Limited Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the "technical data" contained in such reports and drawings, but such reports and drawings are not Contract Documents. Such "technical data" is identified in the Supplementary Conditions. Except for such reliance on such "technical data," Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:

1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures of construction to be employed by Contractor and safety precautions and programs incident thereto; or

2. other data, interpretations, opinions and information contained in such reports or shown or indicated in such drawings; or

3. any Contractor interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions or information.

C. Contractor shall not be responsible for any Hazardous Environmental Condition uncovered or revealed at the Site which was not shown or indicated in Drawings or Specifications or identified in the Contract Documents to be within the *scope* of the Work. Contractor shall be responsible for a Hazardous Environmental Condition created with any materials brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible.

D. If Contractor encounters a Hazardous Environmental Condition or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, Contractor shall immediately: (i) *secure* or otherwise isolate such condition; (ii) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 6.16.A); and (iii) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 4.06.E.

E. Contractor shall not be required to resume Work in connection with such condition or in any affected area *until* after Owner has obtained any required permits related thereto and delivered written notice to Contractor: (i) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work; or (ii) specifying any special conditions under which such Work may be resumed safely. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, or both, as a result of such Work stoppage or such special conditions under which Work is agreed to be resumed by Contractor, either party may make a Claim therefor as provided in Paragraph 10.05.

F. If after receipt of such written notice Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of an adjustment in Contract Price or Contract Times as a result of deleting such portion of the Work, then either party may make a Claim therefor as provided in Paragraph 10.05. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 7.

G. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition: (i) was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be included within the scope of the Work, and (ii) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 4.06.G shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

H. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 4.06.H shall obligate Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

I. The provisions of Paragraphs 4.02, 4.03, and 4.04 do not apply to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 5 – BONDS AND INSURANCE

5.01 *Performance, Payment, and Other Bonds*

A. Contractor shall furnish performance and payment bonds, each in an amount at least equal to the Contract Price as security for the faithful performance and payment of all of Contractor's obligations under the Contract Documents. These bonds shall remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 13.07, whichever is later, except as provided otherwise by Laws or Regulations or by the Contract Documents. Contractor shall also furnish such other bonds as are required by the Contract Documents.

B. All bonds shall be in the form prescribed by the Contract Documents except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in the list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. All bonds signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed each bond.

C. If the surety on any bond furnished by Contractor is declared bankrupt or becomes insolvent or its right to do *business* is terminated in any state where any part of the Project is located or it ceases to meet the requirements of Paragraph 5.01.B, Contractor shall promptly notify Owner and Engineer and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which shall comply with the requirements of Paragraphs 5.01.B and 5.02.

5.02 *Licensed Sureties and Insurers*

A. All bonds and insurance required by the Contract Documents to be purchased and maintained by Owner or Contractor shall be obtained from surety or insurance *companies* that are duly licensed or authorized in the jurisdiction in which the Project is located to issue bonds or insurance policies for the limits and coverages so required. Such surety and insurance companies shall also meet such additional requirements and qualifications as may be provided in the Supplementary Conditions.

5.03 *Certificates of Insurance*

A. Contractor shall deliver to Owner, with copies to each additional insured and loss payee identified

in the Supplementary Conditions, *certificates* of insurance (and other evidence of insurance requested by Owner or any other additional insured) which Contractor is required to purchase and maintain.

B. Owner shall deliver to Contractor, with copies to each additional insured and loss payee identified in the Supplementary Conditions, *certificates* of insurance (and other evidence of insurance requested by Contractor or any other additional insured) which Owner is required to purchase and maintain.

C. Failure of Owner to demand such certificates or other evidence of *Contractor's* full compliance with these insurance requirements or failure of Owner to identify a deficiency in compliance from the evidence provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance.

D. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect *Contractor*.

E. The insurance *and* insurance limits required herein shall not be deemed as a limitation on Contractor's liability under the indemnities granted to Owner in the Contract Documents.

5.04 *Contractor's Insurance*

A. Contractor shall purchase and maintain such insurance as is appropriate for the Work being performed and as will provide protection from claims set forth below which may arise out of *or* result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether it is to be performed by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable:

1. claims under workers' compensation, disability benefits, and other similar employee benefit acts;

2. claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor's employees;

3. claims for damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees;

4. claims for damages insured by reasonably available personal injury liability coverage which are sustained:

a. by any person as a result of an offense directly or indirectly related to the employment of such person by Contractor, or

b. by any other person for any other reason;

5. claims for damages, other than to the Work itself, because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom; and

6. claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

B. The policies of insurance required by this Paragraph 5.04 shall:

1. with respect to insurance required by Paragraphs 5.04.A.3 through 5.04.A.6 inclusive, be written on an occurrence basis, include as additional insureds (subject to any customary exclusion regarding professional liability) Owner and Engineer, and any other individuals or entities identified in the Supplementary Conditions, all of whom shall be listed as additional insureds, and include coverage for the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of all such additional insureds, and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby;

2. include at least the specific coverages and be written for not less than the limits of liability provided in the Supplementary Conditions or required by Laws or Regulations, whichever is greater;

3. include contractual liability insurance covering Contractor's indemnity obligations under Paragraphs 6.11 and 6.20;

4. contain a provision or endorsement that the coverage afforded will not be canceled, materially changed or renewal refused until at least 30 days prior written notice has been given to Owner and Contractor and to each other additional insured identified in the Supplementary Conditions to whom a certificate of insurance has been issued (and the certificates of insurance furnished by the Contractor pursuant to Paragraph 5.03 will so provide);

5. remain in effect at least until final payment and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work in accordance with Paragraph 13.07; and

6. include completed operations coverage:

a. Such insurance shall remain in effect for two years after final payment.

b. Contractor shall furnish Owner and each other additional insured identified in the Supplementary Conditions, to whom a certificate of insurance has been issued, evidence satisfactory to Owner and any such additional insured of continuation of such insurance at final payment and one year thereafter.

5.05 *Owner's Liability Insurance*

A. In addition to the insurance required to be provided by Contractor under Paragraph 5.04, Owner, at Owner's option, may purchase and maintain at Owner's expense Owner's own liability *insurance* as will protect Owner against claims which may arise from operations under the Contract Documents.

5.06 *Property Insurance*

A. Unless otherwise provided in the Supplementary Conditions, Owner shall purchase and maintain property insurance upon the Work at the Site in the amount of the full replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). This insurance shall:

1. include the interests of Owner, Contractor, Subcontractors, and Engineer, and any other individuals or entities identified in the Supplementary Conditions, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, each of whom is deemed to have an insurable interest and shall be listed as a loss payee;

2. be written on a Builder's Risk "all-risk" policy form that shall at least include insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment in transit, and shall insure against at least the following perils or causes of loss: fire, lightning, extended coverage, theft, vandalism and malicious mischief, earthquake, collapse, debris removal, demolition occasioned by enforcement of Laws and Regulations, water damage (other than that caused by flood), and such other perils or causes of loss as may be specifically required by the Supplementary Conditions.

3. include expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects);

4. cover materials and equipment stored at the Site or at another location that was agreed to in writing

by Owner prior to being incorporated in the Work, provided that such materials and equipment have been included in an Application for Payment recommended by Engineer;

5. allow for partial utilization of the Work by Owner;

6. include testing and startup; and

7. be maintained in effect until final payment is made unless otherwise agreed to in writing by Owner, Contractor, and Engineer with 30 days written notice to each other loss payee to whom a certificate of insurance has been issued.

B. Owner shall purchase and maintain such equipment breakdown insurance or additional property insurance as may be required by the Supplementary Conditions or *Laws* and Regulations which will include the interests of Owner, Contractor, Subcontractors, and Engineer, and any other individuals or entities identified in the Supplementary Conditions, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, each of whom is deemed to have an insurable interest and shall be listed as a loss payee.

C. All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance with this Paragraph 5.06 will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or *renewal* refused until at least 30 days prior written notice has been given to Owner and Contractor and to each other loss payee to whom a certificate of insurance has been issued and will contain waiver provisions in accordance with Paragraph 5.07.

D. Owner shall not be responsible for purchasing and maintaining any property insurance specified in this Paragraph 5.06 to protect the interests of Contractor, Subcontractors, or others in the Work to the extent of any deductible amounts that are identified in the Supplementary Conditions. The risk of loss within such identified deductible amount will be borne by Contractor, Subcontractors, or others suffering any such loss, and if any of them wishes property insurance coverage within the limits of such amounts, each may purchase and maintain it at the purchaser's own expense.

E. If Contractor requests in writing that other special insurance be included in the property insurance policies provided under this Paragraph 5.06, Owner shall, if possible, include such insurance, and the cost thereof will be charged to Contractor by appropriate Change Order. Prior to commencement of the Work at the

Site, Owner shall in writing advise Contractor whether or not such other insurance has been procured by Owner.

5.07 *Waiver of Rights*

A. Owner and Contractor intend that all policies purchased in accordance with Paragraph 5.06 will protect Owner, Contractor, Subcontractors, and Engineer, and all other individuals or entities identified in the Supplementary Conditions as loss payees (and the officers, directors, members, partners, employees, *agents*, consultants, and subcontractors of each and any of them) in such policies and will provide primary coverage for all losses and damages caused by the perils or causes of loss covered thereby. All such policies shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any of the insureds or loss payees thereunder. Owner and Contractor waive all rights against each other and their respective officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them for all losses and damages caused by, arising out of or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Subcontractors and Engineer, and all other individuals or entities identified in the Supplementary Conditions as loss payees (and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them) under such policies for losses and damages so caused. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by Owner as trustee or otherwise payable under any policy so issued.

B. Owner waives all rights against Contractor, Subcontractors, and *Engineer*, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them for:

1. loss due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other perils whether or not insured by Owner; and

2. loss or damage to the completed Project or part thereof caused by, arising out of, or resulting from fire or other insured peril or cause of loss covered by any property insurance maintained on the completed Project or part thereof by Owner during partial utilization pursuant to Paragraph 14.05, after Substantial Completion pursuant to Paragraph 14.04, or after final payment pursuant to Paragraph 14.07.

C. Any insurance policy maintained by Owner covering any loss, damage or consequential loss referred to in Paragraph 5.07.B shall contain provisions to the effect that in the event of payment of any such loss, damage, or consequential loss, the insurers will have no rights of recovery against Contractor, Subcontractors, or Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them.

5.08 *Receipt and Application of Insurance Proceeds*

A. Any insured loss under the policies of insurance required by Paragraph 5.06 will be adjusted with Owner and made payable to Owner as fiduciary for the loss payees, as their interests may appear, subject to the requirements of any applicable mortgage clause and of Paragraph 5.08.B. Owner shall deposit in a separate account any money so received and shall distribute it in accordance with such agreement as the parties in interest may reach. If no other special agreement is reached, the damaged Work shall be repaired or replaced, the moneys so received applied on account thereof, and the Work and the cost thereof covered by an appropriate Change Order.

B. Owner as fiduciary shall have power to adjust and settle any loss with the insurers unless one of the parties in interest shall object in writing within 15 days after the occurrence of loss to Owner's exercise of this power. If such objection be made, Owner as fiduciary shall make settlement with the insurers in accordance with such agreement as the parties in interest may reach. If no such agreement among the parties in interest is reached, Owner as fiduciary shall adjust and settle the loss with the insurers and, if required in writing by any party in interest, Owner as fiduciary shall give bond for the proper performance of such duties.

5.09 *Acceptance of Bonds and Insurance; Option to Replace*

A. If either Owner or Contractor has any objection to the coverage afforded by or other provisions of the bonds or insurance required to be purchased and *maintained* by the other party in accordance with Article 5 on the basis of non-conformance with the Contract Documents, the objecting party shall so notify the other party in writing within 10 days after receipt of the certificates (or other evidence requested) required by Paragraph 2.01.B. Owner and Contractor shall each provide to the other such additional information in respect of insurance provided as the other may reasonably request. If either party does not purchase or maintain all of the bonds and insurance required of such party by the Contract Documents, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or

of such failure to maintain prior to any change in the required coverage. Without prejudice to any other right or remedy, the other party may elect to obtain equivalent bonds or insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and a Change Order shall be issued to adjust the Contract Price accordingly.

5.10 *Partial Utilization, Acknowledgment of Property Insurer*

A. If Owner finds it necessary to occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work as provided in Paragraph 14.05, no such use or occupancy shall commence before the insurers providing the property *insurance* pursuant to Paragraph 5.06 have acknowledged notice thereof and in writing effected any changes in coverage necessitated thereby. The insurers providing the property insurance shall consent by endorsement on the policy or policies, but the property insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy.

ARTICLE 6 – CONTRACTOR'S RESPONSIBILITIES

6.01 *Supervision and Superintendence*

A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Contractor shall be solely responsible for the means, *methods*, techniques, sequences, and procedures of construction. Contractor shall not be responsible for the negligence of Owner or Engineer in the design or specification of a specific means, method, technique, sequence, or procedure of construction which is shown or indicated in and expressly required by the Contract Documents.

B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who shall not be replaced *without* written notice to Owner and Engineer except under extraordinary circumstances.

6.02 *Labor; Working Hours*

A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform *construction* as required by the Contract Documents. Contractor shall at all times maintain good discipline and order at the Site.

B. Except as otherwise required for the safety or *protection* of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during regular working hours. Contractor will not permit the performance of Work on a Saturday, Sunday, or any legal holiday without Owner's written consent (which will not be unreasonably withheld) given after prior written notice to Engineer.

6.03 *Services, Materials, and Equipment*

A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility *for* all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start-up, and completion of the Work.

B. All materials and equipment incorporated into the Work shall be as specified or, if not specified, shall be of good quality and new, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications shall expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.

C. *All materials and equipment shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.*

6.04 *Progress Schedule*

A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.07 as it may be adjusted from time to time as provided below.

1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.07) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times. Such adjustments will comply with any provisions of the General Requirements applicable thereto.

2. Proposed adjustments in the Progress Schedule that will change the Contract Times shall be submitted in accordance with the requirements of Article 12. Adjustments in Contract Times may only be made by a Change Order.

6.05 *Substitutes and "Or-Equals"*

A. Whenever an item of material or equipment is specified or described in the Contract Documents by using the name of a proprietary item or the name of a particular Supplier, the specification or description is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or-equal" item or no substitution is permitted, other items of material or equipment or material or equipment of other Suppliers may be submitted to Engineer for review under the circumstances described below.

1. *"Or-Equal" Items:* If in Engineer's sole discretion an item of material or equipment proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, it may be considered by Engineer as an "or-equal" item, in which case review and approval of the proposed item may, in Engineer's sole discretion, be accomplished without compliance with some or all of the requirements for approval of proposed substitute items. For the purposes of this Paragraph 6.05.A.1, a proposed item of material or equipment will be considered functionally equal to an item so named if:

a. in the exercise of reasonable judgment Engineer determines that:

1) it is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;

2) it will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole; and

3) it has a proven record of performance and availability of responsive service.

b. Contractor certifies that, if approved and incorporated into the Work:

1) there will be no increase in cost to the Owner or increase in Contract Times; and

2) it will conform substantially to the detailed requirements of the item named in the Contract Documents.

2. *Substitute Items:*

a. If in Engineer's sole discretion an item of material or equipment proposed by Contractor does not qualify as an "or-equal" item under Paragraph 6.05.A.1, it will be considered a proposed substitute item.

b. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is essentially equivalent to that named and an acceptable substitute therefor. Requests for review of proposed substitute items of material or equipment will not be accepted by Engineer from anyone other than Contractor.

c. The requirements for review by Engineer will be as set forth in Paragraph 6.05.A.2.d, as supplemented by the General Requirements, and as Engineer may decide is appropriate under the circumstances.

d. Contractor shall make written application to Engineer for review of a proposed substitute item of material or equipment that Contractor seeks to furnish or use. The application:

1) shall certify that the proposed substitute item will:

a) perform adequately the functions and achieve the results called for by the general design,

b) be similar in substance to that specified, and

c) be suited to the same use as that specified;

2) will state:

a) the extent, if any, to which the use of the proposed substitute item will prejudice Contractor's achievement of Substantial Completion on time,

b) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item, and

c) whether incorporation or use of the proposed substitute item in connection

with the Work is subject to payment of any license fee or royalty;

3) will identify:

a) all variations of the proposed substitute item from that specified, and

b) available engineering, sales, maintenance, repair, and replacement services; and

4) shall contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including costs of redesign and claims of other contractors affected by any resulting change.

B. *Substitute Construction Methods or Procedures:* If a specific means, method, technique, sequence, or procedure of construction is expressly required by the Contract Documents, Contractor may furnish or utilize a substitute means, method, *technique*, sequence, or procedure of construction approved by Engineer. Contractor shall submit sufficient information to allow Engineer, in Engineer's sole discretion, to determine that the substitute proposed is equivalent to that expressly called for by the Contract Documents. The requirements for review by Engineer will be similar to those provided in Paragraph 6.05.A.2.

C. *Engineer's Evaluation:* Engineer will be allowed a reasonable time within which to evaluate each proposal or submittal made *pursuant* to Paragraphs 6.05.A and 6.05.B. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No "or equal" or substitute will be ordered, installed or utilized until Engineer's review is complete, which will be evidenced by a Change Order in the case of a substitute and an approved Shop Drawing for an "or equal." Engineer will advise Contractor in writing of any negative determination.

D. *Special Guarantee:* Owner may require Contractor to furnish at *Contractor's* expense a special performance guarantee or other surety with respect to any substitute.

E. *Engineer's Cost Reimbursement:* Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by *Contractor* pursuant to Paragraphs 6.05.A.2 and 6.05.B. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner

for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.

F. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute or "or-equal" at Contractor's expense.

6.06 *Concerning Subcontractors, Suppliers, and Others*

A. Contractor shall not employ any Subcontractor, Supplier, or other individual or entity (including those acceptable to Owner as indicated in Paragraph 6.06.B), whether initially or as a replacement, against whom Owner may have reasonable objection. Contractor shall not be required to employ any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against whom Contractor has reasonable objection.

B. If the Supplementary Conditions require the identity of certain Subcontractors, Suppliers, or other individuals or entities to be submitted to Owner in advance for acceptance by Owner by a specified date prior to the Effective Date of the Agreement, and if Contractor has submitted a list thereof in accordance with the Supplementary Conditions, Owner's acceptance (either in writing or by failing to make written objection thereto by the date *indicated* for acceptance or objection in the Bidding Documents or the Contract Documents) of any such Subcontractor, Supplier, or other individual or entity so identified may be revoked on the basis of reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor, Supplier, or other individual or entity, and the Contract Price will be adjusted by the difference in the cost occasioned by such replacement, and an appropriate Change Order will be issued. No acceptance by Owner of any such Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, shall constitute a waiver of any right of Owner or Engineer to reject defective Work.

C. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work just as Contractor is responsible for Contractor's own acts and omissions. Nothing in the Contract Documents:

1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between Owner or Engineer and any such Subcontractor, Supplier or other individual or entity; nor

2. shall create any obligation on the part of Owner or Engineer to pay or to see to the payment of any moneys due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.

D. Contractor shall be solely responsible for scheduling and coordinating the Work of Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work under a direct or indirect contract with Contractor.

E. Contractor shall require all Subcontractors, Suppliers, and such other individuals or entities performing or furnishing any of the Work to communicate with Engineer through Contractor.

F. The *divisions* and sections of the Specifications and the identifications of any Drawings shall not control Contractor in dividing the Work among Subcontractors or Suppliers or delineating the Work to be performed by any specific trade.

G. All Work performed for Contractor by a Subcontractor or Supplier will be pursuant to an appropriate agreement *between* Contractor and the Subcontractor or Supplier which specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract Documents for the benefit of Owner and Engineer. Whenever any such agreement is with a Subcontractor or Supplier who is listed as a loss payee on the property insurance provided in Paragraph 5.06, the agreement between the Contractor and the Subcontractor or Supplier will contain provisions whereby the Subcontractor or Supplier waives all rights against Owner, Contractor, Engineer, and all other individuals or entities identified in the Supplementary Conditions to be listed as insureds or loss payees (and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them) for all losses and damages caused by, arising out of, relating to, or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work. If the insurers on any such policies require separate waiver forms to be signed by any Subcontractor or Supplier, Contractor will obtain the same.

6.07 *Patent Fees and Royalties*

A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in the

performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by Owner in the Contract Documents.

B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.

C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

6.08 *Permits*

A. Unless otherwise provided in the Supplementary Conditions, Contractor shall obtain and pay for all construction permits and licenses. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are *applicable* at the time of opening of Bids, or, if there are no Bids, on the Effective Date of the Agreement. Owner shall pay all charges of utility owners for connections for providing permanent service to the Work.

6.09 *Laws and Regulations*

A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the *Work*. Except where otherwise expressly required by applicable Laws and Regulations, neither Owner nor Engineer shall be

responsible for monitoring Contractor's compliance with any Laws or Regulations.

B. If Contractor performs any Work knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work. However, it shall not be Contractor's responsibility to make certain that the Specifications and Drawings are in accordance with Laws and Regulations, but this shall not relieve Contractor of Contractor's obligations under Paragraph 3.03.

C. Changes in Laws or Regulations not known at the time of opening of Bids (or, on the Effective Date of the Agreement if there were no Bids) having an effect on the cost or time of performance of the Work shall be the subject of an adjustment in *Contract Price* or *Contract Times*. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment, a Claim may be made therefor as provided in Paragraph 10.05.

6.10 Taxes

A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and *Regulations* of the place of the Project which are applicable during the performance of the Work.

6.11 Use of Site and Other Areas

A. *Limitation on Use of Site and Other Areas:*

1. Contractor shall confine construction equipment, the storage of materials and equipment, and the operations of workers to the Site and other areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and other areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for any damage to any such land or area, or to the owner or occupant thereof, or of any adjacent land or areas resulting from the performance of the Work.

2. Should any claim be made by any such owner or occupant because of the performance of the Work, Contractor shall promptly settle with such other party by negotiation or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law.

3. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused by or based upon Contractor's performance of the Work.

B. *Removal of Debris During Performance of the Work:* During the progress of the Work Contractor shall keep the Site and other areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws and Regulations.

C. *Cleaning:* Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.

D. *Loading Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

6.12 Record Documents

A. Contractor shall maintain in a safe place at the Site one record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, and written interpretations and clarifications in good order and annotated to show changes made during *construction*. These record documents together with all approved Samples and a counterpart of all approved Shop Drawings will be available to Engineer for reference. Upon completion of the Work, these record documents, Samples, and Shop Drawings will be delivered to Engineer for Owner.

6.13 Safety and Protection

A. Contractor shall be solely responsible for initiating, maintaining and supervising all safety precautions and programs in *connection* with the Work. Such responsibility does not relieve Subcontractors of their

responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss to:

1. all persons on the Site or who may be affected by the Work;
2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.

B. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. Contractor shall notify owners of adjacent property and of Underground Facilities and other utility owners when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property.

C. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. The Supplementary Conditions identify any Owner's safety programs that are applicable to the Work.

D. Contractor shall inform Owner and Engineer of the specific *requirements* of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.

E. All damage, injury, or loss to any property referred to in Paragraph 6.13.A.2 or 6.13.A.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).

F. Contractor's duties and responsibilities for safety and for protection of the Work shall continue until such time as all the Work is completed and Engineer has issued a notice to Owner and Contractor in accordance with Paragraph 14.07.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).

6.14 *Safety Representative*

A. Contractor shall designate a qualified and experienced safety representative at the Site whose duties and *responsibilities* shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

6.15 *Hazard Communication Programs*

A. Contractor shall be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

6.16 *Emergencies*

A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent threatened damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract *Documents* have been caused thereby or are required as a result thereof. If Engineer determines that a change in the Contract Documents is required because of the action taken by Contractor in response to such an emergency, a Work Change Directive or Change Order will be issued.

6.17 *Shop Drawings and Samples*

A. Contractor shall submit Shop Drawings and Samples to *Engineer* for review and approval in accordance with the accepted Schedule of Submittals (as required by Paragraph 2.07). Each submittal will be identified as Engineer may require.

1. *Shop Drawings:*

a. Submit number of copies specified in the General Requirements.

b. Data shown on the Shop Drawings will be complete with respect to quantities, dimensions, specified performance and design criteria,

materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to provide and to enable Engineer to review the information for the limited purposes required by Paragraph 6.17.D.

2. Samples:

a. Submit number of Samples specified in the Specifications.

b. Clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the submittal for the limited purposes required by Paragraph 6.17.D.

B. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.

C. *Submittal Procedures:*

1. Before submitting each Shop Drawing or Sample, Contractor shall have:

a. reviewed and coordinated each Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;

b. determined and verified all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect thereto;

c. determined and verified the suitability of all materials offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and

d. determined and verified all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto.

2. Each submittal shall bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with

respect to Contractor's review and approval of that submittal.

3. With each submittal, Contractor shall give Engineer specific written notice of any variations that the Shop Drawing or Sample may have from the requirements of the Contract Documents. This notice shall be both a written communication separate from the Shop Drawings or Sample submittal; and, in addition, by a specific notation made on each Shop Drawing or Sample submitted to Engineer for review and approval of each such variation.

D. *Engineer's Review:*

1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the Schedule of Submittals acceptable to Engineer. Engineer's review and approval will be only to determine if the items covered by the submittals will, after installation or incorporation in the Work, conform to the information given in the Contract Documents and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.

2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction (except where a particular means, method, technique, sequence, or procedure of construction is specifically and expressly called for by the Contract Documents) or to safety precautions or programs incident thereto. The review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.

3. Engineer's review and approval shall not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 6.17.C.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer's review and approval shall not relieve Contractor from responsibility for complying with the requirements of Paragraph 6.17.C.1.

E. *Resubmittal Procedures:*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous submittals.

6.18 *Continuing the Work*

A. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, except as permitted by Paragraph 15.04 or as Owner and Contractor may otherwise agree in writing.

6.19 *Contractor's General Warranty and Guarantee*

A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer and its officers, directors, members, partners, employees, agents, consultants, and subcontractors shall be entitled to rely on representation of Contractor's warranty and guarantee.

B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:

1. abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or

2. normal wear and tear under normal usage.

C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the Work in accordance with the Contract Documents:

1. observations by Engineer;

2. recommendation by Engineer or payment by Owner of any progress or final payment;

3. the issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;

4. use or occupancy of the Work or any part thereof by Owner;

5. any review and approval of a Shop Drawing or Sample submittal or the issuance of a notice of acceptability by Engineer;

6. any inspection, test, or approval by others; or

7. any correction of defective Work by Owner.

6.20 *Indemnification*

A. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the performance of the Work, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable.

B. In any and all claims against Owner or Engineer or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 6.20.A shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.

C. The indemnification obligations of Contractor under Paragraph 6.20.A shall not extend to the liability of Engineer and Engineer's officers, directors, members, partners, employees, agents, consultants and subcontractors arising out of:

1. the preparation or approval of, or the failure to prepare or approve maps, Drawings, opinions, reports, surveys, Change Orders, designs, or Specifications; or

2. giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

6.21 *Delegation of Professional Design Services*

A. Contractor will not be required to provide professional design services unless such services are specifically required by the Contract Documents for a portion of the Work or unless such services are required to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable law.

B. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of Contractor by the Contract Documents, Owner and Engineer will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to Engineer.

C. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals, provided Owner and Engineer have specified to Contractor all performance and design criteria that such services must satisfy.

D. Pursuant to this Paragraph 6.21, Engineer's review and approval of design calculations and design drawings will be only for the limited purpose of checking for conformance with performance and design criteria given and the design concept expressed in the Contract Documents. Engineer's review and approval of Shop Drawings and other submittals (except design calculations and design drawings) will be only for the purpose stated in Paragraph 6.17.D.1.

E. Contractor shall not be responsible for the adequacy of the performance or design criteria required by the Contract Documents.

ARTICLE 7 – OTHER WORK AT THE SITE

7.01 *Related Work at Site*

A. Owner may perform other work related to the Project at the Site with Owner's employees, or through other direct contracts therefor, or have other work performed by utility owners. If such other work is not noted in the Contract Documents, then:

1. written notice thereof will be given to Contractor prior to starting any such other work; and

2. if Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times that should be allowed as a result of such other work, a Claim may be made therefor as provided in Paragraph 10.05.

B. Contractor shall afford each other contractor who is a party to such a direct contract, each utility owner, and Owner, if Owner is performing other work with Owner's employees, proper and safe access to the Site, provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work, and properly coordinate the Work with theirs. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected. The duties and responsibilities of Contractor under this Paragraph are for the benefit of such utility owners and other contractors to the extent that there are comparable provisions for the benefit of Contractor in said direct contracts between Owner and such utility owners and other contractors.

C. If the proper execution or results of any part of Contractor's Work depends upon work performed by others under this Article 7, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.

7.02 *Coordination*

A. If Owner intends to contract with others for the performance of other work on the Project at the Site, the following will be set forth in Supplementary Conditions:

1. the individual or entity who will have authority and responsibility for coordination of the activities among the various contractors will be identified;

2. the specific matters to be covered by such authority and responsibility will be itemized; and

3. the extent of such authority and responsibilities will be provided.

B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

7.03 *Legal Relationships*

A. Paragraphs 7.01.A and 7.02 are not applicable for utilities not under the control of Owner.

B. Each other direct contract of Owner under Paragraph 7.01.A shall provide that the other contractor is liable to Owner and Contractor for the reasonable direct delay and disruption costs incurred by Contractor as a result of the other contractor's wrongful actions or inactions.

C. Contractor shall be liable to Owner and any other contractor under direct contract to Owner for the reasonable direct delay and disruption costs incurred by such other contractor as a result of Contractor's wrongful action or inactions.

ARTICLE 8 – OWNER'S RESPONSIBILITIES

8.01 *Communications to Contractor*

A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

8.02 *Replacement of Engineer*

A. In case of termination of the employment of Engineer, Owner shall appoint an engineer to whom Contractor makes no reasonable objection, whose status under the Contract Documents shall be that of the former Engineer.

8.03 *Furnish Data*

A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

8.04 *Pay When Due*

A. Owner shall make payments to Contractor when they are due as provided in Paragraphs 14.02.C and 14.07.C.

8.05 *Lands and Easements; Reports and Tests*

A. Owner's duties with respect to providing lands and easements and providing engineering surveys to

establish reference points are set forth in Paragraphs 4.01 and 4.05. Paragraph 4.02 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of subsurface conditions and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

8.06 *Insurance*

A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 5.

8.07 *Change Orders*

A. Owner is obligated to execute Change Orders as indicated in Paragraph 10.03.

8.08 *Inspections, Tests, and Approvals*

A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 13.03.B.

8.09 *Limitations on Owner's Responsibilities*

A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

8.10 *Undisclosed Hazardous Environmental Condition*

A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 4.06.

8.11 *Evidence of Financial Arrangements*

A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract Documents.

8.12 *Compliance with Safety Program*

A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed pursuant to Paragraph 6.13.D.

ARTICLE 9 – ENGINEER'S STATUS DURING CONSTRUCTION

9.01 *Owner's Representative*

A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in the Contract Documents.

9.02 *Visits to Site*

A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe as an experienced and qualified design professional the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.

B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 9.09. Particularly, but without limitation, during or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

9.03 *Project Representative*

A. If Owner and Engineer agree, Engineer will furnish a Resident Project Representative to assist Engineer in providing more extensive observation of the Work. The authority and responsibilities of any such Resident Project Representative and assistants will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in Paragraph 9.09. If Owner designates another representative or agent to represent Owner at the Site who is not Engineer's consultant, agent or employee, the

responsibilities and authority and limitations thereon of such other individual or entity will be as provided in the Supplementary Conditions.

9.04 *Authorized Variations in Work*

A. Engineer may authorize minor variations in the Work from the requirements of the Contract Documents which do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. These may be accomplished by a Field Order and will be binding on Owner and also on Contractor, who shall perform the Work involved promptly. If Owner or Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, or both, and the parties are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment, a Claim may be made therefor as provided in Paragraph 10.05.

9.05 *Rejecting Defective Work*

A. Engineer will have authority to reject Work which Engineer believes to be defective, or that Engineer believes will not produce a completed Project that conforms to the Contract Documents or that will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Engineer will also have authority to require special inspection or testing of the Work as provided in Paragraph 13.04, whether or not the Work is fabricated, installed, or completed.

9.06 *Shop Drawings, Change Orders and Payments*

A. In connection with Engineer's authority, and limitations thereof, as to Shop Drawings and Samples, see Paragraph 6.17.

B. In connection with Engineer's authority, and limitations thereof, as to design calculations and design drawings submitted in response to a delegation of professional design services, if any, see Paragraph 6.21.

C. In connection with Engineer's authority as to Change Orders, see Articles 10, 11, and 12.

D. In connection with Engineer's authority as to Applications for Payment, see Article 14.

9.07 *Determinations for Unit Price Work*

A. Engineer will determine the actual quantities and classifications of Unit Price Work performed

by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, subject to the provisions of Paragraph 10.05.

9.08 Decisions on Requirements of Contract Documents and Acceptability of Work

A. Engineer will be the initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the Work thereunder. All matters in question and other matters between Owner and Contractor arising prior to the date final payment is due relating to the acceptability of the Work, and the interpretation of the requirements of the Contract Documents pertaining to the performance of the Work, will be referred initially to Engineer in writing within 30 days of the event giving rise to the question.

B. Engineer will, with reasonable promptness, render a written decision on the issue referred. If Owner or Contractor believes that any such decision entitles them to an adjustment in the Contract Price or Contract Times or both, a Claim may be made under Paragraph 10.05. The date of Engineer's decision shall be the date of the event giving rise to the issues referenced for the purposes of Paragraph 10.05.B.

C. Engineer's written decision on the issue referred will be final and binding on Owner and Contractor, subject to the provisions of Paragraph 10.05.

D. When functioning as interpreter and judge under this Paragraph 9.08, Engineer will not show partiality to Owner or Contractor and will not be liable in connection with any interpretation or decision rendered in good faith in such capacity.

9.09 Limitations on Engineer's Authority and Responsibilities

A. Neither Engineer's authority or responsibility under this Article 9 or under any other provision of the Contract Documents nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer shall create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any Subcontractor, any Supplier, any other individual or

entity, or to any surety for or employee or agent of any of them.

B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.

D. Engineer's review of the final Application for Payment and accompanying documentation and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Paragraph 14.07.A will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals that the results certified indicate compliance with, the Contract Documents.

E. The limitations upon authority and responsibility set forth in this Paragraph 9.09 shall also apply to the Resident Project Representative, if any, and assistants, if any.

9.10 Compliance with Safety Program

A. While at the Site, Engineer's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Engineer has been informed pursuant to Paragraph 6.13.D.

ARTICLE 10 – CHANGES IN THE WORK; CLAIMS

10.01 Authorized Changes in the Work

A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work by a Change Order, or a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved which will be performed under the applicable conditions of the Contract Documents (except as otherwise specifically provided).

B. If Owner and Contractor are unable to agree on entitlement to, or on the amount or extent, if any, of an adjustment in the Contract Price or Contract Times, or both, that should be allowed as a result of a Work Change Directive, a Claim may be made therefor as provided in Paragraph 10.05.

10.02 *Unauthorized Changes in the Work*

A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents as amended, modified, or supplemented as provided in Paragraph 3.04, except in the case of an emergency as provided in Paragraph 6.16 or in the case of uncovering Work as provided in Paragraph 13.04.D.

10.03 *Execution of Change Orders*

A. Owner and Contractor shall execute appropriate Change Orders recommended by Engineer covering:

1. changes in the Work which are: (i) ordered by Owner pursuant to Paragraph 10.01.A, (ii) required because of acceptance of defective Work under Paragraph 13.08.A or Owner's correction of defective Work under Paragraph 13.09, or (iii) agreed to by the parties;

2. changes in the Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive; and

3. changes in the Contract Price or Contract Times which embody the substance of any written decision rendered by Engineer pursuant to Paragraph 10.05; provided that, in lieu of executing any such Change Order, an appeal may be taken from any such decision in accordance with the provisions of the Contract Documents and applicable Laws and Regulations, but during any such appeal, Contractor shall carry on the Work and adhere to the Progress Schedule as provided in Paragraph 6.18.A.

10.04 *Notification to Surety*

A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable

bond will be adjusted to reflect the effect of any such change.

10.05 *Claims*

A. *Engineer's Decision Required:* All Claims, except those waived pursuant to Paragraph 14.09, shall be referred to the Engineer for decision. A decision by Engineer shall be required as a condition precedent to any exercise by Owner or Contractor of any rights or remedies either may otherwise have under the Contract Documents or by Laws and Regulations in respect of such Claims.

B. *Notice:* Written notice stating the general nature of each Claim shall be delivered by the claimant to Engineer and the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto. The responsibility to substantiate a Claim shall rest with the party making the Claim. Notice of the amount or extent of the Claim, with supporting data shall be delivered to the Engineer and the other party to the Contract within 60 days after the start of such event (unless Engineer allows additional time for claimant to submit additional or more accurate data in support of such Claim). A Claim for an adjustment in Contract Price shall be prepared in accordance with the provisions of Paragraph 12.01.B. A Claim for an adjustment in Contract Times shall be prepared in accordance with the provisions of Paragraph 12.02.B. Each Claim shall be accompanied by claimant's written statement that the adjustment claimed is the entire adjustment to which the claimant believes it is entitled as a result of said event. The opposing party shall submit any response to Engineer and the claimant within 30 days after receipt of the claimant's last submittal (unless Engineer allows additional time).

C. *Engineer's Action:* Engineer will review each Claim and, within 30 days after receipt of the last submittal of the claimant or the last submittal of the opposing party, if any, take one of the following actions in writing:

1. deny the Claim in whole or in part;
2. approve the Claim; or

3. notify the parties that the Engineer is unable to resolve the Claim if, in the Engineer's sole discretion, it would be inappropriate for the Engineer to do so. For purposes of further resolution of the Claim, such notice shall be deemed a denial.

D. In the event that Engineer does not take action on a Claim within said 30 days, the Claim shall be deemed denied.

E. Engineer's written action under Paragraph 10.05.C or denial pursuant to Paragraphs 10.05.C.3 or 10.05.D will be final and binding upon Owner and Contractor, unless Owner or Contractor invoke the dispute resolution procedure set forth in Article 16 within 30 days of such action or denial.

F. No Claim for an adjustment in Contract Price or Contract Times will be valid if not submitted in accordance with this Paragraph 10.05.

ARTICLE 11 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

11.01 *Cost of the Work*

A. *Costs Included:* The term Cost of the Work means the sum of all costs, except those excluded in Paragraph 11.01.B, necessarily incurred and paid by Contractor in the proper performance of the Work. When the value of any Work covered by a Change Order or when a Claim for an adjustment in Contract Price is determined on the basis of Cost of the Work, the costs to be reimbursed to Contractor will be only those additional or incremental costs required because of the change in the Work or because of the event giving rise to the Claim. Except as otherwise may be agreed to in writing by Owner, such costs shall be in amounts no higher than those prevailing in the locality of the Project, shall not include any of the costs itemized in Paragraph 11.01.B, and shall include only the following items:

1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor. Such employees shall include, without limitation, superintendents, foremen, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work shall be apportioned on the basis of their time spent on the Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits, which shall include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, bonuses, sick leave, vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, shall be included in the above to the extent authorized by Owner.

2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts shall accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in

which case the cash discounts shall accrue to Owner. All trade discounts, rebates and refunds and returns from sale of surplus materials and equipment shall accrue to Owner, and Contractor shall make provisions so that they may be obtained.

3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, who will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 11.01.

4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Work.

5. Supplemental costs including the following:

a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.

b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.

c. Rentals of all construction equipment and machinery, and the parts thereof whether rented from Contractor or others in accordance with rental agreements approved by Owner with the advice of Engineer, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.

d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.

e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.

f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of property insurance established in accordance with Paragraph 5.06.D), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses shall include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining Contractor's fee.

g. The cost of utilities, fuel, and sanitary facilities at the Site.

h. Minor expenses such as telegrams, long distance telephone calls, telephone service at the Site, express and courier services, and similar petty cash items in connection with the Work.

i. The costs of premiums for all bonds and insurance Contractor is required by the Contract Documents to purchase and maintain.

B. *Costs Excluded:* The term Cost of the Work shall not include any of the following items:

1. Payroll costs and other compensation of Contractor's officers, executives, principals (of partnerships and sole proprietorships), general managers, safety managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 11.01.A.1 or specifically covered by Paragraph 11.01.A.4, all of which are to be considered administrative costs covered by the Contractor's fee.

2. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.

3. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.

4. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.

5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraphs 11.01.A.

C. *Contractor's Fee:* When all the Work is performed on the basis of cost-plus, Contractor's fee shall be determined as set forth in the Agreement. When the value of any Work covered by a Change Order or when a Claim for an adjustment in Contract Price is determined on the basis of Cost of the Work, Contractor's fee shall be determined as set forth in Paragraph 12.01.C.

D. *Documentation:* Whenever the Cost of the Work for any purpose is to be determined pursuant to Paragraphs 11.01.A and 11.01.B, Contractor will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to Engineer an itemized cost breakdown together with supporting data.

11.02 Allowances

A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.

B. *Cash Allowances:*

1. Contractor agrees that:

a. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and

b. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand

for additional payment on account of any of the foregoing will be valid.

C. *Contingency Allowance:*

1. Contractor agrees that a contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.

D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

11.03 *Unit Price Work*

A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be *deemed* to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.

B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. *Determinations* of the actual quantities and classifications of Unit Price Work performed by Contractor will be made by Engineer subject to the provisions of Paragraph 9.07.

C. Each unit *price* will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.

D. Owner or Contractor may make a Claim for an adjustment in the *Contract Price* in accordance with Paragraph 10.05 if:

1. the quantity of any item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement; and

2. there is no corresponding adjustment with respect to any other item of Work; and

3. Contractor believes that Contractor is entitled to an increase in Contract Price as a result of having incurred additional expense or Owner believes that Owner is entitled to a decrease in Contract Price and the parties are unable to agree as to the amount of any such increase or decrease.

**ARTICLE 12 – CHANGE OF CONTRACT PRICE;
CHANGE OF CONTRACT TIMES**

12.01 *Change of Contract Price*

A. The Contract Price may only be changed by a Change Order. Any *Claim* for an adjustment in the Contract Price shall be based on written notice submitted by the party making the Claim to the Engineer and the other party to the Contract in accordance with the provisions of Paragraph 10.05.

B. The value of any Work covered by a Change Order or of any Claim for an adjustment in the Contract Price will be *determined* as follows:

1. where the Work involved is covered by unit prices contained in the Contract Documents, by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 11.03); or

2. where the Work involved is not covered by unit prices contained in the Contract Documents, by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 12.01.C.2); or

3. where the Work involved is not covered by unit prices contained in the Contract Documents and agreement to a lump sum is not reached under Paragraph 12.01.B.2, on the basis of the Cost of the Work (determined as provided in Paragraph 11.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 12.01.C).

C. *Contractor's Fee:* The Contractor's fee for overhead and profit shall be determined as follows:

1. a mutually acceptable fixed fee; or

2. if a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:

a. for costs incurred under Paragraphs 11.01.A.1 and 11.01.A.2, the Contractor's fee shall be 15 percent;

b. for costs incurred under Paragraph 11.01.A.3, the Contractor's fee shall be five percent;

c. where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 12.01.C.2.a and 12.01.C.2.b is that the Subcontractor who actually performs the Work, at

whatever tier, will be paid a fee of 15 percent of the costs incurred by such Subcontractor under Paragraphs 11.01.A.1 and 11.01.A.2 and that any higher tier Subcontractor and Contractor will each be paid a fee of five percent of the amount paid to the next lower tier Subcontractor;

d. no fee shall be payable on the basis of costs itemized under Paragraphs 11.01.A.4, 11.01.A.5, and 11.01.B;

e. the amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost plus a deduction in Contractor's fee by an amount equal to five percent of such net decrease; and

f. when both additions and credits are involved in any one change, the adjustment in Contractor's fee shall be computed on the basis of the net change in accordance with Paragraphs 12.01.C.2.a through 12.01.C.2.e, inclusive.

12.02 *Change of Contract Times*

A. The Contract Times may only be changed by a Change Order. Any Claim for an adjustment in the Contract Times *shall* be based on written notice submitted by the party making the Claim to the Engineer and the other party to the Contract in accordance with the provisions of Paragraph 10.05.

B. Any adjustment of the Contract Times covered by a Change Order or any Claim for an adjustment in the Contract Times will be determined in accordance with the provisions of this Article 12.

12.03 *Delays*

A. Where Contractor is prevented from completing any part of the Work within the Contract Times due to delay beyond the control of Contractor, the Contract Times will be extended in an amount equal to the time lost due to such delay if a *Claim* is made therefor as provided in Paragraph 12.02.A. Delays beyond the control of Contractor shall include, but not be limited to, acts or neglect by Owner, acts or neglect of utility owners or other contractors performing other work as contemplated by Article 7, fires, floods, epidemics, abnormal weather conditions, or acts of God.

B. If Owner, Engineer, or other contractors or utility owners performing other work for Owner as contemplated by Article 7, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the

performance or *progress* of the Work, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times, or both. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.

C. If Contractor is delayed in the performance or progress of the Work by fire, flood, epidemic, abnormal weather conditions, acts of God, acts or failures to act of utility owners not under the control of Owner, or other causes not the *fault* of and beyond control of Owner and Contractor, then Contractor shall be entitled to an equitable adjustment in Contract Times, if such adjustment is essential to Contractor's ability to complete the Work within the Contract Times. Such an adjustment shall be Contractor's sole and exclusive remedy for the delays described in this Paragraph 12.03.C.

D. Owner, Engineer, and their officers, directors, members, partners, employees, agents, consultants, or subcontractors shall not be liable to Contractor for any claims, costs, losses, or damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by Contractor on or in connection with any other project or anticipated project.

E. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delays within the *control* of Contractor. Delays attributable to and within the control of a Subcontractor or Supplier shall be deemed to be delays within the control of Contractor.

ARTICLE 13 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK

13.01 *Notice of Defects*

A. Prompt notice of all defective Work of which Owner or *Engineer* has actual knowledge will be given to Contractor. Defective Work may be rejected, corrected, or accepted as provided in this Article 13.

13.02 *Access to Work*

A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and governmental agencies with jurisdictional interests will have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's

safety procedures and programs so that they may comply therewith as applicable.

13.03 Tests and Inspections

A. Contractor shall give Engineer timely notice of readiness of the Work for all required inspections, tests, or approvals and shall cooperate with inspection and testing personnel to facilitate required inspections or tests.

B. Owner shall employ and pay for the services of an independent testing laboratory to perform all inspections, tests, or approvals required by the Contract Documents except:

1. for inspections, tests, or approvals covered by Paragraphs 13.03.C and 13.03.D below;

2. that costs incurred in connection with tests or inspections conducted pursuant to Paragraph 13.04.B shall be paid as provided in Paragraph 13.04.C; and

3. as otherwise specifically provided in the Contract Documents.

C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be *inspected*, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.

D. Contractor shall be responsible for arranging and obtaining and shall pay all costs in connection with any inspections, tests, or approvals required for Owner's and Engineer's acceptance of materials or equipment to be incorporated in the *Work*; or acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work. Such inspections, tests, or approvals shall be performed by organizations acceptable to Owner and Engineer.

E. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without *written* concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation.

F. Uncovering Work as provided in Paragraph 13.03.E *shall* be at Contractor's expense unless Contractor has given Engineer timely notice of Contractor's

intention to cover the same and Engineer has not acted with reasonable promptness in response to such notice.

13.04 Uncovering Work

A. If any Work is covered contrary to the written request of Engineer, it must, if requested by Engineer, be *uncovered* for Engineer's observation and replaced at Contractor's expense.

B. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, Contractor, at Engineer's request, shall uncover, *expose*, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, furnishing all necessary labor, material, and equipment.

C. If it is found that the uncovered Work is defective, Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of *repair* or replacement of work of others); and Owner shall be entitled to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount thereof, Owner may make a Claim therefor as provided in Paragraph 10.05.

D. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, or both, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, Contractor may make a Claim therefor as provided in Paragraph 10.05.

13.05 Owner May Stop the Work

A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or *fails* to perform the Work in such a way that the completed Work will conform to the Contract Documents, Owner may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work shall not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

13.06 *Correction or Removal of Defective Work*

A. Promptly after receipt of written notice, Contractor shall correct all defective Work, whether or not fabricated, installed, or completed, or, if the Work has been rejected by Engineer, remove it from the Project and replace it with Work that is not *defective*. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or removal (including but not limited to all costs of repair or replacement of work of others).

B. When correcting defective Work under the terms of this Paragraph 13.06 or Paragraph 13.07, Contractor shall take no *action* that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.

13.07 *Correction Period*

A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents) or by any specific provision of the Contract Documents, any Work is found to be defective, or if the repair of any damages to the land or areas made available for Contractor's use by Owner or permitted by Laws and Regulations as contemplated in Paragraph 6.11.A is found to be defective, Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:

1. repair such defective land or areas; or
2. correct such defective Work; or
3. if the defective Work has been rejected by Owner, remove it from the Project and replace it with Work that is not defective, and
4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others or other land or areas resulting therefrom.

B. If Contractor does not *promptly* comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and

replacement (including but not limited to all costs of repair or replacement of work of others) will be paid by Contractor.

C. In special circumstances where a particular item of *equipment* is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.

D. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this Paragraph 13.07, the correction period hereunder with respect to such Work will be extended *for* an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

E. Contractor's obligations under this Paragraph 13.07 are in addition to any other obligation or warranty. The *provisions* of this Paragraph 13.07 shall not be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

13.08 *Acceptance of Defective Work*

A. If, instead of requiring correction or removal and replacement of defective Work, Owner (and, prior to Engineer's recommendation of final payment, Engineer) prefers to accept it, Owner may do so. Contractor shall pay all claims, costs, losses, and damages (including but not limited to *all* fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness) and for the diminished value of the Work to the extent not otherwise paid by Contractor pursuant to this sentence. If any such acceptance occurs prior to Engineer's recommendation of final payment, a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work, and Owner shall be entitled to an appropriate decrease in the Contract Price, reflecting the diminished value of Work so accepted. If the parties are unable to agree as to the amount thereof, Owner may make a Claim therefor as provided in Paragraph 10.05. If the acceptance occurs after such recommendation, an appropriate amount will be paid by Contractor to Owner.

13.09 *Owner May Correct Defective Work*

A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace rejected Work as required by Engineer in accordance with Paragraph 13.06.A, or if

Contractor fails to perform the Work in accordance with the Contract Documents, or if Contractor fails to comply with any other provision of the Contract Documents, Owner may, after seven days written notice to Contractor, correct, or remedy any such deficiency.

B. In exercising the rights and remedies under this Paragraph 13.09, Owner shall proceed expeditiously. In connection with such *corrective* or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, take possession of Contractor's tools, appliances, construction equipment and machinery at the Site, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this Paragraph.

C. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 13.09 will be charged against Contractor, and a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work; and Owner shall be entitled to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount of the adjustment, Owner may make a Claim therefor as provided in Paragraph 10.05. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.

D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work *attributable* to the exercise by Owner of Owner's rights and remedies under this Paragraph 13.09.

ARTICLE 14 – PAYMENTS TO CONTRACTOR AND COMPLETION

14.01 *Schedule of Values*

A. The Schedule of Values established as provided in Paragraph 2.07.A will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress

payments on account of Unit Price Work will be based on the number of units completed.

14.02 *Progress Payments*

A. *Applications for Payments:*

1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that Owner has received the materials and equipment free and clear of all Liens and evidence that the materials and equipment are covered by appropriate property insurance or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.

2. Beginning with the second Application for Payment, each Application shall include an affidavit of Contractor stating that all previous progress payments received on account of the Work have been applied on account to discharge Contractor's legitimate obligations associated with prior Applications for Payment.

3. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.

B. *Review of Applications:*

1. Engineer will, within 10 days after receipt of each Application for Payment, either indicate in writing a recommendation of payment and present the Application to Owner or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.

2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:

a. the Work has progressed to the point indicated;

b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 9.07, and any other qualifications stated in the recommendation); and

c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.

3. By recommending any such payment Engineer will not thereby be deemed to have represented that:

a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract Documents; or

b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.

4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:

a. to supervise, direct, or control the Work, or

b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or

c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work, or

d. to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, or

e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.

5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 14.02.B.2. Engineer may also refuse to recommend any such payment or, because of subsequently discovered evidence or the results of subsequent inspections or tests, revise or revoke any such payment recommendation previously made, to such extent as may be necessary in Engineer's opinion to protect Owner from loss because:

a. the Work is defective, or completed Work has been damaged, requiring correction or replacement;

b. the Contract Price has been reduced by Change Orders;

c. Owner has been required to correct defective Work or complete Work in accordance with Paragraph 13.09; or

d. Engineer has actual knowledge of the occurrence of any of the events enumerated in Paragraph 15.02.A.

C. Payment Becomes Due:

1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended will (subject to the provisions of Paragraph 14.02.D) become due, and when due will be paid by Owner to Contractor.

D. Reduction in Payment:

1. Owner may refuse to make payment of the full amount recommended by Engineer because:

a. claims have been made against Owner on account of Contractor's performance or furnishing of the Work;

b. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens;

c. there are other items entitling Owner to a set-off against the amount recommended; or

d. Owner has actual knowledge of the occurrence of any of the events enumerated in Paragraphs

14.02.B.5.a through 14.02.B.5.c or Paragraph 15.02.A.

2. If Owner refuses to make payment of the full amount recommended by Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, when Contractor remedies the reasons for such action.

3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld shall be treated as an amount due as determined by Paragraph 14.02.C.1 and subject to interest as provided in the Agreement.

14.03 *Contractor's Warranty of Title*

A. Contractor warrants and guarantees that title to all Work, materials, and equipment covered by any Application for Payment, whether incorporated in the Project or not, will pass to Owner no later than the time of payment free and clear of all Liens.

14.04 *Substantial Completion*

A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete (except for items specifically listed by Contractor as incomplete) and request that Engineer issue a certificate of Substantial Completion.

B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.

C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a tentative certificate of *Substantial Completion* which shall fix the date of Substantial Completion. There shall be attached to the certificate a tentative list of items to be completed or corrected before final payment. Owner shall have seven days after receipt of the tentative certificate during which to make written objection to Engineer as to any provisions of the certificate or attached list. If, after considering such objections, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the tentative certificate to Owner, notify Contractor in writing, stating the reasons therefor. If,

after consideration of Owner's objections, Engineer considers the Work substantially complete, Engineer will, within said 14 days, execute and deliver to Owner and Contractor a definitive certificate of Substantial Completion (with a revised tentative list of items to be completed or corrected) reflecting such changes from the tentative certificate as Engineer believes justified after consideration of any objections from Owner.

D. At the time of delivery of the tentative certificate of Substantial Completion, Engineer will deliver to Owner and Contractor a written recommendation as to division of responsibilities pending final payment between Owner and Contractor with respect to security, operation, safety, and protection of the Work, maintenance, heat, utilities, insurance, and warranties and guarantees. Unless Owner and Contractor agree otherwise in writing and so inform Engineer in writing prior to Engineer's issuing the definitive certificate of Substantial Completion, Engineer's aforesaid recommendation will be binding on Owner and Contractor until final payment.

E. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the tentative list.

14.05 *Partial Utilization*

A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and *usable* part of the Work that can be used by Owner for its intended purpose without significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:

1. Owner at any time may request Contractor in writing to permit Owner to use or occupy any such part of the Work which Owner believes to be ready for its intended use and substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 14.04.A through D for that part of the Work.

2. Contractor at any time may notify Owner and Engineer in writing that Contractor considers any such part of the Work ready for its intended use and substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.

3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 14.04 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.

4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 5.10 regarding property insurance.

14.06 *Final Inspection*

A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

14.07 *Final Payment*

A. *Application for Payment:*

1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, marked-up record documents (as provided in Paragraph 6.12), and other documents, Contractor may make application for final payment following the procedure for progress payments.

2. The final Application for Payment shall be accompanied (except as previously delivered) by:

- a. all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required by Paragraph 5.04.B.6;
- b. consent of the surety, if any, to final payment;
- c. a list of all Claims against Owner that Contractor believes are unsettled; and

d. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of or Liens filed in connection with the Work.

3. In lieu of the releases or waivers of Liens specified in Paragraph 14.07.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (i) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (ii) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien.

B. *Engineer's Review of Application and Acceptance:*

1. If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract Documents have been fulfilled, Engineer will, within ten days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of payment and present the Application for Payment to Owner for payment. At the same time Engineer will also give written notice to Owner and Contractor that the Work is acceptable subject to the provisions of Paragraph 14.09. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.

C. *Payment Becomes Due:*

1. Thirty days after the presentation to Owner of the Application for Payment and accompanying documentation, the amount recommended by Engineer, less any sum Owner is entitled to set off against Engineer's recommendation, including but not limited to liquidated damages, will become due and will be paid by Owner to Contractor.

14.08 *Final Completion Delayed*

A. If, through no fault of Contractor, final completion of the Work is significantly delayed, and if

Engineer so confirms, Owner shall, upon receipt of Contractor's final Application for Payment (for Work fully completed and accepted) and recommendation of Engineer, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance to be held by Owner for Work not fully completed or corrected is less than the retainage stipulated in the Agreement, and if bonds have been furnished as required in Paragraph 5.01, the written consent of the surety to the payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by Contractor to Engineer with the Application for such payment. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of Claims.

14.09 *Waiver of Claims*

A. The *making* and acceptance of final payment will constitute:

1. a waiver of all Claims by Owner against Contractor, except Claims arising from unsettled Liens, from defective Work appearing after final inspection pursuant to Paragraph 14.06, from failure to comply with the Contract Documents or the terms of any special guarantees specified therein, or from Contractor's continuing obligations under the Contract Documents; and

2. a waiver of all Claims by Contractor against Owner other than those previously made in accordance with the requirements herein and expressly acknowledged by Owner in writing as still unsettled.

ARTICLE 15 – SUSPENSION OF WORK AND TERMINATION

15.01 *Owner May Suspend Work*

A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by notice in writing to Contractor and Engineer which will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be granted an adjustment in the Contract Price or an extension of the Contract Times, or both, directly attributable to any such suspension if Contractor makes a Claim therefor as provided in Paragraph 10.05.

15.02 *Owner May Terminate for Cause*

A. The *occurrence* of any one or more of the following events will justify termination for cause:

1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the Progress Schedule established under Paragraph 2.07 as adjusted from time to time pursuant to Paragraph 6.04);

2. Contractor's disregard of Laws or Regulations of any public body having jurisdiction;

3. Contractor's repeated disregard of the authority of Engineer; or

4. Contractor's violation in any substantial way of any provisions of the Contract Documents.

B. If one or more of the events identified in Paragraph 15.02.A occur, Owner may, after giving Contractor (and surety) seven days written notice of its intent to terminate the services of Contractor:

1. exclude Contractor from the Site, and take possession of the Work and of all Contractor's tools, appliances, construction equipment, and machinery at the Site, and use the same to the full extent they could be used by Contractor (without liability to Contractor for trespass or conversion);

2. incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere; and

3. complete the Work as Owner may deem expedient.

C. If Owner proceeds as provided in Paragraph 15.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by Owner arising out of or relating to completing the Work, such excess will be paid to Contractor. If such claims, costs, losses, and damages exceed such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this Paragraph, Owner shall not be required to obtain the lowest price for the Work performed.

D. Notwithstanding Paragraphs 15.02.B and 15.02.C, Contractor's services will not be terminated if Contractor begins within seven days of receipt of notice of intent to terminate to correct its failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt of said notice.

E. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue. Any retention or payment of moneys due Contractor by Owner will not release Contractor from liability.

F. If and to the extent that Contractor has provided a *performance* bond under the provisions of Paragraph 5.01.A, the termination procedures of that bond shall supersede the provisions of Paragraphs 15.02.B and 15.02.C.

15.03 Owner May Terminate For Convenience

A. Upon seven days written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other *right* or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):

1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;

2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses;

3. all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) incurred in settlement of terminated contracts with Subcontractors, Suppliers, and others; and

4. reasonable expenses directly attributable to termination.

B. Contractor shall not be paid on account of loss of *anticipated* profits or revenue or other economic loss arising out of or resulting from such termination.

15.04 Contractor May Stop Work or Terminate

A. If, through no act or fault of Contractor, (i) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (ii) Engineer *fails* to act on any Application for Payment within 30 days after it is submitted, or (iii) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon seven days written notice to Owner and Engineer, and provided Owner or Engineer do not remedy such suspension or failure within that time, terminate the Contract and recover from Owner payment on the same terms as provided in Paragraph 15.03.

B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, seven *days* after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The provisions of this Paragraph 15.04 are not intended to preclude Contractor from making a Claim under Paragraph 10.05 for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this Paragraph.

ARTICLE 16 – DISPUTE RESOLUTION

16.01 Methods and Procedures

A. Either Owner or Contractor may request mediation of any Claim submitted to Engineer for a decision under Paragraph 10.05 before such decision becomes final and binding. The mediation will be governed by the Construction Industry Mediation Rules of the American Arbitration Association in effect as of the Effective Date of the Agreement. The request for mediation shall be submitted in writing to the American Arbitration Association and the other party to the Contract. Timely submission of the request shall stay the effect of Paragraph 10.05.E.

B. Owner and Contractor shall participate in the mediation process in good faith. The process shall be concluded within 60 days of filing of the request. The date of termination of the mediation shall be determined by application of the mediation rules referenced above.

C. If the Claim is not resolved by mediation, Engineer's action under Paragraph 10.05.C or a denial pursuant to Paragraphs 10.05.C.3 or 10.05.D shall become

final and binding 30 days after termination of the mediation unless, within that time period, Owner or Contractor:

1. elects in writing to invoke any dispute resolution process provided for in the Supplementary Conditions; or
2. agrees with the other party to submit the Claim to another dispute resolution process; or
3. gives written notice to the other party of the intent to submit the Claim to a court of competent jurisdiction.

ARTICLE 17 – MISCELLANEOUS

17.01 *Giving Notice*

A. Whenever any provision of the Contract Documents requires the giving of written notice, it will be deemed to have been *validly* given if:

1. delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended; or
2. delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the giver of the notice.

17.02 *Computation of Times*

A. When any period of time is referred to in the Contract Documents by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period *falls* on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

17.03 *Cumulative Remedies*

A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract Documents. The provisions of this Paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

17.04 *Survival of Obligations*

A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with *the* Contract Documents, as well as all continuing obligations indicated in the Contract Documents, will survive final payment, completion, and acceptance of the Work or termination or completion of the Contract or termination of the services of Contractor.

17.05 *Controlling Law*

A. This Contract is to be governed by the law of the state in which the Project is located.

17.06 *Headings*

A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

November 25, 2019

Mrs. Paula Yancey
City Manager
City of Gautier
3330 Highway 90
Gautier, MS 39533

Re: Acknowledge Receipt of Bids and Recommendation of Award
Old Spanish Trail Wastewater System Upgrades

Dear Mrs. Yancey,

Please be advised that on Thursday, November 21, 2019, at 10:00 a.m., bids were received for the referenced project. As you will see from the attached bid tabulation, Suncoast Infrastructure, Inc. is the low bidder. This contractor has a positive reputation and adequate experience and expertise to perform the duties required by the contract documents. Therefore, I recommend awarding this Contract to Suncoast Infrastructure, Inc. for their bid amount of \$146,340.00.

Should you have any questions or comments, please do not hesitate to call.

Sincerely,

SEYMOUR ENGINEERING



Sarah McLellan, E.I.
Project Manager

Cc: Ms. April Stennett, Grants and Project Administrator

Attachments: Certified Bid Tabulation
Contract
Contract General Conditions
Contract Supplementary General Conditions
Required Attachments for RESTORE Direct Component Professional Services Contracts



OLD SPANISH TRAIL WASTEWATER SYSTEM UPGRADES
CITY OF GAUTIER

CONTRACTOR'S BID TABULATION

Bid Opening: Thursday, November 21, 2019, at 11:00 A.M. Central Time
Location: Gautier City Hall, 3330 US-90 , Gautier, MS 39553

Contractor
Address
City, State

Gulf Coast Underground, LLC
5655 Middle Rd
Theodore, AL 36582

R.S. Allen Construction, Inc.
125 Monarch Blvd
Hattiesburg, MS 39404

Smith Industrial Services, Inc.
2001 W. 1-65 Service Rd N
Mobile, AL 36618

SunCoast Infrastructure, Inc.
P.O. Box 397
Florence, MS 39073

Item. No.	Description	Quantity	Unit	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total
BASE BID											
1	Mobilization	1	LS	\$ 3,500.00	\$ 3,500.00	\$ 20,000.00	\$ 20,000.00	\$ 16,000.00	\$ 16,000.00	\$ 2,655.00	\$ 2,655.00
2	Traffic Control	1	LS	\$ 7,500.00	\$ 7,500.00	\$ 5,000.00	\$ 5,000.00	\$ 900.00	\$ 900.00	\$ 500.00	\$ 500.00
3	6"-10" Sanitary Sewer Line Standard Cleaning	20,000	LF	\$ 1.75	\$ 35,000.00	\$ 1.60	\$ 32,000.00	\$ 2.00	\$ 40,000.00	\$ 2.50	\$ 50,000.00
4	6"-10" Sanitary Sewer Line Heavy Cleaning	3,000	LF	\$ 2.00	\$ 6,000.00	\$ 3.00	\$ 9,000.00	\$ 3.00	\$ 9,000.00	\$ 3.50	\$ 10,500.00
5	15" Sanitary Sewer Line Standard Cleaning	1,000	LF	\$ 4.00	\$ 4,000.00	\$ 2.25	\$ 2,250.00	\$ 1.50	\$ 1,500.00	\$ 3.00	\$ 3,000.00
6	15" Sanitary Sewer Line Heavy Cleaning	500	LF	\$ 8.00	\$ 4,000.00	\$ 3.50	\$ 1,750.00	\$ 1.50	\$ 750.00	\$ 4.75	\$ 2,375.00
7	18" Sanitary Sewer Line Standard Cleaning	1,000	LF	\$ 6.00	\$ 6,000.00	\$ 2.50	\$ 2,500.00	\$ 1.50	\$ 1,500.00	\$ 5.00	\$ 5,000.00
8	18" Sanitary Sewer Line Heavy Cleaning	500	LF	\$ 10.00	\$ 5,000.00	\$ 4.25	\$ 2,125.00	\$ 1.50	\$ 750.00	\$ 6.75	\$ 3,375.00
9	Root/Grease Removal in Existing 6"-12" Sewer Line	3,000	LF	\$ 0.50	\$ 1,500.00	\$ 3.50	\$ 10,500.00	\$ 3.50	\$ 10,500.00	\$ 1.00	\$ 3,000.00
10	Root/Grease Removal in Existing 15"-21" Sewer Line	2,000	LF	\$ 0.50	\$ 1,000.00	\$ 5.25	\$ 10,500.00	\$ 1.50	\$ 3,000.00	\$ 1.00	\$ 2,000.00
11	Remove Protruding Service	1	EA	\$ 162.35	\$ 162.35	\$ 500.00	\$ 500.00	\$ 1,000.00	\$ 1,000.00	\$ 600.00	\$ 600.00
12	Removal of Stabilized Debris in Manholes	1	EA	\$ 324.70	\$ 324.70	\$ 300.00	\$ 300.00	\$ 410.00	\$ 410.00	\$ 950.00	\$ 950.00
13	6"-10" Sewer CCTV Inspection & Reporting	23,000	LF	\$ 1.00	\$ 23,000.00	\$ 1.60	\$ 36,800.00	\$ 1.25	\$ 28,750.00	\$ 0.25	\$ 5,750.00
14	12"-15" Sewer CCTV Inspection & Reporting	1,500	LF	\$ 2.00	\$ 3,000.00	\$ 1.70	\$ 2,550.00	\$ 0.40	\$ 600.00	\$ 0.25	\$ 375.00
15	18"-21" Sewer CCTV Inspection & Reporting	1,500	LF	\$ 5.00	\$ 7,500.00	\$ 1.80	\$ 2,700.00	\$ 0.40	\$ 600.00	\$ 0.25	\$ 375.00
16	Reverse Set Up	1	EA	\$ 750.00	\$ 750.00	\$ 300.00	\$ 300.00	\$ 500.00	\$ 500.00	\$ 750.00	\$ 750.00
17	Rehabilitation Recommendations Based on CCTV Inspection Results	26,000	LF	\$ 0.25	\$ 6,500.00	\$ 0.20	\$ 5,200.00	\$ 0.10	\$ 2,600.00	\$ 0.10	\$ 2,600.00
18	Collection System GIS Map Production	26,000	LF	\$ 1.50	\$ 39,000.00	\$ 0.25	\$ 6,500.00	\$ 0.54	\$ 14,040.00	\$ 0.25	\$ 6,500.00
19	Dyed Water Testing Concurrent with CCTV Inspection	1	EA	\$ 600.00	\$ 600.00	\$ 1,500.00	\$ 1,500.00	\$ 750.00	\$ 750.00	\$ 785.00	\$ 785.00
20	Uncover Buried Manholes	1	EA	\$ 1,000.00	\$ 1,000.00	\$ 350.00	\$ 350.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
21	Manhole Inspection & Reporting	140	EA	\$ 81.18	\$ 11,365.20	\$ 50.00	\$ 7,000.00	\$ 50.00	\$ 7,000.00	\$ 121.00	\$ 16,940.00
22	Disposal of Solids	100	CY	\$ 95.00	\$ 9,500.00	\$ 150.00	\$ 15,000.00	\$ 76.00	\$ 7,600.00	\$ 1.00	\$ 100.00
23	Flow Monitoring Data Collection (3 Meters)	180	Meter/Day	\$ 105.34	\$ 18,961.20	\$ 200.00	\$ 36,000.00	\$ 101.00	\$ 18,180.00	\$ 95.00	\$ 17,100.00
24	Rainfall Monitoring (1 Gauge)	60	Gauge/Day	\$ 82.67	\$ 4,960.20	\$ 50.00	\$ 3,000.00	\$ 60.00	\$ 3,600.00	\$ 56.00	\$ 3,360.00
25	Additional Flow Monitoring Data Collection (3 Meters)	90	Meter/Day	\$ 33.34	\$ 3,000.60	\$ 200.00	\$ 18,000.00	\$ 40.00	\$ 3,600.00	\$ 50.00	\$ 4,500.00
26	Additional Rainfall Monitoring (1 Gauge)	30	Gauge/Day	\$ 22.67	\$ 680.10	\$ 50.00	\$ 1,500.00	\$ 29.00	\$ 870.00	\$ 75.00	\$ 2,250.00
TOTAL BASE BID					\$ 203,804.35		\$ 232,825.00		\$ 175,000.00		\$ 146,340.00

I HAVE REVIEWED THESE BIDS AND HEREBY
CERTIFY THAT THEY ARE ACCURATE

 11/21/2019

SARAH MCLELLAN, E.I., PROJECT MANAGER

SUGGESTED FORM OF AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

Prepared by

ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

and

Issued and Published Jointly By



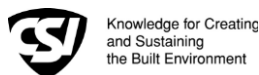
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This document has been approved and endorsed by

The Associated General Contractors of America



**EJCDC
SUGGESTED FORM OF AGREEMENT
BETWEEN OWNER AND CONTRACTOR FOR
CONSTRUCTION CONTRACT (STIPULATED PRICE)**

THIS AGREEMENT is by and between CITY OF GAUTIER

(Owner) and SUNCOAST INFRASTRUCTURE, INC.

(Contractor).

Owner and Contractor, in consideration of the mutual covenants set forth herein, agree as follows:

ARTICLE 1 - WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

**OLD SPANISH TRAIL
WASTEWATER SYSTEM UPGRADES
GAUTIER, MISSISSIPPI**

ARTICLE 2 - THE PROJECT

2.01 The Project for which the Work under the Contract Documents may be the whole or only a part is generally described as follows:

The project consist of furnishing all labor, design, material, tools, equipment and layout in performing the sewer pipeline video inspection and installing, calibrating, and maintaining three flow meters and one rain gauge for a 60-day period to establish a flow rate in the sewer pipelines to assist in future sewer lift station sizing.

ARTICLE 3 - ENGINEER

3.01 The Project has been designed by

Seymour Engineering
925 Tommy Munro Drive, Suite G
Biloxi, MS 39532

(Engineer), who is to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 - CONTRACT TIMES

4.01 Time of the Essence

- A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 Days to Achieve Substantial Completion and Final Payment

- A. The Work will be substantially completed within 90 days after the date when the Contract Times commence to run as provided in Paragraph 2.03 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 14.07 of the General Conditions within 90 days after the date when the Contract Times commence to run.

NINETY (90) CONSECUTIVE CALENDAR DAYS FOLLOWING THE “NOTICE TO PROCEED”

4.03 Liquidated Damages - “LIQUIDATED DAMAGES IN THE SUM OF \$500.00 FOR EACH CONSECUTIVE CALENDAR DAY THEREAFTER SHALL BE ASSESSED.”

A. Contractor and Owner recognize that time is of the essence of this Agreement and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay Owner \$500.00 for each day that expires after the time specified in Paragraph 4.02 for Substantial Completion until the Work is substantially complete. After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by Owner, Contractor shall pay Owner \$500.00 for each day that expires after the time specified in Paragraph 4.02 for completion and readiness for final payment until the Work is completed and ready for final payment.

ARTICLE 5 - CONTRACT PRICE

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to Paragraphs 5.01.A, 5.01.B, and 5.01.C below:

- A. For all Work other than Unit Price Work, a Lump Sum of:

<u>N/A</u>	<u>N/A</u>
(words)	(numerals)

All specific cash allowances are included in the above price and have been computed in accordance with paragraph 11.02 of the General Conditions.

- B. For all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the estimated quantity of that item as indicated in this paragraph 5.01.B:

Estimated quantities in the Bid Documents are not guaranteed. It is the Contractor’s sole responsibility to perform the necessary field investigation and evaluation for determining the actual site conditions and projection of quantities as per details outlined within the plans and specifications. Additionally, there will be no increase in price or bid given to the Contractor due to ANY variation from the estimated quantities and actual quantities to complete the required work.

As provided in Paragraph 11.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer as provided in Paragraph 9.07 of the General Conditions. Unit prices have been computed as provided in Paragraph 11.03 of the General Conditions.

<u>UNIT PRICE WORK</u>						
<u>Item No.</u>	<u>Description</u>	<u>Unit</u>	<u>Estimated Quantity</u>	<u>Unit Price</u>		<u>Estimated</u>
	(SEE ATTACHED)					
ONE HUNDRED FORTY-SIX THOUSAND AND THREE HUNDRED FORTY DOLLARS AND ZERO CENTS						\$146,340.00
	TOTAL OF ALL ESTIMATED PRICES	(words)				(numerals)

C. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6 - PAYMENT PROCEDURES

6.01 Submittal and Processing of Payments

A. Contractor shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 Progress Payments; Retainage

A. Provided that an Application for Payment is received by the Engineer not later than the 20th day of a month, the Owner shall make payment to the Contractor not later than 45 days. If an application for Payment is received by the Engineer after the application date fixed above, payment shall be made by the Owner not later than 60 days after the Engineer receives the Application for Payment. All such payments will be measured by the schedule of values established as provided in Paragraph 2.07.A of the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements:

1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Engineer may determine or Owner may withhold, including but not limited to liquidated damages, in accordance with Paragraph 14.02 of the General Conditions:

a. 90% percent of Work completed (with the balance being retainage). If the Work has been 50 percent completed as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, Owner, on recommendation of Engineer, may determine that as long as the character and progress of the Work remain satisfactory to them, there will be no additional retainage; and

2. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to 95% percent of the Work completed, less such amounts as Engineer shall determine in accordance with Paragraph 14.02.B.5 of the General Conditions and less 100 percent of Engineer's estimate of the value of Work to be completed or corrected as shown on the tentative list of items to be completed or corrected attached to the certificate of Substantial Completion.

6.03 Final Payment

A. Upon final completion and acceptance of the Work in accordance with Paragraph 14.07 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 14.07.

ARTICLE 7 - INTEREST

7.01 All moneys not paid when due as provided in Article 14 of the General Conditions shall bear interest at the rate of 0 percent per annum.

ARTICLE 8 – CONTRACTOR’S REPRESENTATIONS

8.01 In order to induce Owner to enter into this Agreement Contractor makes the following representations:

A. Contractor has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.

B. Contractor has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Contractor is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.

D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities) which have been identified in the Supplementary Conditions as provided in Paragraph 4.02 of the General Conditions and (2) reports and drawings of a Hazardous Environmental Condition, if any, at the Site which has been identified in the Supplementary Conditions as provided in Paragraph 4.06 of the General Conditions.

E. Contractor has obtained and carefully studied (or assumes responsibility for doing so) all additional or supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and Underground Facilities) at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, including any specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents, and safety precautions and programs incident thereto.

F. Contractor does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.

G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.

H. Contractor has correlated the information known to Contractor, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.

I. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.

J. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

K. The Contractor will name **Seymour Engineering** and the **City of Gautier** as additional insured on all general liability insurance provided by this Contractor to complete the scope of work in this Agreement. Contractor shall provide a Waiver of Subrogation to **Seymour Engineering** and the **City of Gautier** in respect to workers compensation.

L. The Contractor has no current litigation with the Owner.

ARTICLE 9 - CONTRACT DOCUMENTS

9.01 Contents

- A. The Contract Documents consist of the following:
1. This Agreement (pages 1 to 8, inclusive).
 2. Performance bond (pages 1 to 3, inclusive).
 3. Payment bond (pages 1 to 3, inclusive).
 4. Other bonds (pages _____ to _____, inclusive).
 - a. _____ (pages _____ to _____, inclusive).
 - b. _____ (pages _____ to _____, inclusive).
 - c. _____ (pages _____ to _____, inclusive).
 5. General Conditions (pages 1 to 44, inclusive).
 6. Supplementary Conditions (pages 1 to 14, inclusive).
 7. Specifications as listed in the table of contents of the Project Manual.
 8. MDEQ Required Attachments (pages 1 to 76, inclusive).
 9. Drawings consisting of 1 sheet with each sheet bearing the following general title: **Old Spanish Trail, Wastewater System Upgrades** [or] the Drawings listed on attached sheet index.
 10. Addenda (numbers _____ to _____, inclusive).
 11. Exhibits to this Agreement (enumerated as follows):
 - a. Contractor's Bid (pages 1 to ##, inclusive).
 - b. Documentation submitted by Contractor prior to Notice of Award (pages _____ to _____, inclusive).
 - c. _____.
 12. The following which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto:
 - a. Notice to Proceed (pages 1 to 1, inclusive).
 - b. Work Change Directives.
 - c. Change Order(s).
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in Paragraph 3.04 of the General Conditions.

ARTICLE 10 - MISCELLANEOUS

10.01 Terms

A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 Assignment of Contract

A. No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 Successors and Assigns

A. Owner to the extent allowed by law and Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 Severability

A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 Other Provisions

A. Construction will not be performed under this contract, as Davis Bacon wage requirements will apply to all construction contracts under this project.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement in duplicate. One counterpart each has been delivered to Owner and Contractor. All portions of the Contract Documents have been signed or identified by Owner and Contractor or on their behalf.

This Agreement will be effective on December 3, 2019 (which is the Effective Date of the Agreement).

OWNER:

THE CITY OF GAUTIER, MISSISSIPPI

By: _____

Title: **CITY MANAGER**

[CORPORATE SEAL]

Attest: _____

Title: _____

Address for giving notices:

THE CITY OF GAUTIER, MISSISSIPPI

3330 HIGHWAY 90

GAUTIER, MISSISSIPPI 39553

(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of Owner-Contractor Agreement.)

CONTRACTOR:

SUNCOAST INFRASTRUCTURE, INC.

By: _____

Title: _____

[CORPORATE SEAL]

Attest: _____

Title: _____

Address for giving notices:

SUNCOAST INFRASTRUCTURE, INC.

P.O. BOX 397

FLORENCE, MS 39073

License No.: **12019-MC**
(Where applicable)

Agent for service or process: _____

(If Contractor is a corporation or a partnership, attach evidence of authority to sign.)



MISSISSIPPI DEPARTMENT OF
ENVIRONMENTAL QUALITY

Required Attachments for RESTORE Direct Component Professional Services Contracts

Non-State Agencies – Template version 08.15.2019

The “Required Attachments for RESTORE Direct Component Professional Services Contracts” is not intended to represent all requirements and obligations that may be applicable to this contract. This contract is subject to the terms and conditions of the Sub-Award Agreement between the Mississippi Department of Environmental Quality (“MDEQ”) and the Project Owner (Subrecipient), the terms and conditions of the Federal Award from the U. S. Department of Treasury, including any Special Award Conditions, the Standard Sub-Award Terms and Conditions, the RESTORE Act Financial Assistance Standard Terms and Condition and Program-Specific Terms and Conditions under the “Direct Component,” as amended, the RESTORE Act, 33 USC § 1321(t) et seq., the U.S. Department of Treasury Regulations governing the RESTORE Act, 31 CFR § 34 et seq., all applicable terms and conditions in 2 CFR Part 200 of the Office of Management and Budget (“OMB”) Uniform Guidance for Grants and Cooperative Agreements, as amended, including Appendix II to 2 CFR Part 200, and all other OMB circulars, executive orders or other federal laws or regulations applicable to the services provided under this contract. All of these terms and conditions apply to the Subrecipient and its Contractors, as well as any covered subcontractors or vendors.

Requirements applicable to this contract, as well as any covered subcontracts or vendors, include, but are not limited to:

- CERTIFICATIONS RELATED TO RESTORE ACT DIRECT COMPONENT FUNDING
- FEDERAL SPECIAL AWARD CONDITIONS
- RESTORE ACT FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS AND PROGRAM-SPECIFIC TERMS AND CONDITIONS
- MDEQ STANDARD SUB-AWARD TERMS AND CONDITIONS
- APPENDIX II TO 2 CFR PART 200: CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS
- PROCUREMENT OF RECOVERED MATERIALS
- CONTRACTING WITH SMALL AND MINORITY BUSINESSES, WOMEN’S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS
- SAMPLE LETTER FROM CONTRACTOR TO MBE/WBE FIRMS
- MISSISSIPPI EMPLOYMENT PROTECTION ACT OF 2008 (Miss. Code Annotated §§71-11-1, et seq.)
- EXAMPLE OF E-VERIFY CERTIFICATION LETTER
- SUBCONTRACTOR LISTING FORM

CERTIFICATIONS RELATED TO RESTORE ACT DIRECT COMPONENT FUNDING

By entering into this contract, the contractor expressly acknowledges that:

- 1) This project is funded in whole or in part with grant funding from the Department of Treasury and the Mississippi Department of Environmental Quality under the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act);
- 2) Any contract awarded will be subject to the terms and conditions of said funding award, the RESTORE Act Financial Assistance Standard Terms and Conditions and Program-Specific Terms and Conditions, the Standard Sub-Award Terms and Conditions, the RESTORE Act, 33 USC 1321(t), Treasury Regulations 31 CFR § 34 et seq., including 31 CFR §§ 34, Subpart D, all applicable terms and conditions in 2 CFR Part 200 (including Appendix II to Part 200), and all other OMB circulars, executive orders or other federal laws or regulations, as applicable.;
- 3) Any contract awarded will be subject to 31 CFR Part 19 – Governmentwide Debarment and Suspension (Nonprocurement); and,
- 4) Any contract awarded is subject to Treasury Title VI regulations, 31 CFR Part 22, for the implementation of Title VI of the Civil Rights Act of 1964, as amended (42 USC 2000d, et seq.).
- 5) Any contract awarded will be subject to the laws and regulations of the United States and the State of Mississippi.

The owner will not enter into a contract with a contractor, or the contractor's principals, if the contractor or its principals appear on the federal government's Excluded Parties List. The contractor does hereby certify, by entering into this agreement, that neither it nor its principals are presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

The contractor must verify that any subcontractor (or the subcontractor's principals) does not appear on the federal government's Excluded Parties List prior to executing a subcontract with that entity. The Excluded Parties List is accessible at <http://www.sam.gov>.

FEDERAL SPECIAL AWARD CONDITIONS

The following Special Award Conditions apply to this contract, in addition to all other terms and conditions of the contract, and are not intended to supersede any other section of the contract, unless affirmatively stated:

NOT APPLICABLE

RESTORE ACT

FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS AND PROGRAM-SPECIFIC TERMS AND CONDITION

RESTORE ACT

FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS AND PROGRAM-SPECIFIC TERMS AND CONDITIONS

U.S. Department of the Treasury

August 2017



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RESTORE ACT FINANCIAL ASSISTANCE STANDARD TERMS AND CONDITIONS AND PROGRAM-SPECIFIC TERMS AND CONDITIONS

PREFACE

The grant agreement is comprised of the following documents:

1. A Notice of Award from the Department of the Treasury (“Treasury”);
2. The RESTORE Act Financial Assistance Standard Terms and Conditions (“Standard Terms and Conditions”);
3. The RESTORE Act Financial Assistance Program-Specific Terms and Conditions (“Program-Specific Terms and Conditions”);
4. The approved application, including all documents, certifications, and assurances that are part of the approved application;
5. The approved scope of work;
6. The approved budget; and,
7. Any special terms and conditions applied by Treasury to the award (“Special Award Conditions”).

The recipient must comply, and require each of its subrecipients, contractors, and subcontractors employed in the completion of the activity, project, or program to comply with all federal statutes, federal regulations, executive orders (EOs), Office of Management and Budget (OMB) circulars, Standard Terms and Conditions, Program-Specific Terms and Conditions, and any Special Award Conditions of this federal financial assistance award (“Award”), as applicable, in addition to the certifications and assurances required at the time of application. This Award is subject to the laws and regulations of the United States.

Any inconsistency or conflict in Standard Terms and Conditions, Program-Specific Terms and Conditions, and any Special Award Conditions of this Award will be resolved according to the following order of precedence: federal laws, federal regulations, applicable notices published in the Federal Register, EOs, OMB circulars, Treasury’s Standard Terms and Conditions, Program-Specific Terms and Conditions, and any Special Award Conditions. Special Award Conditions may amend or take precedence over Standard Terms and Conditions and Program-Specific Terms and Conditions.

Some of these Standard Terms and Conditions contain, by reference or substance, a summary of pertinent federal statutes, federal regulations published in the Federal Register (Fed. Reg.) or Code of Federal Regulations (C.F.R.), EOs, or OMB circulars. In particular, these Standard Terms and Conditions incorporate many of the provisions contained in OMB’s Uniform Guidance for Grants and Cooperative Agreements (2 C.F.R. Part 200), which supersedes former OMB Circular A-102 (the former grants management common rule), OMB Circular A-133 (single audit requirements), and all former OMB circulars containing the cost principles for grants and cooperative agreements. To the extent that it is a summary, such a provision is not in derogation of, or an amendment to, any such statute, regulation, EO, or OMB circular. Unless a definition is provided here, definitions can be found in the RESTORE Act (Public Law No. 112-141 (July 6, 2012)), Treasury’s RESTORE Act regulations (79 Fed. Reg. 48039 (Aug. 15, 2014) and 79 Fed. Reg. 61236 (Oct. 10, 2014), codified at 31 C.F.R. Part 34)), and/or 2 C.F.R. Part 200.

A PROGRAM-SPECIFIC TERMS AND CONDITIONS - AWARDS UNDER THE DIRECT COMPONENT

In addition to all the Standard Terms and Conditions described in Sections C through V of this document, all Treasury RESTORE Act awards made under the Direct Component include the following Program-Specific Terms and Conditions in this Section A:

1. Administrative Costs

- a. Administrative costs are defined at 31 C.F.R. § 34.2.
- b. Under no circumstances may the recipient use more than three percent of the Award funds received for administrative costs. Administrative costs do not include indirect costs that are identified specifically with, or readily assignable to facilities, as defined in 2 C.F.R. § 200.414. Costs borne by subrecipients do not count toward the three percent cap.
- c. Up to 100 percent of program income may be used to pay for allowable administrative costs, subject to the three percent cap.

2. Oil Spill Liability Trust Fund

The recipient must not seek any compensation for the approved program or project from the Oil Spill Liability Trust Fund. If the recipient is authorized to make subawards, the recipient must not use Direct Component funds to make subawards to fund activities for which any claim for compensation was filed and paid out by the Oil Spill Liability Trust Fund after July 6, 2012.

3. Remedies for Noncompliance

- a. If Treasury determines that the recipient has expended Direct Component funds to cover the cost of any ineligible activities, in addition to the remedies available in Section M of these Standard Terms and Conditions, per 31 C.F.R. § 34.804, Treasury will make no additional payments to the recipient from the Gulf Coast Restoration Trust Fund (Trust Fund), including no payments from the Trust Fund for activities, projects, or programs other than Direct Component activities, projects, or programs, until the recipient has either (1) deposited an amount equal to the amount expended for the ineligible activities in the Trust Fund, or (2) Treasury has authorized the recipient to expend an equal amount from the recipient's own funds for an activity that meets the requirements of the RESTORE Act.
- b. If Treasury determines the recipient has materially violated the terms of this Award, Treasury will make no additional funds available to the recipient from any part of the Trust Fund until the recipient corrects the violation.

B PROGRAM-SPECIFIC TERMS AND CONDITIONS - AWARDS UNDER THE CENTERS OF EXCELLENCE RESEARCH GRANTS PROGRAM

In addition to all the Standard Terms and Conditions described in Sections C through V of this document, all Treasury RESTORE Act awards under the Centers of Excellence Research Grants Program include the following Program-Specific Terms and Conditions in this Section B:

1. Allowable Costs

In addition to the prohibitions contained in 2 C.F.R. Part 200, Subpart E (*Cost Principles*), the following costs are unallowable unless approved in writing by Treasury:

- a. Construction, including the alteration, repair, or rehabilitation of existing structures. Facilities costs are allowable as indirect costs in a federally approved negotiated indirect cost rate.
- b. Acquisition of land or interests in land.

2. Notifications

- a. If the selection of a Center or Centers of Excellence occurs after the start date of this Award, the recipient must promptly inform Treasury of the following:
 - i. Name of the Center of Excellence and the entity selected to administer it, including the names of member organizations if the entity is a consortium;
 - ii. The DUNS Number of the entity;
 - iii. Location of the entity;
 - iv. Discipline or disciplines assigned to the Center of Excellence;
 - v. Description of the actual public input process undertaken, including a summary of any comments received and a description of how they were addressed; and
 - vi. The estimated budget for the Center, including the total allocation of funded dollars for the Center.
- b. The recipient must immediately notify Treasury if it anticipates selecting a new entity or consortium to serve as a Center of Excellence, or making other changes to the initial selection of Center(s) of Excellence described in the scope of work.

3. Performance Reports

In addition to the reporting requirements in Section D, the recipient must submit an annual report to the Gulf Coast Ecosystem Restoration Council ("Council"), in a form prescribed by the Council that includes information on subrecipients, subaward amounts, disciplines addressed, and any other information required by the Council. When the subrecipient is a consortium, the annual report must also identify the consortium members. The recipient must provide a copy of this report to Treasury when it submits the report to the Council.

STANDARD TERMS AND CONDITIONS

AWARDS UNDER THE DIRECT COMPONENT AND THE CENTERS OF EXCELLENCE RESEARCH GRANTS PROGRAM

C FINANCIAL REQUIREMENTS

1. Applicable Regulations

This Award is subject to the following federal regulations and requirements. This list is not exclusive:

- a. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, Subparts A through F, and any Treasury regulations incorporating these requirements.
- b. Treasury's RESTORE Act regulations, 31 C.F.R. Part 34.
- c. Governmentwide Debarment and Suspension, 31 C.F.R. Part 19.
- d. Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
- e. New Restrictions on Lobbying, 31 C.F.R. Part 21.
- f. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170.
- g. Award Term related to Trafficking in Persons, 2 C.F.R. Part 175.

2. Scope of Work

The recipient must only use funds obligated and disbursed under this Award for the purpose of carrying out activities described in the attached approved scope of work. The recipient must not incur or pay any expenses under this Award for activities not related to the attached approved scope of work unless Treasury first approves an Award amendment explicitly modifying the approved scope of work to include those activities.

3. Period of Performance: Pre-award Costs

The recipient must use funds obligated and disbursed under this Award only during the period of performance specified in the Notice of Award, which is the time period during which the recipient may incur new obligations and costs to carry out the work authorized under this Award. The only exception is for costs incurred prior to the effective date of this Award, which are allowable only if:

- a. Treasury specifically authorized these costs in writing on or after the issuance date of this Award;
- b. Incurring these costs was necessary for the efficient and timely performance of the scope of work; and
- c. These costs would have been allowable if incurred after the date of the award.

4. Indirect Costs

- a. The recipient may only charge indirect costs to this Award if these costs are allowable under 2 C.F.R. Part 200, subpart E (*Cost Principles*).

- b. Indirect costs charged must be consistent with an accepted de minimis rate or the indirect cost rate agreement negotiated between the recipient and its cognizant agency (defined as the federal agency that is responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, see 2 C.F.R. § 200.19) and must be included in the recipient's budget.
- c. Unallowable direct costs are not recoverable as indirect costs.
- d. The maximum dollar amount of allocable indirect costs charged to this Award shall be the lesser of:
 - i. The line item amount for the indirect costs contained in the approved budget, including all budget revisions approved in writing by the Treasury; or,
 - ii. The total indirect costs allocable to this Award based on the indirect cost rate approved by a cognizant or oversight federal agency and applicable to the period in which the cost was incurred, provided that the rate is approved on or before the Award end date.

5. Cost Sharing and Budget Limitations

- a. The recipient is not required to contribute any matching funds.
- b. The recipient shall not request or receive additional funding beyond what was included in the approved application for the attached approved scope of work from any federal or non-federal source without first notifying Treasury.

6. Program Income

Any program income (defined at 2 C.F.R. § 200.80) generated by the recipient or the subrecipient during the period of performance of the award or subrecipient agreement, as applicable, must be included in the approved budget and be used for the purposes and under the conditions of these Standard Terms and Conditions and any Special Award Conditions, i.e. solely to accomplish the approved scope of work.

7. Incurring Costs or Obligating Federal Funds Beyond the Expiration Date

The recipient must not incur costs or obligate funds under this Award for any purpose pertaining to the operation of the activity, project, or program beyond the end of the period of performance. The only costs which are authorized for a period up to 90 days following the end of the period of performance are those strictly associated with close-out activities. Close-out activities are normally limited to the preparation of final progress, financial, and required audit reports unless otherwise approved in writing by Treasury. Under extraordinary circumstances, and at Treasury's sole discretion, Treasury may approve the recipient's request for an extension of the 90-day closeout period.

8. Tax Refunds

Refunds of taxes paid under the Federal Insurance Contributions Act (FICA) and the Federal Unemployment Tax Act (FUTA) that are received by the recipient during or after the period of performance must be refunded or credited to Treasury if these taxes were paid out of RESTORE Act funds in accordance with 2 C.F.R. Part 200, subpart E (*Cost Principles*). The recipient agrees to contact Treasury immediately upon receipt of these refunds.

9. Subawards

- a. If the recipient is permitted to make subawards under this award, the recipient must execute a legally binding written agreement with the subrecipient. This agreement must incorporate all the terms and conditions of this Award, including any Special Award Conditions, and must include the information at 2 C.F.R. § 200.331. The recipient must perform all responsibilities required of a pass-through entity, as specified in 2 C.F.R. Part 200.
- b. The recipient must evaluate and document each subrecipient's risk of noncompliance with federal statutes, federal regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring strategy, as described in 2 C.F.R. § 200.331(b).
- c. The recipient must monitor the subrecipient's use of federal funds through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient is administering the subaward in compliance with the RESTORE Act, Treasury's RESTORE Act regulations, these Standard Terms and Conditions, Program-Specific Terms and Conditions, and any Special Award Conditions, and to ensure that performance goals are achieved.
- d. The recipient must provide training and technical assistance to the subrecipient as necessary.
- e. The recipient must, if necessary, take appropriate enforcement actions against non-compliant subrecipients.
- f. If lower tier subawards are authorized by Treasury, the recipient must ensure that a subrecipient who makes a subaward applies the terms and conditions of this Award, including any Special Award Conditions, to all lower tier subawards, and that a subrecipient who makes a subaward carries out all the responsibilities of a pass-through entity described at 2 C.F.R. Part 200.
- g. The recipient must maintain written standards of conduct governing the performance of its employees involved in executing this Award and administration of subawards.
 - i. No employee, officer, or agent shall participate in the selection, award, or administration of a subaward supported by federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization in which he/she serves as an officer or which employs or is about to employ any of the parties mentioned in this section, has a financial interest or other interest in the organization selected or to be selected for a subaward.
 - ii. The officers, employees, and agents of the recipient shall neither solicit nor accept anything of monetary value from subrecipients.
 - iii. A recipient may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. A financial interest may include employment, stock ownership, a creditor or debtor relationship, or prospective employment with the organization selected or to be selected for a subaward.
 - iv. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.

D RECIPIENT REPORTING AND AUDIT REQUIREMENTS

1. Financial Reports

- a. The recipient must submit a "Federal Financial Report" (SF-425) on a semi-annual basis for the periods ending March 31 and September 30 (or June 30 and December 31, if instructed by Treasury), or any portion thereof, unless otherwise specified in a special award condition. Reports are due no later than 30 days following the end of each reporting period. A final SF-425 must be submitted within 90 days after the end of the period of performance.
- b. In the remarks section of each SF-425 submitted, the recipient must describe by budget category the use of all funds received.
- c. The report must be signed by an authorized certifying official who is the employee authorized by the recipient organization to submit financial data on its behalf.
- d. The recipient must submit all financial reports via <http://www.GrantSolutions.gov>, unless otherwise specified by Treasury in writing.

2. Performance Reports

- a. The recipient must submit an SF-PPR ("Performance Progress Report"), a "RESTORE Act Status of Performance Report," (standard format provided by Treasury, OMB Approval No. 1505-0250) and an updated "RESTORE Act Milestones Report," (standard format provided by Treasury, OMB Approval No. 1505-0250) on a semi-annual basis for the periods ending March 31 and September 30 (or June 30 and December 31, if instructed by Treasury), or any portion thereof, unless otherwise specified in a Special Award Condition. Reports are due no later than 30 days following the end of each reporting period, except the final report, which is due 90 days following the end of the period of performance.
- b. The recipient must submit all performance reports in (a) above, via <http://www.GrantSolutions.gov>, unless otherwise specified in writing by Treasury, and the recipient must complete these reports according to the following instructions:
 - i. SF-PPR: In the "performance narrative" attachment (section B of the SF-PPR), the recipient must provide the following information:
 - a) In Section B-1:
 - 1) Summarize activities undertaken during the reporting period;
 - 2) Summarize any key accomplishments, including milestones completed for the reporting period;
 - 3) List any contracts awarded during the reporting period, along with the name of the contractor and its principal, the DUNS number of the contractor, the value of the contract, the date of award, a brief description of the services to be provided, and whether or not local preference was used in the selection of the contractor; and
 - 4) If the recipient is authorized to make subawards, list any subawards executed during the reporting period, along with the name of the entity and its principal, the DUNS number of the entity, the value of the agreement, the date of award, and a brief

description of the scope of work.

b) In Section B-2:

- 1) Indicate if any operational, legal, regulatory, budgetary, and/or ecological risks, and/or any public controversies, have been materialized. If so, indicate what mitigation strategies have been undertaken to attenuate these risks or controversies; and
- 2) Summarize any challenges that have impeded the recipient's ability to accomplish the approved scope of work on schedule and on budget.

c) In Section B-3:

Summarize any significant findings or events, including any data compiled, collected, or created, if applicable.

d) In Section B-4:

Describe any activities to disseminate or publicize results of the activity, project, or program, including data and its repository and citations for publications resulting from this Award.

e) In Section B-5:

- 1) Describe all efforts taken to monitor contractor and/or subrecipient performance, including site visits, during the reporting period.
- 2) For subawards, indicate whether the subrecipient submitted an audit to the recipient, and if so, whether the recipient issued a management decision on any findings; and
- 3) Describe any other activities or relevant information not already provided.

f) In Section B-6:

Summarize the activities planned for the next reporting period.

- ii. "RESTORE Act Status of Performance Report": Instructions are provided on the report form.
- iii. "RESTORE Act Milestones Report": Instructions are provided on the report form.

3. Interim Reporting on Significant Developments per 2 C.F.R. § 200.328(d)

- a. Events may occur between the scheduled performance reporting dates that have significant impact upon the activity, project, or program. In such cases, the recipient must inform Treasury as soon as the following types of conditions become known:
 - i. Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of this Award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
 - ii. Favorable developments, which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

- b. The recipient must:
 - i. Promptly provide to Treasury and the Treasury Inspector General a copy of all state or local inspector general reports, audit reports other than those prepared under the Single Audit Act, and reports of any other oversight body, if such report pertains to an award under any RESTORE Act component, including the Comprehensive Plan Component and Spill Impact Component.
 - ii. Immediately notify Treasury and the Treasury Inspector General of any indication of fraud, waste, abuse, or potentially criminal activity pertaining to grant funds.
 - iii. Promptly notify Treasury upon the selection of a contractor or subrecipient performing work under this Award, and include the name and DUNS number for the subrecipient or contractor, and the total amount of the contract or subaward.

4. Audit Requirements

The recipient is responsible for complying, and ensuring all subrecipients comply, with all audit requirements of the Single Audit Act and 2 C.F.R. Part 200 Subpart F – Audit Requirements.

5. Operational Self-Assessment

The recipient must submit a revised *Operational Self-Assessment* form no later than June 30th of each calendar year for the duration of this Award. Only one *Operational Self-Assessment* must be submitted per recipient per year. In completing the form, the recipient must note controls or activities that have changed from its previous submission. The recipient must submit the *Operational Self-Assessment* electronically to restoreact@treasury.gov, unless otherwise specified in writing by Treasury. The form may be downloaded at <https://www.treasury.gov/services/restore-act/Pages/Direct%20Component/DirectComponent.aspx>.

E FINANCIAL MANAGEMENT SYSTEM AND INTERNAL CONTROL REQUIREMENTS

1. Recipients that are states must expend and account for Award funds in accordance with the applicable state laws and procedures for expending and accounting for the state's own funds. All other recipients must expend and account for Award funds in accordance with federal laws and procedures. In addition, all recipients' financial management systems must be sufficient to:
 - a. Permit the preparation of accurate, current, and complete SF-425, SF-PPR, RESTORE Act Milestones Report, and RESTORE Act Status of Performance Reports, as well as reporting on subawards, if applicable, and any additional reports required by any Special Award Conditions;
 - b. Permit the tracing of funds to a level of expenditures adequate to establish that such funds have been used in accordance with all applicable federal, state, and local requirements, including the RESTORE Act, Treasury RESTORE Act regulations, these Standard Terms and Conditions, Program-Specific Terms and Conditions, and any Special Award Conditions.
 - c. Allow for the comparison of actual expenditures with the amount budgeted for each Award made to the recipient by Treasury under the RESTORE Act.

- d. Identify and track all RESTORE Act awards received and expended by the assigned grant number, which is the Universal Award ID (as provided by Treasury), the year the Award was made, the awarding agency (Treasury), and the program's CFDA title and CFDA number (21.015).
 - e. Record the source and application of funds for all activities funded by this Award, as well as all awards, authorizations, obligations, unobligated balances, assets, expenditures, program income, and interest earned on federal advances, and allow users to tie these records to source documentation such as cancelled checks, paid bills, payroll and attendance records, contract and subaward agreements, etc.
 - f. Ensure effective control over, and accountability for, all federal funds, and all property and assets acquired with federal funds. The recipient must adequately safeguard all assets and ensure that they are used solely for authorized purposes.
2. The recipient must establish written procedures to implement the requirements set forth in section H below (Award Disbursement), as well as written procedures to determine the allowability of costs in accordance with 2 C.F.R. Part 200, subpart E (*Cost Principles*) and the terms and conditions of this Award.
 3. The recipient must establish and maintain effective internal controls over this Award in a manner that provides reasonable assurance that the recipient is managing this Award in compliance with the RESTORE Act, Treasury's RESTORE Act regulations, these Standard Terms and Conditions, Program-Specific Terms and Conditions, and any Special Award Conditions. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The recipient must evaluate and monitor its compliance, and the compliance of any subrecipients, with the RESTORE Act, Treasury's RESTORE Act regulations, these Standard Terms and Conditions, Program-Specific Terms and Conditions, and any Special Award Conditions, and promptly remedy any identified instances of noncompliance. When and if an instance of noncompliance cannot be remedied by the recipient, the recipient must promptly report the instance of noncompliance to Treasury and the Treasury Inspector General, followed by submitting a proposed mitigation plan to Treasury.
 4. The recipient must take reasonable measures to safeguard protected personally identifiable information (PII) consistent with applicable federal, state, and local laws regarding privacy and obligations of confidentiality.

F RECORDS RETENTION REQUIREMENTS

1. The recipient must retain all records pertinent to this Award for a period of three years, beginning on a date as described in 2 C.F.R. § 200.333. While electronic storage of records (backed up as appropriate) is preferable, the recipient has the option to store records in hardcopy (paper) format. For the purposes of this section, the term "records" includes but is not limited to:
 - a. Copies of all contracts and all documents related to a contract, including the Request for Proposal (RFP), all proposals/bids received, all meeting minutes or other documentation of the evaluation and selection of contractors, any disclosed conflicts of interest regarding a contract, all signed conflict of interest forms, all conflict of interest and other procurement rules governing a particular contract, and any bid protests;

- b. Copies of all subawards, including the funding opportunity announcement or equivalent, all applications received, all meeting minutes or other documentation of the evaluation and selection of subrecipients, any disclosed conflicts of interest regarding a subaward, and all signed conflict of interest forms);
 - c. All documentation of site visits, reports, audits, and other monitoring of contractors (vendors) and subrecipients);
 - d. All financial and accounting records, including records of disbursements to contractors (vendors) and subrecipients, and documentation of the allowability of Administrative Costs charged to this Award;
 - e. All supporting documentation for the performance outcome and other information reported on the recipient's SF-425s, SF-PPRs, RESTORE Act Milestones Reports, and RESTORE Act Status of Performance Reports; and
 - f. Any reports, publications, and data sets from any research conducted under this Award.
- 2. If any litigation, claim, investigation, or audit relating to this Award or an activity funded with Award funds is started before the expiration of the three year period, the records must be retained until all litigation, claims, investigations, or audit findings involving the records have been resolved and final action taken.
 - 3. If the recipient is authorized to enter into contracts to complete the approved scope of work, the recipient must include in its legal agreement with the contractor a requirement that the contractor retain all records in compliance with 2 C.F.R. § 200.333.
 - 4. If the recipient is authorized to make subawards, the recipient must include in its legal agreement with the subrecipient a requirement that the subrecipient retain all records in compliance with 2 C.F.R. § 200.333.

G THE FEDERAL GOVERNMENT'S RIGHT TO INSPECT, AUDIT, AND INVESTIGATE

1. Access to Records

- a. Treasury, the Treasury Office of Inspector General, and the Government Accountability Office have the right of timely and unrestricted access to any documents, papers or other records, including electronic records, of the recipient that are pertinent to this Award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the recipient's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are required to be retained.
- b. If the recipient is authorized to make subawards, the recipient must include in its legal agreement or contract with the subrecipient a requirement that the subrecipient make available to Treasury, the Treasury Office of Inspector General, and the Government Accountability Office any documents, papers or other records, including electronic records, of the subrecipient, that are pertinent to this Award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the subrecipient's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are required to be retained (see Section F above).
- c. If the recipient is authorized to enter into contracts to complete the approved scope of work, the recipient must include in its contract a requirement that the

contractor make available to Treasury, the Treasury Office of Inspector General, and the Government Accountability Office any documents, papers or other records, including electronic records, of the contractor that are pertinent to this Award, in order to make audits, investigations, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to the contractor's personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as records are retained (see Section F above).

2. Access to the Recipient's Sites.

The Treasury, the Treasury Office of Inspector General, and Government Accountability Office shall have the right during normal business hours to conduct announced and unannounced onsite and offsite physical visits of recipients and their subrecipients and contractors corresponding to the duration of their records retention obligation for this Award.

H AWARD DISBURSEMENT

1. Unless otherwise specified in a Special Award Condition, Treasury will make advance payments under this Award. However, if one of the following occurs, Treasury will require Award funds to be disbursed on a reimbursement basis either with or without pre-approval of drawdown requests: (1) Treasury determines that the recipient does not meet the financial management system standards (see Section E) included in these Standard Terms and Conditions, (2) Treasury determines that the recipient has not established procedures that will minimize the time elapsing between the transfer of funds and disbursement, or (3) Treasury determines that the recipient is in noncompliance with the RESTORE Act, Treasury's RESTORE Act regulations, other pertinent federal statutes, these Standard Terms and Conditions, Program-Specific Terms and Conditions, and/or any Special Award Conditions, and determines that the appropriate remedy is to require payment on a reimbursement basis.
2. If reimbursement is used, Treasury may require pre-approval of drawdown requests. If Treasury requires pre-approval of drawdown requests, Treasury will provide the recipient with instructions on what billing to submit. Treasury will make payment within 30 calendar days after receipt of the billing, unless Treasury determines the request to be improper, in which case payment will not be made.
3. To the extent available, the recipient must disburse funds available from program income, rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments of Award funds.
4. Treasury will use the Department of Treasury's Automated Standard Application for Payment (ASAP) system to disburse payments of Award funds. In order to receive payments, the recipient must first enroll in ASAP.gov. Treasury creates and funds account(s) for recipients in ASAP.gov, and recipients access their account(s) online to request funds. All Award funds will be disbursed electronically using the Automated Clearing House (ACH) for next day or future day payments only. Awards paid through ASAP.gov may contain controls or withdrawal limits set by Treasury.
5. Requirements applicable to recipients that are states: Payment methods of state agencies or instrumentalities must be consistent with Treasury-State agreements under the Cash Management Improvement Act, 31 C.F.R. Part 205 "Rules and Procedures for Efficient Federal-State Funds Transfers," and Treasury Financial Manual (TFM) 4A-2000 Overall Disbursing Rules for All Federal Agencies.
6. Requirements applicable to recipients that are not states: The recipient must minimize

the time between the transfer of funds from Treasury and the use of the funds by the recipient. Advance payments to the recipient must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the recipient in carrying out the purpose of the approved activity, project, or program. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the parish or county for activity, project, or program costs and the proportionate share of any allowable indirect costs. Advances should not be drawn down more than three business days before expenditure. Advanced funds not disbursed in a timely manner must be promptly returned to Treasury. The recipient must make timely payment to contractors (vendors) in accordance with the contract provisions.

7. Advances of federal funds must be deposited and maintained in United States Government-insured interest-bearing accounts whenever possible. The recipient is not required to maintain a separate depository account for receiving Award funds. If the recipient maintains a single depository account where advances are commingled with funds from other sources, the recipient must maintain on its books a separate subaccount for the Award funds. Consistent with the national goal of expanding opportunities for women-owned and minority-owned business enterprises, the recipient is encouraged to ensure fair consideration of women-owned and minority-owned banks (a bank which is owned at least 50 percent by women or minority group members).
8. The recipient must maintain advances of federal funds in interest bearing accounts, unless one of the following conditions applies:
 - a. The recipient receives less than \$120,000 in federal awards per year;
 - b. The best reasonably available interest bearing account would not be expected to earn interest in excess of \$500 per year on federal cash balances; or
 - c. The depository would require an average or minimum balance so high that it would not be feasible within the expected federal and non-federal cash resources.
9. On an annual basis, the recipient must remit interest earned on federal advance payments deposited in interest-bearing accounts to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$500 per year may be retained by the recipient and used for administrative costs.

I EFFECT OF A GOVERNMENT SHUTDOWN ON DISBURSEMENTS AND THE AVAILABILITY OF TREASURY PERSONNEL

In the event of a federal government shutdown, Treasury will issue guidance to the recipient concerning the expected effects on this Award.

J NOTIFICATIONS AND PRIOR APPROVALS

1. Notifications

In addition to other notifications required under these Standard Terms and Conditions, the recipient must promptly notify Treasury in writing whenever any of the following is anticipated or occurs:

- a. A vacancy or change to key personnel listed in the application.
- b. Any termination of a subaward prior to the expiration of the agreement with the subrecipient.
- c. Except for changes described in (2) below, the recipient may revise the budget without prior approval. If the recipient alters the budget, the recipient must

provide a revised budget form (SF-424A or SF-424C, as applicable) to Treasury as an attachment to the SF-PPR, reflecting all budget revisions from the same period covered by the SF-PPR. Acceptance of such budget information does not constitute Treasury's approval of the revised budget.

2. Prior Approvals

- a. The recipient must obtain prior written approval from Treasury whenever any of the following actions is anticipated:
 - i. A change in the scope or the objective of the activity, project, or program (even if there is no associated budget revision requiring prior written approval);
 - ii. A need to extend the period of performance;
 - iii. A need for additional federal funds to complete the activity, project, or program;
 - iv. The transfer of funds among direct cost categories or programs, functions, and activities if this Award exceeds the Simplified Acquisition Threshold (defined at 2 C.F.R. § 200.88) and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by Treasury;
 - v. The subawarding, transferring or contracting out of any work under this Award (this provision does not apply to the acquisition of supplies, material, equipment or general support services), unless described in the application and approved in this Award.;
 - vi. Any transfer between the non-construction and construction activities; and
 - vii. The inclusion of costs that require prior approval in accordance with 2 C.F.R. Part 200, Subpart E—Cost Principles, unless described in the application and approved in this Award.
- b. If requesting a no-cost extension to this Award, the request must be made no less than 30 days prior to the end of the period of performance for this Award. Any extension of the period of performance requires prior written approval from Treasury.

K PROPERTY

1. General Requirements

- a. The recipient must comply with the property standards at 2 C.F.R. § 200.310 through § 200.316 for real property, equipment, supplies, and intangible property. The recipient must also comply with the RESTORE Act requirements concerning the acquisition of land and interests in land at 31 C.F.R. § 34.803.
- b. No real property or interest in real property may be acquired under this Award unless authorized in the approved scope of work.

2. Supplies and Equipment

- a. Requirements that are applicable to recipients that are states:
 - i. Equipment: The recipient must use, manage, and dispose of equipment acquired under this Award in accordance with state laws and

procedures.

- ii. Supplies: If the recipient has a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the activity, project, or program and the supplies are not needed for any other federal award, the recipient must report the value and the retention or sale of such supplies by submitting to Treasury a completed *SF-428 Tangible Personal Property Report* and *SF-428-B Final Report Form* no later than 60 days after the end of the Period of Performance.

b. Requirements that are applicable to recipients that are not states:

- i. Equipment and Supplies: During the period of performance, the recipient must seek disposition instructions from Treasury for equipment and/or unused or residual supplies acquired under this Award if the current fair market value of the equipment and/or unused or residual supplies is greater than \$5,000 per unit. The recipient must seek disposition instructions before disposing of the property by submitting a completed *SF-428 Tangible Personal Property Report* and *SF-428-C Disposition Request/Report*. Not later than 60 days after the end of the period of performance, the recipient must submit to Treasury a completed *SF-428 Tangible Personal Property Report* and *SF-428-B Final Report Form* if the recipient retains any equipment with a current fair market value greater than \$5,000 per unit or a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the activity, project, or program and the equipment and/or supplies are not needed for any other federal award.

L AMENDMENTS AND CLOSEOUT

1. Amendments

- a. The terms of this Award may be amended with the written approval of the recipient and Treasury.
- b. Treasury reserves the right to amend the terms of this Award if required by federal law or regulation.
- c. Amendments must be requested in writing, and must include an explanation for the reason this Award should be amended.

2. Closeout

- a. Treasury will close out this Award when it determines that all applicable administrative actions and all required work of this Award have been completed.

Within 90 calendar days after the end of the period of performance, the recipient must submit any outstanding SF-PPR and RESTORE Act Status of Performance reports, as well as the required reporting on subawards, if applicable, plus a final SF-425 report, unless the recipient requests, and Treasury approves, an extension.
- b. The recipient must liquidate all obligations incurred under this Award not later than 90 calendar days after the end of the period of performance, unless the recipient requests, and Treasury approves, an extension.
- c. The recipient must promptly refund any balances of unobligated cash that

Treasury paid.

- d. Within 90 days after receipt of reports in paragraph (a) of this section, Treasury will make upward or downward adjustments to the allowable costs, and then make prompt payment to the recipient for allowable, unreimbursed costs.
- f. The closeout of this Award does not affect any of the following:
 - i. The right of Treasury to disallow costs and recover funds on the basis of a later audit or other review;
 - ii. The obligation of the recipient to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments;
 - iii. The recipient's obligations regarding audits, property management and disposition (if applicable), and records retention.

M REMEDIES FOR NONCOMPLIANCE

1. If Treasury determines that the recipient has failed to comply with the RESTORE Act, Treasury's RESTORE Act regulations, these Standard Terms and Conditions, Program-Specific Terms and Conditions, or any Special Award Conditions, Treasury may take any of the following actions (in addition to the remedies in Section A.3, above, applicable to Direct Component awards):
 - a. Impose additional Special Award Conditions such as:
 - i. Allowing payment only on a reimbursement basis, with pre-approval of drawdown requests,
 - ii. Requiring additional reporting or more frequent submission of the SF-425, SF-PPR, or RESTORE Act Status of Performance Report,
 - iii. Requiring additional activity, project, or program monitoring,
 - iv. Requiring the recipient or one or more of its subrecipients to obtain technical or management assistance, and/or
 - v. Establishing additional actions that require prior approval;
 - b. Temporarily withhold payments pending correction of the noncompliance;
 - c. Disallow from funding from this Award all or part of the cost of the activity or action not in compliance;
 - d. Wholly or partly suspend or terminate this Award;
 - e. Withhold additional Awards; and/or
 - f. Initiate suspension or debarment proceedings as authorized under 2 C.F.R. Part 180.

Treasury will notify the recipient in writing of Treasury's proposed determination that an instance of noncompliance has occurred, provide details regarding the instance of noncompliance, and indicate the remedy that Treasury proposes to pursue. The recipient will have 30 calendar days to respond and provide information and documentation contesting Treasury's proposed determination or suggesting an alternative remedy. Treasury will consider any and all information provided by the recipient and issue a final determination in writing, which will state Treasury's final findings regarding noncompliance and the remedy to be imposed.

2. In extraordinary circumstances, Treasury may require that any of the remedies above take effect immediately upon notice in writing to the recipient. In such cases, the recipient may contest Treasury's determination or suggest an alternative remedy in writing to

Treasury, and Treasury will issue a final determination.

3. Instead of, or in addition to, the remedies listed above, Treasury may refer the noncompliance to the Treasury Office of Inspector General for investigation or audit. Treasury will refer all allegations of fraud, waste, or abuse to the Treasury Inspector General.
4. Treasury may terminate this Award in accordance with 2 C.F.R. § 200.339. Requests for termination by the recipient must also be in accordance with 2 C.F.R. § 200.339. Such requests must be in writing and must include the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. If Treasury determines that the remaining portion of this Award will not accomplish the purpose of this Award, Treasury may terminate this Award in its entirety.
5. If this Award is terminated, Treasury will update or notify any relevant government-wide systems or entities of any indications of poor performance as required by 41 U.S.C. § 417b and 31 U.S.C. § 3321 and implementing guidance at 2 C.F.R. Part 180.
6. Costs that result from obligations incurred by the recipient during a suspension or after termination are not allowable unless Treasury expressly authorizes them in the notice of suspension or termination or subsequently. However, costs during suspension or after termination are allowable if: (1) the costs result from obligations which were properly incurred by the recipient before the effective date of suspension or termination, and are not in anticipation of it; and (2) the costs would be allowable if the Award was not suspended or expired normally at the end of the period of performance in which the termination takes effect.

N DEBTS

1. Payment of Debts Owed the Federal Government

- a. Any funds paid to the recipient in excess of the amount to which the recipient is finally determined to be authorized to retain under the terms of this Award constitute a debt to the federal government.
- b. Any debts determined to be owed the federal government must be paid promptly by the recipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made. Interest, penalties, and administrative charges (see paragraphs c, d, and e below) shall be charged on delinquent debts in accordance with 31 U.S.C. § 3717 and 31 C.F.R. § 901.9. Treasury will refer any debt that is more than 180 days delinquent to Treasury's Bureau of the Fiscal Service for debt collection services.
- c. The minimum annual interest rate to be assessed on any debts is the Department of the Treasury's Current Value of Funds Rate (CVFR). The CVFR is available online at https://www.fiscal.treasury.gov/fsreports/rpt/cvfr/cvfr_home.htm. The assessed rate shall remain fixed for the duration of the indebtedness, based on the beginning date in Treasury's written demand for payment.
- d. Penalties on any debts shall accrue at a rate of not more than 6 percent per year or such other higher rate as authorized by law.
- e. Administrative charges, that is, the costs of processing and handling a delinquent debt, shall be determined by Treasury.
- f. Funds for payment of a debt must not come from other federally sponsored programs. Verification that other federal funds have not been used will be made, e.g., during on-site visits and audits.

2. Effect of Judgment Lien on Eligibility for Federal Grants, Loans, or Programs

Pursuant to 28 U.S.C. § 3201(e), unless waived in writing by Treasury, a debtor who has a judgment lien against the debtor's property for a debt to the United States shall not be eligible to receive any grant or loan that is made, insured, guaranteed, or financed directly or indirectly by the United States or to receive funds directly from the federal government in any program, except funds to which the debtor is entitled as beneficiary, until the judgment is paid in full or otherwise satisfied.

O NON-DISCRIMINATION REQUIREMENTS

No person in the United States shall, on the ground of race, color, national origin, handicap, age, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving federal financial assistance. The recipient is required to comply with all non-discrimination requirements summarized in this section, and to ensure that all subawards and contracts contain these nondiscrimination requirements.

1. Statutory Provisions

- a. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) prohibits discrimination on the grounds of race, color, or national origin under programs or activities receiving federal financial assistance;
- b. Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681 et seq.) prohibits discrimination on the basis of sex under federally assisted education programs or activities;
- c. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794) prohibits discrimination on the basis of handicap under any program or activity receiving or benefitting from federal assistance;
- d. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance;
- e. The Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.) ("ADA"), including the ADA Amendments Act of 2008 (Public Law 110-325, ("ADAAA"), prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto, as well as public or private entities that provide public transportation;
- f. Any other applicable non-discrimination law(s).

2. Regulatory Provisions

- a. Treasury Title VI regulations, 31 C.F.R. Part 22, implement Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. §§ 2000d, et seq.) which prohibits discrimination on the grounds of race, color, or national origin under programs or activities receiving federal financial assistance;
- b. Treasury Title IX regulations, 31 Part 28, implement Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681 et seq.) which prohibits discrimination on the basis of sex under federally assisted education programs or activities.

3. Other Provisions

- a. Parts II and III of EO 11246 (30 Fed. Reg. 12319, 1965), "Equal Employment Opportunity," as amended by EO 11375 (32 Fed. Reg. 14303, 1967) and 12086 (43 Fed. Reg. 46501, 1978), require federally assisted construction contracts to include the nondiscrimination provisions of §§ 202 and 203 of EO 11246 and Department of Labor regulations implementing EO 11246 (41 C.F.R. § 60-1.4(b), 1991).
- b. EO 13166 (August 11, 2000), "Improving Access to Services for Persons With Limited English Proficiency," requires federal agencies to examine the services provided, identify any need for services to those with limited English proficiency (LEP), and develop and implement a system to provide those services so LEP persons can have meaningful access to them.

4. Title VII Exemption for Religious Organizations

Generally, Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e et seq., provides that it shall be an unlawful employment practice for an employer to discharge any individual or otherwise to discriminate against an individual with respect to compensation, terms, conditions, or privileges of employment because of such individual's race, color, religion, sex, or national origin. However, Title VII, 42 U.S.C. § 2000e-1(a), expressly exempts from the prohibition against discrimination on the basis of religion, a religious corporation, association, educational institution, or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities.

5. Protections for Whistleblowers

In accordance with 41 U.S.C. § 4712, neither the recipient nor any of its subrecipients, contractors (vendors), or subcontractors may discharge, demote, or otherwise discriminate against an employee as a reprisal for disclosing information to a person or entity listed below that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant:

- a. A Member of Congress or a representative of a committee of Congress;
- b. An Inspector General;
- c. The Government Accountability Office;
- d. A Treasury employee responsible for contract or grant oversight or management;
- e. An authorized official of the Department of Justice or other law enforcement agency;
- f. A court or grand jury; and/or
- g. A management official or other employee of the recipient, subrecipient, vendor, contractor (vendor), or subcontractor who has the responsibility to investigate, discover, or address misconduct.

P REQUIREMENT TO CHECK DEBARMENT AND SUSPENSION STATUS OF SUBRECIPIENTS, CONTRACTORS, SUBCONTRACTORS AND VENDORS

1. Recipients that are authorized to enter into subawards or contracts to accomplish all or a portion of the approved scope of work must verify that a proposed subrecipient or contractor (if the contract is expected to equal or exceed \$25,000) or its principals, does not appear on the federal government's Excluded Parties List prior to executing an agreement or contract with that entity. Recipients may not enter into a subaward or contract with an entity that appears on the Excluded Parties List. The Excluded Parties List is accessible at <http://www.sam.gov>.
2. The recipient must ensure that any agreements or contracts with subrecipients or contractors (vendors) require that they verify that their contractors (for contracts expected to equal or exceed \$25,000), subcontractors (for subcontracts expected to equal or exceed \$25,000), or principals that the subrecipients or contractors engage to accomplish the scope of work, if applicable, do not appear on the federal government's Excluded Parties List. Subrecipients and contractors may not enter into a contract or subcontract with an entity, or that entity's principals, if that entity or its principals appear on the Excluded Parties List.
3. The recipient must include a term or condition in all lower tier covered transactions (subawards, contracts, and subcontracts described in 31 C.F.R. Part 19, subpart B) that the award is subject to 31 C.F.R. Part 19.

Q DRUG FREE WORKPLACE

The recipient must comply with the provisions of the Drug-Free Workplace Act of 1988 (Public Law 100-690, Title V, Sec. 5153, as amended by Public Law 105-85, Div. A, Title VIII, Sec. 809, as codified at 41 U.S.C. § 8102), and Treasury implementing regulations at 31 C.F.R. Part 20, which require that the recipient take steps to provide a drug-free workplace.

R LOBBYING RESTRICTIONS

1. Lobbying Restrictions

- a. Solely for the purposes of Section R of these Standard Terms and Conditions, "recipient" is used as defined at 31 C.F.R. § 21.105(0). Solely for the purposes of Section R of these Standard Terms and Conditions, "award recipient" refers to the recipient of this RESTORE Act award from Treasury.
- b. All recipients must comply with the provisions of 31 U.S.C. § 1352, as amended, and with regulations at 31 C.F.R. Part 21. No appropriated funds may be expended by the recipient of a Federal grant to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant or the extension, continuation, renewal, amendment, or modification of any Federal grant.

2. Certification

- a. Each person who requests or receives from Treasury a RESTORE Act grant shall file with Treasury a certification, set forth in Appendix A of 31 C.F.R. Part 21, that the person has not made, and will not make, any payment prohibited under 31 U.S.C. § 1352, as amended.
- b. The certification shall be filed pursuant to 31 C.F.R. § 21.100(a) and (b).
- c. Any subrecipient, at any tier, who receives a subaward exceeding \$100,000 under

this award, shall file with the tier above them a certification, set forth in appendix A of 31 C.F.R. Part 21, that the subrecipient as not made, and will not make, any payment prohibited by 31 C.F.R. § 21.100(a). Pursuant to 31 C.F.R. 21.100(d), the certification shall be filed to the next tier above.

- d. Any contractor or subcontractor, at any tier, who receives a contract or subcontract exceeding \$100,000 under this award, shall file with the tier above them a certifications, set forth in Appendix A of 31 C.F.R. Part 21, that the contractor or subcontractor has not made, and will not make, any payment prohibited by 31 U.S.C. § 1352, as amended. Pursuant to 31 C.F.R. 21.100(d), the certification shall be filed to the next tier above.
- e. Every certification filed shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared with any tier to which the erroneous representation if forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification. If a person fails to file a required certification, the United States may pursue all available remedies, including those authorized by 31 U.S.C. § 1352.

3. Disclosure of Lobbying Activities

- a. The award recipient of this RESTORE Act grant from Treasury, if this grant exceeds \$100,000, shall file with Treasury disclosure form SF-LLL, set forth in Appendix B of 31 C.F.R. Part 21, if that award recipient is paid or will pay any funds, other than Federal appropriated funds, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant.
- b. Every recipient of a subaward under this RESTORE Act grant from Treasury, if this grant exceeds \$100,000, shall file with the tier above it the disclosure form SF-LLL, set forth in Appendix B of 31 C.F.R. Part 21, if that recipient has paid or will pay any funds, other than Federal appropriated funds, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant. Each tier who receives the completed and signed SF-LLL disclosure form shall forward it to the tier above it, and the award recipient of this RESTORE Act grant from Treasury will forward it to Treasury.
- c. Every recipient of a contract or subcontract under this RESTORE Act grant from Treasury, if this grant exceeds \$100,000, shall file with the tier above it the disclosure form SF-LLL, set forth in Appendix B of 31 C.F.R. Part 21, if that recipient has paid or will pay any funds, other than Federal appropriated funds, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant. Each tier who receives the completed and signed SF-LLL disclosure form shall forward it to the tier above it, and the award recipient of this RESTORE Act grant from Treasury will forward it to Treasury.
- d. Every SF-LLL disclosure form filed shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an

erroneous representation shall be borne solely by the tier filing that representation and shall not be shared with any tier to which the erroneous representation is forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification. If a person fails to file a required disclosure, the United States may pursue all available remedies, including those authorized by 31 U.S.C. § 1352,

- e. Pursuant to 31 C.F.R. § 21.110(c), every recipient must file a new disclosure form at the end of each calendar quarter in which a payment, or an agreement to make a payment, is made which would have otherwise required reporting at the time of application. Moreover, if an event occurs during the calendar quarter which materially affects the accuracy of information reported on the disclosure form previously submitted, the submitter must file a new disclosure form. Events which “materially affect” the accuracy of information already reported include:
 - i. A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action;
 - ii. A change in the persons(s) influencing or attempting to influence; and/or
 - iii. A change in the Federal official(s) contacted to influence or attempt to influence a covered Federal action,
- f. The award recipient must submit its form SF-LLLs, as well as those received from subrecipients, contractors and subcontractors, to Treasury within 30 calendar days following the end of the calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed.
- g. The award recipient must include a statement in all subaward, contracts and subcontracts exceeding \$100,000 in federal funds, that the subaward, contract, or subcontract is subject to 31 U.S.C. § 1352,
- h. The award recipient must require subrecipients, contractors and subcontractors to submit form SF-LLL to the award recipient with 15 calendar days following the end of the calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure from previously filed.

S PROCUREMENT

- 1. The recipient must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- 2. When the recipient makes a subaward to a subrecipient that is authorized to enter into contracts for the purpose of completing the subaward scope of work, the recipient must require the subrecipient to comply with the requirements contained in this section.
- 3. Requirements applicable to recipients that are states: When executing procurement

actions under this Award, the recipient must follow the same policies and procedures it uses for procurements from its non-federal funds. The recipient must ensure that every purchase order or other contract contains any clauses required by federal statutes and EOs and their implementing regulations, including all of the provisions listed in Appendix II to 2 C.F.R. Part 200—*Contract Provisions for Non-Federal Entity Contracts under Federal Awards*, as well as any other provisions required by law or regulations.

4. Requirements applicable to recipients that are not states: The recipient must follow all procurement requirements set forth in 2 C.F.R. §§ 200.318, 200.319, 200.320, 200.321, 200.323, and 200.324. In addition, all contracts executed by the recipient to accomplish the approved scope of work must contain any clauses required by federal statutes and EOs and their implementing regulations, including all of the provisions listed in Appendix II to 2 C.F.R. Part 200—*Contract Provisions for Non-Federal Entity Contracts under Federal Awards*.
5. The recipient, subrecipient, contractor, and/or subcontractor must not sub-grant or sub-contract any part of the approved project to any agency or employee of Treasury and/or other federal department, agency, or instrumentality without the prior written approval of Treasury. Treasury will forward all requests to Treasury's Office of General Counsel for review before making a decision. Treasury will notify the recipient in writing of the final determination.

T RESEARCH INVOLVING HUMAN SUBJECTS

1. No research involving human subjects is permitted under this Award unless expressly authorized by a special award condition, or otherwise in writing by Treasury.
2. Federal policy defines a human subject as a living individual about whom an investigator conducting research obtains (1) data through intervention or interaction with the individual, or (2) identifiable private information. Research means a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge.
3. The recipient must maintain appropriate policies and procedures for the protection of human subjects. In the event it becomes evident that human subjects may be involved in this project, the recipient must submit appropriate documentation to Treasury for approval by the appropriate Treasury officials. This documentation may include:
 - a. Documentation establishing approval of the project by an institutional review board (IRB) approved for federal-wide use under Department of Health and Human Services guidelines;
 - b. Documentation to support an exemption for the project;
 - c. Documentation to support deferral for an exemption or IRB review; or
 - d. Documentation of IRB approval of any modification to a prior approved protocol or to an informed consent form.
4. No work involving human subjects may be undertaken, conducted, or costs incurred and/or charged for human subjects research, until the appropriate documentation is approved in writing by Treasury.

U ENVIRONMENTAL REQUIREMENTS

The recipient must comply with all environmental standards, and provide information requested by Treasury relating to compliance with environmental standards, including but not limited to the following federal statutes, regulations, and EOs. If the recipient is permitted to make any subawards, the recipient must include all of the environmental statutes, regulations, and executive

orders listed below in any agreement or contract with a subrecipient, and require the subrecipient to comply with all of these and to notify the recipient if the subrecipient becomes aware of any impact on the environment that was not noted in the recipient's approved application package:

1. National Historic Preservation Act, as amended (54 U.S.C. § 300101 et seq.) and Archeological and Historic Preservation Act, as amended (54 U.S.C. § 312501 et seq.)
2. The National Environmental Policy Act of 1969, as amended (42 U.S.C. § 4321 et seq.)
3. Clean Air Act, as amended (42 U.S.C. § 7401 et seq.), Clean Water Act, as amended (33 U.S.C. § 1251 et seq.), and EO 11738
4. The Flood Disaster Protection Act of 1973, as amended (42 U.S.C. § 4002 et seq.)
5. The Endangered Species Act of 1973, as amended, (16 U.S.C. § 1531 et seq.)
6. The Coastal Zone Management Act, as amended, (16 U.S.C. § 1451 et seq.)
7. The Coastal Barriers Resources Act, as amended, (16 U.S.C. § 3501 et seq.)
8. The Wild and Scenic Rivers Act, as amended, (16 U.S.C. § 1271 et seq.)
9. The Safe Drinking Water Act of 1974, as amended, (42 U.S.C. § 300f-j)
10. The Resource Conservation and Recovery Act of 1976, as amended, (42 U.S.C. § 6901 et seq.)
11. The Comprehensive Environmental Response, Compensation, and Liability Act (Superfund) (42 U.S.C. § 9601 et seq.) and the Community Environmental Response Facilitation Act (42 U.S.C. § 9601 note)
12. Magnuson-Stevens Fishery Conservation and Management Act, as amended (16 U.S.C. §1801)
13. Marine Mammal Protection Act, as amended (16 U.S.C § 31)
14. Migratory Bird Treaty Act, as amended (16 U.S.C. §§ 703-712)
15. Responsibilities of Federal Agencies to Protect Migratory Birds, EO 13186
16. Bald and Golden Eagle Protection Act, as amended (16 U.S.C. § 668-668d)
17. Marine Protection, Research and Sanctuaries Act (33 U.S.C. §§ 1401-1445 and 16 U.S.C. §§ 1431—1445)
18. National Marine Sanctuaries Act, as amended (16 U.S.C. § 1431 et seq.)
19. Rivers and Harbors Act of 1899 (33 U.S.C § 407)
20. Environmental Justice in Minority Populations and Low Income Populations, EO 12898, as amended
21. Floodplain Management, EO 11988, as amended by EO 13690 and, Protection of Wetlands, EO 11990, May 24, 1977, as amended by EO 12608
22. Farmland Protection Policy Act, as amended (7 U.S.C. § 4201 et. seq.)
23. Coral Reef Protection, EO 13089 Invasive Species, EO 13112

V MISCELLANEOUS REQUIREMENTS AND PROVISIONS

The recipient must comply with all miscellaneous requirements and provisions described in this section and, when applicable, require its subrecipients, contractors, and subcontractors to comply. This list is not exclusive:

1. Prohibition Against Assignment by the Recipient

Notwithstanding any other provision of this Award, the recipient must not transfer, pledge, mortgage, or otherwise assign this Award, or any interest therein, or any claim arising thereunder, to any party or parties, banks, trust companies, or other financing or financial institutions without the express written approval of Treasury.

2. Disclaimer Provisions

- a. The United States expressly disclaims any and all responsibility or liability to the recipient or third persons for the actions of the recipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this Award or any other losses resulting in any way from the performance of this Award or any subaward, contract, or subcontract under this Award.
- b. The acceptance of this Award by the recipient does not in any way constitute an agency relationship between the United States and the recipient.

3. Prohibited and Criminal Activities

- a. The Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3812), provides for the imposition of civil penalties against persons who make false, fictitious, or fraudulent claims to the federal government for money (including money representing grants, loans or other benefits).
- b. False Statements, as amended (18 U.S.C. § 1001) provides that whoever makes or presents any materially false, fictitious, or fraudulent statements to the United States shall be subject to imprisonment of not more than five years.
- c. False, Fictitious, or Fraudulent Claims, as amended (18 U.S.C. § 287) provides that whoever makes or presents a false, fictitious, or fraudulent claim against or to the United States shall be subject to imprisonment of not more than five years and shall be subject to a fine in the amount provided in 18 U.S.C. § 287.
- d. False Claims Act, as amended (31 U.S.C. 18 U.S.C. § 3729 et seq.), provides that suits under this act can be brought by the federal government, or a person on behalf of the federal government, for false claims under federal assistance programs
- e. Copeland "Anti-Kickback" Act, as amended (18 U.S.C. § 874 and 40 U.S.C. § 276c), prohibits a person or organization engaged in a federally supported project from enticing an employee working on the project from giving up a part of his compensation under an employment contract. The Copeland "Anti-Kickback" Act also applies to contractors and subcontractors pursuant to 40 U.S.C. § 3145.

4. Political Activities

The recipient must comply, as applicable, with provisions of the Hatch Act, as amended (5 U.S.C. §§ 1501-1508 and §§ 7321-7326) which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

5. American-Made Equipment and Products

The recipient is hereby notified that it is encouraged, to the greatest extent practicable, to purchase American-made equipment and products with funding provided under this

Award.

6. Increasing Seat Belt Use in the United States

Pursuant to EO 13043, the recipient should encourage its employees and contractors to enforce on-the-job seat belt policies and programs when operating company-owned, rented or personally owned vehicles.

7. Minority Serving Institutions (MSIs) Initiative

Pursuant to EOs 13555 and 13270, as amended, Treasury is strongly committed to broadening the participation of MSIs in its financial assistance programs. Treasury's goals include achieving full participation of MSIs in order to advance the development of human potential, strengthen the nation's capacity to provide high-quality education, and increase opportunities for MSIs to participate in and benefit from federal financial assistance programs. Treasury encourages recipients to include meaningful participation of MSIs. Institutions eligible to be considered MSIs are listed on the Department of Education website at <http://www2.ed.gov/about/offices/list/ocr/edlite-minorityinst.html>.

8. Research Misconduct

Treasury adopts, and applies to Awards for research, the Federal Policy on Research Misconduct (Federal Policy) issued by the EO of the President's Office of Science and Technology Policy on December 6, 2000 (65 Fed. Reg. 76260 (2000)). As provided for in the Federal Policy, research misconduct refers to the fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results. Research misconduct does not include honest errors or differences of opinion. Recipients that conduct research funded by Treasury must foster an atmosphere conducive to the responsible conduct of sponsored research by safeguarding against and resolving allegations of research misconduct. Recipients also have the primary responsibility to prevent, detect, and investigate allegations of research misconduct and, for this purpose, may rely on their internal policies and procedures, as appropriate, to do so. Award funds expended on an activity that is determined to be invalid or unreliable because of research misconduct may result in appropriate enforcement action under the Award, up to and including Award termination and possible suspension or debarment. Treasury requires that any allegation that contains sufficient information to proceed with an inquiry be submitted to Treasury, which will also notify the Treasury Office of Inspector General of such allegation. Once the recipient has investigated the allegation, it will submit its findings to Treasury. Treasury may accept the recipient's findings or proceed with its own investigation; Treasury shall inform the recipient of the Treasury's final determination.

9. Care and Use of Live Vertebrate Animals

Recipients must comply with the Laboratory Animal Welfare Act of 1966 (Public Law 89-544), as amended, (7 U.S.C. § 2131 et seq.) (animal acquisition, transport, care, handling, and use in projects), and implementing regulations, 9 C.F.R. Parts 1, 2, and 3; the Endangered Species Act, as amended, (16 U.S.C. § 1531 et seq.); Marine Mammal Protection Act, as amended, (16 U.S.C. § 1361 et seq.) (taking possession, transport, purchase, sale, export or import of wildlife and plants); the Nonindigenous Aquatic Nuisance Prevention and Control Act, as amended, (16 U.S.C. § 4701 et seq.) (ensure preventive measures are taken or that probable harm of using species is minimal if there is an escape or release); and all other applicable statutes pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by federal financial assistance.

10. The Trafficking Victims Protection Act of 2000, as amended. (22 U.S.C. § 7104(g)), and the implementing regulations at 2 C.F.R. Part 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons.

a. Provisions applicable to a recipient that is a private entity.

1. You as the recipient, your employees, subrecipients under this Award, and subrecipients' employees may not—
 - i. Engage in severe forms of trafficking in persons during the period of time that this Award is in effect;
 - ii. Procure a commercial sex act during the period of time that this Award is in effect; or
 - iii. Use forced labor in the performance of this Award or subawards under this Award.
2. We as the federal awarding agency may unilaterally terminate this Award, without penalty, if you or a subrecipient that is a private entity —
 - i. Is determined to have violated a prohibition in paragraph a.1 of this Section V.10; or
 - ii. Has an employee who is determined by the agency official authorized to terminate this Award to have violated a prohibition in paragraph a.1 of this Section V.10 through conduct that is either—
 - A. Associated with performance under this Award; or
 - B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 31 C.F.R. Part 19.

b. Provision applicable to a recipient other than a private entity. We as the federal awarding agency may unilaterally terminate this Award, without penalty, if a subrecipient that is a private entity—

1. Is determined to have violated an applicable prohibition in paragraph a.1 of this Section V.10; or
2. Has an employee who is determined by the agency official authorized to terminate this Award to have violated an applicable prohibition in paragraph a.1 of this Section V.10 through conduct that is either—
 - i. Associated with performance under this Award; or
 - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 31 C.F.R. Part 19.

c. Provisions applicable to any recipient.

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this Section V.10.

2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this Section V.10:
 - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7104(g)), and
 - ii. Is in addition to all other remedies for noncompliance that are available to us under this Award.
3. You must include the requirements of paragraph a.1 of this Section V.10 in any subaward you make to a private entity.
- d. *Definitions.* For purposes of this award term:
 1. “Employee” means either:
 - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this Award; or
 - ii. Another person engaged in the performance of the project or program under this Award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
 2. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
 3. “Private entity”:
 - i. Means any entity other than a state, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 C.F.R. § 175.25.
 - ii. Includes:
 - A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 C.F.R. § 175.25(b).
 - B. A for-profit organization
 4. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at § 103 of the TVPA, as amended (22 U.S.C. § 7102).

11. The Federal Funding Accountability and Transparency Act of 2006, as amended, (Pub. L. No. 109-282, 31 U.S.C. § 6101 note)

- a. The award term at Appendix A of 2 C.F.R. Part 170 is hereby incorporated by reference.
- b. The Federal Funding Accountability and Transparency Act of 2006 (FFATA) requires information on federal awards to be made available to the public via a single, searchable website. This information is available at www.USASpending.gov. The FFATA Subaward Reporting System (FSRS) is the reporting tool federal prime awardees (*i.e.*, prime contractors and prime grants recipients) use to capture and report subaward and executive compensation data regarding their first-tier subawards to meet the FFATA reporting requirements. Prime grant awardees will report against sub-grants awarded. The subaward information entered in FSRS will then be displayed at

<http://www.USASpending.gov>.

- c. Recipients of RESTORE Act funding are subject to FFATA subaward reporting requirements as outlined in the OMB guidance on FFATA issued August 27, 2010. The recipient is required to file a FFATA subaward report by the end of the month following the month in which the recipient makes any subaward greater than or equal to \$25,000. This includes any action that brings the cumulative total award to \$25,000 or more. This report must be filed electronically at <http://www.fsrc.gov>.
- d. The recipient must report total compensation for each of its five most highly compensated executives for the preceding completed fiscal year, by the end of the month following the month in which this Award is made, and annually thereafter if—
 - i. The total federal funding authorized to date under this Award is \$25,000 or more; and
 - ii. In the preceding fiscal year, the recipient received—
 - 1) 80 percent or more of annual gross revenues from federal procurement contracts (and subcontracts) and federal financial assistance subject to FFATA, as defined at 2 C.F.R. § 170.320 (and subawards); and
 - 2) \$25,000,000 or more in annual gross revenues from federal procurement contracts (and subcontracts) and federal financial assistance subject to FFATA, as defined at 2 C.F.R. 170.320 (and subawards); and
 - iii. The public does not have access to information about the compensation of the executives through periodic reports filed under § 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or § 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)
- e. The recipient must report on the total compensation of its subrecipients' five most highly compensated executives, as required by FFATA, and must include provisions in every executed contract or agreement with affected subrecipients requiring the subrecipient to provide all information necessary for the recipient to report on subrecipient executive compensation. The recipient must report on subrecipient executive compensation by the end of the month following the month during which the recipient makes the subaward.
- f. The recipient must keep its information current in SAM (System for Award Management, which is the successor to the Central Contractor Registry, (CCR)) at least until submission of the final SF-425 or receipt of the final Award payment, whichever is later. This requires that the recipient review and update the information at least annually after the initial registration, and more frequently if required by changes in the recipient's information. SAM is the federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the System for Award Management Internet site (currently at <https://www.sam.gov/portal/public/SAM/>).
- g. If the recipient is authorized to make subawards under this Award, the recipient must notify potential subrecipients that the recipient may not make a subaward to any entity unless that entity has provided its Data Universal Numbering System (DUNS) number to the recipient. A DUNS number is the nine-digit number

established and assigned by Dun and Bradstreet, Inc. to uniquely identify business entities.

12. Recipient Integrity and Performance Matters (80 FR 43301, July 22, 2015) Reporting of Matters Related to Recipient Integrity and Performance

a. *General Reporting Requirement*

If the total value of the recipient's currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then the recipient during that period of time must maintain the accuracy of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph b. of this award term and condition. This is a statutory requirement under § 872 of Public Law 110-417, as amended (41 U.S.C. § 2313). As required by § 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

b. *Proceedings About Which The Recipient Must Report*

The recipient must submit the information required about each proceeding that:

- i. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
- ii. Reached its final disposition during the most recent five year period; and
- iii. Is one of the following:
 - 1) A criminal proceeding that resulted in a conviction, as defined in paragraph e. of this award term and condition;
 - 2) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
 - 3) An administrative proceeding, as defined in paragraph e. of this award term and condition, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or
 - 4) Any other criminal, civil, or administrative proceeding if:
 - a) It could have led to an outcome described in paragraph b.iii. 1), 2), or 3) of this award term and condition;
 - b) It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and
 - c) The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

c. *Reporting Procedures*

Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph b of this award term and condition.

The recipient does not need to submit the information a second time under assistance awards that the recipient received if they already provided the information through SAM because they were required to do so under Federal procurement contracts that they were awarded.

d. *Reporting Frequency*

During any period of time when the recipient is subject to the requirement in paragraph 1 of this award term and condition, the recipient must report proceedings information through SAM for the most recent five year period, either to report new information about any proceeding(s) that they have not reported previously or affirm that there is new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

e. *Definitions*

For purposes of this award term and condition:

- i. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.
- ii. Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.
- iii. Total value of currently active grants, cooperative agreements, and procurement contracts includes—
 - 1) Only the Federal share of the funding under any Federal award with a recipient cost share or match; and
 - 2) The value of all expected funding increments under a Federal award and options, even if not yet exercised.

13. Publications and Signage

Any publications (except scientific articles or papers appearing in scientific, technical, or professional journals) or signage produced with funds from this Award, or informing the public about the activities funded in whole or in part by this Award, must clearly display the following language: “This project was paid for [in part] with federal funding from the Department of the Treasury under the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act).” Publications (except scientific articles or papers appearing in scientific, technical, or professional journals) produced with funds from this Award must display the following additional language: “The statements, findings, conclusions, and recommendations are those of the author(s) and do not necessarily reflect the views of the Department of the Treasury.”

14. Homeland Security Presidential Directive 12

If the performance of this Award requires the recipient's personnel to have routine access to Treasury-controlled facilities and/or Treasury-controlled information systems (for purpose of this term "routine access" is defined as more than 180 days), such personnel must undergo the personal identity verification credential process. In the case of foreign nationals, Treasury will conduct a check with U.S. Citizenship and Immigration Services' (USCIS) Verification Division, a component of the Department of Homeland Security (DHS), to ensure the individual is in a lawful immigration status and that he or she is eligible for employment within the United States. Any items or services delivered under this Award must comply with Treasury personal identity verification procedures that implement Homeland Security Presidential Directive 12, "Policy for a Common Identification Standard for Federal Employees and Contractors", FIPS PUB 201, as amended, and OMB Memorandum M-05-24, as amended. The recipient must ensure that its subrecipients and contractors (at all tiers) performing work under this Award comply with the requirements contained in this Section V.14. Treasury may delay final payment under this Award if the subrecipient or contractor fails to comply with the requirements listed in the section below. The recipient must insert the following term in all subawards and contracts when the subrecipient or contractor is required to have routine physical access to a Treasury-controlled facility or routine access to a Treasury-controlled information system:

- a. The subrecipient or contractor must comply with Treasury personal identity verification procedures identified in the subaward or contract that implement Homeland Security Presidential Directive 12 (HSPD-12), Office of Management and Budget (OMB) Guidance M-05-24, as amended, and Federal Information Processing Standards Publication, FIPS PUB 140-2, as amended, for all employees under this subaward or contract who require routine physical access to a federally controlled facility or routine access to a federally controlled information system.
- b. The subrecipient or contractor must account for all forms of government-provided identification issued to the subrecipient or contractor employees in connection with performance under this subaward or contract. The subrecipient or contractor must return such identification to the issuing agency at the earliest of any of the following, unless otherwise determined by Treasury:
 - i. When no longer needed for subaward or contract performance;
 - ii. Upon completion of the subrecipient or contractor employee's employment; or
 - iii. Upon subaward or contract completion or termination.

15. Foreign Travel

- a. The recipient may not use funds from this Award for travel outside of the United States unless Treasury provides prior written approval.
- b. The recipient must comply with the provisions of the Fly America Act, as amended, (49 U.S.C. § 40118). The implementing regulations of the Fly America Act are found at 41 C.F.R. §§ 301-10.131–301-10.143.
- c. The Fly America Act requires that federal travelers and others performing U.S. Government-financed air travel must use U.S. flag air carriers, to the extent that service by such carriers is available. Foreign air carriers may be used only in specific instances, such as when a U.S. flag air carrier is unavailable, or use of U.S. flag air carrier service will not accomplish the agency's mission.

- d. One exception to the requirement to fly U.S. flag carriers is transportation provided under a bilateral or multilateral air transport agreement, to which the United States Government and the government of a foreign country are parties, and which the Department of Transportation has determined meets the requirements of the Fly America Act pursuant to 49 U.S.C. § 40118(b). The United States Government has entered into bilateral/multilateral “Open Skies Agreements” (U.S. Government Procured Transportation) that allow federal funded transportation services for travel and cargo movements to use foreign air carriers under certain circumstances. There are multiple “Open Skies Agreements” currently in effect. For more information about the current bilateral and multilateral agreements, visit the GSA website <http://www.gsa.gov/portal/content/103191>. Information on the Open Skies agreements (U.S. Government Procured Transportation) and other specific country agreements may be accessed via the Department of State’s website <http://www.state.gov/e/eeb/tra/>.
- e. If a foreign air carrier is anticipated to be used for any portion of travel funded under this Award, the recipient must receive prior approval from the Treasury. When requesting such approval, the recipient must provide a justification in accordance with guidance provided by 41 C.F.R. § 301–10.142, which requires the recipient to provide Treasury with the following: name; dates of travel; origin and destination of travel; detailed itinerary of travel; name of the air carrier and flight number for each leg of the trip; and a statement explaining why the recipient meets one of the exceptions to the regulations. If the use of a foreign air carrier is pursuant to a bilateral agreement, the recipient must provide Treasury with a copy of the agreement or a citation to the official agreement available on the GSA website. Treasury shall make the final determination and notify the recipient in writing. Failure to adhere to the provisions of the Fly America Act will result in the recipient not being reimbursed for any transportation costs for which the recipient improperly used a foreign air carrier.

16. **Export Control**

- a. This clause applies to the extent that this Award involves access to export-controlled items.
- b. In performing this financial assistance Award, the recipient may gain access to items subject to export control (export-controlled items) under the Export Administration Regulations (EAR) issued by the Department of Commerce (DOC). The recipient is responsible for compliance with all applicable laws and regulations regarding export-controlled items, including the EAR’s deemed exports and re-exports provisions. The recipient shall establish and maintain effective export compliance procedures throughout performance of the Award. At a minimum, these export compliance procedures must include adequate controls of physical, verbal, visual, and electronic access to export-controlled items, including by foreign nationals.
- c. Definitions:
 - i. Export-controlled items. Items (commodities, software, or technology), that are subject to the EAR (15 C.F.R. §§ 730–774), implemented by the DOC’s Bureau of Industry and Security. These are generally known as “dual-use” items, items with a military and commercial application.
 - ii. Deemed Export/Re-export. The EAR defines a deemed export as a release of export-controlled items (specifically, technology or source code) to a foreign national in the U.S. Such release is “deemed” to be an export to the home country of the foreign national. 15 C.F.R. §

734.2(b)(2)(ii). A release may take the form of visual inspection, oral exchange of information, or the application abroad of knowledge or technical experience acquired in the United States. If such a release occurs abroad, it is considered a deemed re-export to the foreign national's home country. Licenses from DOC may be required for deemed exports or re-exports.

- d. The recipient shall control access to all export-controlled items that it possesses or that comes into its possession in performance of this Award, to ensure that access to, or release of, such items are restricted, or licensed, as required by applicable federal statutes, EOs, and/or regulations, including the EAR.
- e. To the extent the recipient wishes to provide foreign nationals with access to export-controlled items, the recipient shall be responsible for obtaining any necessary licenses, including licenses required under the EAR for deemed exports or deemed re-exports.
- f. Nothing in the terms of this Award is intended to change, supersede, or waive the requirements of applicable federal statutes, EOs, and/or regulations.
- g. Compliance with this Section V.15 will not satisfy any legal obligations the recipient may have regarding items that may be subject to export controls administered by other agencies such as the Department of State, which has jurisdiction over exports of munitions items subject to the International Traffic in Arms Regulations (ITAR) (22 C.F.R. §§ 120–130), including releases of such items to foreign nationals.
- h. The recipient shall include this clause, including this paragraph (i), in all lower tier transactions (subawards, contracts, and subcontracts) under this Award that may involve access to export-controlled items.

SUPPLEMENTAL STANDARD TERMS AND CONDITIONS - AWARDS UNDER THE DIRECT COMPONENT FOR ACQUISITION AND IMPROVEMENTS TO REAL PROPERTY

W ACQUISITION AND IMPROVEMENTS TO REAL PROPERTY

1. Compliance with State, Local and Federal Requirements

The project must comply with all applicable federal laws and regulations, and with all requirements for state, and local laws and ordinances to the extent that such requirements do not conflict with federal laws. The recipient is also responsible for supervising the design, bidding, construction, and operation of construction projects in compliance with all award requirements. The recipient must comply with, and must require all contractors and subcontractors, to comply with all federal, state, and local laws and regulations. The recipient must ensure compliance with special award conditions which may contain conditions that must be satisfied prior to advertisement of bids, start of construction, or other critical event.

2. Title

Prior to receiving Treasury authorization to start construction, the recipient must furnish evidence, satisfactory to Treasury, that the recipient has acquired good and merchantable title free of all mortgages, foreclosable liens, or encumbrances, to all land, rights of way and easements necessary for the completion of the project.

3. Permitting Requirements

Prior to receiving Treasury authorization to start construction, the recipient must furnish evidence, satisfactory to Treasury, that recipient has received all federal, state and local permits necessary for the completion of the project.

4. Federal Interest in Real Property

"Federal interest" refers to real property that is acquired or improved, in whole or in part, with RESTORE Act Direct Component funds, which must be held in trust by the Recipient for the benefit of the project for the Estimated Useful Life of the project, during which period Treasury retains an undivided equitable reversionary interest in the real property (i.e., the "federal interest").

5. Estimated Useful Life

Property that is acquired or improved, in whole or in part, with federal assistance is held in trust by the recipient for the purpose(s) for which the award was made for the Estimated Useful Life. Estimated Useful Life means the period of years that constitutes the expected useful lifespan of a project, as determined by Treasury, during which Treasury anticipates obtaining the benefits of the project pursuant to project purposes authorized by the RESTORE Act. For this award the recipient has proposed an Estimated Useful Life from the date of construction completion. Treasury's issuance of the grant agreement represents its concurrence with the recipient's proposed Estimated Useful Life.

The recipient's obligation to the federal government continues for the Estimated Useful Life of the project, as determined by Treasury, during which Treasury retains an undivided equitable reversionary interest (the "federal interest") in the property improved, in whole or in part, with the Treasury investment.

If Treasury determines that the recipient has failed or fails to meet its obligations under the terms and conditions of this award, Treasury may exercise its rights or remedies with respect to its federal interest in the project. However, Treasury's forbearance in exercising any right or remedy in connection with the federal interest does not constitute a waiver thereof.

6. Commencement of Construction

The recipient should not commence construction prior to the date of the Award. The recipient must make a written request to Treasury for permission to commence construction after the construction contractor has been selected and at least 30 days prior to construction. For project costs to be eligible for Treasury reimbursement, Treasury must determine that the award of all contracts with associated costs are in compliance with the scope of the project and all terms and conditions of this award, and all necessary permits have been obtained, and the federal interest is secure. No construction funds may be drawn from ASAP without Treasury's written permission. If the recipient commences construction prior to Treasury's determination, the recipient proceeds at its own risk.

Treasury will only review contract amendments or change orders which change the scope of a contract.

7. Use of Real Property

Encumbering real property on which there is a federal interest without prior Treasury approval is an unauthorized use of the property and of project trust funds under this

award. See 2 C.F.R. § 200.316. Real property or interest in real property may not be used for purposes other than the authorized purpose of the award without the express, prior written approval of Treasury, for as long as the federal government retains an interest in the property. The property must not be sold, conveyed, transferred, assigned, mortgaged, or in any other manner encumbered except as expressly authorized in writing by Treasury. The recipient must maintain facilities constructed or renovated with grant funds in a manner consistent with the purposes for which the funds were provided for the duration of the Estimated Useful Life.

In the event that the real property or interest in real property is no longer needed for the originally authorized purpose, the recipient must obtain disposition instructions from Treasury consistent with 2 C.F.R. § 200.311.

8. Recording the Federal Interest in the Real Property

To document the federal interest, the recipient agrees to prepare and properly record a “Covenant of Purpose, Use and Ownership” (Covenant), or, where a subrecipient is the title owner, to ensure that the subrecipient prepares and properly records a “Covenant of Purpose, Use and Ownership” (Covenant) on the property acquired or improved with federal assistance funds. See 2 C.F.R. § 200.316. This Covenant does not establish a traditional mortgage lien in that it does not establish a traditional creditor relationship requiring the periodic repayment of principal and interest, or the ability of Treasury to foreclose on the real property at any time. Rather, pursuant to the Covenant, the recipient and/or the subrecipient, as applicable, acknowledges that it holds title to the real property in trust for the public purposes of the financial assistance award and agrees, among other commitments, that it will repay the federal interest if it disposes of or alienates an interest in the real property, or uses it in a manner inconsistent with the public purposes of the award, during the Estimated Useful Life of the property.

- a. The Covenant must be satisfactory in form and substance to Treasury, must include the name and current address of the recipient and subrecipient (if applicable), the grant award number, amount and date of award and subrecipient agreement (if applicable), date of the purchase of property (if applicable), and the Estimated Useful Life of the project. It must also include statements that the real property will only be used for purposes consistent with the RESTORE Act; that it will not be mortgaged or used as collateral, sold or otherwise transferred to another party, without the written permission of Treasury; and that the federal interest cannot be subordinated, diminished, nullified or released through encumbrance of the property, transfer of the property to another party or any other action the recipient/subrecipient takes without the written permission of Treasury.
- b. The recipient agrees to provide to Treasury an attorney's title opinion as to the title owner of the property, and to properly record, in accordance with applicable law, the Covenant in the real property records in the jurisdiction in which the real property is located in order to provide public record notice to interested parties that there are certain restrictions on the use and disposition of the real property during its Estimated Useful Life, and that Treasury retains an undivided equitable reversionary interest in the real property to the extent of its participation in the project for which funds have been awarded.
- c. Treasury requires an opinion of counsel for the recipient to substantiate that the document has been properly recorded.
- d. Failure to properly and timely file and maintain documentation of the federal interest may result in appropriate enforcement action, including, but not limited to, disallowance of the cost of the acquisition or improvement by Treasury.

- e. The Federal Interest must be perfected and recorded/filed in accordance with state and/or local law concurrent with the acquisition of the real property, where an award includes real property acquisition, and for construction of buildings and projects to improve the real property, no later than the date construction and/or improvement work commences.
- f. When the Estimated Useful Life of the project is ended, the federal interest is extinguished and the federal government has no further interest in the real property.

9. Administration, Operation and Maintenance

The recipient agrees to administer, operate, and maintain the project for its Estimated Useful Life in the same manner in which it operates and maintains similar facilities and equipment owned by it, and in accordance with state and local standards, laws and regulations. The recipient must not be in breach of its obligations under this award except to the extent the failure to fulfill any obligation is due to an Uncontrollable Force.

"Uncontrollable Force" means an event beyond the reasonable control of, and without the fault or negligence of, the party claiming the Uncontrollable Force that prevents the recipient from honoring its contractual obligations under this Agreement and which, by exercise of the recipient's reasonable care, diligence and foresight, such recipient was unable to avoid. Uncontrollable Forces include, but are not limited to:

- a. Strikes or work stoppage;
- b. Floods, earthquakes, or other natural disasters; terrorist acts; and
- c. Final orders or injunctions issued by a court or regulatory body having competent subject matter jurisdiction which the recipient, claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court of competent subject matter jurisdiction. Neither the unavailability of funds or financing, nor conditions of national or local economies or markets must be considered an Uncontrollable Force.

10. Reporting Requirement

The recipient must complete and submit to Treasury a report on the status of the real property or interest in real property in which the federal government retains an interest, using a *SF-429 Real Property Status Report* form annually for the first three years of a federal award and thereafter every five years until the end of the Estimated Useful Life or time of disposition, whichever is less. All reports must be for the period ending December 31, or any portion thereof, beginning with the year of the award, and are due no later than 30 days following the end of the reporting period.

11. Insurance

The recipient must, at a minimum, provide the equivalent insurance coverage for real property improved with federal funds as provided to property owned by the recipient state, county or parish, in compliance with 2 C.F.R. § 200.310.

12. Bonding

- a. For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the recipient or pass-through entity may request in writing that Treasury accept its bonding policy and requirements. If Treasury

determines that the federal interest in the project is adequately protected, the recipient or pass-through entity need not comply with the following three bonding requirements. For all other recipients and pass-through entities, the minimum requirements for construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold are as follows: A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual instruments as may be required within the time specified.

- b. A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
- c. A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

13. Floodplain Requirements

In accordance with 44 C.F.R. Part 9, prior to Treasury's authorization to commence construction in a designated 100-year floodplain, the recipient must provide evidence satisfactory to Treasury of a Floodplain Notice, that the 30-day period established for receipt of comments from the public in response to public notice published regarding the potential for adverse project impact on the values and functions of a designated 100-year floodplain has expired and that identified concerns (if any) have been addressed to Treasury's satisfaction. This notice may be satisfied through a federal/state environmental assessment process used as the vehicle for public notice, involvement, and explanation per 44 C.F.R. § 9.8(2).

In addition, prior to Treasury's authorization to commence construction of structures and/or buildings within a designated 100-year floodplain, the recipient must provide evidence satisfactory to Treasury of the following:

- a. Floodplain Protection: That the project engineer/architect has certified that the project facility will be adequately protected from damage by floods in this area of apparent potential flood hazard. The evidence must include adequate justification for the Base Flood Elevation designation for the financial assistance award site.
- b. Floodplain Insurance: That the community is participating in the National Flood Insurance Program, and that as required, the recipient will purchase flood insurance.

14. Goals for Women and Minorities in Construction

Department of Labor regulations set forth in 41 C.F.R. § 60-4 establish goals and timetables for participation of minorities and women in the construction industry. These regulations apply to all federally assisted construction contracts in excess of \$10,000. The recipient must comply with these regulations and must obtain compliance with 41 C.F.R. § 60-4 from contractors and subcontractors employed in the completion of the project by including such notices, clauses and provisions in the Solicitations for Offers or Bids as required by 41 C.F.R. § 60-4.

- a. The goal for participation of women in each trade area must be as follows:
From April 1, 1981, until further notice: 6.9 percent;
- b. All changes to this goal, as published in the Federal Register in accordance with the Office of Federal Contract Compliance Programs regulations at 41 C.F.R. § 60-4.6, or any successor regulations, must hereafter be incorporated by reference into these Special Award Conditions; and,
- c. Goals for minority participation must be as prescribed by Appendix B-80, Federal Register, Volume 45, No. 194, October 3, 1980, or subsequent publications. The recipient must include the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" (or cause them to be included, if appropriate) in all federally assisted contracts and subcontracts. The goals and timetables for minority and female participation may not be less than those published pursuant to 41 C.F.R. § 60-6.

15. Contracting with small and minority businesses, women's business enterprise, and labor surplus area firms

The recipient must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include:

- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;
- d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- e. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and,
- f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in (a) — (e) of this paragraph.

16. Davis Bacon Act, as amended (40 U.S.C. §§ 3141–3148)

Davis-Bacon Act-related provisions are applicable for a construction project if it is for the construction of a project that can be defined as a "treatment works" in 33 U.S.C § 1292; or for a construction project regardless of whether it is a "treatment works" project if it is receiving federal assistance from another federal agency operating under an authority that requires the enforcement of Davis-Bacon Act-related provisions. When required, all prime construction contracts in excess of \$2,000 awarded by the non-Federal entity must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141–3144, and §§ 3146–3148) as supplemented by Department of Labor regulations (29 C.F.R. Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must

be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition contracts must be required to pay wages not less than once a week.

The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to Treasury. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. Part 3, "Contracts and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation or which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to Treasury.

17. Equal Opportunity Clause

Pursuant to 41 C.F.R. § 60-1.4(b), Federally assisted construction contracts, for construction which is not exempt from the requirements of the equal opportunity clause, 41 C.F.R. Part 60-1—Obligations of Contractors and Subcontractors, [t]he [recipient] hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 C.F.R. Chapter 60, which is paid for in whole or in part with funds obtained from the federal government or borrowed on the credit of the federal government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

41 C.F.R. § 60-1.4 Equal opportunity clause.

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which

an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

18. Revised ADA Standards for Accessible Design for Construction Awards

The U.S. Department of Justice has issued revised regulations implementing Title II of the ADA (28 C.F.R. Part 35) and Title III of the ADA (28 C.F.R. Part 36). The revised regulations adopted new enforceable accessibility standards called the "2010 ADA Standards for Accessible Design" (2010 Standards). The 2010 Standards are an acceptable alternative to the Uniform Federal Accessibility Standards (UFAS). Treasury deems compliance with the 2010 Standards to be an acceptable means of complying with the Section 504 accessibility requirements for new construction and alteration projects. All new construction and alteration projects must comply with the 2010 Standards.

MDEQ STANDARD SUB-AWARD TERMS AND CONDITIONS

ATTACHMENT C

STANDARD SUB-AWARD TERMS AND CONDITIONS

1. APPLICABLE LAW

The Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi and applicable federal law excluding its conflicts of laws provisions. SUB-RECIPIENT shall comply with applicable federal, state, and local laws and regulations.

2. AVAILABILITY OF FUNDS

It is expressly understood and agreed that the obligation of MDEQ to proceed under this Agreement is conditioned upon the availability of the funds from state, federal, and/or other funding sources. If the funds anticipated for the continuing fulfillment of the Agreement are, at any time, not forthcoming or insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds or the discontinuance or material alteration of the program under which funds were provided or if funds are not otherwise available to MDEQ, MDEQ shall have the right upon ten (10) working days written notice to the SUB-RECIPIENT, to terminate this Agreement without damage, penalty, cost or expenses to MDEQ of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

3. REPRESENTATION REGARDING CONTINGENT FEES

SUB-RECIPIENT represents that it has not retained a person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee.

4. REPRESENTATION REGARDING GRATUITIES

SUB-RECIPIENT represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities set forth in Section 6-204 (Gratuities) of the *Mississippi Public Procurement Review Board Office of Personal Service Contract Review Rules and Regulations*.

5. PROCUREMENT REGULATIONS

The SUB-RECIPIENT shall be governed by the applicable provisions of the Mississippi Public Procurement Review Board Office of Personal Service Contract Review Rules and Regulations, a copy of which is available at 501 North West Street, Suite 701E, Jackson, Mississippi 39201 for inspection, or downloadable at <http://www.DFA.ms.gov>

6. SUB-AWARDS

If the SUB-RECIPIENT is authorized to make a sub-award, the SUB-RECIPIENT must include and incorporate the terms and conditions of the Federal Award, and any Special Award Conditions, the terms and conditions of this Agreement and any attachments, in all lower tier sub-awards. Further, the SUB-RECIPIENT, who makes a sub-award, must follow and carry out all the responsibilities of a pass-through entity described at 2 C.F.R. Part 200.

7. COMPLIANCE WITH LAWS

The SUB-RECIPIENT understands that MDEQ is an equal opportunity employer and therefore, maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, disability, genetic information, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful, and the SUB-RECIPIENT agrees during the Period of Performance of the Agreement that the SUB-RECIPIENT will strictly adhere to this policy in its employment practices and work performance under this Agreement. The SUB-RECIPIENT shall comply with, and all activities under this Agreement shall be subject to, all applicable federal, state, and local laws and regulations, as now existing and as may be amended or modified.

8. STOP WORK ORDER

A. *Order to Stop Work:* MDEQ may, by written order to SUB-RECIPIENT at any time and without notice to any surety, require SUB-RECIPIENT to stop all or any part of the work called for by this Agreement. This order shall be for a specified period not exceeding ninety (90) days after the order is delivered to SUB-RECIPIENT, unless the parties agree to any further period. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, SUB-RECIPIENT shall forthwith comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the Parties shall have agreed, MDEQ shall either:

- (1) cancel the stop work order; or,

- (2) terminate the work covered by such order as provided in the Termination for Default clause or the Termination for Convenience clause of this Agreement.

B. *Cancellation or Expiration of the Order:* If a stop work order issued under this clause is canceled at any time during the period specified in the order or if the period of the order or any extension thereof expires, SUB-RECIPIENT shall have the right to resume work. An appropriate adjustment may be made in the Period of Performance or Maximum Amount, or both, and the Agreement shall be modified in writing accordingly if:

- (1) The stop work order results in an increase in the time required for, or in SUB-RECIPIENT's cost properly allocable to, the performance of any part of this Agreement; and
- (2) SUB-RECIPIENT provides a written claim for such an adjustment within thirty (30) days after the end of the period of work stoppage; provided that MDEQ decides that the facts justify such action and any such claim asserted may be received and acted upon at any time prior to final payment under this Agreement.

C. *Termination of Stopped Work:* If a stop work order is not canceled and the work covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop work order may be allowed by adjustment or otherwise.

D. *Adjustment of Price:* Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment clause of this contract.

9. E-PAYMENT

SUB-RECIPIENT agrees to accept all payments in United States currency via the State of Mississippi's electronic payment and remittance vehicle. MDEQ agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies," which generally provides for payment of undisputed amounts by the agency within forty-five (45) days of receipt of invoice. Mississippi Code Annotated § 31-7-301 et seq..

10. E-VERIFICATION

If applicable, SUB-RECIPIENT represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act of 2008 and will register and participate in the status verification system for all newly hired employees. Miss. Code Ann. §§ 71-11-1, et seq. The term "employee" as used herein means any person that is hired to perform work within the State. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. SUB-RECIPIENT agrees to maintain records of such compliance. Upon request of the State of Mississippi and after approval of the Social Security Administration or Department of Homeland Security, when required, SUB-RECIPIENT agrees to provide a copy of each such verification. SUB-RECIPIENT

further represents and warrants that any person assigned to perform services hereafter meets the employment eligibility requirements of all immigration laws.

11. TRANSPARENCY

This Agreement, including any accompanying exhibits, attachments, and appendices, is subject to the “Mississippi Public Records Act of 1983” and its exceptions. See Miss. Code Ann. §§ 25-61-1 et seq. and Miss. Code Ann. § 79-23-1. In addition, this Agreement is subject to the provisions of the Mississippi Accountability and Transparency Act of 2008. Miss. Code Ann. §§ 27-104-151, et seq. Unless exempted from disclosure due to a court-issued protective order, a copy of this executed Agreement may be posted to the Department of Finance and Administration’s independent agency Agreement website for public access at <http://www.transparency.mississippi>. Information identified by SUB-RECIPIENT as trade secrets or other proprietary information, including confidential vendor information, or any other information which is required confidential by state or federal law or outside the applicable freedom of information statutes will be redacted.

12. PAYMODE

Payments by state agencies using the statewide accounting system shall be made and remittance information provided electronically as directed by MDEQ. These payments shall be deposited into the bank account of SUB-RECIPIENT’s choice. MDEQ may, at its sole discretion, require the SUB-RECIPIENT to submit invoices and supporting documentation electronically at any time during the Period of Performance of this Agreement. The SUB-RECIPIENT understands and agrees that MDEQ is exempt from the payment of taxes. All payments shall be in United States currency.

13. TERMINATION

The Agreement may be terminated as follows:

A. TERMINATION FOR CONVENIENCE

- (1) *Termination.* The MDEQ may, when the interests of the State so require, terminate this Agreement in whole or in part, for the convenience of the State. MDEQ shall give written notice of the termination to SUB-RECIPIENT specifying the part of the Agreement terminated and when termination becomes effective.
- (2) *SUB-RECIPIENT’s Obligations.* SUB-RECIPIENT shall immediately terminate the specified Work and any further expenditure or obligation of funds, and return to MDEQ any unobligated and unspent portion of the funds then held by SUB-RECIPIENT and shall also terminate outstanding orders and contracts as they relate to the terminated work. SUB-RECIPIENT shall settle the liabilities and claims arising out of the

termination of contracts and orders connected with the terminated work. MDEQ may direct SUB-RECIPIENT to assign SUB-RECIPIENT's right, title, and interest under terminated orders or contracts to the State. SUB-RECIPIENT must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

B. TERMINATION FOR DEFAULT

If SUB-RECIPIENT refuses or fails to perform any of the provisions of this Agreement with such diligence as will ensure its completion within the time specified in this Agreement or any extension thereof or otherwise fails to satisfy the Agreement provisions or commits any other substantial breach of this Agreement, MDEQ may notify SUB-RECIPIENT in writing of the delay or nonperformance. If delay or nonperformance is not cured in ten (10) days or any longer time specified in writing by MDEQ, MDEQ may then immediately terminate SUB-RECIPIENT's right to proceed with the Agreement or such part of the Agreement as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part, MDEQ may procure similar supplies or services in a manner and upon terms deemed appropriate by MDEQ. SUB-RECIPIENT shall continue performance of the Agreement to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.

Notwithstanding termination of the Agreement and subject to any directions by MDEQ, SUB-RECIPIENT shall take timely, reasonable, and necessary action to protect and preserve property in the possession of SUB-RECIPIENT in which the State has an interest.

C. TERMINATION UPON BANKRUPTCY

This Agreement may be terminated in whole or in part by MDEQ upon written notice to SUB-RECIPIENT, if SUB-RECIPIENT should become the subject of bankruptcy or receivership proceedings, whether voluntary or involuntary, or upon the execution by SUB-RECIPIENT of an assignment for the benefit of its creditors. In the event of such termination, SUB-RECIPIENT shall be entitled to recover just and equitable compensation for satisfactory work performed under this Agreement, but in no case shall said compensation exceed the total Maximum Amount.

14. DISPUTES

Before pleading to any judicial system at any level, the SUB-RECIPIENT must exhaust all administrative remedies. A written complaint must first be sent to the Executive Director of MDEQ. The decision of the Executive Director shall be reduced to writing and a copy thereof mailed or furnished to the SUB-RECIPIENT within fourteen (14) days after receipt of information requested by MDEQ or the Executive Director. If the decision of the Executive Director does not resolve the matter, successive administrative remedies

may, at the SUB-RECIPIENT's option, include bringing the complaint before the Mississippi Commission on Environmental Quality pursuant to Miss. Code Ann. Section 49-17-35 and -41. In the alternative, at the SUB-RECIPIENT's option, the decision of the Executive Director may be deemed the final agency action on the complaint. Appeals from the decision of the Executive Director or the Commission shall follow procedures outlined in Miss. Code Ann. Section 49-17-41.

15. ANTI-ASSIGNMENT/CONTRACTING

SUB-RECIPIENT acknowledges that it was selected by MDEQ to perform the Work required hereunder based, in part, upon SUB-RECIPIENT's special skills and expertise. Unless contractors are otherwise identified and approved in accordance with the "Contracts" provision of this Agreement, SUB-RECIPIENT shall not assign, contract, or otherwise transfer this Agreement, in whole or in part without the prior written consent of MDEQ, which MDEQ may, in its sole discretion, approve or deny without reason. Any attempted assignment or transfer of its obligations without such consent shall be null and void. No such approval by MDEQ of any contract shall be deemed in any way to provide for the incurrence of any obligation of MDEQ in addition to the Maximum Amount agreed upon in this Agreement, nor create any contractual relationship between MDEQ and any Contracted Parties. Contracts shall be subject to the terms and conditions of this Agreement and to any conditions of approval that MDEQ may deem necessary. Subject to the foregoing, this Agreement shall be binding upon the respective successors and assigns of the parties.

16. AUTHORITY TO PARTICIPATE IN THIS AGREEMENT

The SUB-RECIPIENT certifies that (a) it is a Mississippi governmental entity; (b) entry into and performance under this Agreement is not restricted or prohibited by any loan, security, financing, contractual, or other agreement of any kind; and (c) notwithstanding any other provision of this Agreement to the contrary, that there are no existing legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Agreement.

17. DEBARMENT AND SUSPENSION

SUB-RECIPIENT certifies to the best of its knowledge and belief, that it:

- A. is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transaction by any federal department or agency or any political subdivision or agency of the State of Mississippi;
- B. has not, within a three-year period preceding this Agreement, been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or Agreement or Contract under a public

transaction;

- C. has not, within a three-year period preceding this Agreement, been convicted of or had a civil judgment rendered against it for a violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- D. is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of these offenses enumerated in paragraphs two (2) and (3) of this certification; and,
- E. has not, within a three-year period preceding this Agreement, had one or more public transactions (federal, state, or local) terminated for cause or default.

18. CONFIDENTIALITY

- A. *Information Designated by Contractor as Confidential.* Any disclosure of those materials, documents, data and other information, which SUB-RECIPIENT has designated in writing as proprietary and confidential shall be subject to the provisions of Miss. Code Ann. §§ 25-61-9 and 79-23-1. As provided in this Agreement, the personal or professional services to be provided, the price to be paid, and the term of the Agreement shall not be deemed to be a trade secret or confidential commercial or financial information.
- B. *Public Records.* Notwithstanding any provision to the contrary contained herein, all Parties recognize that MDEQ is a public agency of the State of Mississippi and is subject to the Mississippi Public Records Act. Miss. Code Ann. §§ 25-61-1 *et seq.* If a public records request is made for any information provided to MDEQ pursuant to this Agreement and designated by the SUB-RECIPIENT in writing as trade secrets or other proprietary confidential information, MDEQ shall following provisions of Miss. Code Ann. §§ 25-61-9 and 79-23-1 before disclosing such information. MDEQ shall not be liable to SUB-RECIPIENT for disclosure of information required by court order or required by law.
- C. *Disclosure of Confidential Information.* In the event that either party to this Agreement receives notice that a third party requests divulgence of Confidential Information or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of Confidential Information or otherwise protected information, that party shall promptly inform the other party and thereafter respond in conformity with such subpoena to the extent mandated by law. This section shall survive the termination or completion of this Agreement. The parties agree that this section is subject to and superseded by Mississippi Code Annotated §§ 25-61-1 *et seq.*

- D. *Wrongful Disclosure of Confidential Information.* Any liability resulting from the wrongful disclosure of Confidential Information on the part of SUB-RECIPIENT or its contractor shall rest with SUB-RECIPIENT. Disclosure of any Confidential Information by SUB-RECIPIENT or its subcontractor without the express written approval of MDEQ may result in the immediate termination of this Agreement.
- E. *Exceptions to Confidential Information.* SUB-RECIPIENT and the State shall not be obligated to treat as confidential and proprietary any information disclosed by the other party (“**Disclosing Party**”) which is:
- (1) Rightfully known to the recipient prior to negotiations leading to this Agreement, other than information obtained in confidence under prior engagements;
 - (2) Generally known or easily ascertainable by nonparties to this Agreement;
 - (3) Released by the Disclosing Party to any other person, firm, or entity (including governmental agencies or bureaus) without restriction;
 - (4) Independently developed by the recipient without any reliance on confidential information;
 - (5) Part or later becomes part of the public domain or may be lawfully obtained by the State or SUB-RECIPIENT from any nonparty; or
 - (6) Disclosed with the Disclosing Party’s prior written consent; or
 - (7) As otherwise required to be disclosed by law.

19. FAILURE TO ENFORCE

Failure by MDEQ, at any time, to enforce the provisions of this Agreement shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of this Agreement or any part thereof or the right of MDEQ to enforce any provision at any time in accordance with its terms.

20. FORCE MAJEURE

Each Party shall be excused from performance for any period and to the extent that it is prevented from performing any obligation or service, in whole or in part, as a result of causes beyond the reasonable control and without the fault or negligence of such party and/or its contractors. Such acts shall include without limitation acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations superimposed after the fact, fire, earthquakes, floods, or other natural disasters (“force majeure events”). When such a cause arises, SUB-RECIPIENT shall notify MDEQ

immediately in writing of the cause of its inability to perform, how it affects its performance, and the anticipated duration of the inability to perform. Delays in delivery or in meeting completion dates due to force majeure events shall automatically extend such dates for a period equal to the duration of the delay caused by such events, unless MDEQ determines it to be in its best interest to terminate the Agreement.

21. INDEMNIFICATION

The SUB-RECIPIENT agrees to maintain responsibility for the Project and agrees to provide proper operation and maintenance of all facilities for the life of the Project. SUB-RECIPIENT's tort liability, as an entity of the State of Mississippi, is determined and controlled in accordance with Mississippi Code Annotated §§ 11-46-1 *et seq.*, including all defenses and exceptions contained therein. Nothing in this Agreement shall have the effect of changing or altering this liability or of eliminating any defense available to the State under statute.

22. SUB-RECIPIENT STATUS

The SUB-RECIPIENT shall, during the entire Period of Performance of this Agreement, be construed to be an independent SUB-RECIPIENT. Nothing in this Agreement is intended to nor shall be construed to create an employer-employee relationship or a joint venture relationship.

The SUB-RECIPIENT represents that it is qualified to perform the duties to be performed under this Agreement and that it has, or will secure, if needed, at its own expense, applicable personnel who are qualified to perform the duties required under this Agreement. Such personnel shall not be deemed in any way, directly or indirectly, expressly or by implication, to be employees of MDEQ.

Any person assigned by the SUB-RECIPIENT to perform the services hereunder shall be an employee or independent contractor of the SUB-RECIPIENT, who shall have the sole right to hire and discharge its employees and/or independent contractors under this Agreement.

The SUB-RECIPIENT shall pay, when due, all salaries and wages of its employees and accepts exclusive responsibility for the payment of federal income tax, state income tax, social security, unemployment compensation and any other withholdings that may be required. This provision is solely for the benefit of MDEQ, and nothing herein shall be construed to create or impose any contractual or agency relationship between MDEQ and SUB-RECIPIENT'S contractors, subcontractors, employees or agents.

23. INSURANCE

SUB-RECIPIENT is self-insured for liability under the Mississippi Tort Claims Act, Miss. Code Ann. § 11-46-1, *et seq.* The SUB-RECIPIENT must also maintain appropriate insurances to cover property, this includes any equipment purchased under

this Agreement. Should the SUB-RECIPIENT procure additional insurance against liability for injury to persons or property, it should have MDEQ named as additional insureds on all such policies for any work performed by SUB-RECIPIENT pursuant to this Agreement and provide MDEQ with appropriate Certificates of Insurance and endorsements reflecting such additions within thirty (30) days after this Agreement is fully-executed.

24. ENTIRE AGREEMENT

This Agreement, including all attachments, represents the entire and integrated agreement between the Parties hereto and supersedes all prior negotiations, representations or agreements, irrespective of whether written or oral. This Agreement may be altered, amended, or modified only by a written document executed by MDEQ and the SUB-RECIPIENT. SUB-RECIPIENT acknowledges that it has thoroughly read this Agreement and all its attachments and has had the opportunity to receive competent advice and counsel necessary for it to form a full and complete understanding of all rights and obligations herein.

25. AMENDMENTS OR MODIFICATION

This Agreement may only be amended, modified, or supplemented by written agreement signed by the Parties hereto.

26. ORAL STATEMENTS

No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in this Agreement. All modifications to the Agreement must be made in writing by the MDEQ and agreed to by SUB-RECIPIENT.

27. OWNERSHIP OF DOCUMENTS AND WORK PAPERS

MDEQ shall own all documents, files, reports, work papers and working documentation, electronic or otherwise, created in connection with the Project which is the subject of this Agreement, except for SUB-RECIPIENT's internal administrative and quality assurance files and internal project correspondence. SUB-RECIPIENT shall deliver such documents and work papers to MDEQ. The foregoing notwithstanding, SUB-RECIPIENT shall be entitled to retain a set of such work papers for its files.

28. RECORD RETENTION AND ACCESS TO RECORDS

Provided SUB-RECIPIENT is given reasonable advance written notice and such inspection is made during normal business hours of SUB-RECIPIENT, Treasury, the Government Accountability Office, MDEQ, the State or any duly authorized representatives shall have unimpeded, prompt access to any of SUB-RECIPIENT's books, documents, papers, and other records which are maintained or produced as a

result of the Project for the purpose of making audits, investigations, examinations, excerpts, transcriptions, and copies of such documents. This right also includes timely and reasonable access to the SUB-RECIPIENT's personnel for the purpose of interview and discussion related to such documents. All records related to this Agreement shall be retained by SUB-RECIPIENT for a minimum of ten (10) years after final payment is made under this Agreement and all pending matters are closed; however, if any audit, litigation or other action arising out of or related in any way to this Project is commenced before the end of the ten (10) year period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved or until the end of the ten (10) year period, whichever is later.

SUB-RECIPIENT is not required to retain the above-mentioned records for the ten-year period prescribed in this Section and the "Right to Audit" provision only if all of the following conditions are satisfied:

- A. SUB-RECIPIENT has provided all of the documents described above and in the "Right to Audit" provision to MDEQ prior to the expiration of the ten (10) year retention period and a certification stating the same is simultaneously provided in writing to MDEQ;
- B. no audit, litigation or other action arising out of or related in any way to this Project is commenced before SUB-RECIPIENT provides the records and corresponding certification to SUB-RECIPIENT, in which case, SUB-RECIPIENT shall retain the records until all issues arising out of the action are finally resolved; and
- C. SUB-RECIPIENT provides MDEQ a minimum of thirty (30) days' written notice before providing the above-mentioned records and corresponding certification.

29. RIGHT TO AUDIT

SUB-RECIPIENT shall maintain such financial records and other records as may be prescribed by the MDEQ or by applicable federal and state laws, rules, and regulations. SUB-RECIPIENT shall retain these records for a period of ten years after final payment. These records shall be made available during the term of the Agreement and the subsequent ten-year period for examination, transcription, and audit by MDEQ, the Mississippi State Auditor's Office, its designees, or other authorized bodies, including the Office of Inspector General and Treasury.

30. RIGHT TO INSPECT WORK; ACCESS

Treasury, the Government Accountability Office, MDEQ and their representatives, invitees, and consultants shall have access and the right to conduct announced and unannounced onsite and offsite physical visits to inspect all Work hereunder.

Notwithstanding any review or inspection by Treasury, the Government Accountability Office, MDEQ and their representatives, invitees, and consultants, SUB-RECIPIENT shall not be relieved of its responsibility for performance of the Work or the submission of reports as expressly set forth in this Agreement solely by virtue of such inspection or review of the Work. SUB-RECIPIENT shall provide MDEQ and its representatives, invitees, and consultants with the opportunity to participate in site inspections, meetings, and/or teleconferences, as appropriate, related to SUB-RECIPIENT's performance of the Work.

31. SEVERABILITY

If any part of this Agreement is declared to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision of the Agreement that can be given effect without the invalid or unenforceable provision, and to this end the provisions hereof are severable. In such event, the Parties shall amend the Agreement as necessary to reflect the original intent of the Parties and to bring any invalid or unenforceable provisions in compliance with applicable law.

32. THIRD PARTY ACTION NOTIFICATION

SUB-RECIPIENT shall give the MDEQ prompt notice in writing of any action or suit filed, and prompt notice of any claim made against SUB-RECIPIENT by any entity that may result in litigation related in any way to this Agreement.

33. UNSATISFACTORY WORK

If, at any time during Period of Performance, the service performed or work done by SUB-RECIPIENT is considered by MDEQ to be unsatisfactory, MDEQ shall notify the SUB-RECIPIENT of such and the SUB-RECIPIENT will be required to correct such service or work. If, at any time during Period of Performance, the service performed or work done by SUB-RECIPIENT is considered by MDEQ to create a condition that threatens the health, safety, or welfare of the environment, citizens and/or employees of the State of Mississippi, SUB-RECIPIENT shall, on being notified by MDEQ, immediately correct such deficient service or work. In the event SUB-RECIPIENT fails, after notice, to correct the deficient service or work immediately, MDEQ shall have the right to order the correction of the deficiency by separate Agreement or with its own resources at the expense of SUB-RECIPIENT.

34. WAIVER

No delay or omission by either Party to this Agreement in exercising anyright, power, or remedy hereunder or otherwise afforded by Agreement, at law, or in equity shall constitute an acquiescence therein, impair any other right, power or remedy hereunder or otherwise afforded by any means, or operate as a waiver of such right, power, or remedy. No waiver by either Party to this Agreement shall be valid unless set forth in writing by the Party making said waiver. No waiver of or modification to any term or

condition of this Agreement will void, waive, or change any other term or condition. No waiver by one Party to this Agreement of a default by the other Party will imply, be construed as or require waiver of future or other defaults.

35. COMPLIANCE WITH MISS. CODE ANN. § 31-5-37

If applicable, SUB-RECIPIENT shall ensure that Contracted Parties and bidders solicited for contract awards pursuant to this Agreement comply with the requirements of Miss. Code. Ann. § 31-5-37. SUB-RECIPIENT shall require all bidders for any contract of Five Thousand Dollars (\$5,000.00) or more procured or to be procured with funds received pursuant to this Agreement to submit a certification with their bid that said bidder will comply with the provisions of Miss. Code. Ann. § 31-5-37. In addition, within seven (7) days of any such contract award procured or to be procured with funds received pursuant to this Agreement, SUB-RECIPIENT shall require the Contracted Party to submit to both SUB-RECIPIENT and the Mississippi Department of Employment Security (“MDES”) an employment plan which conforms to the requirements contained in Miss. Code. Ann. § 31-5-37(2).

From the date written notice of any such contract award is received and until ten (10) business days after the receipt of the employment plan by MDES, the Contracting Party and any contractors shall not hire any personnel to fill vacant positions for the project except residents of the State of Mississippi who are to be verified by MDES and/or those qualified individuals who are submitted by MDES. However, the Contracting Party or contractor is authorized to employ Mississippi residents to begin work immediately if such persons are verified by MDES after employment by the Contracting Party or contractor. SUB-RECIPIENT shall vacate the contract award in the event the Contracting Party fails to comply with the provisions of Miss. Code Ann. § 31-5-37.

36. CONFLICT OF INTEREST

The SUB-RECIPIENT shall immediately notify MDEQ in writing of any potential conflict of interest resulting from the representation of or service to other clients or otherwise affecting this Agreement in any way. If any such conflict occurs before it is discovered, the SUB-RECIPIENT shall notify MDEQ of such conflict within five (5) working days of such discovery. If such conflict cannot be resolved to MDEQ’s satisfaction, MDEQ reserves the right to terminate this Agreement per the “Termination for Convenience” clause.

37. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective permitted successors and permitted assigns.

38. NO THIRD-PARTY BENEFICIARIES

This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

39. EVALUATION

SUB-RECIPIENT agrees to cooperate with MDEQ by providing timely responses to all reasonable requests for information to assist in evaluation of the accomplishments of the Project and this Agreement for a period of ten (10) years after the date on which the Final Reports are provided.

40. VENUE

Venue for the resolution of any dispute, according to Disputes Clause of this Agreement, and any subsequent litigation shall be in Jackson, Hinds County, Mississippi.

41. HEADINGS

The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

APPENDIX II TO 2 CFR PART 200: CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 USC 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended (40 USC 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 USC. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 USC. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 USC 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment

of mechanics or laborers must include a provision for compliance with 40 USC 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 USC 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 USC 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act (33 USC 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 USC 7401-7671q) and the Federal Water Pollution Control Act as amended (33 USC 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 USC 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.

PROCUREMENT OF RECOVERED MATERIALS

The prime contractor must comply with federal regulations regarding procurement of recovered materials found at 2 CFR §200.322.

2 CFR §200.322 requires the Project Owner and its contractors to comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

CONTRACTING WITH SMALL AND MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS

Documentation of compliance with the following requirements is a matter of contractor responsibility. When subcontracting, the contractor must submit documentation of good faith efforts to meet the project's MBE/WBE requirements before contracted work can commence. (MBE/WBE requirements are outlined below and can be found at 2. C. F. R. §200.321.) Failure on the part of the contractor to submit proper documentation may cause the Owner not to execute or to terminate the contract.

(a) The prime contractor must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and,
- (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

The prime contractor should note that this requirement mandates two responsibilities. Separate solicitations must be made of minority **and** women's business enterprises.

SUBMITTAL OF MINORITY BUSINESS ENTERPRISE AND WOMEN'S BUSINESS ENTERPRISE (MBE/WBE) DOCUMENTATION

Prior to contract execution, the prime contractor must submit:

- A written certification that no subcontracts will be issued.
- OR -
- The Subcontractor Listing Form detailing all subcontractors that will perform work on the project, including name, contact person, address, phone, and status (MBE, WBE or Non).

If subcontractors will be utilized, the prime contractor must submit the following for subcontracts proposed to be awarded to MBE/WBE enterprises:

- A certification from each MBE and/or WBE firm declaring its status as a MBE or WBE firm. This can be an MDOT, SBA or MDA certification. A self-certification is acceptable, if the certification specifies the basis for MBE/WBE designation (e.g., the business is 51% owned and daily operation is controlled by one or more women or minority owners).

If subcontractors will be utilized, the prime contractor must submit the following for subcontracts proposed to be awarded to Non-MBE/WBE:

- For all subcontracts for which there are capable certified MBE/WBE firms existing to potentially perform the work, letters transmitted to MBE and WBE firms requesting quotes or proposals for specific subcontracting opportunities and encouraging inquiries for further details. Solicitations should have been sent in a timely manner, including allowed response time. (See “Sample Letter from Contractor to MBE/WBE Firms” below.)
- A listing of certified MBE and WBE firms from whom quotes or proposals were received, if any, who were not awarded subcontracts.
- Evidence that each Non-MBE/WBE subcontractor selected for the scope of work, was lower in price than each MBE/WBE proposal (or that there is some other acceptable reason to select the Non-MBE/WBE) and that the scope of work was the same for both the MBE/WBE and Non-MBE/WBE.

The contractor may utilize the following resources to assist in MBE/WBE affirmative outreach:

- MDOT Disadvantaged Business Entity (DBE) Website:
<http://sp.mdot.ms.gov/Civil%20Rights/Pages/DBE.aspx>
- MDA Minority Business Enterprise/Women Business Enterprise (MBE/WBE) Directory:
<https://minority.mississippi.org/MinorityBusinessDirectory.aspx>

Should the Prime Contractor intend to later issue a subcontract, the above affirmative steps must be followed and documentation of such submitted to the Owner for review as described under this section.

SAMPLE LETTER FROM CONTRACTOR TO MBE/WBE FIRMS

(CONTRACTOR'S LETTERHEAD)

[DATE]

[MBE/WBE COMPANY NAME]

[ADDRESS]

[CITY, STATE ZIP]

RE: [NAME OF PROJECT]

Dear [MBE/WBE FIRM]:

Our company has been engaged to support the above referenced project. We are soliciting a proposal from you for the services described below:

[DESCRIBE SCOPE OF WORK FOR SERVICES BEING SOLICITED FROM MBE/WBE FIRM]

Proposals must be submitted by [SUBMITTAL DEADLINE] to be considered.

For further details, you are encouraged to contact [NAME OF OWNER REPRESENTATIVE] by email at [EMAIL ADDRESS] or by telephone at [TELEPHONE NUMBER] during normal business hours.

Sincerely,

[NAME OF REPRESENTATIVE]

[NAME OF COMPANY]

Enclosure: [SCOPE OF WORK]

MISSISSIPPI EMPLOYMENT PROTECTION ACT OF 2008

TITLE 71. LABOR AND INDUSTRY CHAPTER 11. EMPLOYMENT PROTECTION ACT

Miss. Code Ann. § 71-11-1

§ 71-11-1. Legislative findings

The Legislature finds that when illegal immigrants have been sheltered and harbored in this state and encouraged to reside in this state through the benefit of work without verifying immigration status, these practices impede and obstruct the enforcement of federal immigration law, undermine the security of our borders, and impermissibly restrict the privileges and immunities of the citizens of Mississippi. The Legislature further finds that illegal immigration is encouraged when public agencies within this state provide public benefits without verifying immigration status. The Legislature further finds that the Tenth Amendment to the United States Constitution reserves to the states those powers not delegated to the United States by the Constitution. Therefore, the Legislature declares that it is a compelling public interest of this state to discourage illegal immigration by requiring all agencies within this state to fully cooperate with federal immigration authorities in the enforcement of federal immigration laws. The Legislature also finds that other measures are necessary to ensure the integrity of various governmental programs and services.

TITLE 71. LABOR AND INDUSTRY CHAPTER 11. EMPLOYMENT PROTECTION ACT

Miss. Code Ann. § 71-11-3

§ 71-11-3. Definitions; verification of work eligibility status of new hires; employer liability; exemptions; penalties for violation.

(1) This chapter shall be known as the "Mississippi Employment Protection Act."

(2) The provisions of this section shall be enforced without regard to race, gender, religion, ethnicity or national origin.

(3) For the purpose of this section only, the following words shall have the meanings ascribed herein unless the content clearly states otherwise:

(a) "Employer" is any person or business that is required by federal or state law to issue a United States Internal Revenue Service Form W-2 or Form 1099 to report income paid to employed or contracted personnel in Mississippi.

(b) "Employee" is any person or entity that is hired to perform work within the State of Mississippi and to whom a United States Internal Revenue Service Form W-2 or Form 1099 must be issued.

(c) "Third-party employer" is any person or company that provides workers for another person or company. This includes, but is not limited to, leasing companies and contract employers.

(d) "Status verification system" means the electronic verification of work authorization program of the Illegal Immigration Reform and Immigration Responsibility Act of 1996,

Public Law 104-208, Division C, Section 403(a); 8 USC, Section 1324a, and operated by the United States Department of Homeland Security, known as the E-Verify Program.

(e) "Unauthorized alien" means an alien as defined in Section 1324a(h)(3) of Title 8 of the United States Code.

(f) "Public employer" means every department, agency or instrumentality of the state or a political subdivision of the state.

(g) "Subcontractor" means a subcontractor, contract employee, staffing agency or any contractor regardless of its tier.

(4) (a) Employers in the State of Mississippi shall only hire employees who are legal citizens of the United States of America or are legal aliens. For purposes of this section, a legal alien is an individual who was lawfully present in the United States at the time of employment and for the duration of employment, or was permanently residing in the United States under color of law at the time of employment and for the duration of employment.

(b) (i) Every employer shall register with and utilize the status verification system to verify the federal employment authorization status of all newly hired employees.

(ii) No contractor or subcontractor shall hire any employee unless the contractor or subcontractor registers and participates in the status verification system to verify the work eligibility status of all newly hired employees.

(iii) No contractor or subcontractor who enters into a contract with a public employer shall enter into such a contract or subcontract unless the contractor or subcontractor registers and participates in the status verification system to verify information of all newly hired employees.

(c) The provision of this section shall not apply to any contracts entered into on or before July 1, 2008.

(d) It shall be a discriminatory practice for an employer to discharge an employee working in Mississippi who is a United States citizen or permanent resident alien while retaining an employee who the employing entity knows, or reasonably should have known, is an unauthorized alien hired after July 1, 2008, and who is working in Mississippi in a job category that requires equal skill, effort and responsibility, and which is performed under similar working conditions, as defined by 29 USC, Section 206(d) (1), as the job category held by the discharged employee.

(e) An employing entity which, on the date of the discharge in question, was enrolled in and used the status verification system to verify the employment eligibility of its employees in Mississippi hired after July 1, 2008, shall be exempt from liability, investigation or suit arising from any action under this section.

(f) No cause of action for a violation of this section shall lie under any other Mississippi law but shall arise solely from the provisions of this section.

(5) Any employer that complies with the requirements of this section shall be held harmless by the Mississippi Department of Employment Security, provided the employer is not directly involved in the creation of any false documents, and provided that the employer did

not knowingly and willfully accept false documents from the employee.

(6) (a) All third-party employers that conduct business in Mississippi shall register to do business in Mississippi with the Mississippi Department of Employment Security before placing employees into the workforce in Mississippi.

(b) Third-party employers shall provide proof of registration and any participation in the status verification system to any Mississippi employer with whom they do business.

(7) (a) State of Mississippi agencies and political subdivisions, public contractors and public subcontractors and private employers with two hundred fifty (250) or more employees shall meet verification requirements not later than July 1, 2008.

(b) Employers with at least one hundred (100) but less than two hundred fifty (250) employees shall meet verification requirements not later than July 1, 2009.

(c) Employers with at least thirty (30) but less than one hundred (100) employees shall meet verification requirements not later than July 1, 2010.

(d) All employers shall meet verification requirements not later than July 1, 2011.

(e) (i) Any employer violating the provisions of this section shall be subject to the cancellation of any state or public contract, resulting in ineligibility for any state or public contract for up to three (3) years, the loss of any license, permit, certificate or other document granted to the employer by any agency, department or government entity in the State of Mississippi for the right to do business in Mississippi for up to one (1) year, or both.

(ii) The contractor or employer shall be liable for any additional costs incurred by the agencies and institutions of the State of Mississippi, or any of its political subdivisions, because of the cancellation of the contract or the loss of any license or permit to do business in the state.

(iii) Any person or entity penalized under this section shall have the right to appeal to the appropriate entity bringing charges or to the circuit court of competent jurisdiction.

(f) The Department of Employment Security, State Tax Commission, Secretary of State, Department of Human Services and the Attorney General shall have the authority to seek penalties under this section and to bring charges for noncompliance against any employer or employee.

(8) (a) There shall be no liability under this section in the following circumstances:

(i) An employer who hires an employee through a state or federal work program that requires verification of the employee's social security number and provides for verification of the employee's lawful presence in the United States in an employment-authorized immigration status;

(ii) Any candidate for employment referred by the Mississippi Department of Employment Security, if the Mississippi Department of Employment Security has verified the social security number and provides for verification of the candidate's lawful presence in the United States in an employment-authorized immigration status; or

(iii) Individual homeowners who hire workers on their private property for noncommercial purposes, unless required by federal law to do so.

(b) (i) Compliance with the sections of this statute shall not exempt the employer from regulations and requirements related to any federal laws or procedures related to employers.

(ii) This section shall not be construed as an attempt to preempt federal law.

(c) (i) It shall be a felony for any person to accept or perform employment for compensation knowing or in reckless disregard that the person is an unauthorized alien with respect to employment during the period in which the unauthorized employment occurred. Upon conviction, a violator shall be subject to imprisonment in the custody of the Department of Corrections for not less than one (1) year nor more than five (5) years, a fine of not less than One Thousand Dollars (\$ 1,000.00) nor more than Ten Thousand Dollars (\$ 10,000.00), or both.

(ii) For purposes of determining bail for persons who are charged under this section, it shall be a rebuttable presumption that a defendant who has entered and remains in the United States unlawfully is deemed at risk of flight for purposes of bail determination.

EXAMPLE OF E-VERIFY CERTIFICATION LETTER

Date _____

TO: Project Owner
P. O. Box 12345
Anytown, MS 12345

RE: Compliance with Mississippi Employment Protection Act of 2008 and the United States
Illegal Immigration Reform and Immigration Responsibility Act of 1996 (E-Verify)

Project Name _____
Project Number _____

The purpose of this letter is to inform you that _____ (Contractor and/or Subcontractor's
Company Name) is in compliance with the Mississippi Employment Protection Act of 2008
as described in Senate Bill 2988 of the 2008 Regular Session of the Mississippi Legislature and
the United States Illegal Immigration Reform and Immigration Responsibility Act of 1996. Our
E-Verify registration number is _____.

Attached, for your review, is a copy of the documentation showing our company's
participation in the E-Verify program and upon request, copies of employee's certifications will
be provided as they are kept in the employee's personnel file.

Our company understands if compliance with the above-mentioned Act is not followed
consequences may occur as contemplated in that Act.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

President of Company

**If you are not already enrolled you may enroll by going to the E-Verify Web site at
www.uscis.gov/e-verify follow the directions and tutorial.**

SUBCONTRACTOR LISTING FORM

The prime contractor must submit this form to the Owner prior to contract execution and must update it for each subcontractor performing any work resulting from this contract. If additional lines are needed, this form may be duplicated.

Subcontractor Name and Contact Person	Subcontractor Address and Phone Number	Subcontractor DUNS	MBE (Y/N)	WBE (Y/N)

There came on for consideration the matter of the issuance of combined utility system revenue bonds of the City of Gautier, Mississippi and, after a discussion of the subject matter, Councilman Colledge offered and moved the adoption of the following resolution:

RESOLUTION NUMBER 041-2019

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF GAUTIER, MISSISSIPPI AUTHORIZING AND DIRECTING THE ISSUANCE OF COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2019 OF THE CITY OF GAUTIER, MISSISSIPPI, IN THE TOTAL AGGREGATE PRINCIPAL AMOUNT OF SIX MILLION DOLLARS (\$6,000,000) FOR THE PURPOSES SET FORTH IN SECTIONS 21-27-11 *ET SEQ.*, MISSISSIPPI CODE OF 1972, AS AMENDED AND SUPPLEMENTED, INCLUDING, BUT NOT LIMITED TO, (A) THE IMPROVEMENT, REPAIR, AND EXTENSION OF THE CITY'S COMBINED WATERWORKS, WATER SUPPLY, SEWERAGE, AND SEWER DISPOSAL FACILITIES, (B) FUNDING A DEBT SERVICE RESERVE FUND FOR SAID REVENUE BONDS, INCLUDING THE PREMIUM FOR A SURETY BOND, IF ANY, AND (C) PAYING THE COSTS OF ISSUANCE OF SAID REVENUE BONDS; AWARDING THE SALE OF SAID REVENUE BONDS; PRESCRIBING THE FORM AND DETAILS OF SAID REVENUE BONDS; PROVIDING CERTAIN COVENANTS OF SAID CITY IN CONNECTION WITH SAID REVENUE BONDS; DIRECTING THE PREPARATION, EXECUTION AND DELIVERY OF SAID REVENUE BONDS; PROVIDING FOR THE COLLECTION, SEGREGATION AND DISTRIBUTION OF THE REVENUES TO BE DERIVED FROM THE OPERATION OF SAID SYSTEM IN AN AMOUNT SUFFICIENT TO PAY THE COST OF THE OPERATION AND MAINTENANCE THEREOF AND TO PAY THE PRINCIPAL OF AND INTEREST ON SAID REVENUE BONDS; MAKING PROVISION FOR CERTAIN FUNDS IN CONNECTION WITH SAID SYSTEM AND SAID REVENUE BONDS; MAKING PROVISION FOR MAINTAINING THE TAX-EXEMPT STATUS OF SAID REVENUE BONDS; AUTHORIZING THE PREPARATION AND DISTRIBUTION OF A FINAL OFFICIAL STATEMENT IN CONNECTION WITH SAID REVENUE BONDS; AND FOR RELATED PURPOSES.

WHEREAS, the Mayor and City Council of the City of Gautier, Mississippi (the "Governing Body"), acting for and on behalf of the City of Gautier, Mississippi (the "City"), is authorized under the provisions of Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the "Act"), to issue revenue bonds of the City in such amounts as it may find necessary and proper and for the purposes set forth in the Act, including, but not limited to, the improvement, repair, and extension of the City's combined waterworks, water supply, sewerage, and sewer disposal facilities (the "System"), funding a debt service reserve fund for such revenue bonds and paying the costs of the sale and issuance of such revenue bonds (the "Project"); and

WHEREAS, the Governing Body has previously caused an estimate to be made of the costs of the Project by competent engineers employed by the City from which estimates the Governing Body finds and determines that the contemplated costs thereof will not exceed Ten Million Dollars (\$10,000,000); and

WHEREAS, the Project is to be done substantially in accordance with plans and specifications prepared by competent engineers employed by the City and approved by the Governing Body; and

WHEREAS, as a result of a study done by such competent engineers, the Governing Body finds and determines that the estimated life of the Project will be at least twenty-five (25) years; and

WHEREAS, the Project is in accordance with the provisions of the Act; and

WHEREAS, as a result of the findings in the study of such competent engineers, the Project and the costs thereof are economically feasible; and

WHEREAS, by resolution adopted on November 21, 2017 (the "Intent Resolution"), the Governing Body found and determined that it is necessary and proper for the City to finance the Project through the issuance, in one or more series, of revenue bonds of the City pursuant to the Act, in a total aggregate principal amount not to exceed Ten Million Dollars (\$10,000,000); and

WHEREAS, as required by the Act, the Intent Resolution was published in *The Mississippi Press*, a newspaper having a general circulation in the City, and being a qualified newspaper under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended, once a week for at least three (3) consecutive weeks, the last such publication having been made more than ten (10) days prior to January 2, 2018, said resolution having been published on December 6, 13 and 20, 2017; and

WHEREAS, by resolution adopted on January 2, 2018, the Governing Body found and determined that the Intent Resolution was duly published as required by law, that no protest or objection of any kind or character against the issuance of such revenue bonds or the purpose for which they are to be issued was presented and that the Governing Body is authorized and empowered by the provisions of the Act to issue revenue bonds without an election on the question thereof within two (2) years from January 2, 2018; and

WHEREAS, on June 1, 2018, the City issued its \$4,000,000 Combined Utility System Revenue Bonds, Series 2018 to finance a portion of the costs of the Projects; and

WHEREAS, by resolution adopted on November 5, 2019 (the "Sale Resolution"), the Governing Body authorized and approved the issuance of the City's Combined Utility System Revenue Bonds, Series 2019 (the "Series 2019 Bonds"), in an aggregate principal amount not to exceed Six Million Dollars (\$6,000,000) to raise additional money for the Project, approved the form of and authorized the publication of a Notice of Bond Sale (the "Notice of Sale") in connection with the Series 2019 Bonds, and approved the form of and authorized the distribution

of a Preliminary Official Statement (the "Preliminary Official Statement") in connection with the Series 2019 Bonds; and

WHEREAS, pursuant to the Sale Resolution and the Act, the Notice of Sale was published in *The Mississippi Press*, a newspaper having a general circulation in the City and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended, on November 22 and November 29, 2019, in the form attached hereto as Exhibit A and made a part hereof; and

WHEREAS, pursuant to the Sale Resolution, the Preliminary Official Statement and an Official Bid Form (the "Bid Form") were distributed to potential purchasers of the Series 2019 Bonds in the forms attached hereto as Exhibit B and made a part hereof; and

WHEREAS, at or prior to the hour of 4:30 p.m. on this 3rd day of December, 2019, there were filed with the City, five (5) sealed bids on the Bid Form, copies of which are attached hereto as Exhibit C and made a part hereof, for the purchase of the Series 2019 Bonds pursuant to the terms and provisions of the Notice of Sale, as follows:

Name of Bidder	Net Interest Rate
Robert W. Baird	2.750531%
Morgan Stanley	2.769318
Stephens Inc.	3.099846
Hutchinson Shockey Erley & Co.	2.810400
Duncan-Williams, Inc.	2.734320

and each of said bids was accompanied by a cashier's check, certified check, or exchange, issued or certified by a bank located in the State of Mississippi, in the amount of One Hundred Twenty Thousand Dollars (\$120,000) as evidence of the good faith of each of said bidders; and

WHEREAS, each of said bids has been read at length and considered by the Governing Body; and

WHEREAS, at the direction of the Governing Body, Government Consultants, Inc. (the "Municipal Advisor") has determined which of said bids produced the lowest net interest rate (as defined in the Notice of Sale); and

WHEREAS, the bid of Duncan-Williams, Inc. (the "Purchaser") produces the lowest net interest rate for the Series 2019 Bonds which rate is 2.734320%; and

WHEREAS, the best interest of the City will be served by the acceptance of the bid of the Purchaser; and

WHEREAS, the issuance of the Series 2019 Bonds for the purpose of providing funds to finance the Project will result in a substantial public benefit to the citizens of the City; and

WHEREAS, the Series 2019 Bonds will be secured by a lien on and payable solely from the Net Revenues (as hereinafter defined) of the System; and

WHEREAS, the Series 2019 Bonds will be issued on a parity with the City's \$3,500,000 Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, securing the \$3,500,000 Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, and the City's \$4,000,000 Combined Utility System Revenue Bonds, Series 2018, dated June 1, 2018 (together, the "Utility Bonds"), which are also secured by the Net Revenues of the System; and

WHEREAS, it is necessary, proper and economically feasible that the City issue the Series 2019 Bonds pursuant to the Act for the purposes herein stated and under the procedures hereinafter set forth and as provided by law; and

WHEREAS, the amount of the Series 2019 Bonds, when added to the outstanding indebtedness of the City, will not exceed any constitutional or statutory limitation of indebtedness; and

WHEREAS, there are no other available funds on hand or from regular sources of income for such purposes; and

WHEREAS, the Governing Body now finds and determines that it is necessary, advisable and in the public interest that the Series 2019 Bonds be issued as hereinafter provided.

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

SECTION 1. Each and all of the facts and findings set forth in the premises clauses of this Bond Resolution are hereby found and determined to be true and accurate and are incorporated herein by this reference thereto as though set forth again in words and figures.

SECTION 2. In addition to any words and terms elsewhere defined herein, the following words and terms shall have the following meanings, unless some other meaning is plainly intended:

"Act" shall mean Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time.

"Additional Bonds" shall mean additional bonds issued hereafter on parity with the Series 2019 Bonds and the Utility Bonds and secured by Net Revenues of the System.

"Bond Counsel" shall mean Butler Snow LLP, Ridgeland, Mississippi.

"Bond Insurer" shall be the provider of the Surety Bond, if any, or any successor thereto.

"Bond Resolution" shall mean this resolution authorizing and directing the issuance of the Series 2019 Bonds.

"Bond Year" shall mean the one-year period (or shorter period beginning on the date of issue of the Series 2019 Bonds or ending on the final maturity date of the Series 2019 Bonds)

ending at the close of business on the day selected by the City. If no day is selected by the City before the earlier of the final maturity date of the Series 2019 Bonds or the date that is five years after the date of issue of the Series 2019 Bonds, each Bond Year will end on each anniversary of the date of issue of the Series 2019 Bonds.

"Bonds" shall mean the Series 2019 Bonds, the Utility Bonds and any Additional Bonds issued on parity with the Series 2019 Bonds and the Utility Bonds and secured by the Net Revenues of the System.

"Business Day" shall mean any day other than (a) a Saturday, (b) a Sunday, (c) any other day on which banking institutions in New York, New York or Gautier, Mississippi, are authorized or required not to be open for the transaction of regular banking business, (d) any day the City Hall in Gautier, Mississippi is closed, or (e) a day on which the New York Stock Exchange is closed.

"City" shall mean the City of Gautier, Mississippi.

"Clerk" shall mean the City Clerk of the City.

"Closing" shall mean the date of the delivery of the Series 2019 Bonds.

"Code" shall mean the Internal Revenue Code of 1986, as amended, supplemented or superseded and the Regulations promulgated thereunder.

"Consulting Engineers" shall mean any engineer or engineering firm employed by the City in connection with the System or for the purposes set out in this Bond Resolution.

"Costs of the Project" shall mean the costs of the acquisition, construction and equipping of the Project and, without intending thereby to limit or restrict any proper definition of such term under the provisions of the Act or this Bond Resolution, shall include the following:

- (a) obligations incurred for labor and materials, for contractors, builders and materialmen in connection with construction, for machinery and equipment, for the restoration or relocation of property damaged or destroyed in connection with such construction, for the removal or relocation of structures and for the clearing of lands;

- (b) the cost of acquiring by purchase, if such purchase shall be deemed expedient, and the amount of any deposit in court or award or final judgment in or any settlement or compromise of any proceeding to acquire by eminent domain, lands, property, property rights, rights-of-way, easements, franchises, licenses, options and partial payments thereon, the cost of demolishing or removing or relocating any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, and the amount of any damages incident to or consequent upon the construction and operation of the Project;

- (c) taxes or other municipal or governmental charges lawfully levied or assessed during construction upon the Project or any property acquired therefor, and premiums on insurance (if any) in connection with the Project during construction;

(d) the cost of borings and other preliminary investigations to determine foundation or other conditions, expenses necessary or incident to determining the feasibility or practicability of constructing the Project, and fees and expenses of engineers for making surveys and estimates of costs and of revenues and other estimates and for preparing plans and specifications and supervising construction, as well as for the performance of all other duties of engineers set forth in this Bond Resolution in relation to the construction of the Project and the issuance of the Series 2019 Bonds;

(e) expenses of administration properly chargeable to the Project, expenses of officers of the City in connection with the Series 2019 Bonds, legal expenses and fees, fees and expenses of any financial advisor or consultant, financing charges, capitalized interest, the Surety Bond Premium, if any, costs of audits and of preparing and issuing the Series 2019 Bonds, payments in connection with the 2019 Debt Service Reserve Fund, the 2019 Contingency Fund, the 2019 Depreciation Fund and all other items of expense reasonably incurred incident to the acquisition, construction and equipping of the Project, the financing thereof, the placing of the same in operation (including the initial premiums on any insurance required or obtained under the provisions of this Bond Resolution) and the acquisition of franchises and interest therefor, including abstracts of title, title insurance, costs of surveys and other expenses in connection with such acquisition; and

(f) any obligation or expense heretofore or hereafter incurred and any amount heretofore or hereafter advanced by the City for any of the foregoing purposes.

"Current Expenses" shall mean the reasonable and necessary current expenses of maintenance, repair and operation of the System and shall include, without limiting the generality of the foregoing, expenses not annually recurring, premiums for insurance, administrative and engineering expenses relating to maintenance, repair and operation, fees and expenses of the Paying Agent, legal expenses, taxes lawfully imposed on the System, reasonable payments to pension or retirement funds for employees of the System and any other expense of the System required or permitted to be paid by the City under the provisions of this Bond Resolution or by law, but shall not include any allowance for depreciation or transfers to the credit of the 2019 Debt Service Fund, the 2019 Debt Service Reserve Fund, the 2019 Depreciation Fund or the 2019 Contingent Fund.

"Debt Service Reserve Fund Requirement" shall mean the lesser of the following: (i) the maximum amount of principal and interest becoming due in the current or any future Bond Year, on all Series 2019 Bonds then outstanding; (ii) 125% of average annual debt service on the Series 2019 Bonds; or (iii) 10% of the stated principal amount of the Series 2019 Bonds, or if the Series 2019 Bonds have more than a de minimis amount (as defined in Section 1.148-1(b) of the Treasury Regulations) of original issue discount or premium, 10% of the issue price (as defined in Section 1.148-1(b) of the Treasury Regulations) of the Series 2019 Bonds), which Debt Service Reserve Fund Requirement may be funded with cash or a Reserve Fund Credit Facility; provided, however, that upon initial issuance of the Series 2019 Bonds, the Debt Service Reserve Fund Requirement will mean the amount set forth in (i) hereinabove and in future years if the amount of the Debt Service Reserve Fund Requirement should equal an amount in excess of the lesser of (i), (ii) and (iii) above, the funds held in the 2019 Debt Service Reserve Fund will not be invested at a yield in

excess of the yield on the Series 2019 Bonds. The initial deposit into the 2019 Debt Service Reserve Fund may be funded with a Surety Bond.

"Direct Participant" means a broker-dealer, bank or other financial institution for which the Securities Depository holds Series 2019 Bonds as a securities depository.

"DTC" shall mean The Depository Trust Company, New York, New York.

"DTC Participant" shall mean any participant for whom DTC is a Securities Depository Nominee.

"Fiscal Year" shall mean a period beginning on October 1 in any year and ending on September 30 of the following year.

"Governing Body" shall mean the Mayor and City Council of the City.

"Indirect Participant" shall mean a broker-dealer, bank or other financial institution for which the Securities Depository holds Series 2019 Bonds as a securities depository through a Direct Participant.

"Interest Payment Date" shall mean any date on which interest is payable on the Series 2019 Bonds, being each June 1 and December 1, commencing December 1, 2020.

"Mayor" shall mean the Mayor of the City.

"Municipal Advisor" shall mean Government Consultants, Inc., Madison, Mississippi, as independent registered municipal advisor to the City.

"Net Revenues" shall mean all Revenues remaining after payment of Current Expenses and debt service on the SRF Loans outstanding at the time of the issuance of the Series 2019 Bonds.

"Operation and Maintenance Fund" shall mean the fund by that name held by the City for the operation and maintenance of the System.

"Paying Agent" shall mean any bank, trust company or other financial institution designated by the Governing Body to make payments of the principal of and interest on the Series 2019 Bonds, and to serve as registrar and transfer agent for the registration of owners of the Series 2019 Bonds, and for the performance of other duties as may be specified by the Governing Body.

"Person" shall mean an individual, partnership, corporation, trust or unincorporated organization and a government or agency or political subdivision thereof.

"Principal and Interest Requirements" for any Bond Year shall mean the sums sufficient for the payment of the principal of and interest on the Series 2019 Bonds, the Utility Bonds and any Additional Bonds which will mature and accrue during such period.

"Prior Bond Resolutions" shall collectively mean the 2012 Bond Resolution, the 2013 Loan Agreement and the 2018 Bond Resolution.

"Project" shall mean (a) the improvement, repair and extension of the System, (b) the funding of the 2019 Debt Service Reserve Fund, including the premium for the Surety Bond, if any, and (c) the payment of the costs of issuance of the Series 2019 Bonds.

"Purchaser" shall mean Duncan-Williams, Inc., the successful bidder for the Series 2019 Bonds.

"Record Date" shall mean, as to interest payments, the 15th day of the month preceding the dates set for payment of interest on the Series 2019 Bonds and, as to payments of principal, the 15th day of the month preceding the maturity date thereof.

"Record Date Registered Owner" shall mean the Registered Owner as of the Record Date.

"Redemption Date" shall mean the date on which any Series 2019 Bonds are called for redemption.

"Redemption Price" shall mean the principal amount, plus the applicable premium, if any, and interest payable on the Series 2019 Bonds upon redemption prior to maturity.

"Registered Owner" shall mean the person whose name shall appear in the registration records of the City maintained by the Paying Agent.

"Reserve Fund Credit Facility" if applicable, shall mean an irrevocable and unconditional letter of credit, insurance policy or surety bond, the terms of which have been approved by the City, issued by a bank or other financial institution, which is acceptable to the City.

"Resolution" shall mean collectively this Bond Resolution and the Prior Resolutions.

"Revenue Fund" shall mean the fund by that name held by the City for the deposit of Revenues of the System and created pursuant to the 2012 Bond Resolution.

"Revenues" shall mean all payments, proceeds, fees, charges, rents and all other income derived by or for the account of the City from its ownership and operation of the System, excluding all acreage, front-footage, assessment and similar fees and charges derived by the City in connection with the provision of or payment for capital improvements constituting a part of the System.

"Securities Depository" shall mean The Depository Trust Company and any substitute for or successor to such securities depository selected by the City to act as the securities depository maintaining a book-entry transfer system for the Series 2019 Bonds.

"Securities Depository Nominee" shall mean the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration records the Series 2019 Bonds to be delivered to such Securities Depository during the continuation with such Securities Depository of participation in its Book-Entry System.

"Series 2012 Bonds" shall mean the \$9,185,000 (original principal amount) City of Gautier, Mississippi Combined Utility System Revenue Refunding Bonds, Series 2012, dated May 31, 2012, which have been paid in full.

"Series 2018 Bonds" shall mean the \$4,000,000 (original principal amount) City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2018, dated June 1, 2018.

"Series 2019 Bonds" shall mean the Combined Utility System Revenue Bonds, Series 2019, of the City in the aggregate principal amount of \$6,000,000, to be dated the date of delivery thereof.

"SRF Loans" shall mean the State Revolving Fund Loans, existing on the date of issuance of the Series 2019 Bonds, from the State to the City under Sections 49-17-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time, which SRF Loans have a lien on Revenues of the System; however, the debt service for the SRF Loans is collected by the Mississippi Department of Revenue by diverting sales tax collections prior to remittance of the sales tax to the City and then subsequently reimbursed to the City from the Revenues of the System.

"State" shall mean the State of Mississippi.

"Surety Bond," if applicable, shall mean the Reserve Fund Credit Facility issued by the Bond Insurer guaranteeing certain payments into the 2019 Debt Service Reserve Fund with respect to the Series 2019 Bonds as provided therein and subject to the limitations set forth therein.

"System" shall mean the combined waterworks, water supply, sewerage, and sewer disposal facilities of the City, including any enlargement and extension thereof.

"2012 Bond Resolution" shall mean the resolution adopted by the Governing Body on April 24, 2012, authorizing and directing the issuance of the Series 2012 Bonds.

"2013 Debt Service Fund" shall mean the fund created and established under the 2013 Loan Agreement for the payment of debt service on the 2013 Note and bonds issued on parity therewith, including the Series 2019 Bonds.

"2013 Loan Agreement" shall mean the Loan Agreement by and between the Mississippi Development Bank and the City, dated August 13, 2013, as amended or supplemented, pursuant to which the City borrowed the proceeds of the \$3,500,000 (original principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, which are secured by the 2013 Note.

"2013 Note" shall mean the \$3,500,000 (original principal amount) City of Gautier, Mississippi Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, securing the \$3,500,000 (original principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013.

"2018 Bond Resolution" shall mean the resolution adopted by the Governing Body on April 3, 2018, authorizing and directing the issuance of the Series 2018 Bonds.

"2018 Construction Account" shall mean the bank account created to hold the moneys deposited in the 2018 Construction Fund established pursuant to the 2018 Bond Resolution.

"2018 Contingent Account" shall mean the bank account created to hold the moneys deposited in the 2018 Contingent Fund established pursuant to the 2018 Bond Resolution.

"2018 Debt Service Fund" shall mean the fund created and established under the 2018 Bond Resolution for the Series 2018 Bonds and bonds issued on parity therewith, including the Series 2019 Bonds.

"2018 Depreciation Account" shall mean the bank account created to hold the moneys deposited in the 2018 Depreciation Fund established pursuant to the 2018 Bond Resolution.

"2019 Debt Service Fund" shall mean the debt service fund provided for in Section 17 of this Bond Resolution.

"2019 Contingent Fund" shall mean the contingency fund provided for in Section 17 of this Bond Resolution.

"2019 Debt Service Reserve Fund" shall mean the debt service reserve fund provided for in Section 17 of this Bond Resolution.

"2019 Depreciation Fund" shall mean the depreciation fund provided for in Section 17 of this Bond Resolution.

"Utility Bonds" shall mean the 2013 Note and the Series 2018 Bonds.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and words importing persons shall include firms, partnerships, corporations, trusts and unincorporated organizations. Unless the context shall otherwise indicate, words and terms herein defined shall be equally applicable to the plural as well as the singular form of any of such words and terms.

SECTION 3. Proceeding under the authority of the Act and this Bond Resolution, the Series 2019 Bonds be, and are hereby, authorized, ordered and directed to be issued in the principal amount of Six Million Dollars (\$6,000,000) to raise money for the Project. The principal of and the interest on the Series 2019 Bonds shall be payable in accordance with and as authorized by this Bond Resolution and the Act.

SECTION 4. (a) The bid of the Purchaser be, and is hereby, declared to be the best responsible bid and the one offering to purchase the Series 2019 Bonds at such prices and at such rates of interest as will produce the lowest net interest rate on the Series 2019 Bonds and said bid be, and is hereby accepted subject to the conditions of the Notice of Sale and this Bond Resolution.

(b) The Mayor and the Clerk be, and are hereby, authorized and directed to accept the bid of the Purchaser, and the good faith check received with said bid, in the amount of One Hundred Twenty Thousand Dollars (\$120,000), shall be collected, deposited and invested by the City in accordance with the terms of the Notice of Sale and the provisions of the Act, and shall be applied in part payment for the Series 2019 Bonds to secure the City from any loss resulting from the failure of the Purchaser to comply with the terms of its bid. All other good faith checks shall be returned to the unsuccessful bidders by the Clerk.

(c) The Mayor and the Clerk, be and are hereby, authorized to endorse upon the Bid Form of the Purchaser, for and on behalf of the City, a suitable notation as evidence of the acceptance of the bid of the Purchaser and to do all other acts and things required to evidence acceptance of the successful bid of the Purchaser.

SECTION 5. (a) The Series 2019 Bonds shall be registered as to both principal and interest; shall be dated the date of delivery thereof; shall be issued in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity; shall be numbered from one upward in the order of issuance; shall bear interest (calculated on the basis of a year of 360 days and twelve 30-day months) from the date thereof at the following rates per annum in accordance with the bid of the Purchaser, payable semiannually on June 1 and December 1 of each year (each an "Interest Payment Date"), commencing December 1, 2020; and shall mature and become due and payable, with option of prior payment, on December 1 in the years and principal amounts, as follows:

Year	Principal Amount	Interest Rate
2020	\$205,000	3.125%
2021	215,000	3.250
2022	220,000	3.250
2023	230,000	3.375
2024	240,000	3.375
2025	250,000	3.500
2026	260,000	3.500
2027	265,000	3.500
2028	280,000	3.500
2029	290,000	3.500
2030	300,000	2.500
2031	310,000	2.500
2032	320,000	2.500
2033	335,000	2.500
2034	345,000	2.500
2035	360,000	2.500
2036	375,000	2.500
2037	385,000	2.625
2038	400,000	2.625
2039	415,000	2.625

(b) The Series 2019 Bonds maturing December 1, 2030 and thereafter will be subject to redemption prior to their respective maturities, at the option of the City, on and after December 1, 2029, either in whole or in part on any date (as selected by the City among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium.

At least thirty (30) days before the Redemption Date of any Series 2019 Bonds, the Clerk shall cause a notice of any such redemption, either in whole or in part, signed by the Clerk, (a) to be filed with the Paying Agent and (b) to be mailed, postage prepaid, to all Record Date Registered Owners at their addresses as they appear on the registration records herein provided for, but failure so to file or mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the Redemption Date, the Redemption Price, the place or places at which payment shall be made and, if less than all of the Series 2019 Bonds of any one maturity shall be called for redemption and the distinctive numbers and letters, if any, of such Series 2019 Bonds to the redeemed.

On the Redemption Date, notice having been given in the manner and under the conditions hereinabove provided, the Series 2019 Bonds so called for redemption shall become due and payable at the Redemption Price of such Series 2019 Bonds on such date, and, if moneys for payment of such Redemption Price are held in a separate account by the Paying Agent for the Record Date Registered Owners of the Series 2019 Bonds to be redeemed, as provided in this Bond Resolution, interest on the Series 2019 Bond so called for redemption shall cease to accrue, such Series 2019 Bonds shall cease to be entitled to any benefit or security under this Bond Resolution, and the Record Date Registered Owners of such Series 2019 Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof.

SECTION 6. (a) When the Series 2019 Bonds shall have been validated and executed as herein provided, they shall be registered as an obligation of the City in the office of the Clerk in records maintained for that purpose, and the Clerk shall cause to be imprinted upon the reverse side of each of the Series 2019 Bonds, over her manual or facsimile signature and manual or facsimile seal, her certificate in substantially the form set out in Section 9.

(b) The Series 2019 Bonds shall be executed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the Clerk, with the seal of the City imprinted or affixed thereto; provided, however, all signatures and seals appearing on the Series 2019 Bonds, other than the signatures of an authorized officer of the Paying Agent hereafter provided for, may be facsimile and shall have the same force and effect as if manually signed or impressed. In case any official of the City whose signature or a facsimile of whose signature shall appear on the Series 2019 Bonds shall cease to be such official before the delivery or reissuance thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such official had remained in office until delivery or reissuance.

(c) The Series 2019 Bonds shall be delivered to the Purchaser upon payment of the purchase price therefor in accordance with the terms and conditions of the Notice of Sale and this Bond Resolution together with a complete certified transcript of the proceedings had and done in the matter of the authorization, issuance, sale and validation of the Series 2019 Bonds, and the

final, unqualified approving opinion of Bond Counsel, which opinion shall be imprinted on the reverse of each of the Series 2019 Bonds.

(d) Prior to or simultaneously with the delivery by the Paying Agent of the Series 2019 Bonds, the City shall file with the Paying Agent:

(i) a copy, certified by the Clerk, of the transcript of proceedings of the Governing Body in connection with the authorization, issuance, sale and validation of the Series 2019 Bonds; and

(ii) an authorization to the Paying Agent, signed by the Mayor, to authenticate and deliver the Series 2019 Bonds to the Purchaser.

(e) The Paying Agent shall authenticate the Series 2019 Bonds and deliver them to the Purchaser upon payment of the purchase price of the Series 2019 Bonds to the City.

(f) Series 2019 Bonds, blank as to denominations, rate of interest, date of maturity and CUSIP number and sufficient in quantity in the judgment of the City to meet the reasonable transfer and reissuance needs on the Series 2019 Bonds, shall be printed and delivered to the Paying Agent in generally-accepted format, and held by the Paying Agent until needed for transfer or reissuance, whereupon the Paying Agent shall imprint the appropriate information as to denomination, rate of interest, date of maturity and CUSIP number prior to the registration, authentication and delivery thereof to the transferee. Subject to the approval of the Governing Body, the Paying Agent is hereby authorized to have printed from time to time as necessary additional Series 2019 Bonds bearing the facsimile seal of the City and facsimile signatures of the Persons who were the officials of the Governing Body as of the date of original issue of the Series 2019 Bonds.

SECTION 7. (a) The City authorizes the Mayor and City Clerk to appoint the Paying Agent for the Series 2019 Bonds after receiving the recommendation of the successful bidder subject to the following conditions. The Paying Agent shall be a bank, trust company, or national banking association located within the State having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and state regulatory authorities under the jurisdiction of which it falls. So long as any of the Series 2019 Bonds shall remain outstanding, the City shall maintain with the Paying Agent records for the registration and transfer of the Series 2019 Bonds. The Paying Agent is hereby appointed registrar for the Series 2019 Bonds, in which capacity the Paying Agent shall register in such records and permit to be transferred thereon, under such reasonable regulations as may be prescribed, any of the Series 2019 Bonds entitled to registration or transfer.

(b) The City shall pay or reimburse the Paying Agent reasonable fees for the performance of the services normally rendered and the incurring of normal expenses reasonably and necessarily paid as are customarily paid to paying agents, transfer agents and bond registrars, subject to agreement between the City and the Paying Agent. Fees and reimbursements for extraordinary services and expenses, so long as not occasioned by the negligence, misconduct or willful default of the Paying Agent, shall be made by the City on a case-by case basis, subject,

where not prevented by emergency or other exigent circumstances, to the prior written approval of the Governing Body.

(c) (i) A Paying Agent may at any time resign and be discharged of its duties and obligations as Paying Agent by giving at least sixty (60) days written notice to the City and may be removed as Paying Agent at any time by resolution of the Governing Body delivered to the Paying Agent. Such resolution shall specify the date on which such removal shall take effect and the name and address of the successor Paying Agent, and shall be transmitted to the Paying Agent being removed within a reasonable time prior to the effective date thereof; provided, however, that no resignation or removal of a Paying Agent shall become effective until a successor Paying Agent has been appointed pursuant to this Bond Resolution.

(ii) Upon receiving notice of the resignation of a Paying Agent, the City shall promptly appoint a successor Paying Agent by resolution of the Governing Body. Any appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent. If no successor Paying Agent shall have been so appointed and have accepted appointment within thirty (30) days after the notice of resignation, the resigning Paying Agent may petition any court of competent jurisdiction for the appointment of a successor Paying Agent, which court may thereupon, after such notice as it may deem appropriate, appoint a successor Paying Agent.

(iii) In the event of a change of Paying Agents, the predecessor Paying Agent shall cease to be custodian of any funds held pursuant to this Bond Resolution in connection with its role as such Paying Agent, and the successor Paying Agent shall become such custodian; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Paying Agent shall be fully paid. Every predecessor Paying Agent shall deliver to its successor Paying Agent all records of account, registration records, lists of Registered Owners and all other records, documents and instruments relating to its duties as such Paying Agent.

(iv) Any successor Paying Agent appointed under the provisions hereof shall be a banking corporation, trust company or national banking association having Federal Deposit Insurance Corporation insurance of its accounts, duly authorized to exercise corporate trust powers and subject to examination by and in good standing with the federal and/or state regulatory authorities under the jurisdiction of which it falls.

(v) Every successor Paying Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor Paying Agent and to the City an instrument in writing accepting such appointment hereunder, and thereupon such successor Paying Agent, without any further act, shall become fully vested with all the rights, immunities and powers, and subject to all the duties and obligations, of its predecessor.

(vi) Should any transfer, assignment or instrument in writing be required by any successor Paying Agent from the City to more fully and certainly vest in such successor Paying Agent the estates, rights, powers and duties hereby vested or intended to be vested

in the predecessor Paying Agent, any such transfer, assignment and written instrument shall, on request, be executed, acknowledged and delivered by the City.

(vii) The City will provide any successor Paying Agent with certified copies of all resolutions, orders and other proceedings adopted by the Governing Body relating to the Series 2019 Bonds.

(viii) All duties and obligations imposed hereby on a Paying Agent or successor Paying Agent shall terminate upon the accomplishment of all duties, obligations and responsibilities imposed by law or required to be performed by this Bond Resolution.

(ix) Any corporation or association into which a Paying Agent may be converted or merged, or with which it may be consolidated or to which it may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Paying Agent hereunder and vested with all the powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of either the City or the successor Paying Agent, anything herein to the contrary notwithstanding, provided only that such successor Paying Agent shall be satisfactory to the City and eligible under the provisions of Section 7(c)(iv) hereof.

SECTION 8. (a) Notwithstanding anything to the contrary in this Bond Resolution, so long as the Series 2019 Bonds are being held under a book-entry system, transfers of beneficial ownership of the Series 2019 Bonds will be affected pursuant to rules and procedures established by the Securities Depository.

(b) As long as a book-entry system is in effect for the Series 2019 Bonds, the Securities Depository Nominee will be recognized as the registered owner of the Series 2019 Bonds for the purposes of (1) paying the principal of or interest on such Series 2019 Bonds, (2) giving any notice permitted or required to be given to registered owners under this Bond Resolution, (3) registering the transfer of such Series 2019 Bonds, and (4) requesting any consent or other action to be taken by the registered owners of such Series 2019 Bonds, and for all other purposes whatsoever, and neither the City nor the Paying and Transfer Agent (as hereinafter defined) shall be affected by any notice to the contrary. For the purposes of this Bond Resolution, "Securities Depository Nominee" shall mean, with respect to the Series 2019 Bonds and as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name the Series 2019 Bonds shall be registered on the registration books of the City maintained by the Paying and Transfer Agent during the time such Series 2019 Bonds are held under a book-entry system through such Securities Depository.

(c) Neither the City nor the Paying and Transfer Agent shall have any responsibility or obligation to any participant, any beneficial owner or any other person claiming a beneficial ownership in any Series 2019 Bonds which are registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository as registered owner of such Series 2019 Bonds.

(d) The Paying and Transfer Agent shall pay all principal of and interest on the Series 2019 Bonds issued under a book-entry system, only to the Securities Depository, or the Securities Depository Nominee, as the case may be, for such Series 2019 Bonds, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal of and interest on such Series 2019 Bonds.

(e) In the event that the City determines that it is in the best interest of the City to discontinue the book-entry system of transfer for the Series 2019 Bonds, or that the interests of the beneficial owners of the Series 2019 Bonds may be adversely affected if the book-entry system is continued, then the City shall notify the Securities Depository and the Paying and Transfer Agent of such determination. In such event, the City shall execute and the Paying and Transfer Agent shall, pursuant to subsequent resolution of the City, authenticate, register and deliver physical certificates for the Series 2019 Bonds in exchange for the Series 2019 Bonds registered in the name of the Securities Depository Nominee. Such certificates shall be in fully registered form and transferable only upon the registration books of the City maintained by the Paying and Transfer Agent, by the registered owner thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Paying and Transfer Agent, duly executed by the registered owner or his duly authorized attorney in accordance with this Bond Resolution.

(f) In the event that the Securities Depository for the Series 2019 Bonds discontinues providing its services, the City shall either engage the services of another Securities Depository or deliver physical certificates in the manner described in subparagraph (e) above.

(g) In connection with any notice or other communication to be provided to the registered owners of the Series 2019 Bonds by the City or by the Paying and Transfer Agent with respect to any consent or other action to be taken by the registered owners, the City or the Paying and Transfer Agent, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

(h) The Series 2019 Bonds shall be issued initially under the book-entry system maintained by The Depository Trust Company, New York, New York ("DTC"), and shall be registered in the name of Cede & Co., as the initial Securities Depository Nominee for the Series 2019 Bonds. As long as the Series 2019 Bonds are maintained by DTC under its book-entry system, all payments with respect to the principal of and interest on Series 2019 Bonds and notices shall be made and given, respectively, to DTC.

(i) As long as the book-entry-only system is used for the Series 2019 Bonds, any notice of redemption or any other notices required to be given to registered owners will be given only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Indirect Participant, or of any DTC Participant or Indirect Participant to notify any beneficial owner, of any such notice and its content or effect will not affect the validity of the redemption of the Series 2019 Bonds called for redemption or of any other action premised on such notice. Conveyance of notices and other communications by DTC to DTC Participants, by DTC Participants to Indirect Participants and by DTC Participants and Indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory and regulatory

requirements as may be in effect from time to time. Beneficial owners may desire to make arrangements with a DTC Participant or Indirect Participant so that all notices of redemption or other communications to DTC which affect such beneficial owners will be forwarded in writing by such DTC Participant or Indirect Participant.

SECTION 9. The Series 2019 Bonds shall be in substantially the following form, with such appropriate variations, omissions and insertions as are permitted or required by this Bond Resolution:

[SERIES 2019 BOND FORM]

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE PAYING AND TRANSFER AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA

STATE OF MISSISSIPPI

**CITY OF GAUTIER, MISSISSIPPI
COMBINED UTILITY SYSTEM REVENUE BOND,
SERIES 2019**

No. R-_____

\$_____

Interest Rate	Maturity Date	Date of Original Issue	CUSIP
	December 1, 20____	December ____, 2019	

Registered Owner: Cede & Co.

Principal Amount:

The City of Gautier, Mississippi (the "City"), a body politic existing under the Constitution and laws of the State of Mississippi, acknowledges itself to owe and for value received, promises to pay in lawful money of the United States of America to the Registered Owner identified above, upon the presentation and surrender of this Bond, at the principal office of First National Bank of Clarksdale, Clarksdale, Mississippi, or its successor, as paying agent (the "Paying Agent") for the Combined Utility System Revenue Bonds, Series 2019, of the City (the "Bonds"), on the maturity date identified above, the principal amount identified above. Payment of the principal amount of this Bond shall be made to the Registered Owner hereof whose name shall appear in the registration records of the City maintained by the Paying Agent, which shall also serve as registrar and transfer agent, as of the 15th day of the calendar month preceding the maturity date hereof.

The City further promises to pay interest (calculated on the basis of a year of 360 days and twelve 30-day months) on such principal amount from the date of this Bond or from the most recent interest payment date to which interest has been paid at the rate of interest per annum set forth above semiannually on June 1 and December 1 of each year (each an "Interest Payment Date"), commencing December 1, 2020, until said principal sum is paid, to the Registered Owner hereof whose name shall appear in the registration records of the City maintained by the Paying Agent as of the 15th day of the calendar month preceding the applicable Interest Payment Date (the "Record Date").

Payments of principal of and interest on this Bond shall be made by check or draft mailed on the Interest Payment Date to such Registered Owner at his address as it appears on such registration records. The Registered Owner hereof may change such address by written notice to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the Paying Agent not later than the Record Date.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to denomination, number, rate of interest and date of maturity, issued in the aggregate authorized principal amount of Six Million Dollars (\$6,000,000) to raise money for the purpose of financing (a) the improvement, repair, and extension of the City's combined waterworks, water supply, sewerage, and sewer disposal facilities (the "System"), (b) funding a debt service reserve fund for the Bonds, and (c) paying the costs of issuance of the Bonds.

This Bond is issued under the authority of the Constitution and statutes of the State of Mississippi, including the provisions of Section 21-27-11 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time, and by the further authority of proceedings duly had by the Mayor and City Council of the City, including a resolution adopted on December 3, 2019 (the "Bond Resolution"). Terms capitalized herein shall have the same meaning as in the Bond Resolution, unless otherwise expressly provided herein.

The Bonds are secured by a lien on Net Revenues of the System and are payable solely from such Net Revenues and any other security pledged for the Bonds. The Bonds are not general obligations of the City and the taxing power of the City is not being pledged to the payments of the Bonds or interest thereon. The Bonds are being issued on parity with the City's \$3,500,000 Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, securing the \$3,500,000 Mississippi Development Bank Special Obligation Bonds,

Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, and the City's \$4,000,000 Combined Utility System Revenue Bonds, Series 2018, dated June 1, 2018 (collectively, the "Utility Bonds").

THE BOND RESOLUTION PROVIDES THAT UNDER CERTAIN CIRCUMSTANCES, ADDITIONAL BONDS MAY BE ISSUED BY THE CITY ON PARITY WITH THE BONDS AND THE UTILITY BONDS AND SECURED BY A PARITY LIEN ON NET REVENUES OF THE SYSTEM AND PAYABLE RATABLY FROM SUCH NET REVENUES ALONG WITH THE BONDS AND THE UTILITY BONDS.

The Bonds are registered as to both principal and interest, and are to be issued or reissued in the denomination of \$5,000 each, or integral multiples thereof up to the amount of a single maturity.

The Bonds maturing December 1, 2030 and thereafter will be subject to redemption prior to their respective maturities, at the option of the City, on and after December 1, 2029, either in whole or in part on any date (as selected by the City among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium.

At least thirty (30) days before the redemption date of any Bonds, the Clerk shall cause a notice of any such redemption, either in whole or in part, signed by the Clerk, (a) to be filed with the Paying Agent and (b) to be mailed, postage prepaid, to all Registered Owners of the Bonds as of the Record Date (each a "Record Date Registered Owner") at their addresses as they appear on the registration records herein provided for, but failure so to file or mail any such notice shall not affect the validity of the proceedings for such redemption. Each such notice shall set forth the date fixed for redemption, the redemption price, the place or places at which payment shall be made and, if less than all of the Bonds of any one maturity shall be called for redemption and the distinctive numbers and letters, if any, of such Bonds to the redeemed.

On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds so called for redemption shall become due and payable at the price provided for redemption of such Bonds on such date, and, if moneys for payment of such redemption price are held in a separate account by the Paying Agent for the Record Date Registered Owners of the Bonds to be redeemed, as provided in the Bond Resolution, interest on the Bond so called for redemption shall cease to accrue, such Bonds shall cease to be entitled to any benefit or security under the Bond Resolution, and the Record Date Registered Owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

This Bond may be transferred or exchanged by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent, but only in the manner, subject to the limitations in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon such transfer or exchange, a new Bond or Bonds of like aggregate principal amount in authorized denominations of the same maturity will be issued.

The City and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

The principal of and interest on this Bond shall be payable solely from the gross Revenues derived from the operation of the System, subject to the prior payment of the reasonable and necessary expenses of operating and maintaining the System and the payment of loans from State Revolving Funds made prior to the date of issuance of the Bonds ("SRF Loans"). The Bonds are secured by a lien on Net Revenues of the System. This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory restriction, limitation or provision, and the taxing power of the City is not pledged to the payment hereof, either as to principal or interest.

The City covenants and agrees that it will perform all duties required by law and by the Bond Resolution; that it will apply the proceeds of this Bond to the purposes above set forth; that, as long as this Bond is outstanding, it will operate and maintain the System; that it will fix and maintain rates and make and collect charges for the services of the System, without regard to the user thereof, sufficient to provide for the operation and maintenance of the System in good repair and working order, to provide for the payment of the principal of and interest on this Bond as same shall mature and accrue, and to provide for a 2019 Debt Service Reserve Fund, a 2019 Depreciation Fund, and a 2019 Contingent Fund, all as set forth in the Bond Resolution; and that such an amount of the gross Revenues of the System remaining after paying the expenses of operating and maintaining the System and debt service on the SRF Loans as will maintain the payment of the principal and interest on this Bond, as the same shall mature and accrue, is hereby irrevocably pledged to said purpose.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that all conditions, acts and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, in order to make the same a legal and binding obligation of the City, according to the terms hereof, do exist, have happened and have been performed in regular and due time, form and manner as required by law.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Bond Resolution until the certificate of registration and authentication hereon shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City, countersigned by the manual or facsimile signature of the Clerk of the City, under the manual or facsimile seal of the City, which said manual or facsimile signatures and seal said officials adopt as and for their own proper signatures and seal, all as of the 3rd day of December, 2019.

(SEAL)

CITY OF GAUTIER, MISSISSIPPI

Mayor

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Bond Resolution and is one of the Combined Utility System Revenue Bonds, Series 2019 of the City of Gautier, Mississippi.

**FIRST NATIONAL BANK OF CLARKSDALE,
as Paying Agent**

By _____
Authorized Officer

Date of Authentication: _____

REGISTRATION AND VALIDATION CERTIFICATE

STATE OF MISSISSIPPI

JACKSON COUNTY

I, the undersigned Clerk of the City of Gautier, Mississippi, do hereby certify that the within Bond has been duly registered by me as an obligation of said City pursuant to law in a record kept in my office for that purpose, and has been validated and confirmed by Decree of the Chancery Court of Jackson County, Mississippi, rendered on the __ day of December, 2019.

(SEAL)

City Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____ as registrar and transfer agent to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Signature guaranteed:

(Bank, Trust Company or Paying Agent)

(Authorized Officer)

Date of Assignment: _____

Insert Social Security Number or other Tax
Identification Number of Assignee

NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without any alteration whatever, and must be guaranteed by a commercial bank or trust company or a member of a national securities exchange who is a member of a Medallion Signature Guarantee Program.

[END OF SERIES 2019 BOND FORM]

SECTION 10. In case any Series 2019 Bond shall become mutilated or be stolen, destroyed or lost, the City shall, if not then prohibited by law, cause to be authenticated and delivered a new Series 2019 Bond of like date, number, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Series 2019 Bond, or in lieu of and in substitution for such Series 2019 Bond stolen, destroyed or lost, upon the Registered Owner's paying the reasonable expenses and charges of the City in connection therewith, and in case of a Series 2019 Bond stolen, destroyed or lost, his filing with the City or Paying Agent evidence satisfactory to them that such Series 2019 Bond was stolen, destroyed or lost, and of his ownership thereof, and furnishing the City or Paying Agent with such security or indemnity as may be required by law or by them to save each of them harmless from all risks, however remote. The provisions of this Section 10 shall not apply if the Book-Entry System is in effect.

SECTION 11. Only such of the Series 2019 Bonds as shall have endorsed thereon a certificate of authentication in substantially the form hereinabove set forth in Section 9, duly executed by the Paying Agent, shall be entitled to the rights, benefits and security of this Bond Resolution. No such Series 2019 Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Paying Agent, which executed certificate shall be conclusive evidence of registration, authentication and delivery under this Bond Resolution. The Paying Agent's certificate of authentication on any such Series 2019 Bond shall be deemed to have been duly executed if signed by an authorized officer of the Paying Agent, but it shall not be necessary that the same officer sign said certificate on all of the Series 2019 Bonds that may be issued hereunder at any one time.

SECTION 12. (a) In the event the Purchaser shall fail to designate the names, addresses and social security or tax identification numbers of the Registered Owners of the Series 2019 Bonds within thirty (30) days of the date of sale, or at such other earlier date as may be designated by the City, one Series 2019 Bond registered in the name of the Purchaser may be issued in the full amount for each maturity. Ownership of the Series 2019 Bonds shall be in the Purchaser until the initial Registered Owner has made timely payment and, upon request of the Purchaser within

a reasonable time of the initial delivery of the Series 2019 Bonds, the Paying Agent shall re-register any such Series 2019 Bond upon its records in the name of the Registered Owner to be designated by the Purchaser in the event timely payment has not been made by the initial Registered Owner.

(b) Except as hereinabove provided, the Person in whose name any of the Series 2019 Bonds shall be registered in the records of the City maintained by the Paying Agent may be deemed the absolute owner thereof for all purposes, and payment of or on account of the principal of or interest on any of the Series 2019 Bonds shall be made only to or upon the order of the Registered Owner thereof, or his legal representative, but such registration may be changed as hereinafter provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon any of the Series 2019 Bonds to the extent of the sum or sums so paid.

SECTION 13. (a) The Series 2019 Bonds shall be transferable only in the records of the City as maintained by the Paying Agent, upon surrender thereof at the office of the Paying Agent, together with a written instrument of transfer satisfactory to the Paying Agent duly executed by the Registered Owner or his or its attorney duly authorized in writing. Upon the transfer of any of the Series 2019 Bonds, the City, acting through the Paying Agent, shall issue in the name of the transferee a new Series 2019 Bond or Series 2019 Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Series 2019 Bond or Series 2019 Bonds.

(b) In all cases in which the privilege of transferring any of the Series 2019 Bonds is exercised, the Paying Agent shall authenticate and deliver said Series 2019 Bonds in accordance with the provisions of this Bond Resolution.

SECTION 14. (a) Payment of principal on the Series 2019 Bonds shall be made, upon presentation and surrender thereof at the principal office of the Paying Agent, to the Record Date Registered Owner thereof whose name shall appear in the registration records of the City maintained by the Paying Agent as of the Record Date.

(b) Payment of each installment of interest on the Series 2019 Bonds shall be made to the Record Date Registered Owner thereof. Interest shall be payable in the aforesaid manner irrespective of any transfer or exchange of such Series 2019 Bond subsequent to the Record Date and prior to the due date of the interest.

(c) Principal of and interest on the Series 2019 Bonds shall be paid by check or draft mailed on the Interest Payment Date to Registered Owners at the addresses appearing in the registration records of the Paying Agent. Any such address may be changed by written notice from the Registered Owner to the Paying Agent by certified mail, return receipt requested, or such other method as may be subsequently prescribed by the Paying Agent, such notice to be received by the applicable principal or Interest Payment Date to be effective as of such date.

SECTION 15. The Series 2019 Bonds are secured by a lien on Net Revenues of the System and the principal of and interest on the Series 2019 Bonds shall be payable solely from Net Revenues. The Series 2019 Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory restriction, limitation or provision, and the taxing power of the City is not pledged to the payment of the Series 2019 Bonds, either as to principal or interest.

The Series 2019 Bonds are issued on parity with the Utility Bonds and any Additional Bonds and satisfy the requirements for the issuance of Additional Bonds under the Prior Resolutions.

SECTION 16. From and after the issuance and delivery of the Series 2019 Bonds, the System shall be operated on a Fiscal Year basis, commencing on the first day of October, and ending on the last day of September in the following year; provided, however, that the Fiscal Year may be changed upon written notice to the Registered Owners.

SECTION 17. All Revenues shall be set aside as collected and shall be deposited into the Revenue Fund. Moneys in said fund shall not be subject to lien or attachment by any creditor of the City and shall be set aside for, allocated to, and deposited by the Clerk to the extent available in the following order of preference in the following separate and special funds, as created in a prior resolution or resolutions of the Governing Body and provided for in this Bond Resolution, without further direction of or action by the Governing Body or other authority of the City:

(a) On the first Business Day of each month, commencing in the first month after delivery of the Series 2019 Bonds, there shall be deposited into the Operation and Maintenance Fund an amount which will provide for the payment of the Current Expenses to be paid during such calendar month, and, in the event that the aggregate amounts deposited into such fund pursuant to the Resolution during the preceding months shall have been insufficient to pay all such expenses, an amount sufficient to repay such deficiencies.

(b) To the City such amount necessary to reimburse the general fund of the City for debt service due on the SRF Loans deducted by the Mississippi Department of Revenue from the sales tax rebate to the City.

(c) On the first Business Day of each month, commencing in the first month after the delivery of the Series 2019 Bonds, in addition to amounts being transferred to the 2013 Debt Service Fund and the 2018 Debt Service Fund, there shall be transferred to the 2019 Debt Service Fund, which is hereby established as a fund separate and apart from other funds of the City, an amount which, together with equal subsequent monthly transfers on the first Business Day of each successive month, will provide a sum equal to the amount necessary to pay interest and principal due and payable through the date on which the next installment of principal on the Series 2019 Bonds is due. Such transfers are on parity with the amounts to be transferred to the 2013 Debt Service Fund pursuant to the 2013 Loan Agreement and to the 2018 Debt Service Fund pursuant to the 2018 Bond Resolution for the purpose of paying debt service on the 2013 Note and the Series 2018 Bonds, respectively. If in any month, the Net Revenues are insufficient to provide for the total amount of principal and interest to be set aside as required by the Bond Resolution and the Prior Bond Resolutions, such Net Revenues shall be divided on a pro rata basis among each outstanding series of Bonds. Any deficiency in the debt service funds for the Bonds shall be funded in subsequent months.

(d) Provided, that in addition to the moneys required to be transferred to the 2019 Debt Service Fund, the 2019 Debt Service Reserve Fund, which is hereby established as a fund separate and apart from other funds of the City, shall be maintained in order to meet any deficiency therein in future years. In order to fully fund the 2019 Debt Service Reserve Fund, the Clerk shall immediately upon delivery of the Series 2019 Bonds deposit an amount which will be equal to the

Debt Service Reserve Fund Requirement, at which amount the 2019 Debt Service Reserve Fund shall thereafter be maintained by such future payments as may be necessary for that purpose. Notwithstanding any other provision contained herein, upon the determination of any deficiency in the total amount in the 2019 Debt Service Reserve Fund, the full amount of such deficiency shall be fully funded within one (1) year of such determination. The 2019 Debt Service Reserve Fund shall be used only to pay maturing principal and accruing interest, or both, on the Series 2019 Bonds and only whenever and to the extent that funds otherwise available in the 2019 Debt Service Reserve Fund are insufficient for that purpose. No funds paid into the 2019 Debt Service Reserve Fund shall be used to prepay the principal unless such prepayment is for the entire balance of the principal amount of the Series 2019 Bonds or the amount remaining in the 2019 Debt Service Reserve Fund is equal to the Debt Service Reserve Requirement for the Series 2019 Bonds which remain outstanding. If the amount on deposit in the 2019 Debt Service Reserve Fund as valued on the last day of any Bond Year is more than the Debt Service Reserve Fund Requirement, the amount of such excess shall be transferred to the 2019 Debt Service Reserve Fund. The 2019 Debt Service Reserve Fund may be funded with a Surety Bond equal to the Debt Service Reserve Fund Requirement which shall meet the requirements of the Reserve Fund Credit Facility.

(e) There is hereby established the 2019 Depreciation Fund, which fund is supplemental to the depreciation funds for the 2013 Note and the Series 2018 Bonds. Moneys deposited to the 2019 Depreciation Fund shall be held within the 2018 Depreciation Account. In order to fully fund the 2019 Depreciation Fund, the Clerk shall immediately upon delivery of the Series 2019 Bonds transfer the sum of Five Thousand Dollars (\$5,000) from the proceeds of the Series 2019 Bonds, which sum shall thereafter be maintained in such fund by such future payments as may be necessary for that purpose. Notwithstanding any other provision contained herein, upon the determination of any deficiency in the total amount on deposit in the 2019 Depreciation Fund, the full amount of such deficiency shall be fully funded within one (1) year of such determination. The 2019 Depreciation Fund shall be used for the purpose of paying the cost of replacing such parts of the System as may need replacement in order to keep the System operating in an economical and efficient manner upon written certification by the Consulting Engineers to the Governing Body certifying the necessity for such expenditure and concurring in the necessity for such expenditure from the 2019 Depreciation Fund; provided, however, that in the event the funds otherwise provided for the payment of the principal of and interest on the Series 2019 Bonds should be insufficient for said purpose, then and in that event, to the extent of any such insufficiency, the amount necessary to pay accruing interest and to provide for the payment of the principal as set forth in subparagraph (c) of this section shall be drawn from the 2019 Depreciation Fund and shall be used, together with funds otherwise available, to pay such accruing interest and to provide for the payment of principal as set forth in subparagraph (c) of this section.

(f) There is hereby established the 2019 Contingent Fund, which fund is supplemental to the contingency funds for the 2013 Note and the Series 2018 Bonds. Moneys deposited to the 2019 Contingent Fund shall be held within the 2018 Contingent Account. In order to fully fund the 2019 Contingent Fund, the Clerk shall immediately upon delivery of the Series 2019 Bonds deposit the sum of Five Thousand Dollars (\$5,000) from the proceeds of the Series 2019 Bonds, which sum shall thereafter be maintained in such fund by such future payments as may be necessary for that purpose. Notwithstanding any other provision contained herein, upon the determination of any deficiency in the total amount on deposit in the 2019 Contingent Fund the

full amount of such deficiency shall be fully funded within one (1) year of such determination. The 2019 Contingent Fund shall be used for the purpose of paying the cost of unforeseen contingencies arising in the operation and maintenance of the System, including the construction of reasonable and proper improvements, betterments, and extensions thereto upon written certification by the Consulting Engineers to the Governing Body certifying the necessity for such expenditure and concurring in the necessity for such expenditure from the 2019 Contingent Fund; provided, however, that in the event the funds otherwise provided for the payment of the principal of and interest on the Series 2019 Bonds should be insufficient for said purpose, then and in that event, to the extent of any such insufficiency, the amount necessary to pay accruing interest and to provide for the payment of the principal as set forth in subparagraph (c) of this section shall be drawn from the 2019 Contingent Fund and shall be used, together with funds otherwise available, to pay such accruing interest and to provide for the payment of principal as set forth in subparagraph (c) of this section.

The moneys in the foregoing funds shall be held separate and apart from all other funds of the City and shall be applied in the manner provided, and, except for moneys in the Operation and Maintenance Fund, pending such application, shall be subject to a lien and charge in favor and for the security of Registered Owners of the Series 2019 Bonds until paid out or transferred as herein provided. Any surplus Revenues remaining after all deposits and transfers required or allowed by the Resolution shall be used solely for purposes pertaining to the System or as otherwise allowed by the Act.

Any Revenues of the System collected prior to the Closing by the City may be used by the City to fund all or a portion of the foregoing funds and accounts.

SECTION 18. If Revenues shall be insufficient at any time to make the payments or deposits required by Section 17 hereof, the deficiency shall be made good by additional payments to be made out of the first available Revenues received during any succeeding month or months. Whenever and as long as sums actually in the 2019 Debt Service Fund and the 2019 Debt Service Reserve Fund shall equal the outstanding principal amount of the Series 2019 Bonds, plus the amount of all interest due thereon until the respective maturity dates of the Series 2019 Bonds, no further deposits need be made into said funds.

SECTION 19. All sums in the funds referred to in Section 17 hereof shall be kept in a bank or banks having Federal Deposit Insurance Corporation insurance of its accounts and at all times shall be continuously secured as provided by the laws of the State for other funds of the City, or, in the discretion of the Governing Body, may be invested as directed in this Bond Resolution in investments authorized under the laws of the State as may now be or hereafter become applicable. Such investments shall mature or be redeemable prior to the time the funds so invested will be needed for expenditure. Any interest or other income received from investments shall accrue to and be accredited to the fund which generated such income or to which such income is attributable. Provided, however, that the Governing Body shall transfer to the 2019 Debt Service Fund any such income in excess of the aggregate amount required by this Bond Resolution to be maintained in any other fund or account.

SECTION 20. The City covenants and agrees with the Registered Owners that it will perform, or cause to be performed, all duties with respect to the operation and maintenance of the

System and with respect to the fixing, maintaining and collecting of the rates, fees and charges for the services thereof, the establishing of the funds herein referred to, and all other matters and things required by law and by this Bond Resolution, and that it will do or cause to be done, in apt time and season, each and every official act necessary for the payment of the principal of and the interest on the Series 2019 Bonds as the same shall mature and accrue.

SECTION 21. The City further covenants with the Registered Owners as follows:

(a) As long as any of the Series 2019 Bonds are outstanding and unpaid, it will operate and maintain the System, or cause the System to be operated and maintained.

(b) As long as any of the Series 2019 Bonds are outstanding and unpaid, it will fix and maintain rates and make and collect charges for the use and service of the System which will at all times be sufficient: (i) to pay the Current Expenses of the System, and (ii) to provide 120% of the amount of the maximum Principal and Interest Requirements and the payments required to be made to the credit of the 2019 Debt Service Reserve Fund for the current Bond Year on account of the Series 2019 Bonds then outstanding.

(c) The rates, fees and charges for the use and service of the System at the Closing will be sufficient to satisfy the requirements of the preceding paragraph.

(d) If the Revenues in any Fiscal Year as shown by the City's audit are less than the total amount set forth in subsection (b) of this section, then it shall, as promptly as possible, request the Consulting Engineers to make recommendations as to a revision of such rates, fees and charges or methods of operating the System which will result in producing the required amount in the following Fiscal Year. Upon receipt of such recommendations the City shall, subject to applicable requirements imposed by law, immediately revise such rates, fees and charges and take such other actions respecting the methods of operation of the System as shall in its discretion be deemed necessary. Failure to implement the recommendation of the Consulting Engineer or if coverage is less than 120% of the maximum Principal and Interest Requirements and the payment required to be made to the credit of the 2019 Debt Service Reserve Fund shall be a breach of the City's covenants under this Bond Resolution.

(e) As long as any of the Series 2019 Bonds shall remain outstanding and unpaid, the City shall carry and maintain insurance upon such properties forming a part of the System which may be of an insurable nature, such insurance to be of the type and kind and for such amount or amounts as carried and maintained by other municipalities rendering services of a similar character in similar communities. The proceeds of such insurance shall be used only for the maintenance and restoration of the System, or for the payment of the principal of and the interest on the Series 2019 Bonds.

(f) The City shall set up and maintain a proper system of accounts showing the amount of Revenues received from the System and the application thereof. Such accounts shall be separate and distinct from the other accounts of the City, and at least once a year shall be properly audited by independent auditors who shall be certified public accountants. The report of such audit shall be open to the public and to all Registered Owners upon reasonable request.

(g) The Registered Owner of any of the Series 2019 Bonds shall be permitted, at all reasonable times, to inspect the System and all records, accounts and data relating thereto, and shall be furnished all data and information relating to the System which may be reasonably requested.

(h) Except as provided for in Section 23(b) of this Bond Resolution, the City will not create or permit to be created any charge or lien on Revenues ranking equal or prior to the charge or lien of the Series 2019 Bonds.

SECTION 22. Prior to the commencement of each Fiscal Year, the Governing Body shall cause to be prepared a budget setting out the estimated receipts and expenditures of the System for the then ensuing Fiscal Year. This budget shall contain:

- (a) An estimate of the receipts expected to be derived from the operation of the System;
- (b) A statement of the estimated cost of operating the System during the next ensuing Fiscal Year;
- (c) A statement of the amount of principal and interest due during the ensuing Bond Year;
- (d) A statement of what replacements to the System may be anticipated and the estimated cost thereof;
- (e) A statement of the total amount anticipated to be payable from Revenues during the next ensuing Fiscal Year; and
- (f) A statement of the amount on deposit in each of the funds referred to in Section 17 of this Bond Resolution.

SECTION 23. (a) (i) Except as hereafter set forth in subparagraph (b) below, from and after the issuance of the Series 2019 Bonds, no Additional Bonds shall be issued or obligations incurred by the City which are payable in whole or in part from or chargeable to Revenues (except obligations incurred in the operation and maintenance of the System), unless such Additional Bonds or obligations are in all respects junior and subordinate to the Bonds.

(b) The City shall have the right to issue one or more series of Additional Bonds to be secured by a parity lien on and ratably payable from Net Revenues and any other security pledged to the Bonds, provided in each instance that:

- (i) the Net Revenues available for payments of principal and interest on the Bonds for a period of 12 consecutive months during the 18 months preceding the month in which such Additional Bonds are issued must be certified by an accountant to have been at least equal to 120% of the highest annual debt service payments in any succeeding Bond Year with respect to the Bonds and the Additional Bonds proposed to be issued; or in lieu of the foregoing formula, if a new schedule of rates, fees and charges for the services, facilities and commodities of the System shall have been adopted, then the Revenues

available for debt service payments (taking into account such new rates) must be certified by an accountant to have been at least equal to 120% of the highest annual debt service payments in any succeeding Bond Year with respect to the Bonds and the Additional Bonds proposed to be issued during the period set forth above;

(ii) the pledge of and lien on the Net Revenues and amounts on deposit from time to time in the 2019 Debt Service Fund shall be extended for the benefit of the registered owners of the Additional Bonds; and

(iii) the resolution under which the proposed bonds are being issued shall provide for the funding of an additional debt service reserve fund for such Additional Bonds resulting from the issuance of such Additional Bonds from the proceeds of such Additional Bonds.

(c) The City hereby covenants and agrees that in the event Additional Bonds in one or more series are issued on parity with the Bonds, it shall:

(i) Adjust the deposits into the 2019 Debt Service Fund in the following manner: On the first Business Day of each month, commencing in the first month after the delivery of the Additional Bonds, there shall be deposited into the 2019 Debt Service Fund and an additional debt service fund for such Additional Bonds to an amount which, after taking into account any amounts already on deposit and equal subsequent monthly deposits on the first Business Day of each successive month, will provide a sum equal to the amount necessary to pay interest and principal due and payable through the date on which the next installment of principal on the Bonds and the Additional Bonds is due.

(ii) Adjust the amount on deposit in the 2019 Debt Service Reserve Fund and an additional debt service reserve fund for such Additional Bonds to a sum equal to the Debt Service Reserve Fund Requirement as calculated for the Bonds and such Additional Bonds. The additional funds required in the immediately preceding sentence shall be funded from the proceeds of the Additional Bonds.

(iii) Adjust the maximum amounts to be deposited annually into the 2019 Depreciation Fund and the 2019 Contingent Fund, taking into account the future replacement cost of the facilities and equipment to be constructed or acquired with the proceeds of such Additional Bonds, by depositing into said funds or such corresponding funds as may be established for such Additional Bonds, on the first Business Day of each month, commencing in the first month after the delivery of such Additional Bonds, such amount, if any, of the balance remaining after making the deposits under clauses (i) and (ii) above (or the entire balance if less than the required amount) as is required by the resolution under which such Additional Bonds are issued.

(d) The City shall have the right to call, subject to the call provisions of the respective Bond series, any or all outstanding Bonds which may be called at par prior to calling any Bonds that are callable at a premium. If it is provided in any subsequently issued series of Additional Bonds secured by a parity lien on Net Revenues that excess moneys in the 2019 Debt Service Fund shall be used to redeem bonds in advance of scheduled maturity or if the City, at its option,

undertakes to redeem outstanding Bonds in advance of scheduled maturity, it is agreed and understood that:

(i) calls of or prepayment on Bonds will apply to each series of Bonds on an equal pro rata basis (reflecting the proportion of the original amount of each series of Bonds outstanding at the time of such call); and

(ii) calls of Bonds for each Bond series will be in accordance with the call provisions of the respective Bond series.

(e) The City may issue bonds junior and subordinate to the Bonds and any Additional Bonds at any time, provided that the issuance of such bonds does not violate any covenant of the City concerning any of its then outstanding Bonds.

SECTION 24. (a) The provisions of this Bond Resolution shall constitute a contract between the City and the Registered Owners from time to time of the Series 2019 Bonds, and after the issuance of the Series 2019 Bonds no changes, additions or alterations of any kind shall be made hereto in any manner except upon consent of the Registered Owners of at least sixty-five percent (65%) in principal amount of the Series 2019 Bonds then outstanding, such consent to be evidenced by an instrument or instruments signed by such Registered Owners and duly acknowledged in the manner of a deed for the conveyance of real estate in the State. Such instruments shall contain or be accompanied by proofs of ownership of specified numbers and principal amounts of the Series 2019 Bonds, shall be filed in the office of the Clerk and shall be a public record.

(b) Any and all modification or alterations made in the manner hereinabove provided shall not become effective until the required consents shall have been filed with the Clerk.

(c) No modifications or alterations to this Bond Resolution shall extend the maturity of or reduce the interest rate on or otherwise alter or impair the obligation to pay the principal of or the interest on any of the Series 2019 Bonds at the time and place and at the rate and in the currency as provided herein, without the express consent of the Registered Owner of any of such Series 2019 Bonds, nor reduce the percentage of the Series 2019 Bonds required for the affirmative vote or written consent to a modification or alteration, nor alter or impair the covenants set forth in Sections 20 and 21 hereof.

SECTION 25. The Series 2019 Bonds shall be payable equally and ratably, without regard to the date when the Series 2019 Bonds actually shall be delivered and shall enjoy parity of lien, one with the other, upon Net Revenues and with the Utility Bonds.

SECTION 26. (a) Principal proceeds in the amount of Six Million Dollars (\$6,000,000) derived from the sale of the Series 2019 Bonds, less amounts deposited to the 2019 Contingent Fund, the 2019 Depreciation Fund, the 2019 Debt Service Reserve Fund, if applicable, or used to pay the premium for the Surety Bond, if applicable, shall be deposited in the 2019 Construction Fund hereby created by this Bond Resolution. Moneys deposited in the 2019 Construction Fund shall be held within the 2018 Construction Account and shall be applied solely and only for the purpose for which the Series 2019 Bonds are herein directed to be issued for the Project.

(b) Said proceeds deposited into the 2019 Construction Fund shall be disbursed only upon proper warrant issued pursuant to certification by the Consulting Engineers stating that:

(i) the purpose for which the payment is to be made is a Cost of the Project within the scope of the work contemplated by this Bond Resolution;

(ii) the work done is, or the materials furnished are, in accordance with the contract therefor (if such work is done or such materials are furnished under a contract), or such work is or that such materials are suitable for the intended purpose (if such payments are not covered by an express contract); and

(iii) the amount of such payment is in accordance with the contract or is reasonable.

Nothing herein shall be construed to prohibit the payment from the 2019 Construction Fund without such a certificate of a portion or all of the expenses necessarily incident to the costs of issuance and sale of the Series 2019 Bonds. Said costs of issuance expenses are hereby authorized to be paid after the Closing with the approval of the Governing Body.

(c) Any balance remaining in the 2019 Construction Fund after the Project has been completed, and all related costs and expenses paid, shall be deposited into the 2019 Debt Service Fund and expended in accordance with State and federal law and this Bond Resolution.

SECTION 27. (a) The Registered Owner of any of the Series 2019 Bonds may, by suit, action, mandamus or other proceedings at law or in equity, enforce and compel performance by the appropriate official or officials of the City of any or all acts and duties to be performed by the City under the provisions of the Act and of this Bond Resolution.

(b) Each of the following constitutes an event of default under this Bond Resolution:

(i) failure by the City to pay any installment of principal of any Bond at the time required;

(ii) failure by the City to pay any installment of interest on any Bond at the time required;

(iii) failure by the City to perform or observe any other covenant, agreement or condition on its part contained in this Bond Resolution or in the Series 2019 Bonds, and the continuance thereof for a period of sixty (60) days after written notice thereof to the City by the Registered Owners of not less than ten percent (10%) in principal amount of the then outstanding Bonds; or

(iv) filing by the City of a petition seeking a composition of indebtedness under the federal bankruptcy laws, or under any other applicable federal or state law.

(c) If there be any default in the payment of the principal of and interest on the Series 2019 Bonds, any court having jurisdiction in the proper action may, upon petition of the Registered Owners of a majority in principal amount of the Series 2019 Bonds then outstanding, appoint a

receiver to administer and operate the System with power to fix rates and collect charges sufficient to provide for the payment of the Series 2019 Bonds and to pay the expense of operating and maintaining the System in conformity with the provisions of the Act and of this Bond Resolution.

SECTION 28. At least five (5) days prior to the due date thereof, the Clerk of the City shall remit to the Paying Agent the sum or sums then becoming due as interest, or principal and interest, on the Series 2019 Bonds, plus the sum then due as the charges of the Paying Agent for its services and responsibilities under the terms of this Bond Resolution, which charges shall be expenses of operation and shall be charged to and payable from the Operation and Maintenance Fund referred to in Section 17 of this Bond Resolution.

SECTION 29. The Series 2019 Bonds have been submitted to validation before the Chancery Court of Jackson County, Mississippi as provided by Sections 31-13-1 to 31-13-11, Mississippi Code of 1972, as amended, and for that purpose the Clerk is hereby authorized and directed to transmit to the State's Bond Attorney a certified copy of all of the legal papers pertaining to the issuance of the Series 2019 Bonds, including transcripts of records, resolutions, proofs of publication, tabulation or votes, if applicable, and all facts pertaining to the issuance of the Series 2019 Bonds.

SECTION 30. If the City shall pay or cause to be paid to the Registered Owners of the Series 2019 Bonds the principal of, premium, if any, and interest to become due with respect thereto at the times and in the manner stipulated therein and herein, and if the City shall keep, perform and observe all and singular the covenants and promises in the Series 2019 Bonds and in this Bond Resolution expressed as to be kept, performed and observed by it or on its part and shall pay or cause to be paid to the Paying Agent all sums of money due or to become due according to the provisions hereof, then the rights of the Registered Owners under the Resolution shall cease, determine and be void, and thereupon the lien of this Bond Resolution on Net Revenues shall be defeased, cancelled, and discharged.

SECTION 31. The City covenants to comply with each requirement of the Code, necessary to maintain the exclusion of interest on the Series 2019 Bonds from gross income for federal income tax purposes, and in furtherance thereof, to comply with a certificate to be executed and delivered concurrently with the issuance of the Series 2019 Bonds, or such other covenants as may, from time to time, be required to be complied with in order to maintain the exclusion of interest on the Series 2019 Bonds from gross income for federal income tax purposes. The City shall not use or permit the use of any of the proceeds of the Series 2019 Bonds, or any other funds of the City, directly or indirectly, to acquire any securities, bonds or other investment property, and shall not take or permit to be taken any other action or actions, which would cause any Series 2019 Bond to be an "arbitrage bond" as defined in Section 148 of the Code. Notwithstanding any other provisions to the contrary, so long as necessary in order to maintain the exclusion of interest on the Series 2019 Bonds from gross income for federal income tax purposes under the Code, the covenants contained in this section shall survive the payment of the Series 2019 Bonds and the interest thereon, including any payment or defeasance thereof.

SECTION 32. The City shall not hereafter construct, acquire or operate, or permit, or, to the extent permitted by law, consent to the construction , acquisition or operation of, any plants, structures, facilities or properties which may compete or tend to compete with the System; except

that nothing in this Bond Resolution contained shall prevent the City from giving its permission or consent to the construction, acquisition or preparation in the area serviced by the System by a Person or facilities for the provision of utility services which the City shall determine are not economically feasible for it to construct or acquire at such time, but which, if constructed or acquired by the City, would carry out the purposes of the City and its System under the Act and such facilities pursuant to the terms of such permission or consent will become a part of the System upon notice to such person by the City, either (a) without any cost to or payment by the City, or (b) upon payment of such amount or cost as the City shall determine to be proper in the circumstances.

SECTION 33. The City covenants that it will (a) diligently enforce and collect all fees, rental or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the laws of the State, and (b) to the full extent permitted by law, under reasonable rules and regulations, shut off and discontinue the supplying of the services and facilities of the System for the non-payment of fees, rentals or other charges for said water services, and will not restore said water services until all delinquent charges, together with interest and reasonable penalties, have been paid in full.

SECTION 34. Pursuant to SEC Rule 15c2-12(b)(5), the City covenants and agrees to provide to the Purchaser a continuing disclosure certificate, dated the date of issuance and delivery of the Series 2019 Bonds, setting forth the City's agreement with regard to continuing disclosure (the "Continuing Disclosure Certificate"), and to comply with the covenants set forth therein and carry out all of the provisions of the Continuing Disclosure Certificate. In the event the City fails to comply with the provisions of the Continuing Disclosure Certificate, any Registered Owner may take such actions as may be necessary and appropriate, including mandamus or specific performance by court order, to cause the City to comply with its obligations set forth in the Continuing Disclosure Certificate and this Section 34.

SECTION 35. The City covenants that it will not provide free service to any user of the System unless permitted by State statute.

SECTION 36. The Mayor, the Clerk, and the proper officers and members of the Governing Body are hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of this Bond Resolution and are further authorized to take any and all further actions and execute and deliver any and all other documents and certificates as may be necessary or desirable in connection with the issuance of the Series 2019 Bonds, the Preliminary Official Statement, a final Official Statement, in substantially the form of the Preliminary Official Statement, or other documents necessary to conclude the sale and issuance of the Series 2019 Bonds, from time to time, and to document the City's compliance with the Act and the Code.

SECTION 37. If deemed in the best interest of the City by the Mayor and the Municipal Advisor, the Mayor is hereby authorized to execute and deliver a commitment or similar document for the provision of a Surety Bond in connection with the funding of a debt service reserve fund for the Series 2019 Bonds and to execute and deliver any additional documents and certificates which may be required by the provider thereof.

SECTION 38. All acts and doings of the officers and members of the Governing Body which are in conformity with the purposes and intents of this Bond Resolution and in furtherance of the sale and issuance of the Series 2019 Bonds, from time to time, and the execution, delivery, and performance of the Preliminary Official Statement and the Official Statement, shall be, and the same hereby are, in all respects approved and confirmed. The Mayor, the Clerk or any member of the Governing Body is hereby authorized to approve any changes, insertions and omissions as may be required to the Official Statement by the Bond Insurer in connection with the issuance of a bond insurance policy, at the option of the Purchaser, and a Surety Bond, if applicable.

SECTION 39. In the event that any scrivener's errors shall be discovered in this Bond Resolution after the adoption hereof, but prior to the issuance of the Series 2019 Bonds, the Governing Body hereby authorizes and directs that each such scrivener's error shall be corrected in all multiple counterparts of this resolution prior to the issuance of the Series 2019 Bonds.

SECTION 40. If any one or more of the provisions of this Bond 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 Bond Resolution, but this Bond Resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

SECTION 41. All resolutions or parts thereof in conflict with this Bond Resolution, to the extent of such conflict only, are hereby repealed.

SECTION 42. The preparation of the Series 2019 Bonds for sale and delivery being now immediately necessary, this Bond Resolution shall become effective immediately upon the adoption hereof.

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

Mayor Phil Torjusen	Voted: Aye
Councilwoman Mary Martin	Voted: Aye
Councilman Cameron B. George	Voted: Aye
Councilman Richard "DJ" Jackson	Voted: Aye
Councilman Casey Vaughan	Voted: Aye
Councilman Charles "Rusty" Anderson	Voted: Aye
Councilman Adam Colledge	Voted: Aye

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 3rd day of December, 2019.

(SEAL)

CITY OF GAUTIER MISSISSIPPI

By _____
Mayor

Attest:

City Clerk

50245802.v3

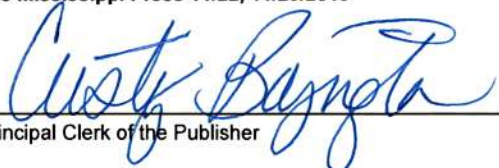
EXHIBIT A

PROOF OF PUBLICATION OF NOTICE OF SALE

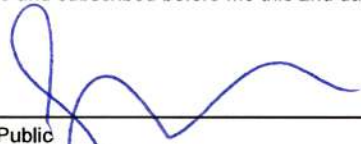
State of Mississippi,) ss
County of Jackson)

Cristy Boyington being duly sworn, deposes that he/she is principal clerk of Alabama Media Group; that The Mississippi Press is a public newspaper published in the city of Pascagoula, with general circulation in Jackson County, and this notice is an accurate and true copy of this notice as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following date(s):

The Mississippi Press 11/22, 11/29/2019


Principal Clerk of the Publisher

Sworn to and subscribed before me this 2nd day of December 2019


Notary Public



NOTICE OF BOND SALE

\$6,000,000

CITY OF GAUTIER, MISSISSIPPI
COMBINED UTILITY SYSTEM REVENUE
BONDS,
SERIES 2019

NOTICE IS HEREBY GIVEN that the Mayor and City Council (the "Governing Body") of the City of Gautier, Mississippi (the "City") will receive sealed bids in the Office of the City Clerk in the City Hall of the City located at 3330 Highway 90 in the City until the hour of 4:30 p.m. on December 3, 2019, at which time said bids will be publicly opened by the City Clerk and read for the purchase at not less than par plus accrued interest, if any, to the date of delivery of \$6,000,000 aggregate principal amount City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2019 (the "Bonds"). Award of the sale of the Bonds will be made by the Governing Body at their meeting to be held at 6:30 p.m. on said date.

THE BONDS: The Bonds will be dated the date of delivery thereof; will be delivered in definitive form as registered Bonds; will be in the denominations of \$5,000 or any integral multiple thereof; will be numbered from one upward in the order of issuance, will be payable as to principal at a bank or banks to be designated by the City to serve as paying and transfer agent for the Bonds; and will bear interest, payable semiannually on June 1 and December 1 of each year, commencing December 1, 2020, at the rate or rates of interest specified in the bid submitted by the successful bidder in accordance with this Notice of Bond Sale.

The Bonds will be issued in registered, book-entry-only form and all bidders for the Bonds must be participants of The Depository Trust Company, New York, New York ("DTC"), or affiliated with its participants. The Bond certificates will be deposited with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and for the transfer of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of the individual purchasers. Individual purchases may be made in the principal amount of \$5,000 or any multiple thereof through book entries made on the books and records of DTC and its participants. Unless the book-entry-only system is discontinued, Bond principal and interest payments will be made by the City to DTC through the Paying

and Transfer Agent. DTC will then be responsible for distributing such payments to DTC participants for subsequent remittance to the owners of beneficial interests in the Bonds. Payment of principal and interest on the Bonds to DTC is the responsibility of the City, disbursement of such payments to DTC participants shall be the responsibility of DTC, and disbursements of such payments to the owners of beneficial interests shall be the responsibility of DTC participants and not the responsibility of the City. The City will have no responsibility or obligation to DTC participants or owners of beneficial interests in the Bonds, with respect to the payment by DTC or any DTC participants, of the principal of or interest on the Bonds or the providing of notice to DTC participants or owners of beneficial interests in the Bonds or with respect to: (a) the accuracy of any records maintained by DTC or any DTC participant; or (b) any consent given or other action taken by DTC as owner of the Bonds. MATURITIES: The Bonds will mature on December 1 in the years and in the principal amounts shown below:

Year	Principal Amount
2020	\$205,000
2021	215,000
2022	220,000
2023	230,000
2024	240,000
2025	250,000
2026	260,000
2027	265,000
2028	280,000
2029	290,000
2030	300,000
2031	310,000
2032	320,000
2033	335,000
2034	345,000
2035	360,000
2036	375,000
2037	385,000
2038	400,000
2039	415,000

REDEMPTION: The Bonds maturing December 1, 2030 and thereafter will be subject to redemption prior to their respective maturities, at the option of the City, on and after December 1, 2029, either in whole or in part on any date, as selected by the City among maturities, and by lot within each maturity, at the principal amount thereof, together with accrued interest to the date fixed for redemption and without premium.

AUTHORITY AND SECURITY: The Bonds will be issued pursuant to the provisions of Sections 21-27-11 et seq., Mississippi Code of

1972, as amended and supplemented from time to time (the "Act"). The Bonds are to be secured by a lien on and payable from the revenues derived and to be derived from the operation of the combined waterworks, water supply, sewerage, and sewer disposal facilities of the City (the "System") after payment of the reasonable and necessary expense of operating and maintaining the System and the debt service on any State Revolving Fund Loans existing on the date of issuance of the Bonds (the "Net Revenues") and other security pledged for the Bonds. The Bonds are not general obligations of the City and the full faith, credit and taxing power of the City are not being pledged to the payment of the Bonds or interest thereon. The Bonds are being issued on parity with the City's \$3,500,000 Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, securing the \$3,500,000 Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, and the City's \$4,000,000 Combined Utility System Revenue Bonds, Series 2018, dated June 1, 2018 (together, the "Prior Obligations").

The resolution under which the Bonds are being issued allows under certain circumstances for Additional Bonds to be issued by the City on parity with the Bonds and the Prior Obligations and secured by a parity lien on such Net Revenues and such Additional Bonds would be payable ratably from such Net Revenues along with the Bonds and the Prior Obligations.

PURPOSE: The Bonds are being issued to provide funds for the purpose of financing the improvement, repair, and extension of the System, funding a debt service reserve fund for the Bonds and paying the costs of the sale and issuance of the Bonds.

FORM OF BIDS: Bids should be addressed to the Governing Body and should be plainly marked "Bid for Combined Utility System Revenue Bonds, Series 2019, of the City of Gautier, Mississippi," and should be filed with the City Clerk on or prior to the date and hour hereinabove named. All bids should be submitted on the form prepared by the City, copies of which may be obtained from the City Clerk at City Hall, 3330 Highway 90, Gautier, Mississippi 39553.

INTEREST RATE AND BID RESTRICTIONS: The Bonds shall be sold at par plus accrued interest and shall not bear a greater overall maximum interest rate to maturity than

thirteen percent (13%) per annum, nor shall the interest rate for any one maturity exceed thirteen percent (13%) per annum. No Bond shall bear more than one (1) rate of interest; each Bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bid; all Bonds of the same maturity shall bear the same rate of interest from date to maturity; and the lowest interest rate specified shall not be less than seventy percent (70%) of the highest interest rate specified. Each interest rate specified in any bid must be a multiple of one-eighth of one percent (1/8 of 1%) or one-tenth of one percent (1/10 of 1%) and a zero rate of interest cannot be named. All bids must comply fully with the terms and provisions of the Act.

GOOD FAITH DEPOSIT. Each bid must be accompanied by a cashier's check, certified check, or exchange, issued or certified by a bank located in the State of Mississippi, payable to the City of Gautier, Mississippi, in the amount of One Hundred Twenty Thousand Dollars (\$120,000.00) as a guaranty that the bidder will carry out its contract and purchase the Bonds if its bid is accepted. All checks of unsuccessful bidders will be returned immediately on award of the Bonds. If the successful bidder fails to purchase the Bonds pursuant to its bid and contract, then the amount of such good faith check shall be retained by the City as liquidated damages for such failure. No interest will be allowed on the amount of the good faith deposit.

BIDDER'S OPTION BOND INSURANCE: The City has applied for bidder's option bond insurance. Bidders should directly contact the City's financial advisor, Government Consultants, Inc., 116 Village Boulevard, Madison Mississippi 39110, telephone: (601)982-0005, attention: Mr. Steve Pittman, for further information prior to the sale date.

AWARD OF BONDS: The award, if any, will be made to the bidder complying with the terms of sale and offering to purchase the Bonds at the lowest net interest cost to the City, which shall be determined by computing the aggregate interest on the Bonds over the life of the issue at the rate or rates of interest specified by the bidder, less premium offered, if any. It is requested that each bid be accompanied by a statement of the net interest cost (computed to six decimal places), but such statement will not be considered a part of the bid. All bids shall remain firm for three (3) hours after the time specified for the opening of bids, and an award of the Bonds, or rejection of bids, will be made by the Governing Body within said period of time.

RIGHT OF REJECTION, CANCELLATION: The Governing Body reserves the right to reject any or all bids submitted, as well as to waive any irregularity or informality in any bid. The successful bidder shall have the right, at its option, to cancel its agreement to purchase the Bonds if the Bonds are not tendered for delivery within sixty (60) days from the date of sale thereof, and in such event the Governing Body shall return to said bidder its good faith deposit. The Governing Body shall have the right, at its option, to cancel its agreement to sell the Bonds if within five (5) days after the tender of the Bonds for delivery the successful bidder shall not have accepted delivery of and paid for the Bonds, and in such event the Governing Body shall retain the successful bidder's good faith deposit as liquidated damages as hereinabove provided.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The Governing Body will designate a bank or banks in the State of Mississippi to serve as paying agent, transfer agent and registrar (the "Paying and Transfer Agent") for the Bonds. The Paying and Transfer Agent shall be subject to change by order of the Governing Body under the conditions and in the manner provided in the resolution under which the Bonds are issued. Both principal of and interest on the Bonds will be payable by check or draft mailed to registered owners of the Bonds as of the 15th day of the month preceding the maturity date for such principal or interest payment at the address

principal or interest payment at the address appearing in the registration records of the City maintained by the Paying and Transfer Agent. The Bonds will be transferable only upon the records of the Paying and Transfer Agent, and the payment of principal at maturity shall be conditioned on the proper presentation and surrender of the Bonds to the Paying and Transfer Agent.

PRELIMINARY OFFICIAL STATEMENT: Bidders must acknowledge in their respective bids that they have received and reviewed the City's preliminary official statement related to the issuance of the Bonds (the "Preliminary Official Statement"). The City deems the Preliminary Official Statement to be "final" as described in SEC Rule 15c2-12(b)(1) for the purposes of such Rule. Upon award of the Bonds to the successful bidder, the City will prepare a final official statement in connection with the Bonds (the "Official Statement") in substantially the form of the Preliminary Official Statement, subject to minor amendments and supplementations. A reasonably sufficient number of Official Statements will be made available to the successful bidder at the expense of the City within seven (7) business days of the award of the Bonds to such bidder. Copies of the Preliminary Official Statement may be obtained from Ms. Cindy Russell, City Clerk, City of Gautier, 3330 Highway 90, Gautier, Mississippi 39553 telephone: (228)497-8000, or the City's financial advisor, Government Consultants, Inc., 116 Village Boulevard, Madison Mississippi 39110, telephone: (601)982-0005, attention: Mr. Steve Pittman.

The successful bidder must file the Official Statement with a nationally recognized municipal securities information repository (a "Repository") at the earliest practicable date after the date of delivery of the Bonds as required by SEC Rule 15c2-12 and must notify the City of the date which is the "end of the underwriting period" within the meaning of such SEC Rule 15c2-12.

In order to assist bidders in complying with SEC Rule 15c2-12(b)(5), the City, pursuant to a resolution of the Governing Body and a continuing Disclosure Certificate, will agree to provide annual reports and notices of certain events. A summary of the City's procedures with regard to continuing disclosure is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

SUCCESSFUL BIDDERS: The successful bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at the closing for the Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, in a form reasonably required by the City and Bond Counsel.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (a) the City shall disseminate this Notice of Bond Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (b) all bidders shall have an equal opportunity to bid;
- (c) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (d) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Bond Sale.

Any bid submitted pursuant to this Notice of Bond Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the City shall

so advise the winning bidder. The City shall treat the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The City will not require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds. If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing of the Bonds has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires; and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Bond Sale. Further, for purposes of this Notice of Bond Sale:

- (a) "public" means any person other than an underwriter or a related party;
- (b) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);
- (c) a purchaser of any of the Bonds is a "related party" to an underwriter if the un-

related party to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(d) "sale date" means the date that the Bonds are awarded by the City to the winning bidder.

DELIVERY: The successful bidder must designate within five (5) days of the date of sale, or at such other later date as may be designated by the Governing Body, the names and addresses of the registered owners of the Bonds and the denominations in which the Bonds of each maturity are to be issued. If the successful bidder fails to submit such information within the required time, one Bond may be issued for each maturity in the full amount maturing on that date registered in the name of the successful bidder. The Bonds will be delivered at a place to be designated by the purchaser and without cost to the purchaser, and payment therefor shall be made in immediately available funds.

CUSIP NUMBER: It is anticipated that CUSIP identification numbers will be secured and printed on the Bonds, but neither the failure to secure or print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with its agreement to purchase the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the City, provided, however, that the CUSIP Global Services charge for the assignment of said numbers shall be paid for by the successful bidder.

LEGAL OPINION; CLOSING DOCUMENTS, ETC.: In the opinion of Butler Snow LLP ("Bond Counsel"), assuming compliance by the City with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Bonds is excludable from gross income for federal income tax purposes. Interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel will express no other opinion regarding other federal tax consequences resulting from the ownership, receipt or accrual of interest on or disposition of the Bonds. In addition, Bond Counsel is further of the opinion that under and pursuant to the Act, the Bonds and interest thereon are exempt from income taxation in the State of Mississippi.

The Bonds are NOT being issued as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended and supplemented from time to time.

The final approving opinion of Bond Counsel, relating to the validity and tax exemption of the Bonds, together with a non-litigation certificate of the City dated the date of delivery of the Bonds, and a transcript of the proceedings relating to the Bonds will be delivered to the successful bidder without charge.

FURTHER INFORMATION:

Further information with respect to the Bonds may be obtained from
Ms. Cindy Russell, City Clerk, City of Gautier,
3330 Highway 90, Gautier, Mississippi
39553 telephone: (228)497-8000, or the
City's financial advisor,
Government Consultants, Inc.,
116 Village Boulevard,
Madison Mississippi 39110.

Telephone: (601)982-0005,
Attention: Mr. Steve Pittman.
DATED: November 5, 2019
CITY OF GAUTIER, MISSISSIPPI
By: /s/Cindy Russell
City Clerk
MISSISSIPPI PRESS
November 22, 29, 2019

EXHIBIT B

PRELIMINARY OFFICIAL STATEMENT AND BID FORM

PRELIMINARY OFFICIAL STATEMENT Dated November 20, 2019

ONE (1) NEW ISSUE BOOK-ENTRY ONLY

In the opinion of Butler Snow LLP, Ridgeland, Mississippi ("Bond Counsel"), under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuous compliance with certain covenants described herein, interest on the Series 2019 Bonds (as defined herein) is excludable from gross income for federal tax purposes pursuant to Section 103 of the Code (as defined herein), and such interest is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is further of the opinion that under existing laws, regulations, rulings and judicial decisions, interest on the Series 2019 Bonds is exempt from income taxation in the State of Mississippi. See "TAX MATTERS" herein and APPENDIX E - FORM OF OPINION OF BOND COUNSEL attached hereto.

\$6,000,000 CITY OF GAUTIER, MISSISSIPPI COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2019

Dated: Date of Delivery

Due: December 1, as shown on the inside cover

Interest on the \$6,000,000 City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2019 (the "Series 2019 Bonds") will be payable semiannually on June 1 and December 1 of each year, commencing December 1, 2020. The Series 2019 Bonds are being issued by the City of Gautier, Mississippi (the "City") to raise money for the purpose of (a) financing the cost of the improvement, repair, and extension of the City's combined waterworks, water supply, sewerage, and sewer disposal facilities (the "System"), (b) funding a debt service reserve fund for the Series 2019 Bonds, and (c) paying the costs of the sale and issuance of the Series 2019 Bonds. The Mayor and City Council of the City will designate a bank or banks to serve as paying agent, transfer agent and registrar of the Series 2019 Bonds (the "Paying Agent").

The Series 2019 Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof and registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Series 2019 Bonds under a book-entry-only system, as described herein. So long as the Series 2019 Bonds are held in book-entry form, beneficial owners of Series 2019 Bonds will not receive physical delivery of bond certificates.

The principal of, and interest on, the Series 2019 Bonds will be payable by the Paying Agent to DTC, which will in turn remit such principal and interest to its Direct Participants (as defined herein) and Indirect Participants (as defined herein), which will in turn remit such principal, and interest to the beneficial owners of the Series 2019 Bonds. If the date for payment is not a business day, then the payment shall be made on the next succeeding business day with the same force and effect as if made on the payment date. See "DESCRIPTION OF THE SERIES 2019 BONDS – Book-Entry Only System" herein.

The Series 2019 Bonds will be special obligations of the City payable solely from and secured by a lien on the Net Revenues (as defined herein) as collected and received by the City from the operation and ownership of the System. The Series 2019 Bonds are issued on parity with the Utility Bonds (as defined herein) and any Additional Bonds (as defined herein). The Series 2019 Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory restriction, limitation or provision, and the full faith, credit and taxing power of the City is not pledged to the payment of the Series 2019 Bonds, either as to principal or interest.

The Series 2019 Bonds will be subject to redemption prior to maturity as provided herein. See "DESCRIPTION OF THE SERIES 2019 BONDS – Redemption Provisions."

The Series 2019 Bonds are **NOT** being issued as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended and supplemented from time to time.

The Series 2019 Bonds are offered subject to the final approving opinion of Butler Snow LLP, Ridgeland, Mississippi, Bond Counsel. Certain legal matters will be passed upon for the City by its counsel, Bordis & Danos, PLLC, Ocean Springs, Mississippi. Government Consultants, Inc., Madison, Mississippi, serves as the Municipal Advisor to the City in connection with the sale and issuance of the Series 2019 Bonds. It is expected that delivery of the Series 2019 Bonds in definitive form will be made in New York, New York, on or about December 18, 2019.

Dated: December __, 2019

\$6,000,000
CITY OF GAUTIER, MISSISSIPPI
COMBINED UTILITY SYSTEM REVENUE BONDS,
SERIES 2019

MATURITY SCHEDULE

Year (December 1)	Principal Amount	Interest Rate	Yield	CUSIPS¹
2020	\$205,000			
2021	215,000			
2022	220,000			
2023	230,000			
2024	240,000			
2025	250,000			
2026	260,000			
2027	265,000			
2028	280,000			
2029	290,000			
2030	300,000			
2031	310,000			
2032	320,000			
2033	335,000			
2034	345,000			
2035	360,000			
2036	375,000			
2037	385,000			
2038	400,000			
2039	415,000			

¹ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("CGS"), which is managed for the American Bankers Association by S&P Capital IQ. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. The assignment of a CUSIP number to the Series 2019 Bonds by CGS is not intended to be, and should not be construed as, an endorsement of the Series 2019 Bonds, a recommendation to purchase, sell or hold the Series 2019 Bonds or an opinion as to the legal validity of the Series 2019 Bonds.

CITY OF GAUTIER, MISSISSIPPI

MAYOR AND CITY COUNCIL

Phil Torjusen, *Mayor*
Mary Martin, *Councilwoman*
Cameron B. George, *Councilman*
Richard "DJ" Jackson, *Councilman*
Casey Vaughan, *Councilman*
Charles "Rusty" Anderson, *Councilman*
Adam Colledge, *Councilman*

CITY CLERK

Cindy Russell

GENERAL COUNSEL

Bordis & Danos, PLLC
Ocean Springs, Mississippi

MUNICIPAL ADVISOR

Government Consultants, Inc.
Madison, Mississippi

BOND COUNSEL

Butler Snow LLP
Ridgeland, Mississippi

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OFFICIAL STATEMENT SUMMARY

THE OFFERING

\$6,000,000
CITY OF GAUTIER, MISSISSIPPI
COMBINED UTILITY SYSTEM REVENUE BONDS,
SERIES 2019)

The Issuer	City of Gautier, Mississippi (the "City").
Issue and Date	\$6,000,000 City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2019, dated the date of delivery thereof (the "Series 2019 Bonds").
Authority	Sections 21-27-11 <i>et seq.</i> , Mississippi Code of 1972, as amended and supplemented from time to time (the "Act").
Use of Proceeds	The Series 2019 Bonds are being issued to raise money for the purpose of (a) financing the cost of the improvement, repair, and extension of the City's combined waterworks, water supply, sewerage, and sewer disposal facilities (the "System"), (b) funding a debt service reserve fund for the Series 2019 Bonds, and (c) paying the costs of the sale and issuance of the Series 2019 Bonds (see "DESCRIPTION OF THE PROJECT" herein).
Amounts and Maturities	The Series 2019 Bonds will mature on December 1 in the years and amounts as set forth on the inside cover page hereof.
Interest Payment Dates	June 1 and December 1 of each year, commencing December 1, 2020.
Redemption Provisions	The Series 2019 Bonds will be subject to redemption prior to maturity and without premium, at the option of the City, as provided herein (see "DESCRIPTION OF THE SERIES 2019 BONDS - Redemption Provisions" herein).
Security for Payment	Pursuant to the Act, the Series 2019 Bonds will be special obligations of the City payable solely from and secured by a lien on the Net Revenues (as defined herein) as collected and received by the City from the operation and ownership of the System (as defined herein). The Series 2019 Bonds are issued on parity with the Utility Bonds (as defined herein) and any Additional Bonds (as defined herein). The Series 2019 Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory restriction, limitation or provision, and the full faith, credit and taxing power of the City is not pledged to the payment of the Series 2019 Bonds, either as to principal or interest (see "DESCRIPTION OF THE SERIES 2019 BONDS - Security" herein).
Tax Matters	In the opinion of Bond Counsel (as defined herein), assuming continuing compliance with certain covenants by the City, under existing laws, regulations, rulings, and judicial decisions, interest on the Series 2019 Bonds is excludable from gross income for federal tax purposes. Interest on the Series 2019 Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Under existing laws, regulations, rulings and judicial decisions, interest on the Series 2019 Bonds is exempt from all income taxation in the State of Mississippi. For a more complete description of such opinion and certain other tax consequences incident to the ownership of the Series 2019 Bonds, see "TAX MATTERS" herein and APPENDIX E - FORM OF OPINION OF BOND COUNSEL attached hereto.
Disclosure Certificates	The original purchaser of the Series 2019 Bonds, concurrently with the delivery of the Series 2019 Bonds, shall receive a certificate signed by certain officials of the City regarding the adequacy of disclosure contained in this Official Statement (see "DOCUMENTS ACCOMPANYING DELIVERY OF THE SERIES 2019 BONDS" herein).

The above information is qualified in its entirety by the detailed information and financial information appearing elsewhere in this Official Statement, including the Appendices.

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No dealer, broker, sales representative or other person has been authorized by the City of Gautier, Mississippi (the "City") to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the City. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2019 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

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OFFICIAL STATEMENT

\$6,000,000
CITY OF GAUTIER, MISSISSIPPI
COMBINED UTILITY SYSTEM REVENUE BONDS,
SERIES 2019)

December ____, 2019

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the inside cover page and the Appendices hereto, is to set forth certain information concerning the City of Gautier, Mississippi (the "City") and the City's \$6,000,000 Combined Utility System Revenue Bonds, Series 2019, dated the date of delivery thereof (the "Series 2019 Bonds").

Reference is made to the Act (as hereinafter defined), the Bond Resolution (as hereinafter defined) and any and all modifications and amendments thereof for a description of the nature and extent of the security of the Series 2019 Bonds. Certain provisions of the Bond Resolution are summarized herein. All summaries of the Bond Resolution do not purport to be complete statements and are subject to the provisions of the Bond Resolution. Capitalized terms used herein, but not defined herein, shall have the meanings ascribed thereto in APPENDIX D hereto.

DESCRIPTION OF THE SERIES 2019 BONDS

General

The Series 2019 Bonds will be issued pursuant to the provisions of Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the "Act ") and a resolution adopted by the Mayor and City Council of the City (the "Governing Body") on December 3, 2019 (the "Bond Resolution"). The Series 2019 Bonds are being issued (a) to raise money for the purpose of financing the costs of the improvement, repair, and extension of the City's combined waterworks, water supply, sewerage, and sewer disposal facilities (collectively, the "System"), (b) to fund the 2019 Debt Service Reserve Fund (as defined herein), and (c) to pay the costs of the sale and issuance of the Series 2019 Bonds (see "DESCRIPTION OF THE PROJECT" herein).

The Series 2019 Bonds will be dated the date of their delivery and will be issued as fully registered bonds in denominations of Five Thousand Dollars (\$5,000) or any integral multiple thereof, bearing interest at the rates per annum set forth on the inside cover page hereof, payable on June 1 and December 1 of each year, commencing on December 1, 2020. The City has designated _____, _____, Mississippi, to serve as paying agent, transfer agent and registrar of the Series 2019 Bonds (the "Paying Agent"). Interest will be payable by check or draft of the Paying Agent made payable to the registered owners of the Series 2019 Bonds named in, and mailed to the addresses appearing on, the registration records of the City kept and maintained by the Paying Agent as of the close of business on the date which shall be the 15th day (whether or not a business day) of the calendar month next preceding each interest payment date.

The principal of and interest on the Series 2019 Bonds shall be payable solely from Revenues and shall be subject to the prior payment of Current Expenses and debt service on the SRF Loans (as hereinafter defined). The Series 2019 Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory restriction, limitation or provision, and the full faith, credit and taxing power of the City is not pledged to the payment of the Series 2019 Bonds, either as to principal or interest.

The Series 2019 Bonds will initially be held in a book-entry-only system administered by The Depository Trust Company, New York, New York ("DTC"). Principal of and interest on the Series 2019 Bonds held in book-entry form shall be payable as described herein under the heading "DESCRIPTION OF THE SERIES 2019 BONDS - Book-Entry-Only System."

The principal of and interest on, the Series 2019 Bonds will be payable by the Paying Agent to DTC, which will in turn remit such principal and interest to its Direct Participants (as hereinafter defined) and Indirect Participants (as hereinafter defined), which will in turn remit such principal and interest to the beneficial owners of the Series 2019 Bonds. If the date for payment is not a business day, then the payment shall be made on the next succeeding business day with the same force and effect as if made on the payment date. The record date for the payment of interest on the Series 2019 Bonds is the close of business on the date which shall be the 15th day (whether or not a business day) of the calendar month next preceding each interest payment date.

The Series 2019 Bonds will mature on December 1 in the years and in the amounts set forth on the inside cover page hereto.

Security

The Series 2019 Bonds will be special obligations of the City payable solely from and secured by a lien on the Net Revenues (as hereinafter defined) as collected and received by the City from the operation and ownership of the System. The Series 2019 Bonds are being issued on parity with the Utility Bonds (as hereinafter defined) and any Additional Bonds (as defined herein). The Series 2019 Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory restriction, limitation or provision, and the full faith, credit and taxing power of the City is not pledged to the payment of the Series 2019 Bonds, either as to principal or interest. See "SECURITY FOR THE SERIES 2019 BONDS" herein.

Redemption Provisions

The Series 2019 Bonds maturing December 1, 2030 and thereafter will be subject to redemption prior to their respective maturities, at the option of the City, on and after December 1, 2029, either in whole or in part on any date (as selected by the City among maturities and by lot within each maturity), at the principal amount thereof, together with the interest accrued thereon to the date fixed for redemption and without premium.

Notice of each such redemption shall be mailed, postage prepaid, not less than 30 days prior to the redemption date, to all registered owners of the Series 2019 Bonds to be redeemed at their addresses as they appear on the records of the Paying Agent.

Defeasance of Series 2019 Bonds

Under the Resolution, Series 2019 Bonds for the payment of which sufficient moneys, or, to the extent permitted by the laws of the State of Mississippi (the "State"), (a) direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America ("Government Obligations"), or (b) certificates of deposit or municipal obligations fully secured by Government Obligations, or (c) evidences of ownership of proportionate interests in future interest or principal payments on Government Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the Government Obligations and which Government Obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated, or (d) municipal obligations, the payment of the principal of, interest and redemption premium, if any, on which are irrevocably secured by Government Obligations and which Government Obligations are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and have been deposited in an escrow account which is irrevocably pledged to the payment of the principal of and interest and redemption premium, if any, on such municipal obligations (all of which collectively, with Government Obligations, "Defeasance Securities"), shall have been deposited with an escrow agent appointed for such purpose, which may be the Paying Agent, all to the extent provided in the Resolution,

shall be deemed to have been paid, shall cease to be entitled to any lien, benefit or security under the Resolution and shall no longer be deemed to be outstanding thereunder, and the registered owners shall have no rights in respect thereof except to receive payment of the principal of and interest on such Series 2019 Bonds from the funds held for that purpose. Defeasance Securities shall be considered sufficient under the Resolution if said investments, with interest, mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest and to pay principal when due on such Series 2019 Bonds.

Ownership

The City, the Paying Agent, and any other person may treat the person in whose name any Series 2019 Bond is registered as the absolute owner of such Series 2019 Bond for the purpose of making payment of the principal thereof and premium, if any, thereon, and for the further purpose of making payment of the interest thereon, and for all other purposes, whether or not such Series 2019 Bond is overdue. Neither the City nor the Paying Agent shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the owner of any Series 2019 Bond in accordance with the Resolution shall be valid and effective and shall discharge the liability of the City and the Paying Agent for such Series 2019 Bond to the extent of the sums paid.

Registration

Series 2019 Bonds Subject to the Book-Entry-Only System. For so long as DTC acts as securities depository for the Series 2019 Bonds, the registration and transfer of ownership interests in Series 2019 Bonds shall be accomplished by book entries made by DTC and the Direct Participants and, where appropriate, the Indirect Participants (as such terms are hereinafter defined), as described herein under the heading "DESCRIPTION OF THE SERIES 2019 BONDS-Book-Entry-Only System."

Series 2019 Bonds Not Subject to Book-Entry-Only System. Should the Series 2019 Bonds no longer be held in book-entry form, each Series 2019 Bond shall be thereafter evidenced by a bond certificate in fully registered form and transferable only upon the registration records of the City maintained by the Paying Agent, by the registered owner thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any Series 2019 Bond, the City shall issue, in the name of the transferee, a new Series 2019 Bond or Series 2019 Bonds of the same interest rate and maturity of like tenor and effect in any authorized denomination equal to the unpaid principal amount of the surrendered Series 2019 Bond.

Series 2019 Bonds, upon surrender thereof at the office of the Paying Agent with a written instrument of transfer satisfactory to the Paying Agent duly executed by the registered owner or his duly authorized attorney, may be exchanged for a principal amount of Series 2019 Bonds of the same interest rate and maturity and of like tenor and effect in any authorized denomination equal to the unpaid principal amount of the surrendered Series 2019 Bonds. The Paying Agent will not be required to register the transfer of or exchange any Series 2019 Bond after the mailing of notice calling such Series 2019 Bond for redemption has been given as provided in the Resolution, nor during the period of 15 days next preceding the giving of such notice of redemption.

Book-Entry-Only System

The City has determined that it will be beneficial to have the Series 2019 Bonds held by a central depository system and to have transfers of the Series 2019 Bonds affected by book-entry on the books of DTC as such central depository system. Accordingly, Beneficial Ownership interests in the Series 2019 Bonds will be available in book-entry-only form, in the principal amount of \$5,000 or integral multiples thereof. Purchasers of Beneficial Ownership interests in the Series 2019 Bonds (the "Beneficial Owners") will not receive certificates representing their interests in the Series 2019 Bonds purchased.

The information provided under this caption has been provided by DTC. No representation is made by the City, the Purchaser (as defined herein) or the Paying Agent as to the accuracy or adequacy of such information, or as to the absence of material adverse changes in such information subsequent to the date hereof.

DTC will act as securities depository for the Series 2019 Bonds. The Series 2019 Bonds will be initially issued as fully-registered Series 2019 Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by the authorized representative of DTC. One fully-registered Series 2019 Bond certificate for each maturity will be issued for the Series 2019 Bonds in the aggregate principal amount of each maturity and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has S&P's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2019 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2019 Bonds on DTC's records. The ownership interest of each actual purchaser or Beneficial Owner of each Series 2019 Bond is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2019 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2019 Bonds, except in the event that use of the book-entry system for the Series 2019 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2019 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019 Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019 Bonds are credited, which may or may not be the Beneficial Owners. The Direct Participants and the Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2019 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an "Omnibus Proxy" to the Paying Agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct

Participants to whose accounts the Series 2019 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal payments and interest payments on the Series 2019 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the City subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal payments and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2019 Bonds at any time by giving reasonable notice to the City. Under such circumstances, and in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

In addition, the City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

The information in this section and elsewhere in this Official Statement concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

So long as Cede & Co. is the registered holder of the Series 2019 Bonds as nominee of DTC, references herein to the holders or registered owners of the Series 2019 Bonds mean Cede & Co. and not the Beneficial Owners of the Series 2019 Bonds.

THE CITY AND THE PAYING AGENT CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2019 BONDS (A) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM, IF ANY, ON THE SERIES 2019 BONDS; (B) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2019 BONDS; OR (C) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE SERIES 2019 BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DIRECT OR INDIRECT PARTICIPANTS ARE ON FILE WITH DTC.

NEITHER THE CITY NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DIRECT OR INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT; (B) THE PAYMENT BY ANY DIRECT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM, IF ANY, ON THE SERIES 2019 BONDS; (C) THE DELIVERY BY ANY DIRECT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; (D) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2019 BONDS; OR (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

Debt Service Requirements for the Series 2019 Bonds and the Utility Bonds

The following table sets forth the estimated debt service requirements on the Series 2019 Bonds and the Utility Bonds:

Fiscal Year Ending September 30	2013 Note Total Debt Service	Series 2018 Bonds Total Debt Service	Series 2019 Bonds Principal	Series 2019 Bonds Interest	Total Debt Service
2020	\$ 262,706.26	\$ 286,781.26	\$ 205,000.00		
2021	263,356.26	285,656.26	215,000.00		
2022	263,856.26	284,493.76	220,000.00		
2023	258,431.26	288,118.76	230,000.00		
2024	258,431.26	286,318.76	240,000.00		
2025	265,587.50	284,306.26	250,000.00		
2026	263,150.00	282,506.26	260,000.00		
2027	265,500.00	285,506.26	265,000.00		
2028	266,475.00	283,106.26	280,000.00		
2029	266,975.00	285,506.26	290,000.00		
2030	267,000.00	284,256.26	300,000.00		
2031	266,000.00	287,850.00	310,000.00		
2032	264,500.00	290,862.50	320,000.00		
2033	<u>262,500.00</u>	293,550.00	335,000.00		
2034		290,325.00	345,000.00		
2035		291,325.00	360,000.00		
2036		291,950.00	375,000.00		
2037		292,200.00	385,000.00		
2038		<u>296,400.00</u>	400,000.00		
2039			<u>415,000.00</u>		
TOTAL	<u>\$3,703,850.04</u>	<u>\$5,471,018.86</u>	<u>\$6,000,000.00</u>		

Additional Information

For additional details regarding the description of the Series 2019 Bonds, reference is made to the Notice of Bond Sale for the Series 2019 Bonds included in this Official Statement as APPENDIX A.

APPLICATION OF THE PROCEEDS OF THE SERIES 2019 BONDS

Estimated Sources of Funds

Par Amount of Series 2019 Bonds	\$6,000,000.00
[Plus Net Original Issue Premium]	
Total Sources of Funds	

Estimated Uses of Funds

For 2019 Construction Fund ¹	
For 2019 Debt Service Reserve Fund	
For 2019 Depreciation Fund	5,000.00
For 2019 Contingent Fund	5,000.00
Total Uses of Funds	

¹ Includes payments for costs of issuance, which include but are not limited to, legal fees and expenses, municipal advisory fees and expenses and Paying Agent fees and expenses.

DESCRIPTION OF THE PROJECT

The Series 2019 Bonds are being issued (a) to raise money for the purpose of financing the costs of the improvement, repair, and extension of the System, (b) to fund the 2019 Debt Service Reserve Fund, and (c) to pay the costs of the sale and issuance of the Series 2019 Bonds.

SECURITY FOR THE SERIES 2019 BONDS

The Series 2019 Bonds are special obligations of the City payable solely from and are secured by a lien on the Net Revenues as collected and received by the City from the operation and ownership of the System. The Bond Resolution defines Net Revenues to mean the Revenues remaining after payment of Current Expenses and debt service on the SRF Loans.

"Revenues" are defined in the Bond Resolution as all payments, proceeds, fees, charges, rents and all other income derived by or for the account of the City from its ownership and operation of the System, excluding all acreage, front-footage, assessment and similar fees and charges derived by the City in connection with the provision of or payment for capital improvements constituting a part of the System.

"Current Expenses" are defined in the Bond Resolution as the reasonable and necessary current expenses of maintenance, repair and operation of the System and shall include, without limiting the generality of the foregoing, expenses not annually recurring, premiums for insurance, administrative and engineering expenses relating to maintenance, repair and operation, fees and expenses of the Paying Agent, legal expenses, taxes lawfully imposed on the System, reasonable payments to pension or retirement funds for employees of the System and any other expense of the System required or permitted to be paid by the City under the provisions of the Bond Resolution or by law, but shall not include any allowance for depreciation or transfers to the credit of the 2019 Debt Service Fund, the 2019 Debt Service Reserve Fund, the 2019 Depreciation Fund or the 2019 Contingent Fund.

"SRF Loans" are defined in the Bond Resolution as the State Revolving Fund Loans, existing on the date of issuance of the Series 2019 Bonds, from the State to the City under Sections 49-17-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time, which SRF Loans have a lien on Revenues of the System; however, the debt service for the SRF Loans is collected by the

Mississippi Department of Revenue by diverting sales tax collections prior to remittance of the sales tax to the City and then subsequently reimbursed to the City from the Revenues of the System.

The Series 2019 Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory restriction, limitation or provisions, and the full faith, credit and taxing power of the City is not pledged to the payment of the Series 2019 Bonds, either as to principal or interest.

The Series 2019 Bonds are being issued on parity with the \$9,185,000 (original principal amount) City of Gautier, Mississippi Combined Utility System Revenue Refunding Bonds, Series 2012, dated May 31, 2012, the \$3,500,000 (original principal amount) City of Gautier, Mississippi Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, securing the \$3,500,000 (original principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, and the \$4,000,000 (original principal amount) City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2018, dated June 1, 2018 (collectively, the "Utility Bonds") and any Additional Bonds issued pursuant to the Bond Resolution.

THE SYSTEM

General

The Gautier Utility District (the "District") was originally created in 1973 under the provisions of Senate Bill 2251, Local and Private Laws of Mississippi, Regular Session, 1966, as a combined water and sewer utility and a fire protection district. The District's service area was five miles west of the City of Pascagoula, Mississippi, the county seat for Jackson County, Mississippi (the "County"), and 20 miles east of Biloxi, Mississippi.

On July 31, 2002, the City, through an annexation of the property within the District, assumed the operation and maintenance of the District and the System as well as the obligations of the District. The City's service area is bounded on the east by the West Pascagoula River, to the northwest by the Mississippi Sandhill Crane National Wildlife Refuge and to the south by the Gulf of Mexico (the "Service Area"). Opportunity for growth exists to the west, south of the refuge, and to the north. Nearly all of the densely populated areas within the Service Area are being served. The City continues to make a concerted effort to enhance the revenue potential of the System by improved internal control and customer additions.

The Water System

The City currently provides water service to approximately 7,361 customers. The Service Area's water supply source consists of eight ground wells located throughout the Service Area with a combined pumping capacity of 4,410 gallons per minute, the largest well delivering 850 gallons per minute. Treatment of the groundwater is accomplished at the well heads. As the City has developed, it has always utilized water wells for its water source. Currently, the wells supplying the Service Area are all in the Pascagoula Formations (depth 600' to 800'). The Service Area's groundwater sources are of such quality so as to only require chlorination prior to entering the System. Water storage is comprised of four elevated tanks with a capacity of 1,000,000 gallons. The largest storage tank holds 500,000 gallons. At present, the Service Area has approximately 120 miles of water lines in service. The overall condition of the water system is fair to good. The average daily consumption is approximately 1.26 million gallons.

The Sewer System

The City's sewer system is made up of approximately 13.5 miles of interceptors and 103 miles of collection lines. The City's sewer system is connected via two pump stations and a force main to the facilities of the Jackson County Utility Authority (the "Authority"), that, through a contractual arrangement, provides treatment of the collected wastewater. The City is a member of the joint venture of the Authority, which was established by an act of the State Legislature to design and implement a water pollution abatement plan. The Authority is responsible for the operations and maintenance of the wastewater

treatment plants for the cities of Gautier, Moss Point, Ocean Springs and Pascagoula. The Authority enters into subscription agreements with each of the governing bodies and districts to fund its operations.

Currently, the City's average flow of wastewater to the Authority's treatment system is 1,500,000 gallons per day. The Authority has a design capacity of 4,000,000 gallons per day.

The City's monthly payment for wastewater treatment is established prior to the beginning of each fiscal year based on a formula used for projecting the City's expected wastewater flows. Because the amount of wastewater actually treated will differ from the amount estimated to be treated, the monthly fee paid to the Authority is further adjusted by the amount by which the City either overpaid or underpaid in the preceding year.

The City has taken various actions as a precaution to the possibility of volatile wastewater treatment costs in future fiscal years. The City has established a Rate Stabilization Fund. The amounts on hand in the Rate Stabilization Fund may be withdrawn by the City for the purpose of payment of any Current Expenses incurred including the payment of wastewater treatment costs.

Fire Protection

The fire protection facilities of the City include four fire stations. The four fire stations are located within the corporate limits of the City and are owned and operated by the City.

Mandatory Connections

On June 16, 1986, the Board of Supervisors of the County, having previously created the District on July 3, 1973, unanimously adopted a resolution requiring connection to the System of all dwellings and buildings in the Service Area of the District within reasonable proximity to the System. Refusal to connect to the System is a misdemeanor and subjects the offender to a fine not to exceed \$100 to be imposed by any court of competent jurisdiction, with each day that the subject dwelling or building is unconnected constituting a separate offense.

Utility Rate Schedule

The following table sets forth the current utility rate schedule for water and sewer customers in the City:

Service	Current Rates
Gallons	3,000
Water	
First 3,000 Gallons (Residential)	24.75
Over 3,000 Gallons (per 1,000 Gallons) (Residential)	8.25
First 3,000 Gallons (Commercial)	25.50
Over 3,000 Gallons (per 1,000 Gallons) (Commercial)	8.50
Sewer²	
First 3,000 Gallons (Residential)	12.30
Over 3,000 Gallons (per 1,000 Gallons) (Residential)	4.10
First 3,000 Gallons (Commercial)	18.75
Over 3,000 Gallons (per 1,000 Gallons) (Commercial)	6.25
Wastewater Treatment	
First 3,000 Gallons (Commercial & Residential)	15.45
Over 3,000 Gallons (per 1,000 Gallons) (Commercial & Residential)	5.15

Garbage	
Monthly Charge	21.00
Minimum Average Bill	73.50

¹ The City bills their citizens/customers separately for wastewater treatment. Fire protection is provided through the City's general fund budget. Information as of November 1, 2019.

² Sewer only monthly charge is \$100.00 for commercial and \$42.00 for residential.

In the event that the anticipated increase in revenues attributable to the increased customer base and rate schedule is insufficient to pay the capitalization and operating costs of the System in future years, the City is committed to increasing water and sewer rates to the extent necessary to meet any such shortfalls in revenue that may occur.

Management of the System

The System is a division of the City and is operated and maintained by the City. The System is governed by the Governing Body and is administered by the Department of Public Works. The daily operations of the System are performed by the division head and 35 employees. The City prepares financial statements for the System.

Establishment of Rates

Rates for water and sewer services are established by the Governing Body. The City's current rate schedule was adopted by the Governing Body on October 3, 2017. Newly adopted rates become effective as to each user one month after they have been adopted by the Governing Body provided however, that such newly adopted rates may become effective immediately upon the unanimous approval of the Governing Body based on a finding of good cause and a statement in the adopting ordinance of the reason why it is necessary that the new rate become effective immediately.

Customers Served by the City

The following table shows the number of customers served by the City from 2015 to 2019:

FY Ending September 30	Customers
2019	7,361 (Metered Accounts)
2018	7,357 (Metered Accounts)
2017	7,346 (Metered Accounts)
2016	7,326 (Metered Accounts)
2015	7,209 (Metered Accounts)

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Ten Largest Water System Users

The below table shows the ten largest water system users in the Service Area for the fiscal year ended September 30, 2019:

TEN LARGEST USERS	TOTAL WATER CHARGES
KLP Toulon	\$202,321.37
Singing River Apts.	144,648.98
River Bend Condo	140,856.85
Forest City	135,415.49
Bayou Village Apts.	111,344.05
Forest City	94,900.98
Sun Suites	88,658.04
Magnolia Oak Apts.	83,464.51
Indian Point	78,866.15
College Villa Apts.	78,457.41

System Capacity

The current capacity of the City's water system is as follows:

Current Water System	Number of Gallons per day
Capacity	640,150,688
Peak daily load	2,500,000
Average daily usage	1,753,837

The current capacity of the City's sewer system is as follows:

Current Sewer System	Number of Gallons per day
Capacity	6,000,000
Peak Daily load	4,000,000
Average daily usage	2,000,000

Revenues Available for Debt Service

The following schedules, based on projections and information supplied by the City, set forth the actual and projected Net Revenues of the System for the period of Fiscal Years 2015 to 2024. Rates for the System are based on a rate schedule adopted by the Governing Body on October 3, 2017. See "THE SYSTEM – Establishment of Rates" herein. Historical calculations for the combined utility system of the City were based on actual data in the City's annual audits (Fiscal Years 2015–2018), unaudited financial data for Fiscal Year 2019 and budgeted financial data for Fiscal Year 2020. Fiscal Years 2021-2024 projections for the System as combined are based on projected growth of 1% per year in revenues plus rate increases and 3% per year in expenses. Historical debt service coverage for the System for Fiscal Years 2015-2018 ranges from a low of 1.23% in Fiscal Year 2015 to a high of 2.16% in Fiscal Year 2018. The following schedules should be reviewed based on the following assumptions:

1. Water rates adopted by the Governing Body in October 3, 2017 are currently in place for the System;
2. Sewer rates adopted by the Governing Body in October 3, 2017 are currently in place for the System;
3. Water and sewer usage is projected to remain constant;

4. Revenue projections of 1% growth, as applicable, and expense projections of 3% growth;
and
5. Debt service based on the following:

Bonds Outstanding¹	Outstanding Principal
\$3,500,000 (original principal amount) City of Gautier, Mississippi Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project)	\$2,670,000.00
\$4,000,000 (original principal amount) City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2018	<u>3,865,000.00</u>
Total Bonds Currently Outstanding	<u>\$6,535,000.00</u>
SRF Loans	
State Revolving Fund Loan #3	\$ 502,476.31
State Revolving Fund Loan #4	614,005.74
State Revolving Fund Loan #4	787,100.71
State Revolving Fund Construction Loan #5	200,112.48
State Revolving Fund Construction Loan #6	404,064.19
State Revolving Fund Construction Loan #7	<u>998,384.02</u>
	<u>\$3,506,143.45</u>

¹ Does not include the Series 2019 Bonds. Balances as of November 1, 2019.

The Utility Bonds and SRF Loans are payable as to principal and interest solely from the revenue derived by the City from the operation of the System.

SRF Loans

The SRF Loans are loans from the State to the City which were made by the City to finance improvements to the System. The total amount of SRF Loans currently outstanding is approximately \$3,506,143.45. Although the SRF Loans have a lien on the Revenues of the System, they are paid from monies collected by the Mississippi Department of Revenue by diverting sales tax collections prior to remittance of the sales tax to the City and then subsequently reimbursed to the City from the Revenues of the System.

Schedule of Revenues and Expenditures and Debt Service Coverage

The following schedule summarizes the City's audited operating results for the Fiscal Years ended September 30, 2015 through September 30, 2018, unaudited operating results for the Fiscal Year ended September 30, 2019. The schedule also sets forth projected Revenues for the Fiscal Years ending September 30, 2020 through 2024 (based on the current rate schedule).

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Historical Statement of Revenues, Expenditures and Debt Service Coverage

	Fiscal Year 2015 Audited	Fiscal Year 2016 Audited	Fiscal Year 2017 Audited	Fiscal Year 2018 Audited	Fiscal Year 2019 Unaudited
Total Revenues	\$8,104,568	\$8,660,502	\$9,826,364	\$11,491,951	\$11,651,051
Total Expenditures	5,198,467	5,592,909	5,331,452	6,202,650	7,118,236
Available for Debt Service	2,906,101	3,067,593	4,494,912	5,289,301	4,532,815
Existing Debt Service	<u>2,370,856</u>	<u>2,476,082</u>	<u>2,472,081</u>	<u>2,471,182</u>	<u>2,270,495</u>
Available Revenue for New Debt Service	<u>\$ 535,245</u>	<u>\$ 591,511</u>	<u>\$2,022,831</u>	<u>\$2,818,119</u>	<u>\$2,262,320</u>
Debt Service Coverage	1.23	1.24	1.82	2.14	2.00

Projected Statement of Revenues, Expenditures and Debt Service Coverage¹

	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Total Revenues	\$11,952,584	\$11,054,650	\$11,145,197	\$11,236,648	\$11,329,015
Total Expenditures	7,293,993	7,512,813	7,738,197	7,970,343	8,209,453
Available for Debt Service	4,658,591	3,541,837	3,406,999	3,266,305	3,119,562
Existing Debt Service	<u>1,358,063</u>	<u>1,357,588</u>	<u>1,356,924</u>	<u>1,355,124</u>	<u>1,362,705</u>
Balance	3,300,528	<u>2,184,250</u>	<u>2,050,075</u>	<u>1,911,181</u>	<u>1,756,856</u>
Projected New Debt Service		<u>\$ 538,656</u>	<u>\$ 428,281</u>	<u>\$ 425,125</u>	<u>\$ 426,688</u>
Debt Ratio	3.43	1.87	1.91	1.83	1.74

¹ Assumes a 1% annual increase in total revenues for projected years, and 3% annual increase in total expenses for projected years.

Rate Covenant

The City has covenanted in the Bond Resolution that so long as any of the Series 2019 Bonds remain outstanding and unpaid, it will fix and maintain rates and make and collect charges for the use and service of the System which will at all times provide Revenues sufficient: (a) to pay the Current Expenses of the System, and (b) to provide 120% of the amount of the maximum Principal and Interest Requirements and the payments required to be made to the credit of the 2019 Debt Service Reserve Fund for the current Bond Year on account of the Series 2019 Bonds then outstanding.

If the Revenues in any Fiscal Year as shown by the City's audit are less than the total amount set forth in the Bond Resolution, then it shall, as promptly as possible, request the Consulting Engineers to make recommendations as to a revision of such rates, fees, and charges or methods of operating the System which will result in producing the required amount in the following Fiscal Year. Upon receipt of such recommendations the City shall, subject to applicable requirements imposed by law, immediately revise such rates, fees, and charges and take such other actions respecting the methods of operation of the System as shall in its discretion be deemed necessary. Failure to implement the recommendation of the Consulting Engineer or if coverage is less than 120% of the maximum Principal and Interest Requirements and the payment required to be made to the credit of the 2019 Debt Service Reserve Fund shall be a breach of the City's covenants under the Bond Resolution.

THE BOND RESOLUTION

A summary of certain provisions of the Bond Resolution is set forth below. This summary does not purport to be comprehensive or definitive. All references herein to the Bond Resolution are qualified in their entirety by reference to such document, a copy of which may be obtained upon written request to the City.

Funds

The 2012 Bond Resolution provided for the creation and establishment of the Revenue Fund to be utilized in connection with the 2012 Bonds and bonds issued on parity therewith, including the 2013 Note, the Series 2018 Bonds, the Series 2019 Bonds. Although the Series 2012 Bonds have been paid in full, the Revenue Fund will continue to be utilized in connection with the 2013 Note, the Series 2018 Bonds, the Series 2019 Bonds and any Additional Bonds.

The 2013 Loan Agreement provided for the creation and establishment of the 2013 Debt Service Fund to be held by the City for the 2013 Note and bonds issued on parity therewith, including the Series 2018 Bonds and the Series 2019 Bonds.

The 2018 Bond Resolution provided for the creation and establishment of the 2018 Debt Service Fund to be held by the City for the Series 2019 Bonds and bonds issued on parity therewith, including the Series 2019 Bonds.

In addition to the Revenue Fund and the Operation and Maintenance Fund created pursuant to the 2012 Bond Resolution, the Bond Resolution provides for the creation and establishment of the following funds to also be used in connection with the Series 2019 Bonds:

2019 Debt Service Fund
2019 Debt Service Reserve Fund
2019 Construction Fund
2019 Depreciation Fund
2019 Contingent Fund

The moneys in the funds set forth above shall be separate and apart from all other funds of the City and shall be applied in the manner provided in the Bond Resolution and the Prior Bond Resolutions, and, pending such application, except for moneys in the Operation and Maintenance Fund, shall be subject to a lien and charge in favor and for the security of registered owners of the Series 2019 Bonds and the Utility Bonds until paid out or transferred as provided in the Bond Resolution and the Prior Bond Resolutions. Any surplus Revenues remaining after all transfers required by the Bond Resolution and the Prior Bonds Resolutions shall be used solely for purposes pertaining to the System or as otherwise allowed by the Act.

Revenue Fund; Revenues of the System and Application Thereof

All Revenues shall be set aside as collected and shall be deposited into the Revenue Fund. Moneys in said fund shall not be subject to lien or attachment by any creditor of the City and shall be set aside for, allocated to and/or deposited by the Clerk to the extent available in the following order of preference in the following separate and special funds, as created in a prior resolution or resolutions of the Governing Body and provided for in the Bond Resolution, without further direction of or action by the Governing Body or other authority of the City:

(a) On the first business day of each month, commencing in the first month after delivery of the Series 2019 Bonds, there shall be deposited into the Operation and Maintenance Fund an amount which will provide for the payment of the Current Expenses to be paid during such calendar month, and, in the event that the aggregate amounts deposited into such fund pursuant to the Bond Resolution during the preceding months shall have been insufficient to pay all such expenses, an amount sufficient to repay such deficiencies.

(b) On the first business day of each month, commencing in the first month after the delivery of the Series 2019 Bonds, there shall be paid to the City such amount necessary to reimburse the general fund of the City for debt service due on the SRF Loans deducted by the Mississippi Department of Revenue from the sales tax rebate to the City.

(c) On the first business day of each month, commencing in the first month after the delivery of the Series 2019 Bonds, there shall be transferred to the 2019 Debt Service Fund an amount which,

together with equal subsequent monthly transfers on the first business day of each successive month, will provide a sum equal to the amount necessary to pay interest and principal due and payable through the date on which the next installment of principal on the Series 2019 Bonds is due. Such transfers are on parity with the amounts to be transferred to the 2013 Debt Service Fund pursuant to the 2013 Loan Agreement and to the 2018 Debt Service Fund pursuant to the 2018 Bond Resolution for the purpose of paying debt service on the 2013 Note and the Series 2018 Bonds, respectively. If in any month, the Net Revenues are insufficient to provide for the total amount of principal and interest to be set aside as required by the Bond Resolution and the Prior Bond Resolutions, such Net Revenues shall be divided on a pro rata basis among each outstanding series of Bonds. Any deficiency in the debt service funds for the Bonds shall be funded in subsequent months.

(d) Provided, that in addition to the moneys required to be transferred to the 2019 Debt Service Fund, the 2019 Debt Service Reserve Fund created under the Bond Resolution shall be maintained in order to meet any deficiency therein in future years. As provided in the Bond Resolution, the 2019 Debt Service Reserve Fund will be fully funded upon delivery of the Series 2019 Bonds. Notwithstanding any other provision of the Bond Resolution, upon the determination of any deficiency in the total amount in the 2019 Debt Service Reserve Fund, the full amount of such deficiency shall be fully funded within one year of such determination. The 2019 Debt Service Reserve Fund shall be used only to pay maturing principal and accruing interest, or both, on the Series 2019 Bonds and only whenever and to the extent that funds otherwise available in the 2019 Debt Service Fund are insufficient for that purpose.

Operation and Maintenance Fund

Amounts held in the Operation and Maintenance Fund will be applied by the City to the payment of the Current Expenses as they accrue in accordance with the annual budget of the City for the System.

2019 Debt Service Fund

Amounts in the 2019 Debt Service Fund will be used to pay the maturing principal and accruing interest coming due on the Series 2019 Bonds. The 2019 Debt Service Fund will be funded periodically from Net Revenues of the System as more particularly described in the Bond Resolution.

2019 Debt Service Reserve Fund

The 2019 Debt Service Reserve Fund is to be maintained in order to meet any deficiency in the 2019 Debt Service Fund. The 2019 Debt Service Reserve Fund shall be funded in the amount of the Debt Service Reserve Requirement and shall thereafter be maintained at the required balance set forth in the Bond Resolution. The 2019 Debt Service Reserve Fund shall be used only to pay maturing principal and accruing interest, or both, and only whenever and to the extent that funds otherwise available in the 2019 Debt Service Fund are insufficient for that purpose. No funds paid into the 2019 Debt Service Reserve Fund shall be used to prepay the principal unless such prepayment is for the entire balance of the principal amount of the Series 2019 Bonds or the amount remaining in the 2019 Debt Service Reserve Fund is equal to the Debt Service Reserve Requirement for the Series 2019 Bonds which remain outstanding. If the amount in the 2019 Debt Service Reserve Fund as valued on the last day of the Bond Year is more than the Debt Service Fund Requirement, the amount of such excess shall be transferred to the 2019 Debt Service Fund.

2019 Construction Fund

A portion of the proceeds received from the sale and issuance of the Series 2019 Bonds will be transferred to the 2019 Construction Fund. Amounts in the 2019 Construction Fund (including investment earnings) will be applied to pay the Costs of the Project, and/or the costs of issuance of the Series 2019 Bonds. Any balance remaining in the 2019 Construction Fund after the Project has been completed, and all related costs and expenses paid, will be transferred to the 2019 Debt Service Fund and expended in accordance with State and federal law and the Bond Resolution.

2019 Depreciation Fund

In order to fully fund the 2019 Depreciation Fund, the Clerk shall immediately upon delivery of the Series 2019 Bonds transfer to the 2019 Depreciation Fund the sum of \$5,000.00 from the proceeds of the Series 2019 Bonds, at which total amount of \$5,000.00 said fund shall thereafter be maintained by such future payments as may be necessary for that purpose. Notwithstanding any other provision contained in the Bond Resolution, upon the determination of any deficiency in the total amount in the 2019 Depreciation Fund, the full amount of such deficiency shall be fully funded within one year of such determination. The 2019 Depreciation Fund shall be used for the purpose of paying the cost of replacing such parts of the System as may need replacement in order to keep the System operating in an economical and efficient manner upon written certification by the Consulting Engineers to the Governing Body certifying the necessity for such expenditure and concurring in the necessity for such expenditure from the 2019 Depreciation Fund; provided, however, that in the event the funds otherwise provided for the payment of the principal of and interest on the Series 2019 Bonds should be insufficient for said purpose, then and in that event, to the extent of any such insufficiency, the amount necessary to pay accruing interest and to provide for the payment of the principal as set forth in the Bond Resolution shall be drawn from the 2019 Depreciation Fund and shall be used, together with funds otherwise available, to pay such accruing interest and to provide for the payment of principal as set forth in the Bond Resolution.

2019 Contingent Fund

In order to fully fund the 2019 Contingent Fund, the Clerk shall immediately upon delivery of the Series 2019 Bonds transfer to the 2019 Contingent Fund the sum of \$5,000.00 from the proceeds of the Series 2019 Bonds, at which total amount of \$5,000.00 said fund shall thereafter be maintained by such future payments as may be necessary for that purpose. Notwithstanding any other provision contained in the Bond Resolution, upon the determination of any deficiency in the total amount in the 2019 Contingent Fund, the full amount of such deficiency shall be fully funded within one year of such determination. The 2019 Contingent Fund shall be used for the purpose of paying the cost of unforeseen contingencies arising in the operation and maintenance of the System, including the construction of reasonable and proper improvements, betterments and extensions thereto upon written certification by the Consulting Engineers to the Governing Body certifying the necessity for such expenditure and concurring in the necessity for such expenditure from the 2019 Contingent Fund; provided, however, that in the event the funds otherwise provided for the payment of the principal of and interest on the Series 2019 Bonds should be insufficient for said purpose, then and in that event, to the extent of any such insufficiency, the amount necessary to pay accruing interest and to provide for the payment of the principal as set forth in the Bond Resolution shall be drawn from the 2019 Contingent Fund and shall be used, together with funds otherwise available, to pay such accruing interest and to provide for the payment of principal as set forth in the Bond Resolution.

Investment of Moneys in the Funds

All sums in the funds referred to in the Bond Resolution shall be kept separate and apart from all other funds of the City in a bank or banks having Federal Deposit Insurance Corporation insurance of its accounts and at all times shall be continuously secured as provided by the laws of the State for other funds of the City, or, in the discretion of the Governing Body, may be invested as directed in the Bond Resolution in investments authorized by laws of the State as may now be or hereafter become applicable. Such investments shall mature or be redeemable prior to the time the funds so invested will be needed for expenditure. Any interest or other income received from investments shall accrue to and be accredited to the fund which generated such income or to which such income is attributable. Provided, however, that the Governing Body shall transfer to the 2019 Debt Service Fund any such income in excess of the aggregate amount required by the Bond Resolution to be maintained in any other fund or account.

Insurance

As long as any of the Bonds shall remain outstanding and unpaid, the City shall carry and maintain insurance upon such properties forming a part of the System which may be of an insurable

nature, such insurance to be of the type and kind and for such amount or amounts as carried and maintained by other municipalities rendering services of a similar character in similar communities. The proceeds of such insurance shall be used only for the maintenance and restoration of the System, or for the payment of the principal of and the interest on the Bonds.

Additional Bonds

The City has reserved the right to issue one or more series of Additional Bonds on parity with the Series 2019 Bonds and the Utility Bonds ("Additional Bonds") for any lawful purpose, including refunding any previously issued series of bonds or any other bonds or obligations of the City issued in connection with the System or payable from Net Revenues. No Additional Bonds may be issued unless:

(a) the Net Revenues available for payments of principal of and interest on the Series 2019 Bonds for a period of 12 consecutive months during the 18 months preceding the month in which such Additional Bonds are issued must be certified by an accountant to have been at least equal to 120% of the highest annual debt service payments in any succeeding Bond Year with respect to the Series 2019 Bonds, the Utility Bonds and the Additional Bonds proposed to be issued; or in lieu of the foregoing formula, if a new schedule of rates, fees and charges for the services, facilities and commodities of the System shall have been adopted, then the Revenues available for debt service payments (taking into account such new rates) must be certified by an accountant to have been at least equal to 120% of the highest annual debt service payments in any succeeding Bond Year with respect to the Series 2019 Bonds and the Additional Bonds proposed to be issued during the period set forth above;

(b) the pledge of and lien on the Net Revenues and amounts on accredited to the 2019 Debt Service Fund from time to time shall be extended for the benefit of the registered owners of the Additional Bonds; and

(c) the resolution under which the proposed bonds are being issued shall provide for the funding of a debt service reserve fund for such Additional Bonds from the proceeds of such Additional Bonds or as otherwise provided in the Bond Resolution.

The City has also reserved the right to issue bonds, notes or other obligations secured by liens on Net Revenues that are junior and subordinate to the liens on Net Revenues securing the payment of the Series 2019 Bonds, for any lawful purpose.

Events of Default; Remedies

The registered owner of any of the Series 2019 Bonds may, by suit, action, mandamus or other proceedings at law or in equity, enforce and compel performance by the appropriate official or officials of the City of any or all acts and duties to be performed by the City under the provisions of the Act and the Bond Resolution.

Each of the following constitutes an "event of default" under the Bond Resolution:

(a) failure by the City to pay any installment of principal of any Bond at the time required;

(b) failure by the City to pay any installment of interest on any Bond at the time required;

(c) failure by the City to perform or observe any other covenant, agreement or condition on its part contained in the Bond Resolution or the Prior Bond Resolutions or in the Series 2019 Bonds or the Utility Bonds, and the continuance thereof for a period of 60 days after written notice thereof to the City by the registered owners of not less than 10% in principal amount of the then outstanding Bonds; or

(d) filing by the City of a petition seeking a composition of indebtedness under the federal bankruptcy laws, or under any other applicable federal or State law.

If there is any default in the payment of the principal of and interest on the Series 2019 Bonds, any court having jurisdiction in the proper action may, upon petition of the registered owners of a majority

in principal amount of the Series 2019 Bonds then outstanding, appoint a receiver to administer and operate the System with power to fix rates and collect charges sufficient to provide for the payment of the Series 2019 Bonds and to pay the expense of operating and maintaining the System in conformity with the provisions of the Act and of the Bond Resolution and the Prior Bond Resolutions.

Utility Bonds

The Series 2019 Bonds are being issued on parity with the Utility Bonds. At Closing, the Purchaser will be provided with a certificate of an accountant stating that the requirements of the Prior Bond Resolutions for the issuance of Additional Bonds have been satisfied.

LITIGATION

The City's General Counsel, Bordis & Danos, PLLC, Ocean Springs, Mississippi, has reviewed the status of all pending litigation against the City. While the City is involved in numerous legal proceedings, there are no pending legal proceedings which might be expected to affect the City's ability to perform its obligations to the registered owners of the Series 2019 Bonds.

MUNICIPAL ADVISOR

The City has retained Government Consultants, Inc., Madison, Mississippi, as Independent Registered Municipal Advisor (the "Municipal Advisor") in connection with the sale and issuance of the Series 2019 Bonds. In such capacity the Municipal Advisor has provided recommendations and other financial guidance to the City with respect to the preparation of documents, the preparation for the sale of the Series 2019 Bonds and of the time of the sale, tax-exempt bond market conditions and other factors related to the sale of the Series 2019 Bonds. Although the Municipal Advisor performed an active role in the drafting of this Official Statement, it has not independently verified any of the information set forth herein.

RATING

No application for a rating for the Series 2019 Bonds from a nationally recognized rating agency has been made.

RECORD OF NO DEFAULT

There is no record of any default on general obligations of the City as to payment of either principal or interest or in any other material respect at any time in at least the past 25 years. No principal or interest on any obligation of the City is currently past due.

NO BOND PROCEEDS FOR CURRENT OPERATING EXPENSES

No proceeds from the sale of securities (except tax anticipation notes issued against revenues of a current fiscal year) have been used by the City for current operating expenses at any time in at least the past ten years.

BANKRUPTCY

The City is a "Municipality" as that term is defined in Title 11 of the United States Code (the "Bankruptcy Code"). Section 109(c) of the Bankruptcy Code prescribes the conditions and circumstances under which a Municipality may file a petition for relief under the Bankruptcy Code. As a debtor, a Municipality may only file for relief pursuant to Chapter 9 of the Bankruptcy Code ("Chapter 9"). Pursuant to Section 303(a) of the Bankruptcy Code, no creditor or judgment holder of a Municipality may file a Chapter 9 petition on behalf of a Municipality.

Pursuant to Section 109(c)(2) of the Bankruptcy Code, before a municipality may file a petition under Chapter 9 of the Bankruptcy Code, a municipality must be specifically authorized by (a) state law or

(b) a governmental officer or organization empowered to authorize such a filing. Accordingly, before a Municipality in the State may file for Chapter 9 protection, it must have specific authority granted to it. Currently, there is no State statute that prescribes, authorizes or otherwise contains authorization for any Municipality to file for Chapter 9 protection, or delegates such authority to a governmental officer or organization. As such, in order for a State Municipality, including the City, to file for Chapter 9 relief, the Municipality must obtain specific authority from the State Legislature.

The State Legislature is comprised of the Senate and the House of Representatives. The Senate is composed of 52 members, and the House of Representatives consists of 122 members. Each member of each chamber is elected to a four-year term. In the State, the Legislature convenes annually on the first Tuesday after the first Monday each January. Regular sessions of the State Legislature last 90 days in all years of an administration except for the first session after a new governor has been elected, when a 125-day session is held.

In order to obtain specific authority from the State Legislature to file for relief pursuant to Chapter 9, a Municipality would have to request both houses during the annual session of the State Legislature to approve a bill authorizing the Municipality to file for relief pursuant to Chapter 9 and such bill would have to be signed into law by the Governor of the State. There is no appeal process or any other proceeding under current State law that the Municipality may pursue if such requested specific authority is not granted by the State Legislature.

PURCHASER

The Series 2019 Bonds have been sold at public sale by the City to _____ (the "Purchaser"), and the Purchaser has agreed, subject to certain conditions, to purchase the Series 2019 Bonds at a price of \$_____, plus a premium of \$_____.

VALIDATION

The Series 2019 Bonds may, in the discretion of the Governing Body, be validated before the Chancery Court of Jackson County, Mississippi, as provided by Section 31-13-1 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time.

INDEPENDENT AUDITORS

The City has not requested and will not obtain a consent letter from its auditor for the inclusion of the audit report in this Official Statement. Wright, Ward, Hatten & Guel, PLLC, the City's independent auditor (the "Auditor"), has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters incident to the authorization and issuance of the Series 2019 Bonds are subject to the approval of Butler Snow LLP, Ridgeland, Mississippi ("Bond Counsel") whose approving legal opinion will be available at the time of delivery of the Series 2019 Bonds (see APPENDIX E hereto). No representation is made to the registered owners of the Series 2019 Bonds that Bond Counsel has verified the accuracy, completeness or fairness of the statements in this Official Statement and Bond Counsel assumes no responsibility to the registered owners of the Series 2019 Bonds except for the matters set forth in such legal opinion. Certain legal matters will be passed upon for the City by its counsel, Mayo Mallette, PLLC, Gautier, Mississippi.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of the owners of the Series 2019 Bonds to provide certain financial information and operating data relating to the City within twelve months after the end of each Fiscal Year of the City beginning with the Fiscal Year ending on September 30, 2020 (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, in certain cases if

deemed material under federal laws. The Annual Report and notices of material events will be filed by the City with (a) the Municipal Securities Rulemaking Board (the "MSRB") through MSRB's Electronic Municipal Market Assess system at <http://emma.msrb.org> ("EMMA") in the electronic format then prescribed by the Securities and Exchange Commission (the "SEC") pursuant to SEC Rule 15c2-12(b)(5) (the "Rule,"), and with (b) any public or private repository or entity designated by a state as a State Repository, if any, for the purposes of the Rule. This information will be made available free to securities brokers and the general public through EMMA. For the procedures for all filings and notices due to the MSRB, instructions will be provided on the following website for MSRB: <http://emma.msrb.org>. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized in APPENDIX F to this Official Statement. These covenants have been made in order to assist the Underwriter in complying with the Rule.

There have been instances in each of the past five years that the City has failed to file certain annual financial information and operating data as required by its prior continuing disclosure undertakings. In addition, there have been instances in which some tables included in its prior continuing disclosure undertakings were not included in every filing on EMMA. The City filed certain information required under its continuing disclosure undertakings, including notice of failure to file certain information required under its continuing disclosure undertakings for its prior debt subject to the Rule. Said failure to file and material event notices can be found on EMMA. The City has adopted policies and procedures to ensure timely filing of its annual financial information (the "Policy"). In accordance with the Policy, the City has hired a dissemination agent to file the City's required annual report. The City has also adjusted the timing of its reporting deadline on future issues to 12 months to ensure timely filing.

TAX MATTERS

General

In the opinion of Butler Snow LLP, Ridgeland, Mississippi ("Bond Counsel"), under existing laws, regulations, rulings and judicial decisions, interest on the Series 2019 Bonds (including any original issue discount properly allocable to the owner of a Series 2019 Bond) is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinion described above assumes the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Internal Revenue Code of 1986, as amended and supplemented (the "Code") that must be met subsequent to the issuance of the Series 2019 Bonds. Failure to comply with such requirements could cause interest on the Series 2019 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2019 Bonds. The City has covenanted in the Bond Resolution and certain certificates to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2019 Bonds.

In the opinion of Bond Counsel, interest on the Series 2019 Bonds is exempt from all income taxation in the State of Mississippi under existing laws, regulations, rulings and judicial decisions. The opinion addresses only the exemption of interest on the Series 2019 Bonds under the income tax laws of the State of Mississippi and does not address the tax treatment of the Series 2019 Bonds in any other state or jurisdiction.

Although Bond Counsel has rendered an opinion that interest on the Series 2019 Bonds is excludable from federal gross income and that the Series 2019 Bonds are exempt from all State of Mississippi income tax, the accrual or receipt of interest on the Series 2019 Bonds may otherwise affect a bondholder's federal income tax, Mississippi or other state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Series 2019 Bonds. Bond Counsel expresses no opinion regarding any other such federal or state tax consequences.

Prospective purchasers of the Series 2019 Bonds should consult their own tax advisors with regard to the other tax consequences of owning the Series 2019 Bonds.

The Series 2019 Bonds are **NOT** being issued as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended and supplemented from time to time.

Original Issue Premium Bonds

The Series 2019 Bonds that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Premium Bonds"), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Original Issue Discount Bonds

The Series 2019 Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Discount Bonds"), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Bond or is otherwise required to be recognized in gross income is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued or otherwise recognized original issue discount will be treated as federally tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date, with respect to when such original issue discount must be recognized as an item of gross income and with respect to the state and local tax

consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such Discount Bonds for a price that is higher or lower than the "adjusted issue price" of the Discount Bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on federally tax-exempt obligations such as the Series 2019 Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Series 2019 Bonds that fail to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2019 Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling federally tax-exempt obligations.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX MATTERS" or adversely affect the market value of the Series 2019 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2019 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2019 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2019 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2019 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE SERIES 2019 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2019 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2019 BONDS.

DOCUMENTS ACCOMPANYING DELIVERY OF THE SERIES 2019 BONDS

Absence of Litigation

Upon delivery of the Series 2019 Bonds, the City shall furnish the certificate of the Mayor of the City, dated the date of delivery of the Series 2019 Bonds, to the effect that there is no pending litigation now of record in any court nor is there any litigation, to his knowledge, threatened or contemplated, affecting in any manner either directly or indirectly:

1. the Series 2019 Bonds;
2. the issuance, delivery, and validity of said Series 2019 Bonds;
3. the provision of funds to pay the interest thereon and principal thereof when such payments shall become due;
4. the proceedings and authority under which provision of funds is made;

5. the members of the Governing Body or their right to their respective offices at the time of the issuance, execution and delivery of said Series 2019 Bonds;
6. the tax-exempt status of the Series 2019 Bonds; or
7. the existence or powers of the City or the Governing Body.

Legal Matters

In addition to the approving legal opinion relating to the Series 2019 Bonds, the Purchaser will receive the opinion, dated the date of delivery of the Series 2019 Bonds, of Bond Counsel to the effect that, although it is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of the statements in this Official Statement, makes no representation that it has independently verified such statements and has necessarily assumed the fairness, accuracy and completeness thereof, on the basis of its participation in the preparation of portions of this Official Statement and in connection with the rendering of its opinion as to the validity of the Series 2019 Bonds, nothing has come to its attention that would give it reason to believe that the Official Statement (except for the financial and statistical data included herein, as to which no view need be expressed) contains any untrue statement of a material fact or omits to state any material fact that is required to be stated herein or necessary to make the statements contained herein, in light of circumstances under which they are made, not misleading.

Certificates

The Purchaser shall also receive a certificate, dated the date of the delivery of the Series 2019 Bonds, signed by the Mayor of the City and the Clerk of the City, certifying that, on the date of the execution of the certificate, they are duly chosen, qualified, and acting officers of the City occupying the offices indicated opposite their names. Further, the Mayor of the City and the Clerk of the City will certify that they have executed the Series 2019 Bonds by causing their signatures to be affixed to each Series 2019 Bond, and they do thereby recognize the said facsimile signatures as their true and lawful signatures, and they will further certify that the seal impressed upon each of said Series 2019 Bonds and on such certificate is the official seal of the City.

The Purchaser shall also receive a certificate, dated the date of delivery of the Series 2019 Bonds, signed by the Mayor of the City and the Clerk of the City certifying that this Official Statement, with respect to the Series 2019 Bonds, as of the date of this Official Statement, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they are made, not misleading. In providing such certificate, the Mayor of the City and the Clerk of the City will state that they have not undertaken to independently verify information obtained or derived from the various State or federal government publications or other sources as presented herein.

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of the statements will be realized.

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Series 2019 Bonds, the security for the payment of the Series 2019 Bonds and the rights and obligations of the registered owners thereof.

The information contained in this Official Statement has been taken from sources considered reliable but is not guaranteed. To the best of the City's knowledge, information in this Official Statement does not include any untrue statement of material fact nor does the information omit the statement of any

material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

References herein to the Act and the Resolution are only summaries, excerpts or brief outlines of certain provisions thereof and do not purport to summarize or describe all provisions thereof. Additional information may be obtained upon request from the office of the Clerk of the City, City Hall, 3330 Highway 90, Gautier, Mississippi 39553, attention: Cindy Russell; telephone: (228) 497-8000 and Government Consultants, Inc., 116 Village Boulevard, Madison, Mississippi 39110, telephone: (601) 982-0005.

The execution of this Official Statement has been duly authorized by the Mayor and City Council of the City of Gautier, Mississippi.

CITY OF GAUTIER, MISSISSIPPI

By _____
Phil Torjusen, Mayor

APPENDIX A
NOTICE OF BOND SALE

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NOTICE OF BOND SALE

\$6,000,000
CITY OF GAUTIER, MISSISSIPPI
COMBINED UTILITY SYSTEM REVENUE BONDS,
SERIES 2019

NOTICE IS HEREBY GIVEN that the Mayor and City Council (the "Governing Body") of the City of Gautier, Mississippi (the "City") will receive sealed bids in the Office of the City Clerk in the City Hall of the City located at 3330 Highway 90 in the City until the hour of 4:30 p.m. on December 3, 2019, at which time said bids will be publicly opened by the City Clerk and read for the purchase at not less than par plus accrued interest, if any, to the date of delivery of \$6,000,000 aggregate principal amount City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2019 (the "Bonds"). Award of the sale of the Bonds will be made by the Governing Body at their meeting to be held at 6:30 p.m. on said date.

THE BONDS: The Bonds will be dated the date of delivery thereof; will be delivered in definitive form as registered Bonds; will be in the denominations of \$5,000 or any integral multiple thereof; will be numbered from one upward in the order of issuance; will be payable as to principal at a bank or banks to be designated by the City to serve as paying and transfer agent for the Bonds; and will bear interest, payable semiannually on June 1 and December 1 of each year, commencing December 1, 2020, at the rate or rates of interest specified in the bid submitted by the successful bidder in accordance with this Notice of Bond Sale.

The Bonds will be issued in registered, book-entry-only form and all bidders for the Bonds must be participants of The Depository Trust Company, New York, New York ("DTC"), or affiliated with its participants. The Bond certificates will be deposited with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and for the transfer of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of the individual purchasers. Individual purchases may be made in the principal amount of \$5,000 or any multiple thereof through book entries made on the books and records of DTC and its participants. Unless the book-entry-only system is discontinued, Bond principal and interest payments will be made by the City to DTC through the Paying and Transfer Agent. DTC will then be responsible for distributing such payments to DTC participants for subsequent remittance to the owners of beneficial interests in the Bonds. Payment of principal and interest on the Bonds to DTC is the responsibility of the City, disbursement of such payments to DTC participants shall be the responsibility of DTC, and disbursements of such payments to the owners of beneficial interests shall be the responsibility of DTC participants and not the responsibility of the City. The City will have no responsibility or obligation to DTC participants or owners of beneficial interests in the Bonds, with respect to the payment by DTC or any DTC participants, of the principal of or interest on the Bonds or the providing of notice to DTC participants or owners of beneficial interests in the Bonds or with respect to: (a) the accuracy of any records maintained by DTC or any DTC participant; or (b) any consent given or other action taken by DTC as owner of the Bonds.

MATURITIES: The Bonds will mature on December 1 in the years and in the principal amounts shown below:

Year	Principal Amount	Year	Principal Amount
2020	\$205,000	2030	\$300,000
2021	215,000	2031	310,000
2022	220,000	2032	320,000
2023	230,000	2033	335,000
2024	240,000	2034	345,000
2025	250,000	2035	360,000
2026	260,000	2036	375,000
2027	265,000	2037	385,000
2028	280,000	2038	400,000
2029	290,000	2039	415,000

REDEMPTION: The Bonds maturing December 1, 2030 and thereafter will be subject to redemption prior to their respective maturities, at the option of the City, on and after December 1, 2029, either in whole or in part on any date, as selected by the City among maturities, and by lot within each maturity, at the principal amount thereof, together with accrued interest to the date fixed for redemption and without premium.

AUTHORITY AND SECURITY: The Bonds will be issued pursuant to the provisions of Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the "Act"). The Bonds are to be secured by a lien on and payable from the revenues derived and to be derived from the operation of the combined waterworks, water supply, sewerage, and sewer disposal facilities of the City (the "System") after payment of the reasonable and necessary expense of operating and maintaining the System and the debt service on any State Revolving Fund Loans existing on the date of issuance of the Bonds (the "Net Revenues") and other security pledged for the Bonds. The Bonds are not general obligations of the City and the full faith, credit and taxing power of the City are not being pledged to the payment of the Bonds or interest thereon. The Bonds are being issued on parity with the City's \$3,500,000 Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, securing the \$3,500,000 Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, and the City's \$4,000,000 Combined Utility System Revenue Bonds, Series 2018, dated June 1, 2018 (together, the "Prior Obligations").

The resolution under which the Bonds are being issued allows under certain circumstances for Additional Bonds to be issued by the City on parity with the Bonds and the Prior Obligations and secured by a parity lien on such Net Revenues and such Additional Bonds would be payable ratably from such Net Revenues along with the Bonds and the Prior Obligations.

PURPOSE: The Bonds are being issued to provide funds for the purpose of the improvement, repair, and extension of the System, and to pay the costs of the sale and issuance of the Bonds.

FORM OF BIDS: Bids should be addressed to the Governing Body and should be plainly marked "Bid for Combined Utility System Revenue Bonds, Series 2019, of the City of Gautier, Mississippi," and should be filed with the City Clerk on or prior to the date and hour hereinabove named. All bids should be submitted on the form prepared by the City, copies of which may be obtained from the City Clerk at City Hall, 3330 Highway 90, Gautier, Mississippi 39553.

INTEREST RATE AND BID RESTRICTIONS: The Bonds shall be sold at par plus accrued interest and shall not bear a greater overall maximum interest rate to maturity than thirteen percent (13%) per annum, nor shall the interest rate for any one maturity exceed thirteen percent (13%) per annum. No Bond shall bear more than one (1) rate of interest; each Bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bid; all Bonds of the same maturity shall bear the same rate of interest from date to maturity; and the lowest interest rate specified shall not be less than seventy percent (70%) of the highest interest rate specified. Each interest rate specified in any bid must be a

multiple of one-eighth of one percent (1/8 of 1%) or one-tenth of one percent (1/10 of 1%) and a zero rate of interest cannot be named. All bids must comply fully with the terms and provisions of the Act.

GOOD FAITH DEPOSIT: Each bid must be accompanied by a cashier's check, certified check, or exchange, issued or certified by a bank located in the State of Mississippi, payable to the City of Gautier, Mississippi, in the amount of One Hundred Twenty Thousand Dollars (\$120,000.00) as a guaranty that the bidder will carry out its contract and purchase the Bonds if its bid is accepted. All checks of unsuccessful bidders will be returned immediately on award of the Bonds. If the successful bidder fails to purchase the Bonds pursuant to its bid and contract, then the amount of such good faith check shall be retained by the City as liquidated damages for such failure. No interest will be allowed on the amount of the good faith deposit.

BIDDER'S OPTION BOND INSURANCE: The City has applied for bidder's option bond insurance. Bidders should directly contact the City's municipal advisor, Government Consultants, Inc., 116 Village Boulevard, Madison Mississippi 39110, telephone: (601)982-0005, attention: Mr. Steve Pittman, for further information prior to the sale date.

AWARD OF BONDS: The award, if any, will be made to the bidder complying with the terms of sale and offering to purchase the Bonds at the lowest net interest cost to the City, which shall be determined by computing the aggregate interest on the Bonds over the life of the issue at the rate or rates of interest specified by the bidder, less premium offered, if any. It is requested that each bid be accompanied by a statement of the net interest cost (computed to six decimal places), but such statement will not be considered a part of the bid. All bids shall remain firm for three (3) hours after the time specified for the opening of bids, and an award of the Bonds, or rejection of bids, will be made by the Governing Body within said period of time.

RIGHT OF REJECTION, CANCELLATION: The Governing Body reserves the right to reject any or all bids submitted, as well as to waive any irregularity or informality in any bid. The successful bidder shall have the right, at its option, to cancel its agreement to purchase the Bonds if the Bonds are not tendered for delivery within sixty (60) days from the date of sale thereof, and in such event the Governing Body shall return to said bidder its good faith deposit. The Governing Body shall have the right, at its option, to cancel its agreement to sell the Bonds if within five (5) days after the tender of the Bonds for delivery the successful bidder shall not have accepted delivery of and paid for the Bonds, and in such event the Governing Body shall retain the successful bidder's good faith deposit as liquidated damages as hereinabove provided.

PAYING AGENT, TRANSFER AGENT, AND REGISTRAR: The Governing Body will designate a bank or banks in the State of Mississippi to serve as paying agent, transfer agent and registrar (the "Paying and Transfer Agent") for the Bonds. The Paying and Transfer Agent shall be subject to change by order of the Governing Body under the conditions and in the manner provided in the resolution under which the Bonds are issued. Both principal of and interest on the Bonds will be payable by check or draft mailed to registered owners of the Bonds as of the 15th day of the month preceding the maturity date for such principal or interest payment at the addresses appearing in the registration records of the City maintained by the Paying and Transfer Agent. The Bonds will be transferable only upon the records of the Paying and Transfer Agent, and the payment of principal at maturity shall be conditioned on the proper presentation and surrender of the Bonds to the Paying and Transfer Agent.

PRELIMINARY OFFICIAL STATEMENT: Bidders must acknowledge in their respective bids that they have received and reviewed the City's preliminary official statement related to the issuance of the Bonds (the "Preliminary Official Statement"). The City deems the Preliminary Official Statement to be "final" as described in SEC Rule 15c2-12(b)(1) for the purposes of such Rule. Upon award of the Bonds to the successful bidder, the City will prepare a final official statement in connection with the Bonds (the "Official Statement") in substantially the form of the Preliminary Official Statement, subject to minor amendments and supplementations. A reasonably sufficient number of Official Statements will be made available to the successful bidder at the expense of the City within seven (7) business days of the award of the Bonds to such bidder. Copies of the Preliminary Official Statement may be obtained from Ms.

Cindy Russell, City Clerk, City of Gautier, 3330 Highway 90, Gautier, Mississippi 39553 telephone: (228)497-8000, or the City's municipal advisor, Government Consultants, Inc., 116 Village Boulevard, Madison Mississippi 39110, telephone: (601)982-0005, attention: Mr. Steve Pittman.

The successful bidder must file the Official Statement with a nationally recognized municipal securities information repository (a "Repository") at the earliest practicable date after the date of delivery of the Bonds as required by SEC Rule 15c2-12 and must notify the City of the date which is the "end of the underwriting period" within the meaning of such SEC Rule 15c2-12.

In order to assist bidders in complying with SEC Rule 15c2-12(b)(5), the City, pursuant to a resolution of the Governing Body and a continuing disclosure certificate, will agree to provide annual reports and notices of certain events. A summary of the City's procedures with regard to continuing disclosure is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

SUCCESSFUL BIDDERS: The successful bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at the closing for the Bonds an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, in a form reasonably required by the City and Bond Counsel.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

(a) the City shall disseminate this Notice of Bond Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(b) all bidders shall have an equal opportunity to bid;

(c) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(d) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Bond Sale.

Any bid submitted pursuant to this Notice of Bond Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. The City shall treat the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The City will not require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall

continue, whether or not the closing of the Bonds has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Bond Sale. Further, for purposes of this Notice of Bond Sale:

(a) "public" means any person other than an underwriter or a related party,

(b) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(c) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(d) "sale date" means the date that the Bonds are awarded by the City to the winning bidder.

DELIVERY: The successful bidder must designate within five (5) days of the date of sale, or at such other later date as may be designated by the Governing Body, the names and addresses of the registered owners of the Bonds and the denominations in which the Bonds of each maturity are to be issued. If the successful bidder fails to submit such information within the required time, one Bond may be issued for each maturity in the full amount maturing on that date registered in the name of the successful bidder. The Bonds will be delivered at a place to be designated by the purchaser and without cost to the purchaser, and payment therefor shall be made in immediately available funds.

CUSIP NUMBER: It is anticipated that CUSIP identification numbers will be secured and printed on the Bonds, but neither the failure to secure or print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with its agreement to purchase the Bonds. All expenses in relation

to the printing of CUSIP numbers on the Bonds shall be paid for by the City; provided, however, that the CUSIP Global Services charge for the assignment of said numbers shall be paid for by the successful bidder.

LEGAL OPINION; CLOSING DOCUMENTS, ETC.: In the opinion of Butler Snow LLP ("Bond Counsel"), assuming compliance by the City with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Bonds is excludable from gross income for federal income tax purposes. Interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel will express no other opinion regarding other federal tax consequences resulting from the ownership, receipt or accrual of interest on or disposition of the Bonds. In addition, Bond Counsel is further of the opinion that under and pursuant to the Act, the Bonds and interest thereon are exempt from income taxation in the State of Mississippi.

The Bonds are **NOT** being issued as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended and supplemented from time to time.

The final approving opinion of Bond Counsel, relating to the validity and tax exemption of the Bonds, together with a non-litigation certificate of the City dated the date of delivery of the Bonds, and a transcript of the proceedings relating to the Bonds will be delivered to the successful bidder without charge

FURTHER INFORMATION: Further information with respect to the Bonds may be obtained from Ms. Cindy Russell, City Clerk, City of Gautier, 3330 Highway 90, Gautier, Mississippi 39553 telephone: (228)497-8000, or the City's municipal advisor, Government Consultants, Inc., 116 Village Boulevard, Madison Mississippi 39110, telephone: (601)982-0005, attention: Mr. Steve Pittman.

DATED: November 5, 2019

CITY OF GAUTIER, MISSISSIPPI

By /s/Cindy Russell
City Clerk

APPENDIX B

ECONOMIC AND DEMOGRAPHIC INFORMATION OF THE CITY

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THE CITY

General Description

The City of Gautier, Mississippi (the "City") owes its moniker to Fernando Upton Gautier, who in 1867 established Fernando Gautier & Sons Sawmill on the west side of the Pascagoula River. From the sawmill, the area, which is located in Jackson County, Mississippi (the "County") and abuts the Mississippi Gulf Coast waterfront, grew into a town. The City was incorporated in 1986. The City is approximately 105 miles east of New Orleans, Louisiana, approximately 17 miles east of Biloxi, Mississippi, and approximately 182 miles south of Jackson, Mississippi, the capitol of the State of Mississippi (the "State").

Population

City and State population figures have been recorded as follows:

	1990	2000	2010	2018 Estimate
City	10,130	11,681	18,572	18,566
State	2,573,216	2,844,658	2,967,297	2,986,530

SOURCE: Census Data information at website: www.census.gov; November 2019.

Government

The City operates under a council-manager form of government. The City's governing authority is comprised of the Mayor and a six-member City Council (the "Council"), with five members of the Council being elected from designated wards or precincts, and the Mayor and one member of the Council being elected at large. The current Mayor and members of the Council, elected for concurrent four-year terms expiring on July 1, 2021, are as follows:

Name	Occupation	Position Held Since
Phil Torjusen	Mayor	July, 2017
Mary Martin	Councilwoman At-Large	November, 2010
Cameron B. George	Councilman	July, 2017
Richard "DJ" Jackson	Councilman	July, 2017
Casey Vaughan	Councilman	July, 2013
Rusty Anderson	Councilman	July, 2013
Adam Colledge	Councilman	July, 2009

SOURCE: Office of the City Clerk; November 2019.

Major Employers

The following is a listing of the County's major employers, their products or services and their approximate number of employees:

Employer	Employees	Product/Service
Huntington Ingalls	12,250	Naval Shipbuilding
Chevron Pascagoula Refinery	1,600 Full-time and 2,000+ Contract-workers	Petroleum Refinery
Singing River Health System	2,300	Healthcare
VT Halter Marine, Inc.	1,700	Ship Manufacturing
Pascagoula-Gautier Public School District	1,302	Education
Jackson County Public School District	1,200	Education
Jackson County, MS	775	Government
Ocean Springs School District	750	Education
Wal-Mart Supercenter in Pascagoula	450	Retail
Wal-Mart Supercenter in Ocean Springs	450	Retail
SUPSHIP, Conversion & Repair	400	Government
Descher Organization (McDonald's)	400	Fast Food Restaurants
Moss Point School District	369	Education
MS Power Company	280	Utility
City of Pascagoula	275	Government
City of Ocean Springs	211	Government
USM Gulf Coast Research Lab	206	Marine Science Research
City of Gautier	200	Government
City of Moss Point	195	Government
MS Gulf Coast Community College	190	Higher Education

SOURCE: Jackson County Economic Development Foundation; information updated March 2019. This is the information available as of October 31, 2019.

Per Capita Income

Year	County	Mississippi	United States	County as % Of U.S.
2017	\$36,449	\$36,636	\$51,640	71%
2016	35,890	35,812	49,831	72
2015	35,429	35,137	48,940	72
2014	34,905	34,633	47,025	74
2013	34,494	33,851	44,826	77

¹ Per capita personal income was computed using Census Bureau midyear population estimates. Estimates for 2013-2017 reflect county population estimates available as of October 31, 2019; last updated November 15, 2018.

SOURCE: Bureau of Economic Analysis: Regional Economic Accounts at website: www.bea.gov, 2013-2017; October 2019.

County Employment Statistics

	2014	2015	2016	2017	2018
Residence Based Employment					
Civilian Labor Force	59,200	59,040	59,190	58,920	58,730
Unemployed	4,710	4,140	3,880	3,480	3,250
Unemployment Rate	8.0	7.0	6.6	5.9	5.5
Employed	54,490	54,900	55,310	55,440	55,480
Establishment Based Employment					
Manufacturing	14,590	14,390	14,440	14,050	13,530
Non-manufacturing (Total)	37,800	37,928	37,580	36,910	37,570
Agriculture, Forestry, Fishing, Hunting	30	40	50	40	200
Mining	60	50	40	30	20
Utilities	470	520	470	500	510
Construction	4,470	4,450	3,980	3,310	3,560
Wholesale Trade	540	570	540	500	510
Retail Trade	4,710	4,790	4,910	4,960	4,880
Transportation & Warehousing	720	560	540	490	500
Information	610	630	570	540	480
Finance & Insurance	1,060	1,080	1,090	1,090	1,080
Real Estate, Rental & Leasing	400	420	480	480	460
Professional, Scientific & Technical Services	1,680	1,780	1,810	1,850	1,960
Management of Companies & Entertainment	460	470	380	350	320
Administrative Support & Waste Management	3,100	2,600	2,160	2,140	2,050
Educational Services	130	150	180	170	190
Health Care & Social Assistance	3,280	3,420	3,590	3,640	3,660
Arts, Entertainment & Recreation	0	0	0	0	0
Accommodation & Food Services	4,450	4,660	4,950	5,050	5,110
Other Services (except Public Administration)	1,740	1,760	1,730	1,720	1,820
Government	9,890	9,970	10,110	10,050	10,260
Education	3,800	3,810	3,850	3,870	3,910
Total Nonagricultural Employment	52,390	52,310	52,020	50,960	51,100

SOURCE: Annual Labor Force, Labor Market Information Department, Mississippi Employment Security Commission, Annual Averages 2011 forward, last revision May 8, 2019. Note: This represents the most current information available as of October 31, 2019.

County Unemployment Statistics

Year	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Annual Average
2013	10.5	9.4	9.0	8.5	9.1	9.5	9.0	8.2	8.4	8.5	8.2	8.2	8.9
2014	8.9	8.4	8.1	7.6	8.2	8.6	8.4	7.8	7.5	7.3	7.3	7.4	8.0
2015	7.9	7.2	6.8	6.6	7.4	7.8	7.4	6.6	6.6	6.5	6.6	6.8	7.0
2016	7.1	6.8	6.5	6.3	6.8	7.5	6.9	6.4	6.3	6.1	5.9	6.2	6.6
2017	6.9	6.4	5.9	5.4	6.0	6.6	6.3	5.7	5.5	5.3	5.3	5.6	5.9
2018	6.1	5.8	5.4	4.9	5.4	6.5	5.9	5.5	5.2	5.0	5.0	5.6	5.5
2019	6.0	5.5	5.4	5.3	5.4	6.4	6.5	6.2	6.1	--	--	--	--

SOURCE: *Annual Labor Force Report*, Labor Market Information Department, Mississippi Employment Security Commission. Note: This represents the most current information available as of October 31, 2019.

Retail Sales

State Fiscal Year Ended June 30	Gautier
2018	\$175,550,377
2017	174,079,615
2016	175,930,251
2015	167,817,984
2014	166,943,639

SOURCE: *Annual Report* for each year shown, Mississippi Department of Revenue; Information available as of October 31, 2019.

Educational Facilities

The Pascagoula-Gautier School District (the "District") currently consists of the entire City of Gautier, most of the City of Pascagoula and certain outlying areas in Jackson County not located in the city limits of the City of Gautier and the City of Pascagoula. The District currently operates 19 schools - ten elementary schools (K-5), two middle schools (6-8), two sixth grade academies, two high schools (9-12), and three specialty schools. Currently the District employs a total of approximately 1,300 people, with approximately 650 of those being certified teachers.

Enrollment figures for the District's current scholastic year and the previous four years are as follows:

Scholastic Year	Enrollment
2018-19	6,866
2017-18	7,054
2016-17	7,256
2015-16	7,227
2014-15	7,129

SOURCE: Pascagoula-Gautier School District and Office of Research and Statistics, Mississippi Department of Education; Information available as of October 31, 2019.

Employee Benefits; Impact of GASB-68

The City has no pension plan or retirement plan for its employees. City employees are members of and contribute to the Mississippi Public Employees' Retirement System (PERS), a cost-sharing, multiple employer retirement system administered by the State for the benefit of its local governments and State personnel. Benefit provisions are established by State statute and may be amended from time to time only by the State Legislature.

In June 2012, the Government Accounting Standards Board issued Statement No. 68, Accounting and Financial Reporting for Pensions ("GASB-68"). The objective of GASB-68 is to improve accounting and financial reporting of government pensions. Also, GASB-68 improves information provided by government employers about financial support for pensions that is provided by other entities. Requirements of GASB-68 are effective for financial statements whose fiscal year begins after June 15, 2014 (Fiscal Year 2015 for the City).

Employer contribution rates are set by State statute. The percentage that an employer is required to contribute was increased from 14.26% to 15.75% effective July 1, 2013. The adequacy of these rates is assessed annually by actuarial valuation. As a result of the implementation of GASB-68 and based on the actuarial report of Cavanaugh McDonald Consulting, LLC for Fiscal Year 2018, the total unfunded actuarial accrued liability attributable to the City is \$11,643,082, based upon the City's percentage of total employer contributions to PERS. See page 37 of the City's Fiscal Year 2018 Audited Financial Statement.

TAX INFORMATION

Assessed Valuation¹

Assessment Year	Real Property	Personal Property ²	Public Utility Property	Total
2019	\$89,128,642	\$25,629,526	\$8,586,605	\$123,344,773
2018	88,976,976	24,760,086	7,612,361	121,349,423
2017	88,910,357	24,142,590	7,518,392	120,571,339
2016	88,951,909	22,960,414	7,448,723	119,361,046
2015	84,931,947 ³	22,026,196	8,377,308	115,335,451

¹ The total assessed valuation is approved in September preceding the fiscal year of the City and represents the value of real property, personal property and public utility property for the year indicated on which taxes are assessed for the following fiscal year's budget. For example, the taxes for the assessed valuation figures for 2019 are collected starting in February 2020 for the 2019-20 fiscal year budget of the City.

² Personal Property includes mobile homes and automobiles.

³ Decrease in real property assessed value due to the demolition of commercial property during the 2015 tax year, and subsequent adjustments to the tax rolls.

SOURCE: Jackson County Tax Assessor; November 2019.

Assessed valuations are based upon the following assessment ratios:

- (a) Real and personal property (excluding single-family owner-occupied residential real property and motor vehicles, respectively), fifteen percent (15%) of true value;
- (b) Single-family owner-occupied residential real property, ten percent (10%) of true value;
- (c) Motor vehicles and public utility property, thirty percent (30%) of true value.

The 1986 Session of the Mississippi Legislature adopted House Concurrent Resolution No. 41 (the "Resolution"), pursuant to which there was proposed an amendment to the Mississippi Constitution of 1890 (the "Amendment"). The Amendment provided, *inter alia*, that the assessment ratio of any one class of property shall not be more than three times the assessment ratio on any other class of property.

The Amendment set forth five classes of property and the assessment ratios which would be applicable thereto upon the adoption of the Amendment. The assessment ratios set forth in the Amendment are identical to those established by Section 27-35-4, Mississippi Code of 1972, as it existed prior to the Amendment, except that the assessment ratio for single-family, owner-occupied residential real property under the Amendment is set at ten percent (10%) of true value as opposed to fifteen percent (15%) of true value under previously existing law.

Procedure for Property Assessments

The Tax Assessor of Jackson County assesses all real and personal property subject to taxation in the County, including property in the City, except motor vehicles and property owned by public service corporations, both of which are required by law to be assessed by the Mississippi Department of Revenue.

Section 21-33-9, Mississippi Code of 1972, as amended, provides that the governing authorities of a municipality which is located within a county having completed a county-wide reappraisal approved by the Mississippi Department of Revenue and which has been furnished a true copy of that part of the county assessment roll containing the property located within a municipality as provided in Section 27-35-167, Mississippi Code of 1972, as amended, shall adopt such assessment rolls for its assessment purposes. The City is utilizing the assessment rolls of the County.

The City may not correct or revise such assessment rolls except for the purpose of conforming the municipal assessment roll to corrections or revisions made to the County assessment roll. All objections to the municipal assessment roll may be heard by the Board of Supervisors of the County at the time and in the manner that objections to the County assessment roll are heard. The Board of Supervisors shall notify, in writing, the Governing Body and the Tax Assessor of the City of any corrections or revisions made by it to the part of the County assessment roll adopted as the municipal assessment roll.

Tax Levy per \$1,000 Valuation¹

	2019-20	2018-19	2017-18	2016-17	2015-16
General Purposes	33.89 ²	33.89 ²	30.09	26.79	26.79
Debt Service	8.11	8.11	8.11	8.11	8.11
Library	1.00	1.00	1.00	1.00	1.00
Public Safety	0.00	0.00	1.80	1.80	1.80
Total Levy	43.00	43.00	41.00	37.70	37.70

¹ Tax levy figures are given in mills.

² 2.8 mills is dedicated to public safety.

SOURCE: Office of the City Clerk; November 2019.

Ad Valorem Tax Collections of the City¹

Fiscal Year Ended September 30	Amount Budgeted	Amount Collected	Difference Over/(Under)
2019	\$4,876,474	\$5,002,975	\$126,501
2018	4,639,851	4,720,891	81,040
2017	4,217,327	4,327,480	110,153
2016	4,107,909	4,113,896	5,987
2015	4,322,574	4,263,480	(59,094)

¹ Does not include school taxes.

SOURCE: Office of the City Clerk; November 2019.

Procedure for Tax Collections

The Governing Body is required to levy a special tax upon all of the taxable property within the geographical limits of the City each year sufficient to provide for the payment of the principal of and interest on the City's general obligation bonds. If any taxpayer neglects or refuses to pay his taxes on the due date thereof, the unpaid taxes bear interest at the rate of one percent (1%) per month or fractional part thereof from the delinquent date to the date of payment of such taxes. When enforcement officers take action to collect delinquent taxes, other fees, penalties and costs may accrue. Both real property and personal property are subject to public tax sale.

Section 21-33-63, Mississippi Code of 1972, as may be amended from time to time, and related statutes provide that after the fifteenth day of February and after the fifteenth day of August in each year, the tax collector for each municipality shall advertise all lands in such municipality on which all the taxes due and in arrears have not been paid, as well as all land liable for sale on the first Monday of April or the third Monday of September following, as the case may be.

Reappraisal of Property and Limitation on Ad Valorem Levies

Senate Bill No. 2672, General Laws of Mississippi, Regular Session 1980, codified in part as Sections 27-35-49 and 27-35-50, Mississippi Code of 1972 (the "Reappraisal Act"), provides that all real and personal property in the State shall be appraised at true value and assessed in proportion to true value. To ensure that property taxes do not increase dramatically as the counties complete reappraisals, the Reappraisal Act provides for the limit on increase in tax revenues discussed below.

The statute limits ad valorem tax levies by the City subsequent to October 1, 1980, to a rate which will result in an increase in total receipts of not greater than ten percent (10%) over the previous year's receipts, excluding revenue from ad valorem taxes on any newly constructed properties, any existing properties added to the tax rolls or any properties previously exempt which were not assessed in the next preceding year. This limitation does not apply to levies for the payment of the principal of and the interest on general obligation bonds issued by the City or to certain other specified levies. The limitation may be increased only if the proposed increase is approved by a majority of those voting in an election held on such question.

On August 20, 1980, the Mississippi Supreme Court rendered its decision in *State Tax Commission v. Fondren*, 387 So.2d 712, affirming the decree of the Chancery Court of the First Judicial District of Hinds County, Mississippi, wherein the Mississippi Department of Revenue (formerly the State Tax Commission) was enjoined from accepting and approving assessment rolls from any county in the

State for the tax year 1983 unless the Mississippi Department of Revenue equalized the assessment rolls of all of the counties. Due to the intervening passage of the Reappraisal Act, the Supreme Court reversed that part of the lower court's decree ordering the assessment of property at true value (although it must still be appraised at true value), holding instead that assessed value may be expressed as a percentage of true value. Pursuant to the Supreme Court modification of the Chancellor's decree, on November 15, 1980, the Mississippi Department of Revenue filed a master plan to assist counties in determining true value. On February 7, 1983, the Chancery Court granted an extension until July 1, 1984, of its previous deadline past which the Mississippi Department of Revenue could not accept and approve tax rolls from counties which had not yet reappraised. The City has completed reappraisal.

Homestead Exemption

The Mississippi Homestead Exemption Law of 1946 reduces the local tax burden on homes qualifying by law and substitutes revenues from other sources of taxation on the State level as a reimbursement to the local taxing units for such tax loss. Provisions of the homestead exemption law determine qualification, define ownership and limit the amount of property that may come within the exemption. The exemption is not applicable to taxes levied for the payment of the Bonds, except as hereinafter noted.

Those homeowners who qualify for the homestead exemption and who have reached the age of sixty-five (65) years on or before January 1 of the year for which the exemption is claimed, service-connected, totally disabled American veterans who were honorably discharged from military service and those qualified as disabled under the federal Social Security Act are exempt from any and all ad valorem taxes on qualifying homesteads not in excess of \$7,500 of assessed value thereof.

The tax loss resulting to local taxing units from properly qualified homestead exemptions is reimbursed by the Mississippi Department of Revenue. Beginning with the 1984 supplemental ad valorem tax roll and for each roll thereafter, no taxing unit shall be reimbursed an amount in excess of one hundred six percent (106%) of the total net reimbursement made to such taxing unit in the next year.

Largest Taxpayers

The ten largest taxpayers in the City of Gautier for assessment year 2018 are as follows:

Taxpayer	Assessed Valuation	Taxes Collected
Singing River EPA	\$7,527,872	\$323,699
Lowe's Home Centers, Inc #2700	1,670,928	245,291
Bienville Medical	1,443,345	220,816
KLP Toulon Apartments, LP	1,829,764	252,191
Reserve of Gautier, LLC	758,262	111,312
Ocean Estates II, LLC	716,096	105,122
Villas of Hickory Hills, Inc.	691,475	101,508
Belk	505,978	74,276
Jerry Lee's	450,910	66,192
MS Apartments LLC	442,615	64,975
Totals:	\$16,037,245	\$1,565,382

SOURCE: Office of the Jackson County Tax Collector; Information available as of November 1, 2019.

DEBT INFORMATION

Legal Debt Limit Statement

(As of November 1, 2019)

	15% Limit	20% Limit
Authorized Debt Limit (Last Completed Assessment for Taxation - \$123,344,773)	\$18,501,716	\$24,668,955
Present Debt Subject to Debt Limits	9,070,000	9,070,000
Margin for Further Debt Under Debt Limits	\$ 9,431,716	\$15,598,955

SOURCE: Office of the City Clerk; November 2019.

Statutory Debt Limits

The City is subject to a general statutory debt limitation under which no municipality in the State may incur general obligation bonded indebtedness in an amount which will exceed fifteen percent (15%) of the assessed value of the taxable property within such municipality according to the last completed assessment for taxation.

In computing general obligation bonded indebtedness for purposes of such fifteen percent (15%) limitation, there may be deducted all bonds or other evidences of indebtedness issued for school, water and sewerage systems, gas and light and power purposes and for the construction of special improvements primarily chargeable to the property benefited, or for the purpose of paying a municipality's proportion of any betterment program, a portion of which is primarily chargeable to the property benefited. However, in no case may a municipality contract any indebtedness payable in whole or in part from proceeds of ad valorem taxes which, when added to all of its outstanding general obligation indebtedness, both bonded and floating, exceeds twenty percent (20%) of the assessed value of the taxable property within such municipality.

In arriving at the limitations set forth above, bonds issued for school purposes, bonds payable exclusively from the revenues of any municipally-owned utility, general obligation industrial bonds issued under the provisions of Sections 57-1-1 to 57-1-51, Mississippi Code of 1972, as amended, and special assessment improvement bonds issued under the provisions of Sections 21-41-1 to 21-41-53, Mississippi Code of 1972, as amended, are not included. Also excluded from both limitations are contract obligations subject to annual appropriations.

Outstanding General Obligation Bonded Debt

(As of November 1, 2019)

Issue	Date of Issue	Outstanding Principal
General Obligation Katrina Loan Refunding Bonds, Series 2010	02/01/10	\$ 275,000
General Obligation Bonds, Series 2010	08/01/10	4,405,000
General Obligation Bonds, Series 2019	04/11/19	4,390,000
Total		\$9,070,000

Outstanding Water and Sewer Revenue Bond Debt

(as of November 1, 2019)

Issue	Date of Issue	Outstanding Principal
State Revolving Fund Loan #3 ¹	01/06	\$ 502,476.31
State Revolving Fund Loan #4 ¹	09/06	614,005.74
State Revolving Fund Loan #4 ¹	10/06	787,100.71
State Revolving Fund Construction Loan #5 ¹	06/08	200,112.48
State Revolving Fund Construction Loan #6 ¹	09/09	404,064.19
State Revolving Fund Construction Loan #7 ¹	09/09	998,384.02
Promissory Note Relating to Mississippi Development Bank Special Obligation Bonds (Combined Utility System Revenue Project) ³	8/13/13	2,670,000.00
Combined Utility System Revenue Bonds, Series 2018 ²	6/01/18	3,865,000.00
Total		\$10,041,143.45

¹ The SRF Loans of the State to the City were for the benefit of the City combined water and sewer system (the "System"). The SRF Loans have a lien on Revenues of the System; however, the debt service is collected by the Mississippi Department of Revenue by diverting sales tax collections prior to remittance of the sales tax to the City.

² Payable solely from the revenues derived from the operation of the combined utility system of the City, subject to the prior payment of the reasonable and necessary expense of operating and maintaining the System and the payment of the SRF loans.

³ Loan from the Mississippi Development Bank (the "Bank") secured by a Promissory Note under a Loan Agreement between the Bank and the City and is secured by revenues of the City derived from the operation of the combined utility system. The Promissory Note and Loan Agreement secure the Bank's \$3,500,000 Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013.

SOURCE: Office of the City Clerk; November 2019.

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General Obligation Annual Debt Service Requirements

FY Ending September 30	Principal	Interest	Total
2020	\$ 630,000.00	\$ 312,343.77	\$ 942,343.77
2021	515,000.00	294,775.02	809,775.02
2022	535,000.00	279,250.02	814,250.02
2023	560,000.00	262,162.52	822,162.52
2024	550,000.00	244,275.02	794,275.02
2025	565,000.00	224,925.02	789,925.02
2026	575,000.00	204,225.02	779,225.02
2027	595,000.00	182,543.76	777,543.76
2028	605,000.00	159,681.26	764,681.26
2029	620,000.00	135,281.26	755,281.26
2030	635,000.00	111,256.26	746,256.26
2031	205,000.00	87,528.13	292,528.13
2032	215,000.00	80,965.63	295,965.63
2033	220,000.00	74,168.76	294,168.76
2034	225,000.00	67,215.63	292,215.63
2035	235,000.00	59,587.50	294,587.50
2036	240,000.00	51,275.00	291,275.00
2037	250,000.00	42,700.00	292,700.00
2038	260,000.00	33,775.00	293,775.00
2039	270,000.00	24,500.00	294,500.00
2040	280,000.00	14,875.00	294,875.00
2041	285,000.00	4,987.50	289,987.50
Total:	\$9,070,000.00	\$2,952,297.08	\$12,022,297.08

SOURCE: Office of the City Clerk; November 2019.

Overlapping/Underlying General Obligation Indebtedness

Political Subdivision	2010 Population	2019-20 Assessed Valuation	General Obligation Bonded Debt	General Obligation Bonded Debt Per Capita
Jackson County ¹	139,668	\$2,026,844,941	\$44,762,862	\$320.50

School District	2019-20 Assessed Valuation	General Obligation Bonded Debt
Pascagoula-Gautier School District	\$1,021,752,620	\$0.00 ^[2]

¹Source: County Administrator, November 2019.

^[2] Source: School district's FY 2018 Audit.

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APPENDIX C

**FISCAL YEAR 2018 AUDITED FINANCIAL STATEMENT,
FISCAL YEAR 2019 BUDGET AND FISCAL YEAR 2020 BUDGET**

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The following document was not prepared by the Office of the State Auditor, but was prepared by and submitted to the Office of the State Auditor by a private CPA firm. The document was placed on this web page as it was submitted. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

*Mayor
Phil Forjusen*

City of Gautier

Gautier, Mississippi

*City Manager
Paula Yancey*

*City Clerk
Cynthia Russell*

*Council
At Large Mary F. Martin
Ward 1 Cameron George
Ward 2 Richard "DJ" Jackson
Ward 3 Casey Vaughan
Ward 4 Rusty Anderson
Ward 5 Adam D. Colledge*



*3330 Highway 90
Gautier, MS 39553
Phone: (228) 497-8000
Fax: (228) 497-8028
Email: gautier@gautier-ms.gov
Website: www.gautier-ms.gov*

July 25, 2019

Mississippi State Auditor's Office
P O Box 956
Jackson, Ms. 39205
Attention: Brenda Gordon

To whom it my Concern,

Please find enclosed the City of Gautier's Audited Financial Statements and Special Reports for the Year Ended September 30, 2018. If you have any questions feel free to give my office a call 228-497-8000 ext. 302.

Sincerely,

Cynthia Russell
City Clerk



WRIGHT, WARD, HATTEN & GUEL

PROFESSIONAL LIMITED LIABILITY COMPANY

(SUCCESSORS TO A. L. EVANS & COMPANY ESTABLISHED 1929)

Certified Public Accountants

HANCOCK BANK BUILDING

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MICHAEL E. GUEL, CPA, CVA, PFS, CFP®, CFE
SANDE W. HENTGES, CPA, CFE

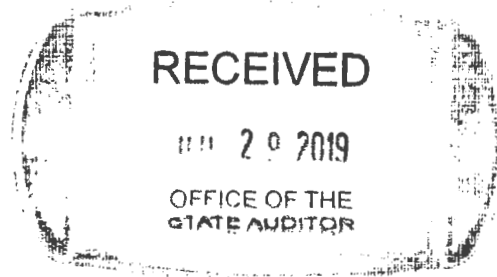
CHRIS TAYLOR, CPA
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TELEPHONE (228) 863-6501 FAX
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June 25, 2019

To the City Manager, Mayor and City Council of the
City of Gautier, MS
3330 US-90
Gautier, MS 39553



We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gautier, MS for the year ended September 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 12, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Gautier, MS are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2018. We noted no transactions entered into by the City of Gautier, MS during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the government wide's financial statements were:

Management's estimate of the court fines receivable and the corresponding allowance for uncollectible accounts is based on historical trends and judgment to estimate and determine an amount that is reasonable in relation to the financial statements taken as a whole. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for doubtful accounts is based on historical water and sewer revenues and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the useful lives of capital assets is based on historical data as well as guidelines set forth in the Mississippi Municipal Audit and Accounting Guide prescribed by the office of the Mississippi State Auditor. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of the defined benefit pension plan in Note 8 to the financial statements is particularly sensitive due to the significant amount of deferred inflows, net pension liability, deferred outflows, and pension expense in relation to the financial statements of the City as a whole. The amounts are the City's proportionate share of similar amounts for the State of Mississippi's defined benefit pension plan.

The disclosure of long-term debt in Note 9 to the financial statements is particularly sensitive due to the nature of the various debt types and the total amount of debt of the City.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 25, 2019.

Management Consultations with Other Independent Accountants

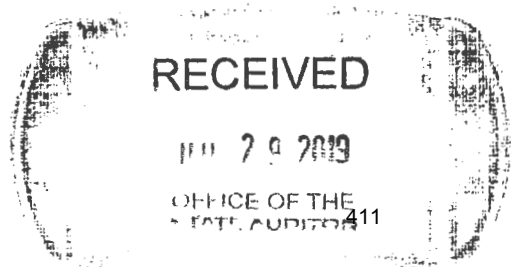
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City of Gautier, MS's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Gautier, MS's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Budgetary Comparison Schedule, Schedule of the City's Proportionate Share of the Net Pension Liability and the Schedule of the City's Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.



We were engaged to report on Schedule of Expenditures of Federal Awards and the Schedule of Surety Bonds which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

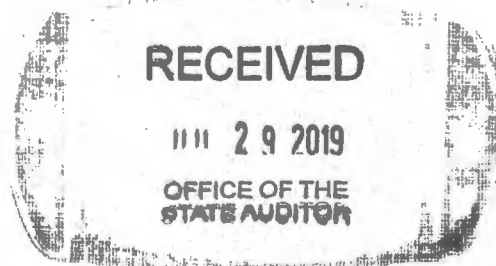
We were not engaged to report on Schedule of Elected Officials or the Organization Chart, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of City Manager, Mayor and City Council and management of the City of Gautier, MS and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Walter Woodworth & Son



CITY OF GAUTIER, MISSISSIPPI

Audited Financial Statements and Special Reports

For the Year Ended September 30, 2018



CITY OF GAUTIER, MISSISSIPPI
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For the Year Ended September 30, 2018

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INTRODUCTORY SECTION

ELECTED OFFICIALS
As of September 30, 2018



Phil Torjusen
Mayor



Mary Martin
Councilwoman At-Large



Cameron B. George
Councilman, Ward 1



Richard "DJ" Jackson
Councilman, Ward 2



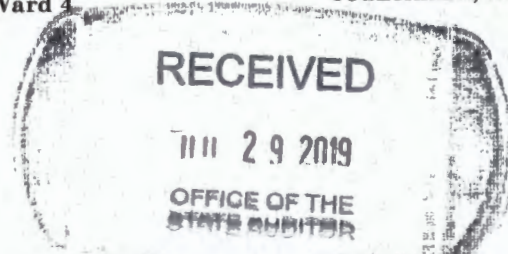
Casey Vaughan
Councilman, Ward 3



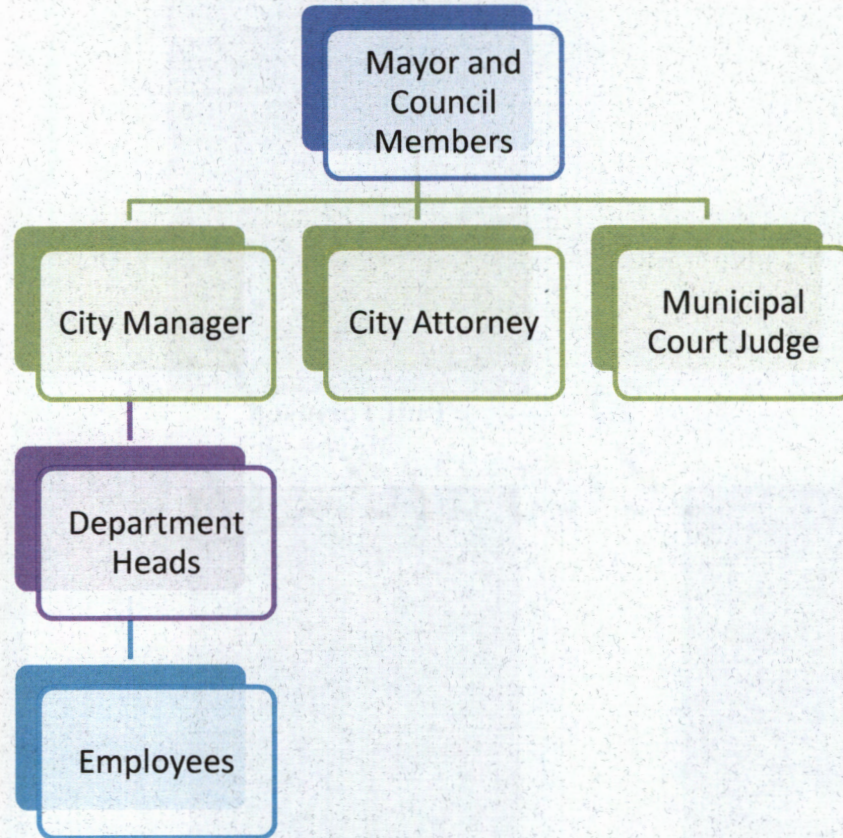
Charles "Rusty" Anderson
Councilman, Ward 4



Adam Colledge
Councilman, Ward 5



ORGANIZATION CHART
As of September 30, 2018



FINANCIAL SECTION

WRIGHT, WARD, HATTEN & GUEL

PROFESSIONAL LIMITED LIABILITY COMPANY

(SUCCESSORS TO A. L. EVANS & COMPANY ESTABLISHED 1929)

Certified Public Accountants

HANCOCK BANK BUILDING

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INDEPENDENT AUDITOR'S REPORT

June 25, 2019

Honorable Mayor and
City Council of
City of Gautier, Mississippi

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gautier, Mississippi, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Gautier, Mississippi, as of September 30, 2018, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedule and corresponding notes, the Schedule of the City's Proportionate Share of the Net Pension Liability, and the Schedule of the City's Contributions, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Gautier, Mississippi's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedule of Surety Bonds for City Officials has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2019, on our consideration of City of Gautier, Mississippi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Gautier, Mississippi's internal control over financial reporting and compliance.

Other Reporting Required by *State of Mississippi*

In accordance with the State of Mississippi, we have also issued our report dated June 25, 2019, on our consideration of the City of Gautier's compliance with state laws and regulations. The purpose of that report is to describe the scope of our testing of internal controls over compliance with state laws and regulations and the result of that testing, and not to provide an opinion on internal controls or compliance. That report is an integral part of an audit performed in accordance with state guidelines in considering the City of Gautier's internal control over financial reporting and compliance.

Walter Wadsworth # 1

MANAGEMENT DISCUSSION AND ANALYSIS

CITY OF GAUTIER, MISSISSIPPI
Management's Discussion and Analysis
For the Year Ended September 30, 2018



MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Gautier, Mississippi's (the City) Annual Financial Report presents a narrative overview and comparative analysis of the financial activities of the City for the fiscal year ended September 30, 2018 and 2017. Readers are encouraged to consider the information presented here in conjunction with the basic financial statements that immediately follow.

City of Gautier is located on the Mississippi Gulf Coast. According to the United States Census Bureau, the estimated population of City of Gautier as of July 1, 2018, is 18,566. The median household income is \$49,784 with over 87.9% of persons 25 years or older holding a high school degree or higher.

Government-wide Financial Highlights

- Total net position increased \$3,884,279 or 10% from 2017 which increased \$4,031,681.
- General revenues amounted to \$8,722,384 or 38% of total revenues. This amount increased \$60,150 from 2017. Program revenues amounted to \$13,946,262 or 62% of total revenues, which decreased \$202,992 from 2017. This decrease was mostly due to the less federal revenues received for capital projects.
- Capital assets, net of accumulated depreciation, increased by \$2,233,411 in the governmental activities and decreased \$1,157,177 in the business-type activities during 2018. The increase in governmental capital assets is primarily as a result of a prior period adjusting entry of \$1,453,512 for capital assets not capitalized in previous years. The decrease in business-type activities stems from annual depreciation.
- Long-term debt decreased by \$771,187 in the governmental activities primarily due to principal payments. This amount also includes a \$10,873 increase in compensated absences which represents amounts that would be due to an employee from the City upon termination of employment. Long-term debt increased by \$1,884,032 in the business-type activities. The city issued Series 2018 Revenue Bonds in the amount of \$4,000,000 in the current year. The City's total debt outstanding at September 30, 2018 is \$21,570,286 which the liability for compensated absences is \$389,798.

Fund Highlights

- *General Fund* – This fund is used for the general operations of the City. The General Fund had \$9,228,474 in revenues, which shows an increase of \$543,227 from 2017 and \$8,673,118 in expenditures, a decrease of \$50,799 from 2017, in the current year. The General Fund's fund balance increased \$145,140.

CITY OF GAUTIER, MISSISSIPPI
Management's Discussion and Analysis
For the Year Ended September 30, 2018

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Gautier as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

Reporting the City of Gautier as a Whole

Statement of Net Position and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2018?" The Statement of Net Position and the Statement of Activities answer this question.

These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector companies. These bases of accounting take into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and the changes in those assets. This change in assets is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City's capital assets will also need to be evaluated.

In the Statement of Net Position and the Statement of Activities, the City's activities are reported as governmental and business-type activities, which include all of the City's services including general government, police, fire, public works, culture and recreations, community services, water and sewer and solid waste. The City of Gautier has no component units.

Table 1 and Table 2 provide a summary of the City's net position and changes in net position for 2018 compared to 2017.

CITY OF GAUTIER, MISSISSIPPI
Management's Discussion and Analysis
For the Year Ended September 30, 2018

TABLE 1
Condensed Statement of Net Position
September 30, 2018 and 2017

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current assets	\$ 11,027,367	9,611,401	10,398,825	5,382,490	21,426,192	14,993,891
Capital assets	22,414,242	20,180,831	40,564,768	41,721,945	62,979,010	61,902,776
Total Assets	33,441,609	29,792,232	50,963,593	47,104,435	84,405,202	76,896,667
Deferred Outflows	441,997	903,965	334	-	442,331	903,965
Liabilities						
Current liabilities	865,295	689,112	803,346	1,017,858	1,668,641	1,706,970
Non-current liabilities	18,400,686	19,173,667	14,812,682	12,920,150	33,213,368	32,093,817
Total Liabilities	19,265,981	19,862,779	15,616,028	13,938,008	34,882,009	33,800,787
Deferred Inflows	5,073,267	4,452,006	6,627	-	5,079,894	4,452,006
Net Position						
Investment in capital assets, net of related debt	16,025,094	13,009,623	27,163,428	31,578,702	43,188,522	44,588,325
Restricted net assets	660,457	701,952	5,499,313	832,535	6,159,770	1,534,487
Unrestricted	(7,141,193)	(7,330,163)	2,678,531	755,190	(4,462,662)	(6,574,973)
Total Net Position	\$ 9,544,358	6,381,412	35,341,272	33,166,427	44,885,630	39,547,839

TABLE 2
Condensed Statement of Activities
September 30, 2018 and 2017

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues	\$ 3,119,078	3,975,910	10,827,184	10,173,344	13,946,262	14,149,254
General revenues	8,424,998	8,103,245	297,386	558,989	8,722,384	8,662,234
Total revenues	11,544,076	12,079,155	11,124,570	10,732,333	22,668,646	22,811,488
Expenses:						
General government	2,500,601	2,594,421	-	-	2,500,601	2,594,421
Public safety	6,641,484	6,663,535	-	-	6,641,484	6,663,535
Public works	318,592	814,529	-	-	318,592	814,529
Culture and recreation	782,759	615,884	-	-	782,759	615,884
Interest on long-term debt	231,206	243,273	-	-	231,206	243,273
Water and sewer	-	-	7,218,544	6,931,569	7,218,544	6,931,569
Solid waste	-	-	1,091,181	916,596	1,091,181	916,596
Total expenses	10,474,642	10,931,642	8,309,725	7,848,165	18,784,367	18,779,807
Transfers	640,000	516,500	(640,000)	(516,500)	-	-
Increase (Decrease) in net assets	1,709,434	1,664,013	2,174,845	2,367,668	3,884,279	4,031,681
Net Position - beginning, restated	7,834,924	4,717,399	33,166,427	30,798,759	41,001,351	35,516,158
Net Position - ending	\$ 9,544,358	6,381,412	35,341,272	33,166,427	44,885,630	39,547,839

CITY OF GAUTIER, MISSISSIPPI
Management's Discussion and Analysis
For the Year Ended September 30, 2018

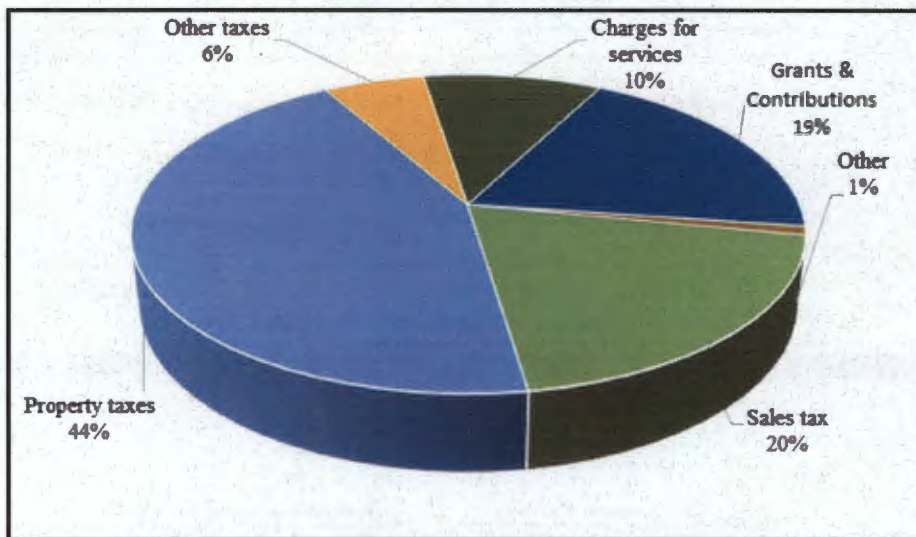
Governmental Activities

Total net position increased \$1,709,434 as a result primarily due to an increase in general revenues and a decrease in expenditures.

Under the accrual basis of accounting, general revenues amounted to of \$8,424,998 or 73% of total revenues. This amount increased \$321,753 from 2017. Program revenues amounted to \$3,119,078 or 27% of total revenues, which decreased \$856,832 from 2017.

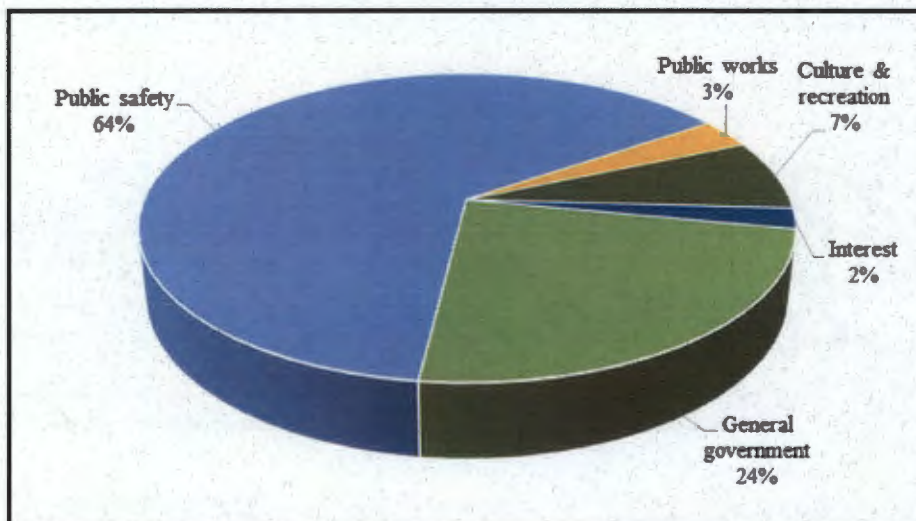
Several revenue sources fund our governmental activities. The following chart shows the City's total general revenues and program income that is used to offset governmental expenses.

Chart 1 – Governmental Revenue Sources



Major governmental expense activities are shown in the following chart.

Chart 2 – Governmental Activities



CITY OF GAUTIER, MISSISSIPPI
Management's Discussion and Analysis
For the Year Ended September 30, 2018

Business-type activities

Net position for the business-type activities was \$35,341,272, an increase of \$2,174,845. Charges for services increased approximately \$653,840 due primarily to an increase in collections.

Restricted net position increased significantly during 2018 primarily due to cash requirements, debt service and legally required bond reserves in association with the new \$4,000,000 revenue bond.

Reporting the City of Gautier's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the City's major funds. Based on restrictions on the use of monies, the City has established many funds, which account for the multitude of services provided to the City's residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Gautier, the City's major fund is the General fund.

Governmental Funds

The City's governmental funds focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to the City's residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds

The City's proprietary funds focus on business-type activities conducted by the City. These funds are reported using the accrual method of account, which uses an "economic resources" measurement focus. Under the accrual basis of accounting revenues are recognized in the period in which they are earned regardless of when cash flows occur. Expenses are recorded when the recognized service is performed or the goods are received regardless of when the invoice is paid. Proprietary Fund information helps you to determine whether business-type activities are self-maintaining or if they are being subsidized by general government revenues. The proprietary funds show operating revenues and expenses that support the primary operations of the fund.

Fiduciary Funds

Fiduciary Funds show amounts held by the City for the benefit of others and clearing accounts used by the city to track payroll expenditures and property tax receipts and disbursements.

CITY OF GAUTIER, MISSISSIPPI
Management's Discussion and Analysis
For the Year Ended September 30, 2018

The City's Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable and nonspendable resources. Such information may be useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use at the end of the fiscal year. These funds are accounted for by using the modified accrual basis of accounting. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds.

General Fund Budgeting Highlights

The City's budget is prepared according to Mississippi law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. Governmental auditing standard require that cities present budgetary comparison schedules as required supplementary information to the financial statements. The most significant budgeted fund is the General Fund.

During the course of 2018, the City amended its general fund budget. All recommendations for a budget change come from the City Manager to the City Council for approval. State law does not allow budget changes that modify functional levels of budget amounts within a department without board approval. With the General Fund supporting many of our major activities, such as our police and fire departments, as well as most legislative and executive activities, the General Fund is monitored closely looking for possible revenue shortfalls or over spending by individual departments.

Capital Assets

Table 3 shows the Changes in Capital Assets for the years ended September 30, 2018 and 2017.

TABLE 3
Schedule of Capital Assets (Net of Accumulated Depreciation)
September 30, 2018 and 2017

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 6,128,137	4,768,936	1,215,870	1,190,870	7,344,007	5,959,806
Construction in progress	581,158	1,045,701	66,500	-	647,658	1,045,701
Buildings & improvements	2,364,045	2,329,301	-	-	2,364,045	2,329,301
Infrastructure	12,330,867	11,079,013	35,916,146	37,020,037	48,247,013	48,099,050
Machinery & equipment	456,731	291,778	442,665	512,212	899,396	803,990
Equipment under capital leases	553,304	666,102	2,923,587	2,998,826	3,476,891	3,664,928
Total	<u>\$ 22,414,242</u>	<u>20,180,831</u>	<u>40,564,768</u>	<u>41,721,945</u>	<u>62,979,010</u>	<u>61,902,776</u>

The primary increase in capital assets occurred due to land purchases and construction in progress. In addition a prior period adjustment was made to capital assets for an increase of \$1,039,933 in land, a net increase of \$93,590 in buildings and a net increase of \$319,989 in infrastructure for capital assets that were not capitalized in prior years.

CITY OF GAUTIER, MISSISSIPPI
Management's Discussion and Analysis
For the Year Ended September 30, 2018

General Long-term Obligations

At September 30, 2018, the City had \$21,570,286 outstanding debt obligations, which included \$389,798 of compensated absences payable.

TABLE 4
Schedule of Long-term Debt
September 30, 2018 and 2017

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds	\$ 5,280,000	5,860,000	-	-	5,280,000	5,860,000
Revenue Bonds	-	-	4,000,000	-	4,000,000	-
Revenue Refunding Bonds	-	-	1,390,000	2,745,000	1,390,000	2,745,000
Special Obligation Bonds	-	-	2,815,000	2,955,000	2,815,000	2,955,000
Capital Improvement Loans	699,757	731,738	-	-	699,757	731,738
Revolving Loans	-	-	3,938,510	4,360,970	3,938,510	4,360,970
Capital Leases	409,391	579,470	2,631,876	2,827,273	3,041,267	3,406,743
Add: Bond Premium*	-	-	15,954	31,907	15,954	31,907
Compensated Absences	376,956	366,083	12,842	-	389,798	366,083
Total	\$ 6,766,104	7,537,291	14,804,182	12,920,150	21,570,286	20,457,441

The compensated absences liability identified above refers to the current balance of what has been earned as a termination benefit that will be paid over-time as people leave or retire. This liability refers to vacation pay for employees of the city. See Note 1 for more details.

Contact the City's Financial Management

Questions about this report or requests for additional financial information may be addressed to:

Paula Yancy, City Manager
City of Gautier, Mississippi
3330 Highway 90
Gautier, MS 39553
(228) 497-8000

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**OFFICE OF THE
STATE AUDITOR**

FINANCIAL STATEMENTS

City of Gautier, Mississippi
Statement of Net Position
September 30, 2018

	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
Assets			
Current assets			
Cash	\$ 4,066,286	6,204,725	10,271,011
Taxes receivables	5,303,196	-	5,303,196
Customer accounts receivable (net of allowance)	-	1,624,395	1,624,395
Intergovernmental receivables	689,189	-	689,189
Fines receivable (net of allowance)	593,919	-	593,919
Premium receivable	218,201	-	218,201
Interfund	24,680	(24,680)	-
Due from fiduciary funds	127,053	-	127,053
Restricted current assets - cash	4,843	2,594,385	2,599,228
Total Current Assets	<u>11,027,367</u>	<u>10,398,825</u>	<u>21,426,192</u>
Capital assets			
Land and construction in progress	6,709,295	1,282,370	7,991,665
Other capital assets (net of accumulated depreciation):			
Buildings	2,364,045	-	2,364,045
Infrastructure	12,330,867	35,916,146	48,247,013
Machinery and equipment	456,731	442,665	899,396
Equipment under capital leases	553,304	2,923,587	3,476,891
Total Capital Assets	<u>22,414,242</u>	<u>40,564,768</u>	<u>62,979,010</u>
Total Assets	<u>33,441,609</u>	<u>50,963,593</u>	<u>84,405,202</u>
Deferred Outflow of Resources			
Deferred amounts on pension	441,997	334	442,331
Total Deferred Outflow of Resources	<u>441,997</u>	<u>334</u>	<u>442,331</u>
Liabilities			
Current liabilities:			
Claims and wages payable	697,898	74,776	772,674
Accrued interest payable	34,902	60,081	94,983
Claims and judgements payable	132,495	-	132,495
Payable from restricted assets			
Customer deposits	-	668,489	668,489
Noncurrent Liabilities:			
Net pension liability	11,634,582	8,500	11,643,082
Due within one year			
Capital debt	789,691	930,246	1,719,937
Noncapital debt	25,259	1,395,136	1,420,395
Due in more than one year			
Capital debt	5,599,457	12,471,094	18,070,551
Noncapital debt	351,697	7,706	359,403
Total Liabilities	<u>19,265,981</u>	<u>15,616,028</u>	<u>34,882,009</u>
Deferred Inflows of Resources			
Property tax for future reporting period	4,734,240	-	4,734,240
Deferred amount on pension	339,027	6,627	345,654
Total Deferred Inflows of Resources	<u>5,073,267</u>	<u>6,627</u>	<u>5,079,894</u>
Net Position			
Investment in capital assets, net of related debt	16,025,094	27,163,428	43,188,522
Restricted Net Position:			
Non-expendable	4,843	-	4,843
Expendable:			
Restricted for debt service	-	1,984,455	1,984,455
Restricted for grant/bond purposes	-	3,514,858	3,514,858
Restricted for public safety	655,614	-	655,614
Unrestricted	(7,141,193)	2,678,531	(4,462,662)
Total Net Position	<u>\$ 9,544,358</u>	<u>35,341,272</u>	<u>44,885,630</u>

The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Statement of Activities
For the Year Ended September 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 2,500,601	127,758	28,129	-	(2,344,714)		(2,344,714)
Public safety	6,641,484	919,741	44,674	102,909	(5,574,160)		(5,574,160)
Public works	318,592	-	-	1,452,734	1,134,142		1,134,142
Culture, recreation and community services	782,759	130,227	-	312,906	(339,626)		(339,626)
Interest on long-term debt	231,206	-	-	-	(231,206)		(231,206)
Total governmental activities	10,474,642	1,177,726	72,803	1,868,549	(7,355,564)		(7,355,564)
Business-type activities:							
Water and sewer	7,218,544	9,358,059	-	-		2,139,515	2,139,515
Solid waste	1,091,181	1,469,125	-	-		377,944	377,944
Total business-type activities	8,309,725	10,827,184	-	-		2,517,459	2,517,459
Total government	\$ 18,784,367	12,004,910	72,803	1,868,549		(4,838,105)	(4,838,105)
General Revenues:							
Taxes:							
Property taxes, general					3,693,227	-	3,693,227
Property taxes, debt service					927,607	-	927,607
Property taxes, community support					109,425	-	109,425
Property taxes in lieu - federal government					361,809	-	361,809
General sales taxes					2,256,994	-	2,256,994
Road and bridge privilege taxes					516,697	-	516,697
Franchise taxes					148,658	-	148,658
Grants and contributions not restricted to a special purpose					307,028	-	307,028
Unrestricted investment earnings					6,668	18,569	25,237
Miscellaneous					96,885	278,817	375,702
Total general revenues					8,424,998	297,386	8,722,384
Transfers					640,000	(640,000)	-
Total general revenues and transfers					9,064,998	(342,614)	8,722,384
Changes in net position					1,709,434	2,174,845	3,884,279
Net position - beginning, as previously stated					6,381,412	33,166,427	39,547,839
Prior period adjustment					1,453,512	-	1,453,512
Net position - beginning, as restated					7,834,924	33,166,427	41,001,351
Net position - ending					\$ 9,544,358	35,341,272	44,885,630

The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Balance Sheet – Governmental Funds
September 30, 2018

	Major Fund General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash	\$ 2,189,249	1,877,037	4,066,286
Receivables:			
Property tax	4,683,409	111,631	4,795,040
Sales tax	365,659	-	365,659
Franchise taxes	142,497	-	142,497
Intergovernmental	34,879	654,310	689,189
Court fines & fees	593,919	-	593,919
Due from other funds	259,104	-	259,104
Restricted assets - cash	4,843	-	4,843
Total Assets	<u>8,273,559</u>	<u>2,642,978</u>	<u>10,916,537</u>
LIABILITIES			
Liabilities:			
Claims payable	187,834	245,928	433,762
Wages payable	264,136	-	264,136
Due to other funds	-	84,538	84,538
Total Liabilities	<u>451,970</u>	<u>330,466</u>	<u>782,436</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes for future reporting period	4,624,141	110,099	4,734,240
Unavailable revenue - fines	593,919	-	593,919
Total Deferred Inflows of Resources	<u>5,218,060</u>	<u>110,099</u>	<u>5,328,159</u>
FUND BALANCES			
Non-spendable			
Unemployment compensation	4,843	-	4,843
Restricted:			
Grant/bond purposes	-	985,938	985,938
Public safety	-	655,614	655,614
Committed:			
Capital projects	-	601,835	601,835
Assigned:			
Emergency travel fund	1,144	-	1,144
Unassigned	2,597,542	(40,974)	2,556,568
Total Fund Balances	<u>2,603,529</u>	<u>2,202,413</u>	<u>4,805,942</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,273,559</u>	<u>2,642,978</u>	<u>10,916,537</u>

The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2018

Total governmental funds balance		\$ 4,805,942
Amounts reported for governmental activities in the statement of net position are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Governmental capital assets	\$ 26,376,861	
Less: accumulated depreciation	<u>(3,962,619)</u>	22,414,242
Long-term liabilities are not due and payable in the current period expenditures and therefore are not reported in the governmental funds.		
Bonds payable	\$ (5,280,000)	
Notes payable	(699,757)	
Capital leases payable	(409,391)	
Compensated absences	<u>(376,956)</u>	(6,766,104)
Other long term assets are not available to pay or current period expenditures and therefore are deferred in the funds.		
Court fines receivable	<u>\$ 593,919</u>	593,919
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability		(11,634,582)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	\$ 441,997	
Deferred inflows of resources related to pensions	<u>(339,027)</u>	102,970
Internal Service Funds are used by management to charge the costs of various internal operations to individual funds. The assets and liabilities of Internal Service Funds are included in governmental activities in the Statement of Net Position as follows:		
Current assets	\$ 218,201	
Amounts owed to other funds	(22,833)	
Estimated claims payable	<u>(132,495)</u>	62,873
Accrued interest not due and payable in the current period expenditures and, therefore, not reported in the funds.		
		<u>(34,902)</u>
Net position of governmental activities		<u><u>\$ 9,544,358</u></u>

The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Statement of Revenues, Expenditures and
Changes in Fund Balance – Governmental Funds
For the Fiscal Year Ended September 30, 2018

	<u>Major Fund</u> <u>General</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Revenues:			
Property taxes	\$ 4,982,643	109,425	5,092,068
General sales taxes	2,256,994	-	2,256,994
Franchise fees	148,658	-	148,658
Licenses and permit fees	131,764	-	131,764
Intergovernmental	992,792	1,704,570	2,697,362
Charges for services	40,897	103,626	144,523
Fines and forfeitures	552,575	-	552,575
Investment earnings	3,367	2,125	5,492
Miscellaneous	118,784	296,031	414,815
Total Revenues	<u>9,228,474</u>	<u>2,215,777</u>	<u>11,444,251</u>
Expenditures:			
General government	2,317,092	29,793	2,346,885
Public safety	5,414,707	777,510	6,192,217
Public works	448,337	381,872	830,209
Culture & recreation	429,007	484,917	913,924
Debt service:			
Principal	60,175	721,885	782,060
Interest and other fiscal charges	3,800	230,087	233,887
Total Expenditures	<u>8,673,118</u>	<u>2,626,064</u>	<u>11,299,182</u>
Excess (Deficiency) of Revenues			
Over Expenditures	<u>555,356</u>	<u>(410,287)</u>	<u>145,069</u>
Other Financing Sources (Uses):			
Transfers in	650,000	800,216	1,450,216
Transfers out	(1,060,216)	-	(1,060,216)
Total Other Financing Sources (Uses)	<u>(410,216)</u>	<u>800,216</u>	<u>390,000</u>
Net change in fund balances	145,140	389,929	535,069
Fund balances - beginning	<u>2,458,389</u>	<u>1,812,484</u>	<u>4,270,873</u>
Fund balances - ending	<u>\$ 2,603,529</u>	<u>2,202,413</u>	<u>4,805,942</u>



The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and
Changes in Fund Balance to the Statement of Activities
For the Fiscal Year Ended September 30, 2018

Net Change in Fund Balances - total governmental funds **\$ 535,069**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 1,353,584	
Depreciation	<u>(568,301)</u>	785,283

In the Statement of Activities, only gains and losses from the sale of capital assets are reported, whereas in the Governmental Funds, proceeds from the sale of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balances by the amount of the net loss of \$5,384.

(5,384)

Debt proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces

Debt retirement		782,060
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Fine revenue recognized on the modified accrual basis in the funds during the current year is reduced because prior year recognition would have been required on the Statement of Activities using the full accrual basis of accounting.

98,649

Pension expense and other related activity do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.

Pension expense and contributions made after measurement date		(478,303)
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Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.

Accrued interest payable		2,681
Compensated absences		(32,985)

Internal service funds are used by management to charge the cost of certain activities, such as insurance costs and risk management, to individual funds.

22,364

Change in net position of governmental activities		<u>\$ 1,709,434</u>
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The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Statement of Net Position
Proprietary Funds
September 30, 2018

	Business-type Activities			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Total Business-type Activities	Self Insurance Fund
Assets				
Current assets				
Cash	\$ 6,139,295	65,430	6,204,725	-
Customer accounts receivable (net of uncollectible of \$2,053,524)	1,299,149	325,246	1,624,395	-
Premiums receivable	-	-	-	218,201
Due from other fund	-	91,718	91,718	-
Restricted current assets				
Cash	2,594,385	-	2,594,385	-
Total Current Assets	10,032,829	482,394	10,515,223	218,201
Capital assets, net				
Land	1,215,870	-	1,215,870	-
Construction in progress	66,500	-	66,500	-
Infrastructure	35,916,146	-	35,916,146	-
Mobile equipment	436,781	5,884	442,665	-
Equipment under capital leases	2,923,587	-	2,923,587	-
Total Capital Assets	40,558,884	5,884	40,564,768	-
Total Assets	50,591,713	488,278	51,079,991	218,201
Deferred Outflow of Resources				
Deferred amounts on pensions	324	10	334	-
Total Deferred Outflow of Resources	324	10	334	-
Liabilities				
Current liabilities:				
Claims and wages payable	74,776	-	74,776	-
Accrued interest payable	60,081	-	60,081	-
Due to other fund	116,398	-	116,398	22,833
Claims and judgements payable	-	-	-	132,495
Payable from restricted assets				
Customer deposits	668,489	-	668,489	-
Noncurrent Liabilities:				
Net pension liability	8,244	256	8,500	-
Due within one year				
Capital debt	930,246	-	930,246	-
Noncapital debt	1,395,136	-	1,395,136	-
Due in more than one year				
Capital debt	12,471,094	-	12,471,094	-
Noncapital debt	7,706	-	7,706	-
Total Liabilities	15,732,170	256	15,732,426	155,328
Deferred Inflow of Resources				
Deferred amounts on pensions	6,429	198	6,627	-
Total Deferred Inflow of Resources	6,429	198	6,627	-
Net Position				
Net investment in capital assets	27,157,544	5,884	27,163,428	-
Restricted Net Position				
Restricted for debt service	1,984,455	-	1,984,455	-
Restricted for grant/bond purposes	3,514,858	-	3,514,858	-
Unrestricted	2,196,581	481,950	2,678,531	62,873
Total Net Position	\$ 34,853,438	487,834	35,341,272	62,873

The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2018

	Business-type Activities			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Total Business-type Activities	Self Insurance Fund
Revenues:				
Charges for services	\$ 9,358,059	1,469,125	10,827,184	-
Employer contributions	-	-	-	250,000
Employee contributions	-	-	-	1,122,908
Insurance claim reimbursements	-	-	-	257,084
Miscellaneous operating revenues	278,817	-	278,817	-
Total Operating Revenues	<u>9,636,876</u>	<u>1,469,125</u>	<u>11,106,001</u>	<u>1,629,992</u>
Operating Expenses:				
Personnel services	258,679	5,959	264,638	-
Wastewater treatment	2,088,384	-	2,088,384	-
Privatization costs	2,201,793	-	2,201,793	-
Waste collection and disposal	-	1,081,896	1,081,896	-
Supplies	228,802	-	228,802	-
Maintenance and repairs	108,015	-	108,015	-
Other contractual services and charges	816,977	-	816,977	968
Claims and estimate changes	-	-	-	1,857,836
Depreciation	1,245,351	3,326	1,248,677	-
Total Operating Expenses	<u>6,948,001</u>	<u>1,091,181</u>	<u>8,039,182</u>	<u>1,858,804</u>
Operating income (loss)	<u>2,688,875</u>	<u>377,944</u>	<u>3,066,819</u>	<u>(228,812)</u>
Non-Operating Revenues (Expenses)				
Interest and investment revenue	18,569	-	18,569	1,176
Interest Expense	(270,543)	-	(270,543)	-
Transfers in	10,000	-	10,000	250,000
Transfers out	(500,000)	(150,000)	(650,000)	-
Total Non-Operating Revenues (Expenses)	<u>(741,974)</u>	<u>(150,000)</u>	<u>(891,974)</u>	<u>251,176</u>
Change in net position	1,946,901	227,944	2,174,845	22,364
Total net position - beginning	<u>32,906,537</u>	<u>259,890</u>	<u>33,166,427</u>	<u>40,509</u>
Total net position - ending	<u>\$ 34,853,438</u>	<u>487,834</u>	<u>35,341,272</u>	<u>62,873</u>

The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Statement Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2018

	Business-type Activities			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Total Business-type Activities	Self Insurance Fund
Cash Flows From Operating Activities				
Cash received from customers	\$ 9,214,033	1,277,903	10,491,936	-
Cash received for premiums	-	-	-	1,488,314
Other operating receipts	278,817	-	278,817	-
Cash paid to employees	(231,488)	(5,515)	(237,003)	-
Cash paid to suppliers	(228,802)	-	(228,802)	-
Cash paid to contractors	(5,168,988)	(1,081,896)	(6,250,884)	-
Cash paid for judgements and claims	-	-	-	(1,944,564)
Cash paid for administrative services	-	-	-	(968)
Net cash provided by (used in) operating activities	<u>3,863,572</u>	<u>190,492</u>	<u>4,054,064</u>	<u>(457,218)</u>
Cash Flows From Non-Capital Financing Activities				
Advances from (to) other funds	(490,000)	(125,062)	(615,062)	272,833
Net cash flows provided by (used in) non-capital financing activities	<u>(490,000)</u>	<u>(125,062)</u>	<u>(615,062)</u>	<u>272,833</u>
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets	(91,500)	-	(91,500)	-
Proceeds from bond issuance	4,000,000	-	4,000,000	-
Repayment of debt	(2,112,857)	-	(2,112,857)	-
Interest and amortization on debt	(538,328)	-	(538,328)	-
Net cash provided by (used in) capital and related financing activities	<u>1,257,315</u>	<u>-</u>	<u>1,257,315</u>	<u>-</u>
Cash Flows From Investing Activities				
Interest received	18,569	-	18,569	1,176
Net cash flows provided by (used in) investing activities	<u>18,569</u>	<u>-</u>	<u>18,569</u>	<u>1,176</u>
Net increase (decrease) in cash	4,649,456	65,430	4,714,886	(183,209)
Cash - October 1	4,084,224	-	4,084,224	183,209
Cash - September 30	<u>\$ 8,733,680</u>	<u>65,430</u>	<u>8,799,110</u>	<u>-</u>



The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Statement Cash Flows
Proprietary Funds (continued)
For the Fiscal Year Ended September 30, 2018

	Business-type Activities			Governmental Activities
	Water and Sewer Fund	Solid Waste Fund	Total Business-type Activities	Self Insurance Fund
Reconciliation of Operating Income (Loss) to Net Cash				
Provided by (Used In) Operating Activities:				
Operating income (loss)	\$ 2,688,875	377,944	3,066,819	(228,812)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	1,245,351	3,326	1,248,677	-
(Increase) decrease in assets:				
Accounts receivable	(134,907)	(191,222)	(326,129)	(141,678)
Customer deposits	(9,119)	-	(9,119)	-
Increase (decrease) in liabilities:				
Claims and wages payable	46,181	-	46,181	-
Compensated absences	12,842		12,842	
Pension liabilities and deferrals	14,349	444	14,793	
Claims and judgements payable	-	-	-	(86,728)
Net cash provided by (used in) operating activities	\$ 3,863,572	190,492	4,054,064	(457,218)

The notes to these financial statements are an integral part of this statement.

City of Gautier, Mississippi
Combining Statement of Assets
and Liabilities – Agency Funds
September 30, 2018

		Payroll Clearing Account
Assets	\$	
Cash		385,531
Total Assets		<u>385,531</u>
Liabilities		
Due to other intra-entity government agencies		127,053
Accrued liabilities		258,478
Total Liabilities		<u>385,531</u>
Net Position		
Held in trust for benefits and other purposes	\$	<u>-</u>

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The notes to these financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 1 - Summary of Significant Accounting Policies

The City of Gautier, Mississippi, (the "City") was incorporated June 17, 1986 under the laws of the State of Mississippi. The City operates under a Council-Manager form of government, which provides for an elected mayor and a six-member council. The following services are authorized by the City's charter: Public Safety (Police, Fire, Civil Defense and Protection Inspection), Street Maintenance, Garbage Collection, Water and Sewer, Culture, Recreation and Community Services, Public Improvements, Planning and Zoning, and General Administrative Services. The accounting and reporting policies of the City relating to the funds and accounts groups included in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the City are described below.

A. Financial Reporting Entity

For financial reporting purposes, the reporting entity includes all funds that are covered by the oversight responsibility of the City's governing board. As defined by accounting principles generally accepted in the United States of America, the City is considered a "primary government." The City is governed by a six member council in which five members were elected by the citizens of each defined ward and one member elected at-large.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth in Accounting Principles Generally Accepted in the United States of America. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity. Based upon the application of these criteria, the City has no component units.

Jackson County Utility Authority

This potential component unit was established by State Code and its governing board is appointed jointly by the area governments' governing bodies. This is an independent unit that selects management staff, sets user charges, establishes budgets and controls all aspects of its daily activities. The District has been determined to be a joint venture of the participating agencies. See Note 12 for details.

B. Basis of Presentation.

The City's basic financial statement consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the City as a whole. The statements include all non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements.

Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues and are reported separately from business-type activities. Business-type activities rely mainly on fees and charges for support.

The Statement of Net Position presents the financial condition of the governmental activities and business-type activities of the City at year-end. The Government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other revenues, not classified as program revenues, are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements:

Fund financial statements of the City are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenditures/expenses. Funds are organized into governmental, proprietary and fiduciary. Major individual Governmental Funds and major individual Enterprise Funds are reported as separate columns in the fund financial statements. Non-major funds are aggregated and presented in a single column as Other Governmental Funds.

C. Measurement Focus and Basis of Accounting.

The Government-wide, Proprietary Funds and Fiduciary Funds (excluding agency funds) financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. Shared revenues are recognized when the provider recognizes the liability to the City. Grants are recognized as revenues as soon as all eligibility requirements have been satisfied. Agency funds have no measurement focus, but use the accrual basis of accounting.

The City's proprietary funds apply all applicable GASB pronouncements and only the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: FASB Statements and Interpretations, Accounting Principle Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

The revenues and expenses of the proprietary funds are classified as operating and non-operating. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's primary operations. All other revenue and expenses are reported as non-operating.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

Governmental financial statements are presented using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period when they are both measurable and available to finance operations during the year. Available means collected in the current period or within 60 days after year end to liquidate liabilities existing at the end of the year. Measurable means knowing or being able to reasonably estimate the amount. Expenditures are recognized only when payment is due. Property taxes, state appropriations and federal awards are all considered susceptible to accrual and have been recognized as revenues of the current fiscal period.

The City reports the following major Governmental Funds:

General Fund - This is the City's primary operating fund. It is used to account for all activities of the general government for which a separate fund has not been established.

Additionally, the City reports the following fund types:

GOVERNMENTAL FUND TYPES

Special Revenue Funds - These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt Service Funds - These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Funds - These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including acquisition or construction of capital facilities and other assets.

PROPRIETARY FUNDS

Enterprise Funds - These funds are used to account for those operations that are financed and operated in a manner similar to private business enterprises or where the City has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability.

It is the intent of the City Council that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges and that periodic determination of revenues earned, expenses incurred, and net income be identified for capital maintenance, public policy, management control, account ability, or other purposes.

Internal Service Funds - These funds are used to account for those operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The City's internal service funds report on self-insurance for employee medical benefits and risk management for City's legal contingencies.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

FIDUCIARY FUNDS

Agency Funds - These funds account for various taxes, deposits and other monies collected or held by the City, acting in the capacity of an agent, for distribution to other governmental units or designated beneficiaries.

D. Account Classifications

The account classifications used in the financial statements conform to the broad classifications recommended in *Governmental Accounting, Auditing and Financial Reporting* as issued in 2012 by the Government Finance Officers' Association.

E. Deposits and Investments

State law authorizes the City to invest in interest bearing time certificates of deposit for periods of fourteen days to one year with depositories and in obligations of the U.S. Treasury, State of Mississippi, or any City, municipality or school district of this state. Further, the City may invest in certain repurchase agreements.

Cash includes cash on hand, demand deposits, and all certificates of deposit and cash equivalents, which are short-term highly liquid investments that are readily convertible to cash (generally three months or less). Investments in governmental securities are stated at fair value. However, the City had an investment that included governmental bonds during the fiscal year.

F. Receivables

All trade receivables are shown net of an allowance for uncollectibles. Miss. Code Ann. (1972) does not allow for write-off of debt owed to municipalities. The amount represented on the financial statements is conclusive of all bad debts owed by customers of the water and sewer department since the City started providing these services to citizens. The allowances are based on trade receivables in excess of 120 days outstanding.

G. Inter-Fund Transactions and Balances

Transactions between funds that are representative of short-term lending/borrowing arrangements and transactions that have not resulted in the actual transfer of cash at the end of the fiscal year are referred to as "due to/from other funds." Noncurrent portions of inter-fund receivables and payables are reported as "advances to/from other funds." Advances between funds, as reported in the fund financial statements, are offset by a non-spendable fund balance account in the General Fund, if applicable, to indicate that they are not available for appropriation and are not expendable available financial resources. However, this is not applicable to advances reported in other governmental funds, which are reported, by definition, as restricted, committed, or assigned.

Inter-fund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Any outstanding balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Any outstanding balances between fiduciary funds and the government-wide activities of the government are reported as Intra-entity balances and included in intergovernmental receivables on the Statement of Net Position.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

H. Intragovernmental Transactions and Balances

Transactions between governmental agencies (agency funds) of the City are considered as transactions with external parties and are reported as revenues and expenditures/expenses in both the fund statements and the government-wide statements. However, associated receivables and payables are displayed as intragovernmental balances on the Statement of Net Position.

I. Capital Assets

Capital acquisition and construction are reflected as expenditures in Governmental Fund statements and the related assets are reported as capital assets in the governmental activities column in the government-wide financial statements. All purchased capital assets are stated at historical cost where records are available and at an estimated historical cost where no records exist. Capital assets include significant amounts of infrastructure which have been valued at estimated historical cost. The estimated historical cost was based on replacement cost multiplied by the consumer price index implicit price deflator for the year of acquisition. The extent to which capital assets, other than infrastructure, costs have been estimated and the methods of estimation are not readily available. Donated capital assets are recorded at estimated fair market value at the time of donation. The costs of normal maintenance and repairs that do not add to the value of assets or materially extend their respective lives are not capitalized; however, improvements are capitalized. Interest expenditures are not capitalized on capital assets.

Governmental accounting and financial reporting standards allowed governments meeting certain criteria to elect not to report major general infrastructure assets retroactively. The City meets these criteria and has so elected. Therefore, the major general infrastructure assets acquired prior to October 1, 2002, are not reported in the government-wide financial statements. However, as of September 30, 2018, the City has not systematically reported capital assets in accordance with generally accepted accounting principles.

Capital assets acquired or constructed for Proprietary Fund operations are capitalized at cost in the respective funds in which they are utilized. No interest is capitalized on self-constructed assets because non-capitalization of interest does not have a material effect on the City's financial statements. Donated capital assets are recorded at their fair value at the time of donation.

Capitalization thresholds (dollar value above which asset acquisitions are added to the capital asset accounts) and estimated useful lives are used to report capital assets in the government-wide statements. Depreciation is calculated on the straight-line basis for all assets, except land. A full year's depreciation expense is taken for all purchases and sales of capital assets during the year.

The following schedule details those thresholds, estimated useful lives and salvage value percentage of cost:

	Capitalization Threshold	Estimated Useful Life	Salvage Value (% of Cost)
Land	\$ -	N/A	N/A
Infrastructure	-	20 years	30%
Buildings	50,000	40 years	20%
Improvements	25,000	20 years	20%
Heavy machinery & equipment	5,000	10 years	10%
Machinery & equipment	5,000	5 years	10%
Property under capital leases	*	*	*

* Leased property capitalization policy and estimated useful life will correspond with the amounts for the asset classification, as listed above.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources expenditure until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources until that time.

Deferred amounts on pensions – Deferred outflows and inflows of resources should be reported when to show the City's proportionate share of amounts of the effects of actuarial differences and changes in assumptions to economic or demographic factors and differences between actual and projected earnings of multi-employer pension plan. In addition, a deferred inflow should be reported for employer contributions to the pension plan made subsequent to the measurement date.

Property tax for future reporting period/unavailable revenue – property taxes – Deferred inflows of resources should be reported when resources associated with imposed non-exchange revenue transactions are received or reported as a receivable before the period for which property taxes are levied.

Unavailable revenue – fines -- When an asset is recorded in the governmental fund financial statements but the revenue is not available, the government should report a deferred inflow of resources until such time as the revenue becomes available.

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Mississippi (PERS) and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Long-term Liabilities

Long-term liabilities are the unmatured principal of bonds, loans, notes or other forms of noncurrent or long-term general obligation indebtedness. Long-term liabilities are not limited to liabilities from debt issuances, but may also include liabilities on lease-purchase agreements and other commitments.

In the government-wide financial statements and the Proprietary Fund financial information, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business activities Statement of Net Position.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

M. Compensated Absences

The City has adopted a policy of compensation for accumulated unpaid employee personal leave. No payment is authorized for accrued major medical leave. Accounting principles generally accepted in the United States of America require accrual of accumulated unpaid employee benefits as long-term liabilities in the government-wide financial statements. In fund financial statements, Governmental Funds report the compensated absence liability payable only if the payable has matured.

An employee may accumulate unused vacation leave hours without limitation, however, cash payments upon employee termination or retirement are limited to a maximum of 240 hours of an accumulated leave of pay. Employees have no claim for accumulated sick leave at termination, for retirement, lay-off, or cause. As such, no provision for unused sick leave has been provided in the financial statements. Unused vacation and sick leave balances may be credited to the Public Employee's Retirement System (PERS) as time worked.

N. Fund Balance Policies

In the fund financial statements, governmental funds report fund balance into classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on the specific purpose for which amount in those funds can be spent. The classifications of fund balance are Non-spendable, Restricted, Committed, Assigned, and Unassigned. The following are descriptions of fund classifications used by the City:

Non-spendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for specific purposes pursuant to constraints imposed by a formal action of the City Council, the City's highest level of decision-making authority. This formal action is an order of the City Council as approved in the board minutes.

Assigned fund balance includes amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. For governmental funds, other than the general fund, this is the residual amount within the fund that is not classified as non-spendable and is neither restricted nor committed. Assignments of fund balance are created by management pursuant to authorization established by the Board of Alderman.

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

When both restricted and unrestricted resources are available for specified expenditures, restricted resources are considered spent before unrestricted resources. Within unrestricted resources, committed would be considered spent first (if available), followed by assigned (if available), and then unassigned amounts.

O. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings attributable to the acquisition, construction or improvement of those assets.

Restricted net position - Consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position not meeting the definition of "restricted" or "invested in capital assets, net of related debt."

P. Intergovernmental Revenues in Governmental Funds

Intergovernmental revenues, consisting of grants, entitlements and shared revenues, are usually recorded in Governmental Funds when measurable and available. However, the "available" criterion applies for certain federal grants and shared revenues when the expenditure is made because expenditure is the prime factor for determining eligibility. Similarly, if cost sharing or matching requirements exist, revenue recognition depends on compliance with these requirements.

Q. Property Tax Revenues

Numerous statutes exist under which the City Council may levy property taxes. The selection of authorities is made based on the objectives and responsibilities of the City. Restrictions associated with property tax levies vary with the statutory authority. The amount of increase in certain property taxes is limited by state law. Generally, this restriction provides that these tax levies shall produce no more than 110% of the amount which resulted from the assessments of the previous year.

The City Council, each year at a meeting in September, levies property taxes for the ensuing fiscal year which begins on October 1. Real property taxes become a lien on January 1 of the current year, and personal property taxes become a lien on March 1 of the current year. Taxes on both real and personal property, however, are due on or before February 1 of the next succeeding year. Taxes on motor vehicles and mobile homes become a lien and are due in the month that coincides with the month of original purchase.

Accounting principles generally accepted in the United States of America require property taxes to be recognized at the levy date if measurable and available. All property taxes are recognized as revenue in the year for which they are levied. Motor vehicle and mobile home taxes do not meet the measurability and collectability criteria for property tax recognition because the lien and due date cannot be established until the date of original purchase occurs.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 1 - Summary of Significant Accounting Policies (continued)

R. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

S. Change in Accounting Standard

The City implemented the following standards issued by the Governmental Accounting Standards Board (GASB) in the current fiscal year as required: GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The provisions of this standard have been incorporated into the financial statements and notes.

Note 2 - Cash

The carrying amount of the city's total deposits with financial institutions at September 30, 2018, was \$13,255,770 and the bank balance was \$13,247,597. Of this amount \$2,599,228 is restricted for workman's compensation trust, utility customers' deposits and debt service reserve deposits. The collateral for public entities' deposits in financial institutions is held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC).

A summary of cash at September 30, 2018 is as follows:

	Deposits with Financial Institutions		Cash on Hand	Total
	Unrestricted	Restricted		
Governmental-type activities				
General Fund	\$ 2,187,699	4,843	1,550	2,194,092
Other governmental fund	1,877,017	-	20	1,877,037
Total governmental activities	4,064,716	4,843	1,570	4,071,129
Business-type activities				
Water & Sewer Fund	6,138,695	2,594,385	600	8,733,680
Solid Waste Fund	65,430	-	-	65,430
Self-Insurance Fund	-	-	-	-
Total business-type activities	6,204,125	2,594,385	600	8,799,110
Agency Fund	385,531	-	-	385,531
Total cash	\$ 10,654,372	2,599,228	2,170	13,255,770

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 2 – Cash (continued)

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of the failure of a financial institution, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City does not have a formal policy for custodial credit risk. However, the Mississippi State Treasurer manages that risk on behalf of the City. Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the City.

Note 3 – Receivables

A. Governmental Activities

Receivables in the governmental activities at September 30, 2018, consisted of the following:

Taxes receivable:	
Property taxes	
Current	\$ 60,800
For future reporting period	4,734,240
Total taxes receivable	<u>4,795,040</u>
Intergovernmental receivable:	
Sales taxes	365,659
Franchise taxes	142,497
County road taxes	34,879
State grants	654,310
Total intergovernmental	<u>1,197,345</u>
Court fines receivable	11,878,378
Less: allowance for doubtful accounts	<u>(11,284,459)</u>
Total court fines receivable, net	<u>593,919</u>
Total receivable - governmental activities	<u><u>\$ 6,586,304</u></u>

B. Business-type Activities

Receivable in the business-type activities at September 30, 2018, consisted of the following:

Customer accounts receivable:	
Customer utility charges (billed)	3,117,553
Customer accounts, earned but unbilled	560,366
Less: allowance for doubtful accounts	<u>(2,053,524)</u>
Total customer accounts receivable, net	<u>1,624,395</u>
Total receivable - business-type activities	<u><u>\$ 1,624,395</u></u>

All trade receivables are shown net of an allowance for bad debt. An allowance in the amount of \$1,923,207 at September 30, 2018 has been provided in the Water and Sewer Enterprise Fund and \$130,317 has been provided in the Solid Waste Enterprise Fund for estimated uncollectible utility charges for a total of \$2,053,524.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 4 – Interfund Transactions and Balances

Government-wide Financial Statements

A. Internal Balances

At September 30, 2018, the City had the following transfers:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Governmental Activities	Business-type Activities	\$ 640,000

These amounts represent monies transferred from the governmental-type activities to the business-type activities for construction of water wells.

B. Intra-entity Balances

At September 30, 2018 the City had the following intra entity balances:

<u>Due from other</u>	<u>Due to other</u>	<u>Amount</u>
Government Agencies	Government Agencies	
Governmental Activities	Fiduciary Agency Funds	127,053
		<u>\$ 127,053</u>

These amounts represent excess cash transfers to the agency clearing funds that are owed back to the City Depository.

Fund Financial Statements

A. Due From/To Other Funds:

During the course of the year, certain expenditures were paid on a reimbursement basis requiring the City to borrow monies at year-end from the general fund in order to prevent a deficit cash balance in certain funds. Allocation percentages of federal reimbursement for construction projects caused expenditures to be paid from the wrong fund requiring many "due to/due from" transactions requiring cash transfer after year end.

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
General Fund	Fiduciary Funds	\$ 127,053
General Fund	Other Governmental Funds	84,538
General Fund	Water & Sewer Fund	47,513
Solid Waste Fund	Water & Sewer Fund	68,885
Solid Waste Fund	Self Insurance Fund	22,833
		<u>\$ 350,822</u>

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City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 4 – Interfund Transactions and Balances (continued)

B. Transfers In/Out:

Transfers were made in the course of the year for loans to various funds. Other transfers were made to reimburse the various funds for expenditures made on the behalf of other fund purposes.

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Water & Sewer Fund	\$ 500,000
General Fund	Solid Waste Fund	150,000
Other Governmental Funds	General Fund	800,216
Self Insurance Fund	General Fund	250,000
Water & Sewer Fund	General Fund	10,000
		<u>\$ 1,710,216</u>

Note 5 – Capital assets

A. Governmental Activities

The following is a summary of governmental capital assets activity for the year ended September 30, 2018:

	<u>Balance 9/30/2017</u>	<u>Additions</u>	<u>Adjustments/ Sales</u>	<u>Balance 9/30/2018</u>
Capital assets not being Depreciated:				
Land	\$ 4,768,936	319,268	1,039,933	6,128,137
Construction in Progress	1,045,701	801,459	(1,266,002)	581,158
Total capital assets not being depreciated	<u>5,814,637</u>	<u>1,120,727</u>	<u>(226,069)</u>	<u>6,709,295</u>
Capital assets being depreciated:				
Buildings & Improvements	2,822,319	-	119,988	2,942,307
Infrastructure	12,753,798	1,266,022	391,516	14,411,336
Machinery & Equipment	1,229,683	232,837	-	1,462,520
Equipment under Capital Leases	905,253	-	(53,850)	851,403
Total capital assets being depreciated	<u>17,711,053</u>	<u>1,498,859</u>	<u>457,654</u>	<u>19,667,566</u>
Less accumulated depreciation for:				
Buildings & improvements	493,018	58,846	26,398	578,262
Infrastructure	1,674,785	334,157	71,527	2,080,469
Machinery & Equipment	937,905	67,884	-	1,005,789
Equipment under Capital Leases	239,151	107,414	(48,466)	298,099
Total accumulated depreciation	<u>3,344,859</u>	<u>568,301</u>	<u>49,459</u>	<u>3,962,619</u>
Total Capital assets being depreciated, net	<u>14,366,194</u>	<u>930,558</u>	<u>408,195</u>	<u>15,704,947</u>
Total governmental activities capital assets, net	<u>\$ 20,180,831</u>	<u>2,051,285</u>	<u>182,126</u>	<u>22,414,242</u>

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 5 – Capital assets (continued)

Depreciation expense was charged to the following governmental functions:

General Government	\$ 49,522
Public Safety	108,367
Public Works	371,493
Culture & Recreation	38,919
	<u>\$ 568,301</u>

B. Business-type Activities

The following is a summary of business-type capital assets activity for the year ended September 30, 2018:

	Balance 10/1/2017	Additions	Adjustments/ Sales	Balance 9/30/2018
Capital assets not being depreciated:				
Land	\$ 1,190,870	25,000	-	1,215,870
Construction in Progress	-	66,500	-	66,500
Total capital assets not being depreciated	<u>1,190,870</u>	<u>91,500</u>	<u>-</u>	<u>1,282,370</u>
Capital assets being depreciated:				
Infrastructure	47,309,607	-	-	47,309,607
Machinery & Equipment	1,658,584	-	-	1,658,584
Equipment under Capital Leases	3,224,544	-	-	3,224,544
Total capital assets being depreciated	<u>52,192,735</u>	<u>-</u>	<u>-</u>	<u>52,192,735</u>
Less accumulated depreciation for:				
Infrastructure	10,289,570	1,103,891	-	11,393,461
Machinery & Equipment	1,146,372	69,547	-	1,215,919
Equipment under Capital Leases	225,718	75,239	-	300,957
Total accumulated depreciation	<u>11,661,660</u>	<u>1,248,677</u>	<u>-</u>	<u>12,910,337</u>
Total Capital assets being depreciated, net	<u>40,531,075</u>	<u>(1,248,677)</u>	<u>-</u>	<u>39,282,398</u>
Total business-type activities capital assets, net	<u>\$ 41,721,945</u>	<u>(1,157,177)</u>	<u>-</u>	<u>40,564,768</u>

Depreciation expense was charged to the following governmental functions:

Water and Sewer Fund	\$ 1,245,351
Solid Waste Fund	3,326
Total depreciation - business-type activities	<u>\$ 1,248,677</u>

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 6 – Court Fines Receivable/Deferred Inflows of Resources

Court fines receivables are recorded as deferred inflow of sources in the fund financial statements due to the funds using modified accrual basis. However, revenues received during the year are recorded in the government-wide financial statements on the full-accrual basis of accounting. Miss. Code Ann. (1972) does not allow for write-off of debt owed to municipalities. The amount represented on the financial statements is conclusive of all bad debts owed by citizens to the municipal courts since the City started providing court services. Court fines receivable at September 30, 2018, were \$11,878,378, of which an allowance of \$11,284,459 has been determined as uncollectible with \$593,919 deemed collectible.

Note 7 – Claims and Judgments

Risk Financing

The City finances its exposure to risk of loss related to workers' compensation for injuries to its employees through the Mississippi Public Entity Workers' Compensation Trust, a public entity risk pool.

The City pays premiums to the pool for its workers' compensation insurance coverage, and the participation agreement provides that the pool will be self-sustaining through member premiums. The retention for the pool is \$1,000,000 for each accident and completely covers statutory limits set by the Workers' Compensation Commission. Risk of loss is remote for claims exceeding the pool's retention liability. However, the pool also has catastrophic reinsurance coverage for statutory limits above the pool's retention, provided by Safety National Casualty Corporation, effective from January 1, 2018, to January 1, 2019. The pool may make an overall supplemental assessment or declare a refund depending on the loss experience of all the entities it insures.

The City is exposed to risk of loss relating to employee health, accident and dental coverage. Pursuant to Section 25-15-101, Miss. Code Ann. (1972), the City established a risk management fund (included as an Internal Service Fund) to account for and finance its uninsured risk of loss. Under the plan, amounts payable to the risk management fund are based on actuarial estimates. Each employee pays a portion of his/her premium through a payroll deduction. The City pays the remaining portion of the premium on a single coverage policy for its respective employees. Employees desiring additional and/or dependent coverage pay the additional premium through a payroll deduction. Premium payments to the risk management fund are determined on an actuarial basis. The City has minimum uninsured risk retention to the extent that actual claims submitted exceed the predetermined premium. The City has implemented the following plans to minimize this potential loss:

The City has purchased coinsurance which functions on specific stop loss coverage. This coverage is purchased from an outside commercial carrier. For the current fiscal year, the specific coverage begins when an individual participant's claim exceeds \$65,000.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 7 – Claims and Judgments (continued)

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). At September 30, 2018, the amount of this liability was \$132,495.

	Amount
Liability at beginning of year	\$ 219,223
Claims and changes of estimates	1,771,108
Claims payments	(1,857,836)
Liability at end of year	<u>\$ 132,495</u>

Note 8 – Retirement Plan

The City contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and may be amended only by the State of Mississippi Legislature.

Plan Description and Provisions

Substantially all of the City's full-time employees participate in PERS, a multi-employer, cost-sharing, defined benefit public employee pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employee Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005, or by calling (601) 359-3589 or 1-800-444-PERS.

Benefits Provided

Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior colleges, and teachers and employees of the public cities. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity's participation in PERS by the PERS' Board of Trustees. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring.

Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011); plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007).

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 8 – Retirement Plan (continued)

PERS also provides certain death and disability benefits. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter. Plan provisions are established and may be amended only by the State of Mississippi Legislature.

Contributions

PERS members are required to contribute 9.00% of their annual covered salary, and the City is required to contribute at an actuarially determined rate. The employer's rate as of September 30, 2018, was 15.75% of annual covered payroll. The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2018, the City reported a liability of \$11,634,582 in the governmental activities and \$8,500 in the business-type activities for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the PERS net pension liability was based on a projection of the City's long-term share of contribution to the pension plan relative to projected contributions of all participating entities, actuarially determined. At June 30, 2018, the City's proportion was .070%. For the year ended September 30, 2018, the City recognized PERS pension expense for governmental activities of \$1,165,561 and for the business-type activities of \$40,248.

At September 30, 2018, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	Governmental Activities	Business-Type Activities	Total
Differences between expected and actual experience	\$ 51,002	41	51,043
Changes of assumptions	6,864	6	6,870
Changes in proportion and differences between City contributions and proportionate share on contributions	217,694	154	217,848
City's contributions subsequent to the measurement date	166,437	133	166,570
Total deferred outflows related to pensions	<u>\$ 441,997</u>	<u>334</u>	<u>442,331</u>

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 8 – Retirement Plan (continued)

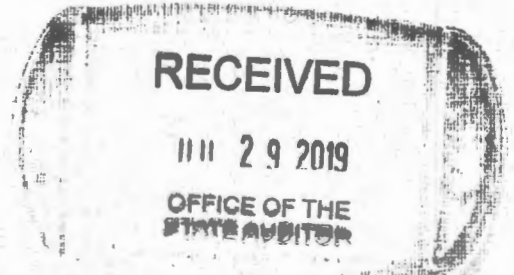
At September 30, 2018, the City reported deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources		
	Governmental Activities	Business-Type Activities	Total
Differences between expected and actual experience	\$ 49,043	\$ 39	\$ 49,082
Net difference between projected and actual earnings on pension plan investments	6,425	5	6,430
Changes of assumptions	231,264	185	231,449
Changes in proportion and differences between City contributions and proportionate share on contributions	52,295	6,398	58,693
Total	<u>\$ 339,027</u>	<u>\$ 6,627</u>	<u>\$ 345,654</u>

Within the deferred outflows, a net amount of \$166,570 of deferred outflows of resources is related to pensions resulting from the City's contributions subsequent to the measurement date and will be recognized as a reduction to the net pension liability in the year ended September 30, 2018.

The remaining amounts reported as deferred outflows of resources related to pensions of \$275,761 and deferred inflows of resources related to pensions of \$345,654 netting to (\$69,893) will be recognized in pension expense as follows:

Year Ending September 30,	
2019	\$ 266,645
2020	12,093
2021	(296,273)
2022	(52,358)
	<u>\$ (69,893)</u>



Actuarial assumptions

The total pension liabilities in the June 30, 2018, actuarial valuation were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	3.25 percent to 18.50 percent, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

The table for post-retirement mortality rates used in evaluating allowances to be paid was the RP-2014 Healthy Annuitant Blue Collar Table projected with Scale BB to 2018 with male rates set forward one year. The RP-Disabled Retiree Table set forward five years for males and four years for females, was used for the period after disability retirement.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 8 – Retirement Plan (continued)

The actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the four year period ending June 30, 2016. The experience report is dated April 18, 2017.

The long-term expected rate of return on the investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of the plans' investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Broad	27.00 %	4.60
International Equity	18.00	4.50
Emerging Markets Equity	4.00	4.75
Global	12.00	4.75
Fixed Income	18.00	0.75
Real Assets	10.00	3.50
Private Equity	8.00	5.10
Emerging Debt	2.00	2.25
Cash	1.00	0.00
Total	<u>100.00 %</u>	

Discount rate

The discount rate used to measure the total pension liability was 7.75 percent, which was based on the future long-term expected rate of return of 7.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions for PERS will be made at rates set in the Board's Funding Policy. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return investments was applied to all periods of projected benefit payments to determine the plan's total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate

The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.75 percent) or one percentage-point higher (8.75 percent) than the current rate:

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1 % Increase (8.75%)</u>
City's Proportionate share of PERS	\$ 15,330,595	\$ 11,643,082	\$ 8,578,268

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 8 – Retirement Plan (continued)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report which can be obtained at www.pers.ms.gov.

Three-year Trend Information

The following table provides the employer contribution to PERS for the last three fiscal years:

Fiscal Years Ending	Employer Contributions
2018	\$ 722,163
2017	713,359
2016	681,575

Note 9 – Long-term Debt

A. Governmental Activities

Transactions for the year ended September 30, 2018 are summarized as follows:

	Balance 10/1/2017	Additions	Retirements	Balance 9/30/2018	Due Within one Year
General Obligation Bonds	\$ 5,860,000	-	(580,000)	5,280,000	600,000
Capital Improvement Loan	731,738	-	(31,981)	699,757	32,627
Capital Leases	579,470	-	(170,079)	409,391	157,064
Compensated Absences	366,083	10,873	-	376,956	25,259
	<u>\$ 7,537,291</u>	<u>10,873</u>	<u>(782,060)</u>	<u>6,766,104</u>	<u>814,950</u>

General Obligation Bonds, Series 2010 – In 2010, the City issued \$7,000,000 in general obligation bonds to be used for public improvements in the City. The bond is to be repaid over 20 years, maturing in August 2030 and carries a variable interest rate of 2.875% - 4.0%. Payment on this bond will be made from general ad valorem tax collections.

General Obligation – Katrina Loan Refunding Bond, Series 2010 – In 2010, the City issued \$2,360,000 in general obligation refunding bonds to be used to cover the costs associated with Hurricane Katrina for public improvements and repairs in the City. The bond is to be repaid over 10 years, maturing in 2020, and carries a fixed interest rate of 3.45%. Payment on this bond will be made from general ad valorem tax collections.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 9 – Long-term Debt (continued)

A. Governmental Activities

Annual debt service requirements to maturity for these bonds payable are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	600,000	185,371	785,371
2020	630,000	161,262	791,262
2021	370,000	145,868	515,868
2022	385,000	134,769	519,769
2023	405,000	122,256	527,256
2024-2028	2,030,000	403,944	2,433,944
2029-2033	860,000	51,800	911,800
	<u>\$ 5,280,000</u>	<u>1,205,270</u>	<u>6,485,270</u>

Capital Improvement Loan – In February 2017, the City received a \$763,087 capital improvement loan from the Mississippi Development Authority to be used to cover the costs associated with Allen Road. The bond is to be repaid over 18 years, maturing in 2036, and carries a fixed interest rate of 2.0%. Payment on this loan will be made from general ad valorem tax collections.

Annual debt service requirements to maturity for these bonds payable are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 32,627	13,697	46,324
2020	33,285	13,039	46,324
2021	33,957	12,367	46,324
2022	34,643	11,681	46,324
2023	35,342	10,982	46,324
2024-2028	187,702	43,918	231,620
2029-2033	207,425	24,194	231,619
2034-2036	134,776	4,196	138,972
	<u>\$ 699,757</u>	<u>134,074</u>	<u>833,831</u>

Capital Lease Obligations-Governmental Activities

The City is obligated for the following capital assets acquired through capital leases as of September 30, 2018:

<u>Classes of Property</u>	<u>Governmental Activities</u>
Mobile equipment	\$ 402,804
Pumper truck	448,599
Less: accumulated depreciation	(298,099)
Leased property under capital leases	<u>\$ 553,304</u>

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 9 – Long-term Debt (continued)

A. Governmental Activities

The following is a schedule by years of the total payments due as of September 30, 2018:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 157,064	9,136	166,200
2020	151,833	5,645	157,478
2021	100,494	2,261	102,755
	<u>\$ 409,391</u>	<u>17,042</u>	<u>426,433</u>

B. Business-type Activities

Transactions for the year ended September 30, 2018 are summarized as follows:

	<u>Balance</u> <u>10/1/2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>9/30/2018</u>	<u>Due</u> <u>Within</u> <u>one Year</u>
Revenue Refunding Bonds	\$ -	4,000,000	-	4,000,000	135,000
Revenue Bonds	2,745,000	-	(1,355,000)	1,390,000	1,390,000
Special Obligation Bonds	2,955,000	-	(140,000)	2,815,000	145,000
Revolving Loans	4,360,970	-	(422,460)	3,938,510	432,368
Capital Leases	2,827,273	-	(195,397)	2,631,876	201,924
Compensated Absences	-	12,842	-	12,842	5,136
Subtotal	12,888,243	4,012,842	(2,112,857)	14,788,228	2,309,428
Add: Bond Premium*	31,907	-	(15,953)	15,954	15,954
Total business-type activities	<u>\$ 12,920,150</u>	<u>4,012,842</u>	<u>(2,128,810)</u>	<u>14,804,182</u>	<u>2,325,382</u>

Water & Sewer Revenue Bonds, Series 2018 – In 2018, the City issued \$4,000,000 in revenue bonds. The bond is to be repaid over 20 years, maturing in 2038, and carries an average interest rate of 3.73%. Payments on this bond will be made from the net revenues of the Water and Sewer system operations.

Annual debt service requirements to maturity for this bond payable is as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 135,000	213,354	348,354
2020	140,000	143,719	283,719
2021	145,000	137,575	282,575
2022	150,000	131,306	281,306
2023	160,000	124,719	284,719
2024-2028	885,000	518,838	1,403,838
2029-2033	1,080,000	344,434	1,424,434
2034-2038	1,305,000	132,038	1,437,038
	<u>\$ 4,000,000</u>	<u>1,745,983</u>	<u>5,745,983</u>

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 9 – Long-term Debt (continued)

B. Business-type Activities

Water & Sewer Revenue Refunding Bonds, Series 2012 – In 2012, the City issued \$9,185,000 in refunding bonds. These bonds were issued to refund the Revenue Bonds, Series 2001 in an effort to reduce total debt payments. The refunding decreased the City's total debt service payments by approximately \$864,418. The transaction resulted in an economic loss (difference between the present value of the debt service on the old and the new bonds) of approximately \$866,494. The bond is to be repaid over 7 years, maturing in 2019, and carries a fixed interest rate of 2%. Payment on this bond will be made from the net revenues from the Water and Sewer system operations.

Annual debt service requirements to maturity for this bond payable is as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	1,390,000	13,900	1,403,900
	<u>\$ 1,390,000</u>	<u>13,900</u>	<u>1,403,900</u>

Special Obligation Bonds, Series 2013 – In 2013, the City issued \$3,500,000 in special obligation bonds to be used to cover the costs associated with Hurricane Katrina for public improvements and repairs in the City. The bond is to be repaid over 20 years, maturing in 2033, and carries a variable interest rate of 2.0% - 5.0%. Payment on this bond will be made from the net revenues from the Water and Sewer system operations.

Annual debt service requirements to maturity for this bond payable is as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 145,000	122,056	267,056
2020	145,000	117,706	262,706
2021	150,000	113,356	263,356
2022	155,000	108,856	263,856
2023	155,000	103,431	258,431
2024-2028	915,000	413,526	1,328,526
2029-2033	1,150,000	176,975	1,326,975
	<u>\$ 2,815,000</u>	<u>1,155,906</u>	<u>3,970,906</u>

Revolving Loans - The City's utility enterprise fund finances extensions and improvements to its system through note obligations, which are subordinate to the revenue bonds.

The utility currently has six state revolving loans, which enabled the City to provide sewer services in needed areas. The City executed these loan agreements with the State of Mississippi Environmental Quality for the purpose of improving the water distribution and sewer collection systems. The City entered into an agreement with the Mississippi State Tax Commission, allowing the Tax Commission to withhold \$43,424 from monthly sales tax revenues as payment for principal and interest on bonds beginning in fiscal year 2006.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 9 – Long-term Debt (continued)

B. Business-type Activities

Annual debt service requirements to maturity for these loans payable are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 432,368	88,759	521,127
2020	442,532	78,594	521,126
2021	452,956	68,171	521,127
2022	463,646	52,079	515,725
2023	474,614	46,522	521,136
2024-2028	1,539,618	89,009	1,628,627
2029-2030	132,776	1,541	134,317
	<u>\$ 3,938,510</u>	<u>424,675</u>	<u>4,363,185</u>

Capital Lease Obligations-Business-type Activities

The City is obligated for the following capital assets acquired through capital leases as of September 30, 2018:

<u>Classes of Property</u>	<u>Business-type Activities</u>
Water meter project	\$ 3,224,544
Less: accumulated depreciation	(300,957)
Leased property under capital leases	<u>\$ 2,923,587</u>

The following is a schedule by years of the total payments due as of September 30, 2018:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 201,924	85,526	287,450
2020	208,668	78,781	287,449
2021	215,638	71,811	287,449
2022	222,840	64,609	287,449
2023	230,284	57,166	287,450
2024-2028	1,272,060	165,189	1,437,249
2029-2031	280,462	6,987	287,449
	<u>\$ 2,631,876</u>	<u>530,069</u>	<u>3,161,945</u>

C. Legal Debt Margin

The amount of debt, excluding specific exempted debt that can be incurred by the City is limited by state statute. Total outstanding debt during a year can be no greater than 15% of assessed value of the taxable property within the City, according to the last completed assessment for taxation. However, the limitation is increased to 20% whenever a City issues bonds to repair or replace washed out or collapsed bridges on the public roads of the City. As of September 30, 2018, the amount of outstanding debt was equal to 4.8% of the latest property assessments.



City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 9 – Long-term Debt (continued)

D. Compensated Absences

Compensated absences will be paid from the funds from which the employees' salaries were paid which are generally the General Fund.

Note 10 – Property and Sales Tax Revenue

A. Property Tax Revenues

The City levies a tax on real and personal property based on the assessed value of property as compiled by the information extracted from the City assessment tax rolls. The taxes on real property attach as an enforceable lien on the property as of January 1. Taxes on real and personal property are levied by the City Council at the first regular meeting in September.

In accordance with the Mississippi Code of 1972, as amended, the City Council may levy taxes in any amount for general revenue purposes and general improvements. However, taxes collected for the current year are limited to an increase of not more than 10% over receipts for any one of the preceding ten years or a minimum of 20 mills. For purposes of the computation, taxes collected in the current year resulting from property added to the tax assessment roll are excluded from the computation.

The rates are expressed in terms of mills (i.e., ten mills equal one cent). The combined tax rate to finance general governmental services, including the payment of principal and interest on long-term debt but exclusive of school bond and interest for the year ended September 30, 2018 was 37.70 mills or \$37.70 per \$1,000 of assessed valuation.

Property taxes at the fund level are recorded as receivables and deferred inflow of resources at the time the taxes are levied. Revenues are recognized as the related ad valorem taxes are collected including those collected 60 days after year-end. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with GAAP have been recognized as revenue.

B. General Sales Tax Revenues

The State levies a 7% sales tax on retail sales and remits 18.5% of the amount collected (within the corporate boundaries of the City of Gautier) back to the City monthly. General sales tax revenue reported in the General Fund was \$2,256,994.

Note 11 – Commitments and Contingencies

A. Risk Management

Claims and Judgments - The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks. Settled claims resulting from these insured risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 11 – Commitments and Contingencies (continued)

Federal Grants - The city has received federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a grantor audit may become a liability of the City. No provision for any liability that may result has been recognized in the City's financial statements.

Litigation - The City is potentially a party to legal proceedings, many of which occur in the normal course of governmental operations. It is not possible at the present time to estimate ultimate outcome or liability, if any, of the City with respect to the potential proceedings. However, the City's legal counsel believes that any ultimate liability resulting from these lawsuits, if any, will not have a material adverse effect on the financial condition of the City.

B. Commitments

Contract for Operations of Water and Wastewater Systems – The City renewed a contract with Clearwater Solutions, LLC for operation and maintenance of the City's water and sewer systems and utility billing of water and sewer systems. The fee under the contract is \$203,358/month for the year ended September 30, 2018. Annually, the amount shall be adjusted by the consumer price index by the U.S. Department of Labor Statistics. During the fiscal year ended September 30, 2018 the City paid a total of \$2,201,793 to Clearwater Solutions, LLC under this contract.

Contract for Operations of Solid Waste Collections – The City renewed a contract with Delta Sanitation of MS, LLC for the operations of solid waste collections. The fee under the contract is approximately \$80,700/month for the year ended September 30, 2018. This amount includes commercial and residential garbage collection and approximately \$2,262/month for cart rentals. During the fiscal year ended September 30, 2018 the City paid a total of \$980,095 to Delta Sanitation of MS, LLC under this contract.

Note 12 – Joint Ventures

Joint Venture - The City of Gautier contracts with the Jackson County Utility Authority (the "Authority"), whereby the Authority picks up and disposes the City's solid waste and treats and disposes of the City's wastewater in compliance with water quality standards established by the Mississippi Air and Water Pollution Control law and the Federal Water Pollution Control Act.

The Authority provides for the operation and maintenance of the sewer treatment plants on a cost reimbursement basis. Pursuant to the terms of the agreement, the City is required to pay monthly costs of operations and maintenance directly associated with the treatment facilities and to share in the construction costs of the treatment facilities. The costs associated with this contract totaled \$2,088,384 for the year.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 12 – Joint Ventures (continued)

As of the date of this report, the financial statements of the Jackson County Utility Authority had not been published; therefore, the following is a synopsis of the Authority's financial statements as of and for the year ended September 30, 2017:

CONDENSED STATEMENT OF NET POSITION

<u>ASSETS</u>	
Current assets	\$ 3,664,069
Restricted assets	17,595,349
Capital assets, net	160,064,680
Total assets	<u>181,324,098</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	<u>1,391,731</u>
<u>LIABILITIES</u>	
Current liabilities	6,998,562
Long-term liabilities	61,520,917
Total liabilities	<u>68,519,479</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	<u>254,047</u>
<u>NET POSITION</u>	<u>\$ 113,942,303</u>

**CONDENSED STATEMENT OF REVENUES AND EXPENDITURES AND
CHANGES IN NET POSITION**

Operating revenue	\$ 15,876,081
Operating expenses	(20,328,779)
Nonoperating revenues	65,450
Nonoperating expenditures	(1,451,549)
Capital grants and contributions	3,972,915
Change in net position	<u>\$ (1,865,882)</u>

The City's obligation to pay operational costs of the Authority is joint and several with the obligations of all other public agencies similarly contracting with the Authority. Whenever any public City shall default in the payment to the Authority of its respective payment, the Authority may adjust the contract sums of the remaining public agencies, which are not in default so as to increase their contract sums by a proportional amount.

A complete copy of the 2018 financial statements should be soon on file at the administrative offices of the Authority which are located at 11100 Highway 57, Vancleave, Mississippi 39565, or may be obtained by calling (228) 762-0119.

City of Gautier, Mississippi
Notes to the Financial Statements
September 30, 2018

Note 13 – Jointly Governed Organizations

Jointly Governed Organization - On November 2, 1970, the City entered into an agreement with the Board of Trustees of the Jackson George Regional Library System, the City of Moss Point, City of Pascagoula, City of Ocean Springs, City of Lucedale, and the Board of Supervisors of Jackson County to mutually cooperate in securing a more economical public library system through combined resources, interests, materials and facilities to be known as the Jackson George Regional Library System. There are no specific monetary terms in the agreement and the City of Gautier has no equity interest in the organization. However, a budget is approved every year by the County Library Board, which stipulates the amount of funds needed from the participating municipalities and various other funding sources. The City contributed \$109,578 to the Library for the year ended September 30, 2018.

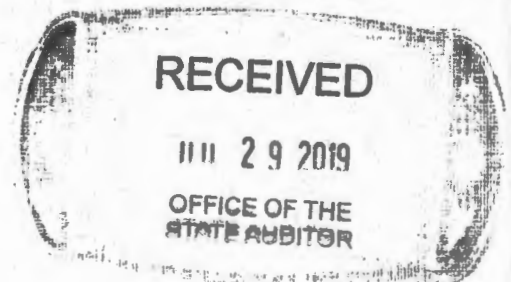
Note 14– Subsequent Events

Events that occur after the Statement of Net position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net position date require disclosure in the accompanying notes. Management of the City evaluated the activity of the City through June 25, 2019, (the date the financial statements were available to be issued), and determined that no subsequent events have occurred requiring disclosure in the notes to the financial statement.

Note 15 – Prior Period Adjustment

During 2018, an inventory of capital assets was performed and it was found that approximately \$1,551,437 of capital assets had not been capitalized in prior years. Accumulated depreciation on these assets would have been booked in the amount of \$97,925. As a result the following prior period adjustment to net position was made:

	<u>Amount</u>
Governmental activities	
Land	\$ 1,039,933
Building and Improvements	119,988
Infrastructure	391,516
Accumulated depreciation	<u>(97,925)</u>
Total adjustment to net position	<u>\$ 1,453,512</u>



REQUIRED SUPPLEMENTARY INFORMATION



City of Gautier, Mississippi
Statement of Revenues, Expenditures
and Changes in Fund Balance
General Fund
Budget to Actual - (Prepared on the Budgetary Basis)
For the Fiscal Year Ended September 30, 2018

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**OFFICE OF THE
STATE AUDITOR**

	Budgeted Amounts		Actual	Variances	
	Original	Final	Budgetary Basis	Favorable (Unfavorable)	
				Original to Final	Final to Actual
Revenues:					
Property taxes	4,842,273	4,842,273	4,978,082	-	135,809
General sales tax	2,235,000	2,235,000	2,248,935	-	13,935
Fines and forfeitures	474,000	474,000	579,723	-	105,723
Licenses and permits	104,000	104,000	131,764	-	27,764
Intergovernmental	871,960	919,765	972,072	47,805	52,307
Charges for services	-	-	40,897	-	40,897
Franchise fees	155,000	155,000	148,817	-	(6,183)
Investment earnings	-	-	3,367	-	3,367
Miscellaneous	110,255	160,992	118,784	50,737	(42,208)
Total Revenues	8,792,488	8,891,030	9,222,441	98,542	331,411
Expenditures:					
General government:					
Personnel services	1,400,351	1,353,171	2,142,936	47,180	(789,765)
Supplies	55,750	68,266	57,281	(12,516)	10,985
Other services and charges	970,980	953,014	906,857	17,966	46,157
Capital outlay	19,800	19,299	44,136	501	(24,837)
Total general government	2,446,881	2,393,750	3,151,210	53,131	(757,460)
Public safety:					
Personnel services	4,994,235	4,903,235	4,008,892	91,000	894,343
Supplies	266,367	287,845	242,634	(21,478)	45,211
Other services and charges	265,150	265,150	213,001	-	52,149
Capital outlay	19,792	48,826	81,509	(29,034)	(32,683)
Total public safety	5,545,544	5,505,056	4,546,036	40,488	959,020
Public works:					
Personnel services	208,480	208,480	206,992	-	1,488
Supplies	89,900	89,900	59,682	-	30,218
Other services and charges	169,150	155,050	133,078	14,100	21,972
Capital outlay	45,000	46,100	46,060	(1,100)	40
Total public works	512,530	499,530	445,812	13,000	53,718
Culture and recreation					
Personnel services	311,184	311,184	304,199	-	6,985
Supplies	44,500	70,522	62,172	(26,022)	8,350
Other services and charges	97,250	93,250	83,135	4,000	10,115
Capital outlay	-	18,904	8,291	(18,904)	10,613
Total culture and recreation	452,934	493,860	457,797	(40,926)	36,063
Debt service	63,976	63,976	63,976	-	-
Total Expenditures	9,021,865	8,956,172	8,664,831	65,693	291,341
Excess (Deficiency) of Revenues					
Over Expenditures	(229,377)	(65,142)	557,610	164,235	622,752

The accompanying notes to the Required Supplementary Information are an integral part of this schedule.

City of Gautier, Mississippi
Statement of Revenues, Expenditures
and Changes in Fund Balance
General Fund
Budget to Actual - (Prepared on the Budgetary Basis)
For the Fiscal Year Ended September 30, 2018

	Budgeted Amounts		Actual Budgetary Basis	Variances Favorable (Unfavorable)	
	Original	Final		Original to Final	Final to Actual
Other Financing Sources (Uses):					
Transfers in	800,000	650,000	650,000	(150,000)	-
Transfers out	(1,045,982)	(1,060,216)	(1,060,216)	(14,234)	-
Total Other Financing Sources (Uses)	(245,982)	(410,216)	(410,216)	(164,234)	-
Net Change in Fund Balance - Budget	(475,359)	(475,358)	147,394	1	622,752

Net Change in fund balance - Budget-Cash Basis		\$ 147,394
Revenues per Cash-basis Budget	9,222,441	
Additional accrued revenues	6,033	6,033
Revenues per Fund Financial Statements	9,228,474	
Expenditures per Cash-basis Budget	8,664,831	
Additional accrued expenses	8,287	(8,287)
Expenditures per Fund Financial Statement	8,673,118	
Net Change in fund balance - Fund Financials		\$ 145,140

The accompanying notes to the Required Supplementary Information are an integral part of this schedule.

City of Gautier, Mississippi
Notes to the Required
Supplementary Information-Budgetary Schedules
For the Fiscal Year Ended September 30, 2018

A. Budgetary Information.

State statutes authorize the State Auditor to regulate the municipal budget process. Expenditures must be defined to the minimum level prescribed by the State Auditor. The State Auditor has set this level at the purpose level. Municipalities are prohibited from spending in excess of the lowest level adopted in the budget except for capital outlay, election expense and emergency warrants.

B. Basis of Presentation.

The Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) presents the original legally adopted budget, the final legally adopted budget, actual amounts on a budgetary (Non-GAAP Basis) and variances between the final budget and the actual amounts. The schedule is presented for the General Fund and each major Special Revenue Fund. The Budgetary Comparison Schedule - Budget and Actual (Non-GAAP Basis) is a part of required supplemental information.

C. Budget/GAAP Reconciliation.

The major differences between the budgetary basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP).

D. Budgetary Data

The procedures used by the City in establishing budget are mandated by Mississippi State law. A brief summary of the City's policies for recording budgetary data in the financial statements are as follows:

1. Prior to August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year beginning October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. No later than September 15, the budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year for all governmental and proprietary funds.
5. Budgets for the governmental and proprietary funds are adopted on a cash basis except for expenditures which include those paid within 30 days of the fiscal year end as required by state statute.

City of Gautier, Mississippi
Schedule of the City's Proportionate Share of the Net Pension Liability
Last 10 Fiscal Years*
For the Fiscal Year Ended September 30, 2018
(UNAUDITED)

	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.070%	0.070%	0.067%	0.067%	0.069%
City's proportionate share of the net pension liability (asset)	\$ 11,643,082	11,636,376	11,967,873	10,356,879	8,132,573
City's covered payroll	\$ 4,516,635	4,502,222	4,269,283	4,199,035	4,182,032
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	257.78%	258.46%	280.33%	246.65%	194.46%
Plan fiduciary net position as a percentage of the total pension liability	62.54%	61.49%	57.47%	61.70%	67.21%

* The amounts presented for each fiscal year were determined as of the measurement date of June 30 prior to the fiscal year presented. This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 68 was implemented for the fiscal year ended September 30, 2015, and, until a full 10 year trend is compiled, the City has only presented information for the years in which information is available.

The accompanying notes to the Required Supplementary Information are an integral part of this schedule.

City of Gautier, Mississippi
Schedule of the City's Contributions
Last 10 Fiscal Years*
For the Fiscal Year Ended September 30, 2018
(UNAUDITED)

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 722,163	713,359	681,575	658,899	658,605
Contributions in relation to the contractually required contribution	722,163	713,359	681,575	658,899	658,605
Contribution deficiency (excess)	\$ -	-	-	-	-
City's covered payroll	\$ 4,585,162	4,529,263	4,327,460	4,183,486	4,181,619
Contributions as a percentage of covered payroll	15.75%	15.75%	15.75%	15.75%	15.75%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB Statement No. 68 was implemented for the fiscal year ended September 30, 2015, and, until a full 10 year trend is compiled, the City has only presented information for the years in which information is available.

The accompanying notes to the Required Supplementary Information are an integral part of this schedule.

City of Gautier, Mississippi
Notes to the Required Supplementary Information – Pension Schedules
For the Fiscal Year Ended September 30, 2018

Pension Schedules

- 2017
 - The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022. Small adjustments were also made to the Mortality Table for disabled lives.
 - The wage inflation assumption was reduced from 3.75% to 3.25%.
 - Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
 - The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.
- 2016
 - The assumed rate of interest credited to employee contributions was changed from 3.50% to 2.00%.
- 2015
 - The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather than the RP-2000 Mortality Table, which was used prior to 2015.
 - The expectation of disabled mortality was changed to the RP-2014 Disabled Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.
 - Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
 - Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
 - The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

Changes in benefit provisions

- 2016
 - Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by the Wall Street Journal on December 31 of each preceding year with a minimum rate of one percent and a maximum rate of five percent.

Methods and assumptions used in calculations of actuarially determined contributions

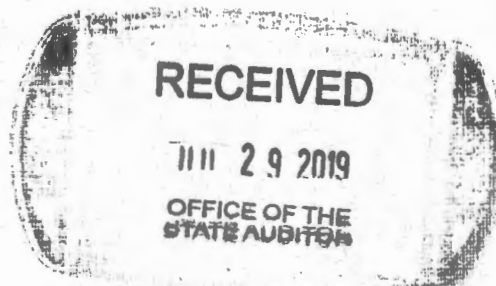
The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported (June 30, 2016 valuation for the June 30, 2018 fiscal year end). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization period	36.6 years
Asset valuation method	5-year smoothed market
Price inflation	3.00 percent
Salary increase	3.75 percent to 19.00 percent, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

SUPPLEMENTAL INFORMATION

City of Gautier, Mississippi
Schedule of the Expenditures of Federal Awards
For the Year Ended September 30, 2018

Federal Grantor/ Passed-through Grantor/ Program Title or Cluster	Federal CFDA Number	Grant No. / Pass-Through Number	Federal Expenditures
U.S. Department of Agriculture			
Passed through the Natural Resources Conservation Service			
Emergency Watershed Protection	10.923	68-4423-17-222	<u>237,878</u>
Total U.S. Department of Agriculture			<u>237,878</u>
U.S. Fish and Wildlife Service			
Passed through MS Department of Marine Resources			
Sport Fish Access Program - Boat Launch Improvements	15.605	MS-F-F16AF00484	<u>32,672</u>
Total U.S. Fish and Wildlife Service			<u>32,672</u>
U.S. Department of Justice			
Passed through Mississippi Department of Public Safety			
High Intensity Drug Trafficking Areas Program	16.592	G17GC003A	12,585
FBI Safe Streets	16.592	18GCP540Z	16,293
DNA Backlog Reduction Program	16.741	2017-AK-BX-0132	1,182
Equitable Sharing Program	16.922		<u>108,623</u>
Total U.S. Department of Justice			<u>138,683</u>
U.S. Department of Transportation			
Passed through the MS Department of Transportation			
Transportation Improvement - Martin Bluff Road	20.205	STP-9194	<u>324,278</u>
Total U.S. Department of Transportation			<u>324,278</u>
U.S. Department of Homeland Security			
Passed through the Mississippi Emergency Management Agency			
Disaster Grants - Public Assistance (Presidentially Declared			
Disasters)	97.036	FEMA-4350-DR-MS	<u>78,493</u>
			<u>78,493</u>
Total Expenditures of Federal Awards			<u>\$ 812,004</u>



City of Gautier, Mississippi
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2018

Note 1 – General

The accompanying schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal award programs of the City of Gautier, Mississippi (the "City"). All federal awards received directly from federal agencies as well as federal awards passed through other government agencies to the City are included in the accompanying SEFA.

Note 2 – Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City and is presented on the modified-accrual basis of accounting. Differences between the granting-agency basis of accounting and the basis of accounting used by the City in preparing its financial fund statements may occur.

Note 3 – Federal Loans

The City has the following federal loans outstanding as of September 30, 2018:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Current Year Expenditures</u>	<u>Unpaid Loan Balance</u>	<u>Original Loan Amount</u>
Environmental Protection Agency Passed-through the Mississippi Department of Environmental Quality				
DWI-H280114-02	66.458	-	221,780	422,610
DWI-H280114-01-02	66.458	-	440,984	470,475
SRF-C280879-02-2	66.458	-	1,085,615	1,760,448
SRF-C280879-01-3	66.458	-	587,405	1,288,485
DWI-H280092-01-3	66.458	-	699,123	1,344,987
SRF-C280754-01-3	66.458	-	903,603	1,865,320
Total federal loans		<u>\$ -</u>	<u>\$ 3,938,510</u>	<u>\$ 7,152,325</u>

City of Gautier, Mississippi
Schedule of Surety Bonds
(Required by State of Mississippi)
For the Fiscal Year Ended September 30, 2018

<u>Position</u>	<u>Name</u>	<u>Amount</u>
Mayor	Philip Torjusen	\$ 100,000
Councilman	Adam Colledge	100,000
Councilman	Mary Martin	100,000
Councilman	Cameron George	100,000
Councilman	Richard Jackson	100,000
Councilman	Casey Vaughan	100,000
Councilman	Charles Anderson	100,000
City Manager	Paula Yancey	50,000
Police Chief	Dante Elbin	50,000
City Clerk	Cynthia Russell	50,000
Deputy City Clerk	Tricia Thigpen	50,000
Comptroller	Teresa Montgomery	50,000
Asst Comptroller	Tara Tapper	50,000
Executive Asst	Emily Cumbest	50,000
Administrative Clerk	Cora Floyd	50,000
Administrative Clerk	Rachel Honea	50,000
Administrative Clerk	Addie Bang	50,000
Administrative Clerk	Ramona Morgan	50,000
Administrative Clerk	Brenda Greco	50,000
Purchasing Clerk	Sherry Farabee	50,000
Acctg/Personnel Clerk	Lekeisha Hill	50,000
Acctg/Personnel Clerk	Leoquetta Reddix	50,000
Court Clerk	Cynthia McKaig	50,000
Deputy Court Clerk	Michael Steward	50,000
Records Clerk	Tina Hansen	50,000
Police	Daniel Selover	25,000
Dispatcher	Jennifer Gutherz	50,000
Dispatcher	Cameron Thigpen	50,000
Dispatcher	Susan Powell	50,000
Dispatcher	Jameika Henderson	50,000
Dispatcher	Ashtin Langdon	50,000
Dispatcher	Timothy Werner	50,000
Dispatcher	Brittany Worth	50,000
Dispatcher	Chasity Jonston	50,000
Dispatcher	Traci Webb	50,000
Park Attendant	Laquita Harris	50,000
Park Attendant	Sarah Marie Aberl	50,000
Park Attendant	Joan Craswell	50,000

SPECIAL REPORTS

WRIGHT, WARD, HATTEN & GUEL

PROFESSIONAL LIMITED LIABILITY COMPANY

(SUCCESSORS TO A. L. EVANS & COMPANY ESTABLISHED 1928)

Certified Public Accountants

HANCOCK BANK BUILDING

2510 - 14TH STREET

P.O. BOX 129

GULFPORT, MISSISSIPPI 39502

MICHAEL E. GUEL, CPA, CVA, PFS, CFP®, CFE
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

June 25, 2019

Honorable Mayor and
City Council of
City of Gautier, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gautier, Mississippi (the "City") as and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 25, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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||| 29 2019

OFFICE OF THE
STATE AUDITOR

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Gautier's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the findings and questioned cost as item 2018-001.

City of Gautier, Mississippi's Response to Findings

City of Gautier Mississippi's response to the finding identified in our audit is described in the Auditee's Corrective Action Plan. City of Gautier, Mississippi's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Walter Wood Hatten # 1

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**LIMITED INTERNAL CONTROL AND
COMPLIANCE REVIEW MANAGEMENT REPORT**

June 25, 2019

Honorable Mayor and
City Council of
City of Gautier, Mississippi

In planning and performing our audit of the financial statements of the City of Gautier, Mississippi for the year ended September 30, 2018, we considered the City's internal control to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on internal control.

In addition, for areas not considered material to the City of Gautier, Mississippi's financial reporting, we have performed some additional limited internal control and state legal compliance review procedures as identified in the state legal compliance audit program issued by the Office of the State Auditor. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the County's compliance with these requirements. Accordingly, we do not express such an opinion. This report does not affect our report dated June 25, 2019, on the financial statements of the City of Gautier, Mississippi.

Due to the reduced scope, these review procedures and compliance tests cannot and do not provide absolute assurance that all state legal requirements have been complied with. Also, our consideration of internal control would not necessarily disclose all matters within the internal control that might be weaknesses. In accordance with Section 7-7-211, Miss. Code Ann. (1972), the Office of the State Auditor, when deemed necessary, may conduct additional procedures and tests of transactions for this or other fiscal years to ensure compliance with legal requirements.

The results of our procedures performed to test compliance with certain state laws and regulations and our audit of the financial statements did not result in any material instances of noncompliance with state laws and regulations.

This report is intended for the information of the City's management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Wright Ward Hatten & Guel

WRIGHT, WARD, HATTEN & GUEL

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**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

June 25, 2019

Honorable Mayor and
City Council of
City of Gautier, Mississippi

Report on Compliance for Each Major Federal Program

We have audited City of Gautier, Mississippi's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on the City's major federal program for the year ended September 30, 2018. The City's major federal program is identified in the summary of Auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each of the Other Major Federal Programs

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2018.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

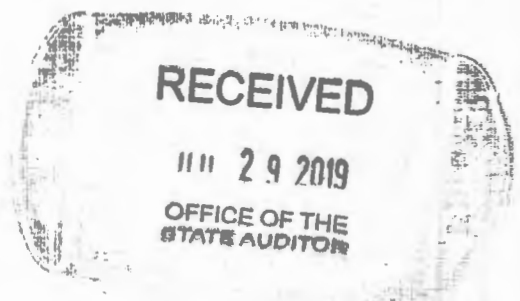
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Walter Wadsworth & Sons



City of Gautier, Mississippi
Schedule of Findings and Questioned Costs
September 30, 2018

SECTION 1 – SUMMARY OF AUDITOR’S RESULTS

Financial Statements:

- | | | |
|----|--|------------|
| 1. | Type of auditor's report issued on the financial statements: | |
| | Governmental activities | Unmodified |
| | Business-type activities | Unmodified |
| | General and other major funds | Unmodified |
| | Aggregate remaining fund information | Unmodified |
| 2. | Internal control over financial reporting: | |
| | a. Material weaknesses identified? | No |
| | b. Significant deficiencies identified? | No |
| 3. | Noncompliance material to the financial statements noted? | No |

Federal Awards:

- | | | | | | | | | |
|-----------------------|---|-----------------------|---|--------|---|--------|---|--|
| 4. | Type of auditor's report issued on compliance for major programs: | Unmodified | | | | | | |
| 5. | Internal control over major programs: | | | | | | | |
| | a. Material weaknesses identified? | No | | | | | | |
| | b. Significant deficiencies identified? | None Reported | | | | | | |
| 6. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | None | | | | | | |
| 7. | Federal programs identified as major: | | | | | | | |
| | <table border="0" style="margin-left: 40px;"> <tr> <td style="text-align: center;"><u>CFDA Number(s)</u></td> <td style="text-align: left;"><u>Name of Federal Program or Cluster</u></td> </tr> <tr> <td style="text-align: center;">10.923</td> <td>U. S. Department of Agriculture -
Emergency Watershed Protection</td> </tr> <tr> <td style="text-align: center;">16.922</td> <td>U.S. Department of Justice
Equitable Sharing Program</td> </tr> </table> | <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u> | 10.923 | U. S. Department of Agriculture -
Emergency Watershed Protection | 16.922 | U.S. Department of Justice
Equitable Sharing Program | |
| <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u> | | | | | | | |
| 10.923 | U. S. Department of Agriculture -
Emergency Watershed Protection | | | | | | | |
| 16.922 | U.S. Department of Justice
Equitable Sharing Program | | | | | | | |
| 8. | Dollar threshold used to distinguish between type A and type B programs: | \$ 750,000 | | | | | | |
| 9. | Auditee qualified as low-risk auditee? | No | | | | | | |
| 10. | Prior fiscal year audit finding(s) and questioned costs relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings in accordance with 2 CFR 200.526(b)? | No | | | | | | |

City of Gautier, Mississippi
Schedule of Findings and Questioned Costs
September 30, 2018

SECTION 2 – FINANCIAL STATEMENT FINDINGS

Compliance/Other Matters

2018-001	No insurance on insurable parts of the Utility System
Repeat Finding	No
Criteria	Maintaining adequate insurance coverage on the Utility System.
Condition	During our audit, we reviewed the 2018 Bond requirements. One of those requirements is that the City shall carry and maintain all-risk insurance upon all the properties forming a part of the System which may be of an insurable nature and that such insurance to be of the type and kind and for such amount or amounts as carried and maintained by other municipalities rendering services of a similar character in similar communities.
Cause	The City did not obtain all-risk insurance as stipulated in the bond agreement.
Effect	If parts of the System were to get destroyed the City would have to cover the costs to repair the System.
Recommendation	We recommend that the City follow the bond requirements and obtain all-risk insurance on the insurable parts of the System.

SECTION 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings noted during the fiscal year ended September 30, 2018.



AUDITEE CORRECTIVE ACTION PLAN

*Mayor
Phil Forjusen*

City of Gautier

Gautier, Mississippi

*City Manager
Paula S. Yancey*

*City Clerk
Cynthia Russell*

*Council
At Large Mary F. Martin
Ward 1 Cameron B. George
Ward 2 Richard "DJ" Jackson
Ward 3 Casey C. Vaughan
Ward 4 Charles "Rusty" Anderson
Ward 5 Adam D. Colledge*



*3330 Highway 90
Gautier, MS 39553
Phone: (228) 497-8000
Fax: (228) 497-8028
Email: gautier@gautier-ms.gov
Website: www.gautier-ms.gov*

CITY OF GAUTIER, MISSISSIPPI Corrective Action Plan For the Year Ended September 30, 2018

Section 2 – Financial Statements Findings

2018-001 No Insurance on insurable parts of Utility System

Compliance/Other Matters

Response: The City is in the process of obtaining additional insurance on the insurable portions of the Utility System.



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June 25, 2019

To the City Manager, Mayor and City Council of the
City of Gautier, MS
3330 US-90
Gautier, MS 39553

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JUN 29 2019

OFFICE OF THE
STATE AUDITOR

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Gautier, MS for the year ended September 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 12, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Gautier, MS are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2018. We noted no transactions entered into by the City of Gautier, MS during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the government wide's financial statements were:

Management's estimate of the court fines receivable and the corresponding allowance for uncollectible accounts is based on historical trends and judgment to estimate and determine an amount that is reasonable in relation to the financial statements taken as a whole. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for doubtful accounts is based on historical water and sewer revenues and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the useful lives of capital assets is based on historical data as well as guidelines set forth in the Mississippi Municipal Audit and Accounting Guide prescribed by the office of the Mississippi State Auditor. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of the defined benefit pension plan in Note 8 to the financial statements is particularly sensitive due to the significant amount of deferred inflows, net pension liability, deferred outflows, and pension expense in relation to the financial statements of the City as a whole. The amounts are the City's proportionate share of similar amounts for the State of Mississippi's defined benefit pension plan.

The disclosure of long-term debt in Note 9 to the financial statements is particularly sensitive due to the nature of the various debt types and the total amount of debt of the City.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 25, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City of Gautier, MS's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Gautier, MS's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Budgetary Comparison Schedule, Schedule of the City's Proportionate Share of the Net Pension Liability and the Schedule of the City's Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Schedule of Expenditures of Federal Awards and the Schedule of Surety Bonds which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on Schedule of Elected Officials or the Organization Chart, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of City Manager, Mayor and City Council and management of the City of Gautier, MS and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Walter Woodworth * *[Signature]*

FISCAL YEAR 2019 BUDGET

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City of Gautier
October 1, 2018 - September 30, 2019
Annual Budget

GENERAL FUND: FUND 001		Original BUDGET FY 2018	PROPOSED BUDGET FY 2019
REVENUES			
Licenses & Permits	\$	91,000.00	\$ 97,000.00
Inter-Governmental Revenue:			
In Lieu of Taxes	\$	342,000.00	\$ 352,000.00
Franchise Fees	\$	155,000.00	\$ 148,000.00
General Sales Tax	\$	2,235,000.00	\$ 2,235,000.00
ABC Licenses	\$	13,000.00	\$ 13,000.00
Homestead Reimbursement	\$	90,000.00	\$ 95,000.00
Motor Fuel Tax	\$	115,560.00	\$ 15,000.00
Shared Revenues - Road Tax	\$	487,000.00	\$ 487,000.00
Shared Revenues - Recreation	\$	135,000.00	\$ 138,000.00
Rail Car Tax	\$	2,200.00	\$ 2,500.00
Privilege Tax-Heavy Duty Vehicle	\$	4,000.00	\$ 4,200.00
Municipal Aid Surplus	\$	9,200.00	\$ 9,250.00
FEMA/MEMA Reimbursement	\$	-	\$ 179,285.00
Fine & Forfeits	\$	474,000.00	\$ 510,000.00
Grants	\$	29,000.00	\$ 51,449.00
Surplus Property	\$	-	\$ -
Loan - Public Safety Vehicles	\$	-	\$ 120,000.00
Loan - Recreation Vehicles	\$	-	\$ 80,000.00
Miscellaneous	\$	110,255.00	\$ 115,700.00
Transfer from Other Funds	\$	-	\$ -
Transfer from Solid Waste Fund	\$	500,000.00	\$ 189,102.00
Transfer from Enterprise Fund	\$	300,000.00	\$ 641,821.00
Total revenue from sources other than taxation	\$	5,092,215.00	\$ 5,483,307.00
Balance at beginning of year	\$	1,500,000.00	\$ 1,900,000.00
Total from all sources other than taxation	\$	6,592,215.00	\$ 7,383,307.00
Amount necessary to be raised by tax levy	\$	4,500,273.00	\$ 4,737,378.00
Total available cash and anticipated revenue	\$	11,092,488.00	\$ 12,120,685.00
GENERAL FUND			
EXPENDITURES			
LEGISLATIVE DEPARTMENT			
Personnel Services	\$	102,562.00	\$ 141,719.00
Supplies	\$	4,000.00	\$ 3,000.00
Other Services & Charges	\$	22,650.00	\$ 14,250.00
Total	\$	129,212.00	\$ 158,969.00
CITY COURT			
Personnel Services	\$	174,520.00	\$ 176,705.00
Supplies	\$	3,000.00	\$ 2,500.00
Other Services & Charges	\$	141,650.00	\$ 143,050.00
Capital Outlay	\$	-	\$ -
Total	\$	319,170.00	\$ 322,255.00
CITY MANAGER			
Personnel Services	\$	148,614.00	\$ 169,233.00
Supplies	\$	5,500.00	\$ 2,500.00
Other Services & Charges	\$	89,450.00	\$ 87,800.00
Total	\$	243,564.00	\$ 259,533.00
HUMAN RESOURCES			
Personnel Services	\$	128,900.00	\$ 112,931.00
Supplies	\$	3,700.00	\$ 3,700.00
Other Services & Charges	\$	10,250.00	\$ 9,000.00
Capital Outlay	\$	200.00	\$ -
Total	\$	143,050.00	\$ 125,631.00
ELECTIONS			
Supplies	\$	-	\$ -
Other Services & Charges	\$	-	\$ -
Total	\$	-	\$ -
CITY CLERK			
Personnel Services	\$	235,955.00	\$ 249,491.00
Supplies	\$	11,500.00	\$ 11,750.00
Other Services & Charges	\$	28,400.00	\$ 28,400.00
Capital Outlay	\$	1,600.00	\$ 1,600.00
Total	\$	277,455.00	\$ 291,241.00

FINANCE		
Personnel Services	\$ 180,775.00	\$ 222,702.00
Supplies	\$ 1,050.00	\$ 3,000.00
Capital Outlay	\$ 2,000.00	\$ -
Total	\$ 183,825.00	\$ 225,702.00
CITY ATTORNEY		
Other Services & Charges	\$ 105,000.00	\$ 130,000.00
Total	\$ 105,000.00	\$ 130,000.00
BUILDING & PLANNING		
Personnel Services	\$ 294,077.00	\$ 315,529.00
Supplies	\$ 10,000.00	\$ 10,900.00
Other Services & Charges	\$ 30,060.00	\$ 44,780.00
Capital Outlay	\$ 3,000.00	\$ -
Total	\$ 337,137.00	\$ 371,209.00
GENERAL EXPENSES & FACILITIES		
Supplies	\$ 16,000.00	\$ 12,000.00
Other Services & Charges	\$ 540,200.00	\$ 540,200.00
Capital Outlay	\$ 10,500.00	\$ 17,000.00
Total	\$ 566,700.00	\$ 569,200.00
GRANTS & PROJECTS ADMIN		
Personnel Services	\$ 134,948.00	\$ 143,284.00
Supplies	\$ 1,000.00	\$ 1,250.00
Other Services & Charges	\$ 3,320.00	\$ 9,005.00
Capital Outlay	\$ 2,500.00	\$ 1,100.00
Total	\$ 141,768.00	\$ 154,639.00
POLICE DEPARTMENT		
Personnel Services	\$ 2,762,195.00	\$ 2,938,596.00
Supplies	\$ 203,500.00	\$ 210,500.00
Other Services & Charges	\$ 160,900.00	\$ 161,400.00
Capital Outlay	\$ 13,792.00	\$ 97,000.00
Debt Service	\$ 63,976.00	\$ 63,976.00
Total	\$ 3,204,363.00	\$ 3,471,472.00
FIRE DEPARTMENT		
Personnel Services	\$ 2,232,040.00	\$ 2,342,151.00
Supplies	\$ 62,867.00	\$ 66,867.00
Other Services & Charges	\$ 104,250.00	\$ 108,270.00
Capital Outlay	\$ 6,000.00	\$ 45,000.00
Total	\$ 2,405,157.00	\$ 2,562,288.00
RECREATION DEPARTMENT		
Personnel Services	\$ 311,184.00	\$ 357,355.00
Supplies	\$ 44,500.00	\$ 57,000.00
Other Services & Charges	\$ 97,250.00	\$ 86,250.00
Capital Outlay	\$ -	\$ 85,100.00
Total	\$ 452,934.00	\$ 585,705.00
STREETS		
Supplies	\$ 70,000.00	\$ 70,000.00
Other Services & Charges	\$ 163,000.00	\$ 171,420.00
Capital Outlay	\$ 45,000.00	\$ 45,000.00
Total	\$ 278,000.00	\$ 286,420.00
MAINTENANCE		
Personnel Services	\$ 208,480.00	\$ 219,738.00
Supplies	\$ 19,900.00	\$ 19,900.00
Other Services & Charges	\$ 6,150.00	\$ 6,150.00
Capital Outlay	\$ -	\$ -
Total	\$ 234,530.00	\$ 245,788.00
INTERFUND TRANSFERS		
Transfer to Other Funds	\$ 795,982.00	\$ 830,452.00
Transfer to Health Benefit Fund	\$ 250,000.00	\$ -
Total	\$ 1,045,982.00	\$ 830,452.00
TOTAL EXPENDITURES	\$ 10,067,847.00	\$ 10,590,504.00
YEAR END BALANCE	\$ 1,024,641.00	\$ 1,530,181.00
BALANCE	\$ 11,092,488.00	\$ 12,120,685.00

MS DEVELOPMENT BANK KATRINA LOAN FUND: FUND 007 (Original issue \$2.5 million)**REVENUE**

Balance at beginning of year	\$	310.00	\$	240.20
Transfer from General Fund	\$	279,229.00	\$	280,259.00
Total available cash and anticipated revenue	\$	279,539.00	\$	280,499.20

EXPENDITURES

Annual Fees	\$	1,200.00	\$	1,250.00
Ms Dev Katrina Loan - Debt Service	\$	278,029.00	\$	279,059.00

TOTAL EXPENDITURES

	\$	279,229.00	\$	280,309.00
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YEAR END BALANCE

	\$	310.00	\$	190.20
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BALANCE

	\$	279,539.00	\$	280,499.20
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TRANSPORTATION ENHANCEMENT - DOWNTOWN: FUND 13**REVENUE**

Balance at beginning of year	\$	13,631.67	\$	(40,971.45)
Grant	\$	40,971.45	\$	40,971.45
Transfer from General Fund	\$	-	\$	-
Total available cash and anticipated revenue	\$	54,603.12	\$	-

EXPENDITURES

Capital Outlay	\$	54,603.12	\$	-
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TOTAL EXPENDITURES

	\$	54,603.12	\$	-
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE

	\$	54,603.12	\$	-
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ALLEN ROAD WIDENING: FUND 20**REVENUES**

Balance at beginning of year	\$	31,890.00	\$	-
Transfer from General Fund	\$	14,434.00	\$	46,324.00
Total available cash and anticipated revenue	\$	46,324.00	\$	46,324.00

EXPENDITURES

Other Services & Charges	\$	-	\$	-
Debt Service	\$	46,324.00	\$	46,324.00

TOTAL EXPENDITURES

	\$	46,324.00	\$	46,324.00
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE

	\$	46,324.00	\$	46,324.00
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MDOT SAFE ROUTES TO SCHOOL: FUND 29**REVENUES**

Balance at beginning of year	\$	(36,558.55)	\$	(27,155.81)
MDOT Reimbursements	\$	59,938.88	\$	27,155.81
Transfer from General Fund	\$	-	\$	-
Total available cash and anticipated revenue	\$	23,380.33	\$	-

EXPENDITURES

Street Improvements (Sidewalks)	\$	23,380.33	\$	-
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TOTAL EXPENDITURES

	\$	23,380.33	\$	-
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE

	\$	23,380.33	\$	-
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USFW CITY PARK BOAT LAUNCH : FUND 50**REVENUES**

Balance at beginning of year	\$	(90,836.53)	\$	-
Grant	\$	169,610.00	\$	-
Transfer from Tidelands Grant	\$	99,518.00	\$	-
Total available cash and anticipated revenue	\$	178,291.47	\$	-

EXPENDITURES

Capital Outlay	\$	178,291.47	\$	-
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TOTAL EXPENDITURES

	\$	178,291.47	\$	-
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE

	\$	178,291.47	\$	-
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MARTIN BLUFF ROAD PROJECT: FUND 128**REVENUES**

Balance at beginning of year	\$	102,012.64	\$	102,012.64
Total available cash and anticipated revenue	\$	102,012.64	\$	102,012.64

EXPENDITURES

Capital Outlay	\$	102,012.64	\$	102,012.64
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TOTAL EXPENDITURES

	\$	102,012.64	\$	102,012.64
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE

	\$	102,012.64	\$	102,012.64
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\$7M CAPITAL IMPROVEMENT BOND ISSUE - FUND 130**REVENUES**

Balance at beginning of year	\$	286,500.00	\$	237,104.13
Interest	\$	1,200.00	\$	1,000.00
MDOT Reimbursements	\$	3,611,043.21	\$	4,923,498.47
Transfer from GF Debt Service	\$	502,319.00	\$	503,869.00
Total available cash and anticipated revenue	\$	4,401,062.21	\$	5,665,471.60

EXPENDITURES

Annual Bond Fees	\$	2,200.00	\$	2,300.00
Annual Bond Payment - Debt Service	\$	501,318.76	\$	501,569.00
Capital Improvements	\$	3,897,543.45	\$	5,161,602.60
Transfer to General Fund				

TOTAL EXPENDITURES

	\$	4,401,062.21	\$	5,665,471.60
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE

	\$	4,401,062.21	\$	5,665,471.60
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U S JUSTICE EQUITABLE SHARING: FUND 157**REVENUES**

Balance at beginning of year	\$	423,959.65	\$	390,477.38
Assets Forfeited	\$	-	\$	-
Total available cash and anticipated revenue	\$	423,959.65	\$	390,477.38

EXPENDITURES

Capital Outlay	\$	50,000.00	\$	50,000.00
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TOTAL EXPENDITURES

	\$	50,000.00	\$	50,000.00
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YEAR END BALANCE

	\$	373,959.65	\$	340,477.38
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BALANCE

	\$	423,959.65	\$	390,477.38
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FIRE PROTECTION FUND: FUND 160**REVENUES**

Balance at beginning of year	\$	277,000.00	\$	237,861.26
Fire Insurance Rebate	\$	100,000.00	\$	101,000.00
MS Code Rebate	\$	3,000.00	\$	3,000.00
Loan Proceeds	\$	-	\$	-
Total available cash and anticipated revenue	\$	380,000.00	\$	341,861.26

EXPENDITURES

Other Services & Charges	\$	13,131.85	\$	15,161.06
Capital Outlay	\$	62,000.00	\$	62,000.00
Debt Service	\$	120,504.00	\$	102,754.00
Transfer to Fund 161	\$	-	\$	-

TOTAL EXPENDITURES

	\$	195,635.85	\$	179,915.06
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YEAR END BALANCE

	\$	184,364.15	\$	161,946.20
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BALANCE

	\$	380,000.00	\$	341,861.26
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TIDELANDS GRANT FUND - FUND 171**REVENUES**

Balance at beginning of year	\$	(81,532.55)	\$	(10,501.50)
Grant: Public Access	\$	377,780.65	\$	195,089.25
Grant: Town Center	\$	336,016.64	\$	504,611.74
Grant: MS G Coast Heritage Grant	\$	-	\$	8,000.00
Total available cash and anticipated revenue	\$	632,264.74	\$	697,199.49

EXPENDITURES

Capital Outlay: City Park-Town Commons	\$	167,165.33	\$	154,236.74
Capital Outlay: Graveline Bayou	\$	33,050.00	\$	700.00
Capital Outlay: Shepard State Park	\$	232,531.41	\$	192,262.75
Capital Outlay: Mary Walker Bayou Parks	\$	100,000.00	\$	350,000.00
Trans to other Grants: Fund 50	\$	99,518.00	\$	-

TOTAL EXPENDITURES

	\$	632,264.74	\$	697,199.49
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE

	\$	632,264.74	\$	697,199.49
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LIBRARY SUPPORT FUND: FUND 172**REVENUES**

Balance at Beginning of Year	\$	-	\$	-
Amount to be raised by tax levy	\$	109,578.00	\$	110,096.00
Total available cash and anticipated revenue	\$	109,578.00	\$	110,096.00

EXPENDITURES

Other Services & Charges	\$	109,578.00	\$	110,096.00
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TOTAL EXPENDITURES	\$	109,578.00	\$	110,096.00
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	109,578.00	\$	110,096.00

SHEPARD STATE PARK: FUND 176**REVENUES**

Balance at beginning of year	\$	45,000.00	\$	63,407.00
Other Revenue	\$	500.00	\$	-
Camping Fees	\$	85,000.00	\$	90,000.00
Admission Fees/Day Use	\$	4,000.00	\$	5,500.00
Total available cash and anticipated revenue	\$	134,500.00	\$	158,907.00

EXPENDITURES

Personnel Services	\$	36,723.00	\$	44,930.00
Supplies	\$	16,000.00	\$	15,750.00
Other Services & Charges	\$	54,700.00	\$	55,570.00
Capital Outlay	\$	17,200.00	\$	12,200.00

TOTAL EXPENDITURES	\$	124,623.00	\$	128,450.00
YEAR END BALANCE	\$	9,877.00	\$	30,457.00
BALANCE	\$	134,500.00	\$	158,907.00

S2018 UTILITY REVENUE BOND DEBT SERVICE: FUND 250**REVENUES**

Balance at beginning of year	\$	-	\$	82,500.00
Miscellaneous - Interest	\$	-	\$	200.00
Transfers In	\$	-	\$	335,000.00
Total available cash and anticipated revenue	\$	-	\$	417,700.00

EXPENDITURES

Debt Service	\$	-	\$	274,964.00
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TOTAL EXPENDITURES	\$	-	\$	274,964.00
YEAR END BALANCE	\$	-	\$	142,736.00
BALANCE	\$	-	\$	417,700.00

RESERVE FUND - S2018 UTILITY REVENUE BOND: FUND 251**REVENUES**

Balance at Beginning of Year	\$	-	\$	306,810.00
Miscellaneous - Interest	\$	-	\$	1,200.00
Transfers In	\$	-	\$	10,000.00
Total available cash and anticipated revenue	\$	-	\$	318,010.00

EXPENDITURES	\$	-	\$	-
YEAR END BALANCE	\$	-	\$	318,010.00
BALANCE	\$	-	\$	318,010.00

USDA-NRCS EMERGENCY WATERSHED: FUND 300**REVENUES**

Balance at beginning of year	\$	178,387.00	\$	(153,497.80)
Grant	\$	486,453.00	\$	344,795.00
JCBS Interlocal Funds	\$	-	\$	-
Total available cash and anticipated revenue	\$	664,840.00	\$	191,297.20

EXPENDITURES	\$	-	\$	-
Other Services & Charges	\$	664,840.00	\$	161,250.00

TOTAL EXPENDITURES	\$	664,840.00	\$	161,250.00
YEAR END BALANCE	\$	-	\$	30,047.20
BALANCE	\$	664,840.00	\$	191,297.20

PINE CONE DRIVE SPILLWAY: FUND 301**REVENUES**

Balance at beginning of year	\$	-	\$	164,525.60
Total available cash and anticipated revenue	\$	-	\$	164,525.60

EXPENDITURES	\$	-	\$	-
Other Services & Charges	\$	-	\$	164,525.60

TOTAL EXPENDITURES	\$	-	\$	164,525.60
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	-	\$	164,525.60

ROBERT HIRAM BRIDGE SHEET PILE WALL: FUND 302**REVENUES**

Balance at beginning of year	\$	-	\$	76,261.71
Total available cash and anticipated revenue	\$	-	\$	76,261.71

EXPENDITURES

Other Services & Charges	\$	-	\$	76,261.71
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TOTAL EXPENDITURES	\$	-	\$	76,261.71
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YEAR END BALANCE	\$	-	\$	-
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BALANCE	\$	-	\$	76,261.71
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MDOT TA GRANT-MARTIN BLUFF SIDEWALK: FUND 303**REVENUES**

Balance at beginning of year	\$	-	\$	481,564.40
MDOT Reimbursements	\$	-	\$	578,784.00
Total available cash and anticipated revenue	\$	-	\$	1,060,348.40

EXPENDITURES

Other Services & Charges			\$	193,275.77
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Capital Outlay	\$	-	\$	867,072.63
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TOTAL EXPENDITURES	\$	-	\$	1,060,348.40
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YEAR END BALANCE	\$	-	\$	-
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BALANCE	\$	-	\$	1,060,348.40
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ELEVATED WATER TANK: FUND 350**REVENUES**

Balance at beginning of year	\$	-	\$	(42,500.00)
Development Infrastructure Program Funds	\$	350,000.00	\$	350,000.00
CAP Loan Proceeds	\$	736,500.00	\$	-
Transfers In (Enterprise)	\$	36,000.00	\$	736,500.00
Total available cash and anticipated revenue	\$	1,122,500.00	\$	1,044,000.00

EXPENDITURES

Other Services & Charges	\$	152,500.00	\$	99,000.00
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Capital Outlay	\$	970,000.00	\$	945,000.00
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TOTAL EXPENDITURES	\$	1,122,500.00	\$	1,044,000.00
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YEAR END BALANCE	\$	-	\$	-
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BALANCE	\$	1,122,500.00	\$	1,044,000.00
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BEMIS SEWER PROJECT: FUND 351**REVENUES**

Balance at beginning of year	\$	-	\$	-
CDBG Grant Funds	\$	600,000.00	\$	600,000.00
Transfers In (Enterprise)	\$	600,000.00	\$	702,014.00
Total available cash and anticipated revenue	\$	1,200,000.00	\$	1,302,014.00

EXPENDITURES

Other Services & Charges	\$	112,400.00	\$	175,814.00
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Capital Outlay	\$	1,087,600.00	\$	1,126,200.00
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TOTAL EXPENDITURES	\$	1,200,000.00	\$	1,302,014.00
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YEAR END BALANCE	\$	-	\$	-
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BALANCE	\$	1,200,000.00	\$	1,302,014.00
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2018 BOND - GENERAL CONSTRUCTION: FUND 352**REVENUES**

Balance at beginning of year	\$	-	\$	3,442,777.21
Interest	\$	-	\$	10,000.00
Total available cash and anticipated revenue	\$	-	\$	3,452,777.21

EXPENDITURES

Admin-General Services	\$	-	\$	60,500.00
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Transfers Out (Capital Accounts)	\$	-	\$	1,385,948.00
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TOTAL EXPENDITURES	\$	-	\$	1,446,448.00
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YEAR END BALANCE	\$	-	\$	2,006,329.21
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BALANCE	\$	-	\$	3,452,777.21
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HWY 57 UTILITY LINE RELOCATION: FUND 353**REVENUES**

Balance at beginning of year	\$	-	\$	-
MDOT Reimbursements	\$	-	\$	1,093,849.00
Transfers In (Bond Construction)	\$	-	\$	1,049,630.00
Total available cash and anticipated revenue	\$	-	\$	2,143,479.00

EXPENDITURES

Water Lines: Other Services & Charges	\$	-	\$	59,909.00
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Water Lines: Capital Outlay	\$	-	\$	821,439.00
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Sewer Lines: Other Services & Charges	\$	-	\$	87,545.00
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Sewer Lines: Capital Outlay	\$	-	\$	1,174,586.00
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TOTAL EXPENDITURES	\$	-	\$	2,143,479.00
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YEAR END BALANCE	\$	-	\$	-
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BALANCE	\$	-	\$	2,143,479.00
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ROBINSON STILL RD UTILITY EXTENSION: FUND 354**REVENUES**

Balance at beginning of year	\$	-	\$	-
Transfers In (Bond Construction)	\$	-	\$	336,318.00
Total available cash and anticipated revenue	\$	-	\$	336,318.00

EXPENDITURES

Other Services & Charges	\$	-	\$	42,440.00
Capital Outlay	\$	-	\$	293,878.00

TOTAL EXPENDITURES	\$	-	\$	336,318.00
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	-	\$	336,318.00

WATER AND SEWER UTILITY FUND: FUND 400**REVENUES**

Water Sales	\$	3,713,534.00	\$	3,880,000.00
Sewer Sales	\$	1,935,704.00	\$	1,980,000.00
Wastewater Treatment Collections	\$	2,094,280.00	\$	2,280,000.00
Capacity Fee	\$	564,300.00	\$	465,000.00
Service Connections	\$	75,000.00	\$	85,000.00
Inspection Fees	\$	-	\$	-
Miscellaneous	\$	561,000.00	\$	434,000.00
Transfer from Solid Waste Fund	\$	-	\$	-

Total Revenue from All Sources	\$	8,943,818.00	\$	9,124,000.00
Balance at Beginning of Year	\$	1,400,000.00	\$	2,600,000.00
Total available cash and anticipated revenue	\$	10,343,818.00	\$	11,724,000.00

EXPENDITURES**WATER & SEWER - ADMINISTRATION**

Personnel Services	\$	249,133.00	\$	487,033.00
Supplies	\$	15,000.00	\$	25,000.00
Other Services & Charges	\$	2,537,643.00	\$	2,563,693.00
Capital Outlay	\$	4,000.00	\$	112,000.00
Total Water & Sewer	\$	2,805,776.00	\$	3,187,726.00

WATER & SEWER - OPERATION & MAINTENANCE

Supplies	\$	315,000.00	\$	280,000.00
Other Services & Charges	\$	2,490,884.00	\$	2,640,016.00
Capital Outlay	\$	150,000.00	\$	100,000.00
Total Water & Sewer	\$	2,955,884.00	\$	3,020,016.00

OTHER

Debt Service	\$	2,476,684.00	\$	1,164,489.00
Contingency Fund	\$	200,000.00	\$	200,000.00
Transfer to General Fund	\$	500,000.00	\$	641,821.00
Transfer to Capital Project Funds	\$	36,000.00	\$	1,448,514.00
Transfer to Debt Service & Reserve Funds	\$	-	\$	345,000.00
Total Other	\$	3,212,684.00	\$	3,799,824.00

TOTAL EXPENDITURES	\$	8,974,344.00	\$	10,007,566.00
YEAR END BALANCE	\$	1,369,474.00	\$	1,716,434.00
BALANCE	\$	10,343,818.00	\$	11,724,000.00

SOLID WASTE FUND: FUND 404**REVENUES**

Balance at beginning of year	\$	21,000.00	\$	64,500.00
Garbage Collection Fees	\$	1,284,000.00	\$	1,567,944.00
Total available cash and anticipated revenue	\$	1,305,000.00	\$	1,632,444.00

EXPENDITURES

Other Services and Charges	\$	1,005,000.00	\$	1,295,424.00
Transfer to General Fund	\$	300,000.00	\$	189,102.00
Transfer to Enterprise Fund	\$	-	\$	-

TOTAL EXPENDITURES	\$	1,305,000.00	\$	1,484,526.00
YEAR END BALANCE	\$	-	\$	147,918.00
BALANCE	\$	1,305,000.00	\$	1,632,444.00

EPA BROWNFIELDS ASSESSMENT GRANT: FUND 409**REVENUES**

Balance at Beginning of Year	\$	-	\$	-
Grant	\$	7,693.90	\$	-
Total available cash and anticipated revenue	\$	7,693.90	\$	-

EXPENDITURES

Other Services & Charges	\$	7,693.90	\$	-
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TOTAL EXPENDITURES	\$	7,693.90	\$	-
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	7,693.90	\$	-

MSB - WATER IONIZATION PROJECT: FUND 421**REVENUES**

Balance at beginning of year	\$ 55,131.74	\$ 56,287.52
Loan Proceeds	\$ -	\$ -
Total available cash and anticipated revenue	<u>\$ 55,131.74</u>	<u>\$ 56,287.52</u>

EXPENDITURES

Capital Outlay	\$ 55,131.74	\$ 56,287.52
TOTAL EXPENDITURES	<u>\$ 55,131.74</u>	<u>\$ 56,287.52</u>
YEAR END BALANCE	<u>\$ -</u>	<u>\$ -</u>
BALANCE	<u>\$ 55,131.74</u>	<u>\$ 56,287.52</u>

RESERVE FUND - 2012 GUD BOND REFINANCE: FUND 495**REVENUES**

Balance at Beginning of Year	\$ 486,716.00	\$ 490,725.00
Miscellaneous - Interest	\$ 1,000.00	\$ 600.00
Total available cash and anticipated revenue	<u>\$ 487,716.00</u>	<u>\$ 491,325.00</u>

EXPENDITURES

Transfer Out (Debt Service Fund 602)	\$ -	\$ 491,325.00
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 491,325.00</u>
YEAR END BALANCE	<u>\$ 487,716.00</u>	<u>\$ -</u>
BALANCE	<u>\$ 487,716.00</u>	<u>\$ 491,325.00</u>

RESERVE FUND - 2013 3.5 SO BOND: FUND 497**REVENUES**

Balance at Beginning of Year	\$ -	\$ 274,783.97
Miscellaneous - Interest	\$ -	\$ 1,000.00
Total available cash and anticipated revenue	<u>\$ -</u>	<u>\$ 275,783.97</u>

EXPENDITURES

Debt Service	\$ -	\$ 2,000.00
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 2,000.00</u>
YEAR END BALANCE	<u>\$ -</u>	<u>\$ 273,783.97</u>
BALANCE	<u>\$ -</u>	<u>\$ 275,783.97</u>

GUD BOND ESCROW FUND 602 - RESTRICTED DEBT SERVICE**REVENUES**

Cash at Beginning of Year	\$ 825,500.00	\$ 828,620.00
Miscellaneous - Interest	\$ 1,000.00	\$ 600.00
Transfer In (Enterprise Fund)	\$ 1,396,350.00	\$ 83,355.00
Transfer In (Reserve Fund 495)	\$ -	\$ 491,325.00
Total available cash and anticipated revenue	<u>\$ 2,222,850.00</u>	<u>\$ 1,403,900.00</u>

EXPENDITURES

Bonds Payable	\$ 1,396,350.00	\$ 1,403,900.00
TOTAL EXPENDITURES	<u>\$ 1,396,350.00</u>	<u>\$ 1,403,900.00</u>
YEAR END BALANCE	<u>\$ 826,500.00</u>	<u>\$ -</u>
BALANCE	<u>\$ 2,222,850.00</u>	<u>\$ 1,403,900.00</u>

FISCAL YEAR 2020 BUDGET

City of Gautier
October 1, 2019 - September 30, 2020
Annual Budget

GENERAL FUND: FUND 001	Amended BUDGET FY 2019	PROPOSED BUDGET FY 2020
REVENUES		
Licenses & Permits	\$ 97,000.00	\$ 100,000.00
Inter-Governmental Revenue:		
In Lieu of Taxes	\$ 352,000.00	\$ 352,000.00
Franchise Fees	\$ 148,000.00	\$ 148,000.00
General Sales Tax	\$ 2,235,000.00	\$ 2,260,000.00
ABC Licenses	\$ 13,000.00	\$ 13,000.00
Homestead Reimbursement	\$ 95,000.00	\$ 100,000.00
Motor Fuel Tax	\$ 15,000.00	\$ 15,000.00
Shared Revenues - Road Tax	\$ 487,000.00	\$ 514,000.00
Shared Revenues - Recreation	\$ 138,000.00	\$ 140,000.00
JCBS Inter Local Funds	\$ 150,000.00	\$ -
Rail Car Tax	\$ 2,500.00	\$ 2,800.00
Privilege Tax-Heavy Duty Vehicle	\$ 4,200.00	\$ 4,500.00
Municipal Aid Surplus	\$ 9,250.00	\$ 9,250.00
FEMA/MEMA Reimbursement	\$ 179,285.00	\$ 54,087.00
Fine & Forfeits	\$ 510,000.00	\$ 530,000.00
Grants	\$ 71,909.00	\$ 36,759.00
Surplus Property	\$ -	\$ -
Loan - Public Safety Vehicles	\$ 120,000.00	\$ 121,500.00
Loan - IBM Server	\$ 80,000.00	\$ 42,500.00
Miscellaneous	\$ 150,050.00	\$ 180,200.00
Transfer from Other Funds	\$ 25,000.00	\$ -
Transfer from Solid Waste Fund	\$ 189,102.00	\$ 327,170.00
Transfer from Enterprise Fund	\$ 646,385.00	\$ 695,308.00
Total revenue from sources other than taxation	\$ 5,717,681.00	\$ 5,646,074.00
Balance at beginning of year	\$ 1,900,000.00	\$ 2,250,000.00
Total from all sources other than taxation	\$ 7,617,681.00	\$ 7,896,074.00
Amount necessary to be raised by tax levy	\$ 4,737,378.00	\$ 4,818,607.00
Total available cash and anticipated revenue	\$ 12,355,059.00	\$ 12,714,681.00
GENERAL FUND		
EXPENDITURES		
LEGISLATIVE DEPARTMENT		
Personnel Services	\$ 141,719.00	\$ 142,460.00
Supplies	\$ 3,000.00	\$ 3,000.00
Other Services & Charges	\$ 16,955.00	\$ 16,525.00
Total	\$ 161,674.00	\$ 161,985.00
CITY COURT		
Personnel Services	\$ 155,095.00	\$ 191,709.00
Supplies	\$ 3,000.00	\$ 2,500.00
Other Services & Charges	\$ 144,050.00	\$ 145,050.00
Capital Outlay	\$ 1,530.00	\$ -
Total	\$ 303,675.00	\$ 339,259.00
CITY MANAGER		
Personnel Services	\$ 169,233.00	\$ 170,309.00
Supplies	\$ 2,500.00	\$ 2,500.00
Other Services & Charges	\$ 92,159.00	\$ 87,800.00
Total	\$ 263,892.00	\$ 260,609.00
HUMAN RESOURCES		
Personnel Services	\$ 100,431.00	\$ 55,535.00
Supplies	\$ 3,700.00	\$ 3,500.00
Other Services & Charges	\$ 9,000.00	\$ 8,600.00
Total	\$ 113,131.00	\$ 67,635.00
ELECTIONS		
Supplies	\$ -	\$ -
Other Services & Charges	\$ -	\$ -
Total	\$ -	\$ -
CITY CLERK		
Personnel Services	\$ 216,741.00	\$ 189,932.00
Supplies	\$ 11,750.00	\$ 11,750.00
Other Services & Charges	\$ 33,400.00	\$ 21,900.00
Capital Outlay	\$ 1,600.00	\$ -
Total	\$ 263,491.00	\$ 223,582.00
FINANCE		
Personnel Services	\$ 222,702.00	\$ 227,200.00
Supplies	\$ 3,000.00	\$ 4,000.00
Capital Outlay	\$ -	\$ 42,500.00
Total	\$ 225,702.00	\$ 273,700.00
CITY ATTORNEY		
Other Services & Charges	\$ 130,000.00	\$ 130,000.00
Total	\$ 130,000.00	\$ 130,000.00

BUILDING & PLANNING		
Personnel Services	\$ 305,519.00	\$ 340,404.00
Supplies	\$ 10,900.00	\$ 10,900.00
Other Services & Charges	\$ 44,780.00	\$ 33,970.00
Total	\$ 361,199.00	\$ 385,274.00
GENERAL EXPENSES & FACILITIES		
Supplies	\$ 13,000.00	\$ 14,000.00
Other Services & Charges	\$ 558,020.00	\$ 632,600.00
Capital Outlay	\$ 17,000.00	\$ -
Total	\$ 588,020.00	\$ 646,600.00
GRANTS & PROJECTS ADMIN		
Personnel Services	\$ 143,284.00	\$ 180,007.00
Supplies	\$ 1,250.00	\$ 1,100.00
Other Services & Charges	\$ 9,005.00	\$ 16,155.00
Capital Outlay	\$ 1,100.00	\$ 600.00
Total	\$ 154,639.00	\$ 197,862.00
POLICE DEPARTMENT		
Personnel Services	\$ 2,938,596.00	\$ 3,048,104.00
Supplies	\$ 230,960.00	\$ 204,000.00
Other Services & Charges	\$ 161,400.00	\$ 167,400.00
Capital Outlay	\$ 113,650.00	\$ 128,025.00
Debt Service	\$ 63,976.00	\$ 66,511.00
Total	\$ 3,508,582.00	\$ 3,614,040.00
FIRE DEPARTMENT		
Personnel Services	\$ 2,352,151.00	\$ 2,454,567.00
Supplies	\$ 66,867.00	\$ 66,867.00
Other Services & Charges	\$ 115,270.00	\$ 109,628.00
Capital Outlay	\$ 45,000.00	\$ 6,200.00
Debt Service	\$ -	\$ 13,416.00
Total	\$ 2,579,288.00	\$ 2,650,678.00
RECREATION DEPARTMENT		
Personnel Services	\$ 358,355.00	\$ 373,733.00
Supplies	\$ 79,000.00	\$ 67,000.00
Other Services & Charges	\$ 88,070.00	\$ 89,500.00
Capital Outlay	\$ 220,960.00	\$ 23,100.00
Debt Service	\$ -	\$ 27,343.00
Total	\$ 746,385.00	\$ 580,676.00
STREETS		
Supplies	\$ 70,000.00	\$ 70,000.00
Other Services & Charges	\$ 171,420.00	\$ 159,000.00
Capital Outlay	\$ 45,000.00	\$ 35,000.00
Total	\$ 286,420.00	\$ 264,000.00
MAINTENANCE		
Personnel Services	\$ 228,978.00	\$ 202,567.00
Supplies	\$ 21,900.00	\$ 23,800.00
Other Services & Charges	\$ 7,450.00	\$ 6,470.00
Total	\$ 258,328.00	\$ 232,837.00
INTERFUND TRANSFERS		
Transfer to Other Funds	\$ 880,452.00	\$ 840,143.00
Transfer to Health Benefit Fund	\$ -	\$ -
Total	\$ 880,452.00	\$ 840,143.00
TOTAL EXPENDITURES	\$ 10,824,878.00	\$ 10,868,880.00
YEAR END BALANCE	\$ 1,530,181.00	\$ 1,845,801.00
BALANCE	\$ 12,355,059.00	\$ 12,714,681.00

MS DEVELOPMENT BANK KATRINA LOAN FUND: FUND 007 (Original issue \$2.5 million)

REVENUE		
Balance at beginning of year	\$ 240.20	\$ 431.80
Transfer from General Fund	\$ 280,259.00	\$ 280,000.00
Total available cash and anticipated revenue	\$ 280,499.20	\$ 280,431.80
EXPENDITURES		
Annual Fees	\$ 1,250.00	\$ 650.00
Ms Dev Katrina Loan - Debt Service	\$ 279,059.00	\$ 279,744.00
TOTAL EXPENDITURES	\$ 280,309.00	\$ 280,394.00
YEAR END BALANCE	\$ 190.20	\$ 37.80
BALANCE	\$ 280,499.20	\$ 280,431.80

TRANSPORTATION ENHANCEMENT - DOWNTOWN: FUND 13**REVENUE**

Balance at beginning of year	\$	(40,971.45)	\$	(40,971.45)
Grant	\$	40,971.45	\$	40,971.45
Total available cash and anticipated revenue	\$	-	\$	-

TOTAL EXPENDITURES

\$	-	\$	-
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YEAR END BALANCE

\$	-	\$	-
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BALANCE

\$	-	\$	-
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ALLEN ROAD WIDENING: FUND 20**REVENUES**

Balance at beginning of year	\$	-	\$	-
Transfer from General Fund	\$	46,324.00	\$	46,324.00
Total available cash and anticipated revenue	\$	46,324.00	\$	46,324.00

EXPENDITURES

Debt Service	\$	46,324.00	\$	46,324.00
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TOTAL EXPENDITURES

\$	46,324.00	\$	46,324.00
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YEAR END BALANCE

\$	-	\$	-
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BALANCE

\$	46,324.00	\$	46,324.00
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MDAH SCHOOL HOUSE PROJECT: FUND 30**REVENUES**

Balance at beginning of year	\$	1,158.43	\$	2,983.43
Donations	\$	3,000.00	\$	-
Total available cash and anticipated revenue	\$	4,158.43	\$	2,983.43

EXPENDITURES

Supplies	\$	3,000.00	\$	2,983.43
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TOTAL EXPENDITURES

\$	3,000.00	\$	2,983.43
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YEAR END BALANCE

\$	1,158.43	\$	-
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BALANCE

\$	4,158.43	\$	2,983.43
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MARTIN BLUFF ROAD PROJECT: FUND 128**REVENUES**

Balance at beginning of year	\$	102,012.64	\$	102,012.64
Total available cash and anticipated revenue	\$	102,012.64	\$	102,012.64

EXPENDITURES

Capital Outlay	\$	102,012.64	\$	-
Transfer Out to Fund 303	\$	-	\$	102,012.64

TOTAL EXPENDITURES

\$	102,012.64	\$	102,012.64
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YEAR END BALANCE

\$	-	\$	-
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BALANCE

\$	102,012.64	\$	102,012.64
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\$7M CAPITAL IMPROVEMENT BOND ISSUE - FUND 130**REVENUES**

Balance at beginning of year	\$	237,104.13	\$	1,306,470.87
Interest	\$	1,000.00	\$	3,000.00
MDOT Reimbursements	\$	4,923,498.47	\$	3,830,991.71
Transfer from GF Debt Service	\$	503,869.00	\$	513,819.00
Total available cash and anticipated revenue	\$	5,665,471.60	\$	5,654,281.58

EXPENDITURES

Annual Bond Fees	\$	2,300.00	\$	2,300.00
Annual Bond Payment - Debt Service	\$	501,569.00	\$	511,519.00
Capital Improvements	\$	5,161,602.60	\$	5,140,462.58
Transfer to General Fund	\$	-	\$	-

TOTAL EXPENDITURES

\$	5,665,471.60	\$	5,654,281.58
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YEAR END BALANCE

\$	-	\$	-
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BALANCE

\$	5,665,471.60	\$	5,654,281.58
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U S JUSTICE EQUITABLE SHARING: FUND 157**REVENUES**

Balance at beginning of year	\$	390,477.38	\$	365,285.19
Assets Forfeited	\$	183,210.00	\$	-
Total available cash and anticipated revenue	\$	573,687.38	\$	365,285.19

EXPENDITURES

Personnel Services (Overtime)	\$	12,455.00	\$	51,392.00
Supplies	\$	1,000.00	\$	1,000.00
Capital Outlay	\$	219,755.00	\$	100,000.00

TOTAL EXPENDITURES

\$	233,210.00	\$	152,392.00
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YEAR END BALANCE

\$	340,477.38	\$	212,893.19
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BALANCE

\$	573,687.38	\$	365,285.19
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FIRE PROTECTION FUND: FUND 160**REVENUES**

Balance at beginning of year	\$	237,861.26	\$	242,526.10
Fire Insurance Rebate	\$	101,000.00	\$	106,000.00
MS Code Rebate	\$	3,000.00	\$	3,000.00
Loan Proceeds	\$	-	\$	-
Total available cash and anticipated revenue	\$	341,861.26	\$	351,526.10

EXPENDITURES

Other Services & Charges	\$	15,161.06	\$	18,237.43
Capital Outlay	\$	62,000.00	\$	65,000.00
Debt Service	\$	102,754.00	\$	102,754.00
Transfer to Fund 161	\$	-	\$	-

TOTAL EXPENDITURES**YEAR END BALANCE****BALANCE**

\$	179,915.06	\$	185,991.43
\$	161,946.20	\$	165,534.67
\$	341,861.26	\$	351,526.10

TIDELANDS GRANT FUND - FUND 171**REVENUES**

Balance at beginning of year	\$	(10,501.50)	\$	(32,082.92)
MDA Capital Expenditure Funds	\$	145,000.00	\$	-
Grant: Shepard State Park	\$	158,510.50	\$	124,502.54
Grant: City Park	\$	189,435.00	\$	118,355.77
Grant: MS G Coast Heritage Grant	\$	-	\$	-
Transfers In (Fund 305)	\$	30,000.00	\$	-
Total available cash and anticipated revenue	\$	512,444.00	\$	210,775.39

EXPENDITURES

Capital Outlay: City Park-Town Commons	\$	-	\$	-
Capital Outlay: Graveline Bayou	\$	-	\$	-
Capital Outlay: Shepard State Park	\$	323,384.00	\$	128,945.44
Capital Outlay: Mary Walker Bayou Parks	\$	189,060.00	\$	81,829.95

TOTAL EXPENDITURES**YEAR END BALANCE****BALANCE**

\$	512,444.00	\$	210,775.39
\$	-	\$	-
\$	512,444.00	\$	210,775.39

LIBRARY SUPPORT FUND: FUND 172**REVENUES**

Balance at Beginning of Year	\$	-	\$	-
Amount to be raised by tax levy	\$	110,096.00	\$	111,724.00
Total available cash and anticipated revenue	\$	110,096.00	\$	111,724.00

EXPENDITURES

Other Services & Charges	\$	110,096.00	\$	111,724.00
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TOTAL EXPENDITURES**YEAR END BALANCE****BALANCE**

\$	110,096.00	\$	111,724.00
\$	-	\$	-
\$	110,096.00	\$	111,724.00

SHEPARD STATE PARK: FUND 176**REVENUES**

Balance at beginning of year	\$	63,407.00	\$	60,000.00
Other Revenue	\$	-	\$	320.00
Camping Fees	\$	90,000.00	\$	100,000.00
Admission Fees/Day Use	\$	5,500.00	\$	5,000.00
Total available cash and anticipated revenue	\$	158,907.00	\$	165,320.00

EXPENDITURES

Personnel Services	\$	44,930.00	\$	65,557.00
Supplies	\$	17,750.00	\$	16,950.00
Other Services & Charges	\$	49,570.00	\$	53,550.00
Capital Outlay	\$	16,200.00	\$	9,000.00

TOTAL EXPENDITURES**YEAR END BALANCE****BALANCE**

\$	128,450.00	\$	145,057.00
\$	30,457.00	\$	20,263.00
\$	158,907.00	\$	165,320.00

S2018 UTILITY REVENUE BOND DEBT SERVICE: FUND 250**REVENUES**

Balance at beginning of year	\$	82,500.00	\$	145,810.79
Miscellaneous - Interest	\$	200.00	\$	2,000.00
Transfers In	\$	335,000.00	\$	350,000.00
Total available cash and anticipated revenue	\$	417,700.00	\$	497,810.79

EXPENDITURES

Debt Service	\$	274,964.00	\$	286,782.00
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TOTAL EXPENDITURES**YEAR END BALANCE****BALANCE**

\$	274,964.00	\$	286,782.00
\$	142,736.00	\$	211,028.79
\$	417,700.00	\$	497,810.79

RESERVE FUND - S2018 UTILITY REVENUE BOND: FUND 251**REVENUES**

Balance at Beginning of Year	\$	306,810.00	\$	324,335.45
Miscellaneous - Interest	\$	1,200.00	\$	5,000.00
Transfers In	\$	10,000.00	\$	10,000.00
Total available cash and anticipated revenue	\$	318,010.00	\$	339,335.45

EXPENDITURES

	\$	-	\$	-
YEAR END BALANCE	\$	318,010.00	\$	339,335.45
BALANCE	\$	318,010.00	\$	339,335.45

USDA-NRCS EMERGENCY WATERSHED: FUND 300**REVENUES**

Balance at beginning of year	\$	(153,497.80)	\$	19,807.16
Grant	\$	385,059.00	\$	133,031.25
Transfers In (JCBS Interlocal Funds)	\$	-	\$	43,160.53
Total available cash and anticipated revenue	\$	231,561.20	\$	195,998.94

EXPENDITURES

Other Services & Charges	\$	201,514.00	\$	161,250.00
TOTAL EXPENDITURES	\$	201,514.00	\$	161,250.00
YEAR END BALANCE	\$	30,047.20	\$	34,748.94
BALANCE	\$	231,561.20	\$	195,998.94

PINE CONE DRIVE SPILLWAY: FUND 301**REVENUES**

Balance at beginning of year	\$	164,525.60	\$	43,160.53
Total available cash and anticipated revenue	\$	164,525.60	\$	43,160.53

EXPENDITURES

Other Services & Charges	\$	150,128.53	\$	-
Transfers Out (Fund 300)	\$	14,397.07	\$	43,160.53
TOTAL EXPENDITURES	\$	164,525.60	\$	43,160.53
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	164,525.60	\$	43,160.53

ROBERT HIRAM BRIDGE SHEET PILE WALL: FUND 302**REVENUES**

Balance at beginning of year	\$	76,261.71	\$	-
Transfers In (Fund 301)	\$	14,397.07		
Total available cash and anticipated revenue	\$	90,658.78	\$	-

EXPENDITURES

Other Services & Charges	\$	90,658.78	\$	-
TOTAL EXPENDITURES	\$	90,658.78	\$	-
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	90,658.78	\$	-

MDOT TA GRANT-MARTIN BLUFF SIDEWALK: FUND 303**REVENUES**

Balance at beginning of year	\$	481,564.40	\$	400,851.61
MDOT Reimbursements	\$	578,784.00	\$	500,000.00
Transfers In (Fund 128)	\$	-	\$	102,012.64
Total available cash and anticipated revenue	\$	1,060,348.40	\$	1,002,864.25

EXPENDITURES

Other Services & Charges	\$	193,275.77	\$	49,270.46
Capital Outlay	\$	867,072.63	\$	953,593.79
TOTAL EXPENDITURES	\$	1,060,348.40	\$	1,002,864.25
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	1,060,348.40	\$	1,002,864.25

TOWN COMMONS PARK PROJECT: FUND304**REVENUES**

Balance at beginning of year	\$	-	\$	2,123,813.19
Tidelands Grant	\$	565,176.74	\$	565,176.74
State Funding Allocation (IIF)	\$	500,000.00	\$	-
Interest	\$	5,000.00	\$	9,600.00
Transfers In	\$	1,672,250.00	\$	220,000.00
Total available cash and anticipated revenue	\$	2,742,426.74	\$	2,918,589.93

EXPENDITURES

Capital Outlay	\$	2,742,426.74	\$	2,918,589.93
TOTAL EXPENDITURES	\$	2,742,426.74	\$	2,918,589.93
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	2,742,426.74	\$	2,918,589.93

S2019 MS PUBLIC IMPS GO BOND CONST: FUND 305**REVENUES**

Balance at beginning of year	\$	-	\$	356,833.85
Bond Proceeds	\$	4,056,697.02	\$	-
Interest	\$	20,000.00	\$	30,000.00
Total available cash and anticipated revenue	\$	4,076,697.02	\$	386,833.85

EXPENDITURES

Capital Outlay (Recreation)	\$	122,000.00	\$	70,000.00
Contingencies - Unappropriated	\$	20,697.02	\$	67,403.48
Transfers Out (Project Funds)	\$	3,934,000.00	\$	-

TOTAL EXPENDITURES	\$	4,076,697.02	\$	137,403.48
YEAR END BALANCE	\$	-	\$	249,430.37
BALANCE	\$	4,076,697.02	\$	386,833.85

SSP WELCOME CENTER PH III: FUND 306**REVENUES**

Balance at beginning of year	\$	-	\$	296,725.00
Tidelands Grant	\$	136,700.00	\$	136,700.00
Transfers In	\$	314,500.00	\$	-
Total available cash and anticipated revenue	\$	451,200.00	\$	433,425.00

EXPENDITURES

Capital Outlay	\$	451,200.00	\$	433,425.00
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TOTAL EXPENDITURES	\$	451,200.00	\$	433,425.00
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	451,200.00	\$	433,425.00

BACOT PARK IMPROVEMENTS: FUND 307**REVENUES**

Balance at beginning of year	\$	-	\$	1,687,250.00
Transfers In	\$	1,722,250.00	\$	-
Total available cash and anticipated revenue	\$	1,722,250.00	\$	1,687,250.00

EXPENDITURES

Capital Outlay	\$	1,722,250.00	\$	1,687,250.00
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TOTAL EXPENDITURES	\$	1,722,250.00	\$	1,687,250.00
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	1,722,250.00	\$	1,687,250.00

SSP BOARDWALK PROJECT: FUND 308**REVENUES**

Balance at beginning of year	\$	-	\$	195,450.00
Tidelands Grant	\$	150,000.00	\$	375,050.00
Transfers In	\$	220,000.00	\$	-
Total available cash and anticipated revenue	\$	370,000.00	\$	570,500.00

EXPENDITURES

Capital Outlay	\$	370,000.00	\$	350,500.00
Transfers Out	\$	-	\$	220,000.00

TOTAL EXPENDITURES	\$	370,000.00	\$	570,500.00
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	370,000.00	\$	570,500.00

ELEVATED WATER TANK: FUND 350**REVENUES**

Balance at beginning of year	\$	(42,500.00)	\$	625,012.00
Development Infrastructure Program Funds	\$	350,000.00	\$	350,000.00
CAP Loan Proceeds	\$	-	\$	-
Transfers In (Enterprise)	\$	736,500.00	\$	241,000.00
Total available cash and anticipated revenue	\$	1,044,000.00	\$	1,216,012.00

EXPENDITURES

Other Services & Charges	\$	99,000.00	\$	30,012.00
Capital Outlay	\$	945,000.00	\$	1,186,000.00

TOTAL EXPENDITURES	\$	1,044,000.00	\$	1,216,012.00
YEAR END BALANCE	\$	-	\$	-
BALANCE	\$	1,044,000.00	\$	1,216,012.00

BEMIS SEWER PROJECT: FUND 351**REVENUES**

Balance at beginning of year	\$ -	\$ 198,318.07
CDBG Grant Funds	\$ 290,605.00	\$ 290,605.00
Transfers In	\$ 609,395.00	\$ -
Total available cash and anticipated revenue	\$ 900,000.00	\$ 488,923.07

EXPENDITURES

Other Services & Charges	\$ 187,088.00	\$ 29,057.50
Capital Outlay	\$ 712,912.00	\$ 459,865.57

TOTAL EXPENDITURES

	\$ 900,000.00	\$ 488,923.07
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YEAR END BALANCE

	\$ -	\$ -
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BALANCE

	\$ 900,000.00	\$ 488,923.07
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2018 BOND - GENERAL CONSTRUCTION: FUND 352**REVENUES**

Balance at beginning of year	\$ 3,442,777.21	\$ 496,854.84
Interest	\$ 70,000.00	\$ 60,000.00
Total available cash and anticipated revenue	\$ 3,512,777.21	\$ 556,854.84

EXPENDITURES

Admin-General Services	\$ 60,500.00	\$ -
Unallocated	\$ -	\$ 486,854.00
Capital Outlay	\$ 10,000.00	\$ 10,000.00
Transfers Out (Capital Accounts)	\$ 2,957,697.00	\$ -

TOTAL EXPENDITURES

	\$ 3,028,197.00	\$ 496,854.00
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YEAR END BALANCE

	\$ 484,580.21	\$ 60,000.84
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BALANCE

	\$ 3,512,777.21	\$ 556,854.84
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HWY 57 UTILITY LINE RELOCATION: FUND 353**REVENUES**

Balance at beginning of year	\$ -	\$ 965,016.30
MDOT Reimbursements	\$ 1,093,849.00	\$ 1,031,008.70
Transfers In (Bond Construction)	\$ 1,049,630.00	\$ -
Total available cash and anticipated revenue	\$ 2,143,479.00	\$ 1,996,025.00

EXPENDITURES

Water Lines: Other Services & Charges	\$ 59,909.00	\$ -
Water Lines: Capital Outlay	\$ 821,439.00	\$ 821,439.00
Sewer Lines: Other Services & Charges	\$ 87,545.00	\$ -
Sewer Lines: Capital Outlay	\$ 1,174,586.00	\$ 1,174,586.00

TOTAL EXPENDITURES

	\$ 2,143,479.00	\$ 1,996,025.00
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YEAR END BALANCE

	\$ -	\$ -
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BALANCE

	\$ 2,143,479.00	\$ 1,996,025.00
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ROBINSON STILL RD UTILITY EXTENSION: FUND 354**REVENUES**

Balance at beginning of year	\$ -	\$ 565,898.00
Transfers In (Bond Construction)	\$ 644,884.00	\$ -
Total available cash and anticipated revenue	\$ 644,884.00	\$ 565,898.00

EXPENDITURES

Water Lines: Other Services & Charges	\$ 42,440.00	\$ 10,750.00
Water Lines: Capital Outlay	\$ 293,878.00	\$ 293,878.00
Sewer Lines: Other Services & Charges	\$ 59,210.00	\$ 11,914.00
Sewer Lines: Capital Outlay	\$ 249,356.00	\$ 249,356.00

TOTAL EXPENDITURES

	\$ 644,884.00	\$ 565,898.00
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YEAR END BALANCE

	\$ -	\$ -
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BALANCE

	\$ 644,884.00	\$ 565,898.00
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WATER SUPPLY & TREATMENT PLANT: FUND 355**REVENUES**

Balance at beginning of year	\$ -	\$ 499,800.00
Transfers In	\$ 680,000.00	\$ -
Total available cash and anticipated revenue	\$ 680,000.00	\$ 499,800.00

EXPENDITURES

Capital Outlay	\$ 680,000.00	\$ 499,800.00
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TOTAL EXPENDITURES

	\$ 680,000.00	\$ 499,800.00
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YEAR END BALANCE

	\$ -	\$ -
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BALANCE

	\$ 680,000.00	\$ 499,800.00
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OST-GV SEWER IMPROVEMENTS: FUND 360**REVENUES**

Balance at beginning of year	\$	-	\$	-
MDEQ Restore Act Grant	\$	-	\$	2,307,450.00
Transfers In - Enterprise Fund	\$	-	\$	20,500.00
Total available cash and anticipated revenue	\$	-	\$	2,327,950.00

EXPENDITURES

Capital Outlay	\$	-	\$	2,327,950.00
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TOTAL EXPENDITURES

	\$	-	\$	2,327,950.00
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE	\$	-	\$	2,327,950.00
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WATER AND SEWER UTILITY FUND: FUND 400**REVENUES**

Water Sales	\$	3,730,000.00	\$	3,760,000.00
Sewer Sales	\$	1,980,000.00	\$	1,960,000.00
Wastewater Treatment Collections	\$	2,280,000.00	\$	2,290,000.00
Capacity Fee	\$	440,000.00	\$	465,000.00
Service Connections	\$	85,000.00	\$	90,000.00
Inspection Fees	\$	-	\$	-
Miscellaneous	\$	445,243.00	\$	436,000.00
Transfers In	\$	7,739.00	\$	-

Total Revenue from All Sources	\$	8,967,982.00	\$	9,001,000.00
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Balance at Beginning of Year	\$	2,600,000.00	\$	2,500,000.00
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Total available cash and anticipated revenue	\$	11,567,982.00	\$	11,501,000.00
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EXPENDITURES**WATER & SEWER - ADMINISTRATION**

Personnel Services	\$	487,033.00	\$	418,444.00
Supplies	\$	25,000.00	\$	24,000.00
Other Services & Charges	\$	2,569,693.00	\$	2,536,739.00
Capital Outlay	\$	137,243.00	\$	12,000.00
Total Water & Sewer	\$	3,218,969.00	\$	2,991,183.00

WATER & SEWER - OPERATION & MAINTENANCE

Supplies	\$	320,000.00	\$	280,000.00
Other Services & Charges	\$	2,660,016.00	\$	2,956,002.00
Capital Outlay	\$	150,000.00	\$	100,000.00
Total Water & Sewer	\$	3,130,016.00	\$	3,336,002.00

OTHER

Debt Service	\$	1,308,214.00	\$	1,077,284.00
Contingency Fund	\$	440,252.00	\$	275,000.00
Transfer to General Fund	\$	646,385.00	\$	695,308.00
Transfer to Capital Project Funds	\$	762,712.00	\$	261,500.00
Transfer to Debt Service & Reserve Funds	\$	345,000.00	\$	360,000.00
Total Other	\$	3,502,563.00	\$	2,669,092.00

TOTAL EXPENDITURES

	\$	9,851,548.00	\$	8,996,277.00
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YEAR END BALANCE	\$	1,716,434.00	\$	2,504,723.00
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BALANCE	\$	11,567,982.00	\$	11,501,000.00
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SOLID WASTE FUND: FUND 404**REVENUES**

Balance at beginning of year	\$	64,500.00	\$	119,902.00
Garbage Collection Fees	\$	1,567,944.00	\$	1,567,440.00
Total available cash and anticipated revenue	\$	1,632,444.00	\$	1,687,342.00

EXPENDITURES

Other Services and Charges	\$	1,295,424.00	\$	1,279,270.00
Transfer to General Fund	\$	189,102.00	\$	327,170.00
Transfer to Enterprise Fund	\$	-	\$	-

TOTAL EXPENDITURES

	\$	1,484,526.00	\$	1,606,440.00
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YEAR END BALANCE	\$	147,918.00	\$	80,902.00
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BALANCE	\$	1,632,444.00	\$	1,687,342.00
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MSB - WATER IONIZATION PROJECT: FUND 421**REVENUES**

Balance at beginning of year	\$	56,287.52	\$	56,287.52
Total available cash and anticipated revenue	\$	56,287.52	\$	56,287.52

EXPENDITURES

Capital Outlay	\$	56,287.52	\$	56,287.52
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TOTAL EXPENDITURES

	\$	56,287.52	\$	56,287.52
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YEAR END BALANCE	\$	-	\$	-
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BALANCE	\$	56,287.52	\$	56,287.52
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RESERVE FUND - 2012 GUD BOND REFINANCE: FUND 495**REVENUES**

Balance at Beginning of Year	\$	490,725.00	\$	-
Miscellaneous - Interest	\$	3,985.00	\$	-
Total available cash and anticipated revenue	\$	494,710.00	\$	-

EXPENDITURES

Transfer Out (Debt Service Fund 602)	\$	494,710.00	\$	-
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TOTAL EXPENDITURES

	\$	494,710.00	\$	-
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE

	\$	494,710.00	\$	-
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RESERVE FUND - 2013 3.5 SO BOND: FUND 497**REVENUES**

Balance at Beginning of Year	\$	274,783.97	\$	273,147.19
Miscellaneous - Interest	\$	3,500.00	\$	5,200.00
Total available cash and anticipated revenue	\$	278,283.97	\$	278,347.19

EXPENDITURES

Debt Service	\$	4,500.00	\$	6,000.00
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TOTAL EXPENDITURES

	\$	4,500.00	\$	6,000.00
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YEAR END BALANCE

	\$	273,783.97	\$	272,347.19
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BALANCE

	\$	278,283.97	\$	278,347.19
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GUD BOND ESCROW FUND 602 - RESTRICTED DEBT SERVICE**REVENUES**

Cash at Beginning of Year	\$	828,620.00	\$	-
Miscellaneous - Interest	\$	600.00	\$	-
Transfer In (Enterprise Fund)	\$	83,355.00	\$	-
Transfer In (Reserve Fund 495)	\$	491,325.00	\$	-
Total available cash and anticipated revenue	\$	1,403,900.00	\$	-

EXPENDITURES

Bonds Payable	\$	1,403,900.00	\$	-
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TOTAL EXPENDITURES

	\$	1,403,900.00	\$	-
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YEAR END BALANCE

	\$	-	\$	-
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BALANCE

	\$	1,403,900.00	\$	-
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APPENDIX D
DEFINITIONS

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DEFINITIONS

The following words and phrases shall have the following meanings unless the context otherwise requires:

Act

"Act" shall mean Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time.

Additional Bonds

"Additional Bonds" shall mean additional bonds issued hereafter on parity with the Series 2019 Bonds and the Utility Bonds and secured by Net Revenues of the System.

Beneficial Owner

"Beneficial Owner" shall mean, whenever used with respect to a Series 2019 Bond, the person in whose name such Series 2019 Bond is recorded as the beneficial owner of such Series 2019 Bond by a DTC Participant on the records of such DTC Participant, or such person's subrogee.

Bond Counsel

"Bond Counsel" shall mean Butler Snow LLP, Ridgeland, Mississippi.

Bond Resolution

"Bond Resolution" shall mean the resolution, adopted by the Governing Body on December 3, 2019, authorizing and directing the issuance of the Series 2019 Bonds.

Bond Year

"Bond Year" shall mean the one-year period (or shorter period beginning on the date of issue of the Series 2019 Bonds or ending on the final maturity date of the Series 2019 Bonds) ending at the close of business on the day selected by the City. If no day is selected by the City before the earlier of the final maturity date of the Series 2019 Bonds or the date that is five years after the date of issue of the Series 2019 Bonds, each Bond Year will end on each anniversary of the date of issue of the Series 2019 Bonds.

Bondholder or Bondholders or Holder or Holders

"Bondholder" or "Bondholders" or "Holder" or "Holders" or any similar term shall mean the registered owner of any Series 2019 Bond.

Bonds

"Bonds" shall mean the Series 2019 Bonds, the Utility Bonds and any Additional Bonds issued on parity with the Series 2019 Bonds and the Utility Bonds and secured by the Net Revenues of the System.

Business Day

"Business Day" shall mean any day other than (a) a Saturday, (b) a Sunday, (c) any other day on which banking institutions in New York, New York or Gautier, Mississippi, are authorized or required not to be open for the transaction of regular banking business, (d) any day the City Hall in Gautier, Mississippi is closed, or (e) a day on which the New York Stock Exchange is closed.

City

"City" shall mean the City of Gautier, Mississippi.

Clerk

"Clerk" shall mean the City Clerk of the City.

Closing

"Closing" shall mean the date of the delivery of the Series 2019 Bonds.

Code

"Code" shall mean the Internal Revenue Code of 1986, as amended, supplemented or superseded and the Regulations promulgated thereunder.

Consulting Engineers

"Consulting Engineers" shall mean any engineer or engineering firm employed by the City in connection with the System or for the purposes set out in the Bond Resolution.

Costs of the Project

"Costs of the Project" shall mean the costs of the acquisition, construction and equipping of the Project and, without intending thereby to limit or restrict any proper definition of such term under the provisions of the Act or the Bond Resolution, shall include the following:

(a) obligations incurred for labor and materials, for contractors, builders and materialmen in connection with construction, for machinery and equipment, for the restoration or relocation of property damaged or destroyed in connection with such construction, for the removal or relocation of structures and for the clearing of lands;

(b) the cost of acquiring by purchase, if such purchase shall be deemed expedient, and the amount of any deposit in court or award or final judgment in or any settlement or compromise of any proceeding to acquire by eminent domain, lands, property, property rights, rights-of-way, easements, franchises, licenses, options and partial payments thereon, the cost of demolishing or removing or relocating any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, and the amount of any damages incident to or consequent upon the construction and operation of the Project;

(c) taxes or other municipal or governmental charges lawfully levied or assessed during construction upon the Project or any property acquired therefor, and premiums on insurance (if any) in connection with the Project during construction;

(d) the cost of borings and other preliminary investigations to determine foundation or other conditions, expenses necessary or incident to determining the feasibility or practicability of constructing the Project, and fees and expenses of engineers for making surveys and estimates of costs and of revenues and other estimates and for preparing plans and specifications and supervising construction, as well as for the performance of all other duties of engineers set forth in the Bond Resolution in relation to the construction of the Project and the issuance of the Series 2019 Bonds;

(e) expenses of administration properly chargeable to the Project, expenses of officers of the City in connection with the Series 2019 Bonds, legal expenses and fees, fees and expenses of any financial advisor or consultant, financing charges, capitalized interest, costs of audits and of preparing and issuing the Series 2019 Bonds, payments in connection with the 2019 Debt Service Reserve Fund, the 2019 Contingency Fund, the 2019 Depreciation Fund and all other items of expense reasonably incurred incident to the acquisition, construction and equipping of the Project, the financing thereof, the placing of the same in operation (including the initial premiums on any insurance required or obtained under the provisions of the Bond Resolution) and the acquisition of franchises and interest therefor, including abstracts of title, title insurance, costs of surveys and other expenses in connection with such acquisition; and

(f) any obligation or expense heretofore or hereafter incurred and any amount heretofore or hereafter advanced by the City for any of the foregoing purposes.

Current Expenses

"Current Expenses" shall mean the reasonable and necessary current expenses of maintenance, repair and operation of the System and shall include, without limiting the generality of the foregoing, expenses not annually recurring, premiums for insurance, administrative and engineering expenses relating to maintenance, repair and operation, fees and expenses of the Paying Agent, legal expenses, taxes lawfully imposed on the System, reasonable payments to pension or retirement funds for employees of the System and any other expense of the System required or permitted to be paid by the City under the provisions of the Bond Resolution or by law, but shall not include any allowance for depreciation or transfers to the credit of the 2019 Debt Service Fund, the 2019 Debt Service Reserve Fund, the 2019 Depreciation Fund or the 2019 Contingent Fund.

Debt Service Reserve Fund Requirement

"Debt Service Reserve Fund Requirement" shall mean the lesser of the following: (i) the maximum amount of principal and interest becoming due in the current or any future Bond Year, on all Series 2019 Bonds then outstanding; (ii) 125% of average annual debt service on the Series 2019 Bonds; or (iii) 10% of the stated principal amount of the Series 2019 Bonds, or if the Series 2019 Bonds have more than a de minimis amount (as defined in Section 1.148-1(b) of the Treasury Regulations) of original issue discount or premium, 10% of the issue price (as defined in Section 1.148-1(b) of the Treasury Regulations) of the Series 2019 Bonds), which Debt Service Reserve Fund Requirement may be funded with cash or a Reserve Fund Credit Facility; provided, however, that upon initial issuance of the Series 2019 Bonds, the Debt Service Reserve Fund Requirement will mean the amount set forth in (i) hereinabove and in future years if the amount of the Debt Service Reserve Fund Requirement should equal an amount in excess of the lesser of (i), (ii) and (iii) above, the funds held in the 2019 Debt Service Reserve Fund will not be invested at a yield in excess of the yield on the Series 2019 Bonds.

Direct Participant

"Direct Participant" shall mean a broker-dealer, bank or other financial institution for which the Securities Depository holds Series 2019 Bonds as a securities depository.

DTC

"DTC" means The Depository Trust Company, New York, New York.

DTC participants

"DTC participants" shall mean any participant for whom DTC is a Securities Depository Nominee.

Fiscal Year

"Fiscal Year" shall mean a period beginning on October 1 in any year and ending on September 30 of the following year.

Governing Body

"Governing Body" shall mean the Mayor and the City Council of the City.

Indirect Participant

"Indirect Participant" shall mean a broker-dealer, bank or other financial institution for which the Securities Depository holds Series 2019 Bonds as a securities depository through a Direct Participant.

Mayor

"Mayor" shall mean the Mayor of the City.

Municipal Advisor

"Municipal Advisor" shall mean Government Consultants, Inc., Madison, Mississippi, as independent registered municipal advisor to the City.

Net Revenues

"Net Revenues" shall mean all Revenues remaining after payment of Current Expenses and debt service on the SRF Loans outstanding at the time of the issuance of the Series 2019 Bonds.

Operation and Maintenance Fund

"Operation and Maintenance Fund" shall mean the fund by that name held by the City for the operation and maintenance of the System.

Paying Agent

"Paying Agent" shall mean any bank, trust company or other institution designated by the Governing Body to make payments of the principal of and interest on the Series 2019 Bonds, and to serve as registrar and transfer agent for the registration of owners of the Series 2019 Bonds, and for the performance of other duties as may be specified by the Governing Body.

Person

"Person" shall mean an individual, partnership, limited liability company, corporation, trust or unincorporated organization and a government or agency or political subdivision thereof.

Principal and Interest Requirements

"Principal and Interest Requirements" for any Bond Year shall mean the sums sufficient for the payment of the principal of and interest on the Series 2019 Bonds, the Utility Bonds and any Additional Bonds which will mature and accrue during such period.

Prior Bond Resolutions

"Prior Bond Resolutions" shall collectively mean the 2012 Bond Resolution, the 2013 Loan Agreement and the 2018 Bond Resolution.

Project

"Project" shall mean (a) the improvement, repair and extension of the System, (b) the funding of the 2019 Debt Service Reserve Fund, and (c) the payment of the costs of issuance of the Series 2019 Bonds.

Purchaser

"Purchaser" shall mean _____, the successful bidder for the Series 2019 Bonds.

Record Date

"Record Date" shall mean, as to interest payments, the 15th day of the month preceding the dates set for payment of interest on the Series 2019 Bonds and, as to payments of principal, the 15th day of the month preceding the maturity date thereof.

Redemption Date

"Redemption Date" shall mean the date on which the Refunded Bonds are called for redemption.

Redemption Price

"Redemption Price" shall mean the principal amount, plus the applicable premium, if any, and interest payable on the Refunded Bonds upon redemption prior to maturity.

Registered Owner

"Registered Owner" shall mean the person whose name shall appear in the registration records of the City maintained by the Paying Agent.

Revenue Fund

"Revenue Fund" shall mean the fund by that name held by the City for the deposit of Revenues of the System.

Revenues

"Revenues" shall mean all payments, proceeds, fees, charges, rents and all other income derived by or for the account of the City from its ownership and operation of the System, excluding all acreage, front-footage, assessment and similar fees and charges derived by the City in connection with the provision of or payment for capital improvements constituting a part of the System.

Securities Depository

"Securities Depository" shall mean The Depository Trust Company and any substitute for or successor to such securities depository maintaining a book-entry transfer system for the Series 2019 Bonds.

Securities Depository Nominee

"Securities Depository Nominee" shall mean the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration records the Series 2019 Bonds to be delivered to such Securities Depository during the continuation with such Securities Depository of participation in its Book-Entry System.

Series 2012 Bonds

"Series 2012 Bonds" shall mean the \$9,185,000 (original principal amount) City of Gautier, Mississippi Combined Utility System Revenue Refunding Bonds, Series 2012, dated May 31, 2012, which have been paid in full.

Series 2018 Bonds

"Series 2018 Bonds" shall mean the \$4,000,000 (original principal amount) City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2018, dated June 1, 2018.

Series 2019 Bonds

"Series 2019 Bonds" shall mean the Combined Utility System Revenue Bonds, Series 2019, of the City in an aggregate principal amount of \$6,000,000, dated the date of delivery thereof.

SRF Loans

"SRF Loans" shall mean the State Revolving Fund Loans, existing on the date of issuance of the Series 2019 Bonds, from the State to the City under Sections 49-17-1 *et seq.*, Mississippi Code of 1972,

as amended from time to time, which SRF Loans have a lien on Revenues of the System; however, the debt service for the SRF Loans is collected by the Mississippi Department of Revenue by diverting sales tax collections prior to remittance of the sales tax to the City and then subsequently reimbursed to the City from the Revenues of the System.

State

"State" shall mean the State of Mississippi.

System

"System" shall mean the combined waterworks, water supply, sewerage, and sewer disposal facilities of the City, including any enlargement and extension thereof.

2012 Bond Resolution

"2012 Bond Resolution" shall mean the resolution adopted by the Governing Body on April 24, 2012, authorizing and directing the issuance of the Series 2012 Bonds.

2013 Debt Service Fund

"2013 Debt Service Fund" shall mean the fund created and established under the 2013 Loan Agreement for the payment of debt service on the 2013 Note and bonds issued on parity therewith, including the Series 2019 Bonds.

2013 Loan Agreement

"2013 Loan Agreement" shall mean the Loan Agreement by and between the Mississippi Development Bank and the City, dated August 13, 2013, as amended or supplemented, pursuant to which the City borrowed the proceeds of the \$3,500,000 (original principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, which are secured by the 2013 Note.

2013 Note

"2013 Note" shall mean the \$3,500,000 (original principal amount) City of Gautier, Mississippi Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, securing the \$3,500,000 (original principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013.

2018 Bond Resolution

"2018 Bond Resolution" shall mean the resolution adopted by the Governing Body on April 3, 2018, authorizing and directing the issuance of the Series 2018 Bonds.

2018 Debt Service Fund

"2018 Debt Service Fund" shall mean the fund created and established under the 2018 Bond Resolution for the Series 2018 Bonds and bonds issued on parity therewith, including the Series 2019 Bonds.

2019 Debt Service Fund

"2019 Debt Service Fund" shall mean the fund by that name provided for in the Bond Resolution.

2019 Contingent Fund

"2019 Contingent Fund" shall mean the fund by that name provided for in the Bond Resolution.

2019 Debt Service Reserve Fund

"2019 Debt Service Reserve Fund" shall mean the fund by that name provided for in the Bond Resolution.

2019 Depreciation Fund

"2019 Depreciation Fund" shall mean the fund by that name provided for in the Bond Resolution.

Utility Bonds

"Utility Bonds" shall mean the 2013 Note and the Series 2018 Bonds.

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APPENDIX E
FORM OF BOND COUNSEL OPINION

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[FORM OF BOND COUNSEL OPINION]

Mayor and City Council
City of Gautier, Mississippi
Gautier, Mississippi

Re: \$6,000,000 City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2019

Ladies and Gentlemen:

We have acted as bond counsel ("Bond Counsel") for the City of Gautier, Mississippi (the "City"), in connection with the issuance of the City's Combined Utility System Revenue Bonds, Series 2019, dated the date of delivery thereof, in the total aggregate principal amount of \$6,000,000 (the "Series 2019 Bonds"). In such capacity, we have examined the Constitution and statutes of the State of Mississippi (the "State"), including particularly Sections 21-27-11 *et seq.*, Mississippi Code of 1972, as amended and supplemented from time to time (the "Act"), and certified copies of the proceedings had by the Mayor and City Council of the City (the "Governing Body"), including the adoption of resolutions on November 21, 2017, January 2, 2018, November 5, 2019 and December 3, 2019 (collectively, the "Resolution"), and other proofs submitted to us, relative to the sale and issuance by the City, acting by and through the Governing Body, of the Series 2019 Bonds.

The Series 2019 Bonds bear interest, mature and may be transferred and exchanged as set out in the Series 2019 Bonds and in the Resolution. Capitalized terms not defined herein are to be defined as set forth in the Resolution.

We have acted as Bond Counsel for the sole purpose of rendering an opinion with respect to the legality and validity of the Series 2019 Bonds under the laws of the State, including particularly the Act, and with respect to the excludability of the interest on the Series 2019 Bonds from federal and State income taxation. Regarding questions of fact material to our opinion, we have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the certified transcript of proceedings described in the following paragraph and on the authenticity, truthfulness and completeness set forth in such documents, instruments and certificates. We have not assumed any responsibility with respect to the financial condition or capabilities of the City or the disclosure thereof in connection with the sale of the Series 2019 Bonds.

In our capacity as Bond Counsel, we have participated in the preparation of and have examined a certified transcript of proceedings pertaining to the Series 2019 Bonds which contains copies of certain proceedings of the City, customary certificates of officers, agents and representatives of the City and other public officials and other matters relating to the authorization and issuance of the Series 2019 Bonds, including a certification of the City prepared pursuant to Section 1.148-2(b)(2)(i) of the United States Treasury Regulations (the "Non-Arbitrage Certificate"). We have also examined Series 2019 Bond No. 1 of this issue.

Based on such examination and subject to the qualifications, statements of reliance and assumptions herein, it is our opinion, on the date hereof, that:

1. Such proceedings reflect lawful authority for the sale and issuance of the Series 2019 Bonds by the City pursuant to the Constitution and laws of the State, including the Act, and the provisions of the Resolution.
2. The Series 2019 Bonds have been duly authorized, executed and delivered by the City under the provisions of the Resolution.

3. The Series 2019 Bonds are legal, valid and binding limited obligations of the City and are secured by a lien on and are payable solely from the Net Revenues derived from the operation of the System subject to the parity lien of the \$3,500,000 (original principal amount) City of Gautier, Mississippi Promissory Note (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, securing the \$3,500,000 (original principal amount) Mississippi Development Bank Special Obligation Bonds, Series 2013 (Gautier, Mississippi Combined Utility System Revenue Project), dated August 13, 2013, and the \$4,000,000 (original principal amount) City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2018, dated June 1, 2018. The Series 2019 Bonds are not general obligations of the City and the full faith, credit and taxing power of the City are not being pledged to the payment of the Series 2019 Bonds or interest thereon.
4. Under the existing statutes, regulations, rulings and court decisions, subject to the assumption stated below, interest on the Series 2019 Bonds is excludable from gross income for federal income tax purposes. Furthermore, interest on the Series 2019 Bonds is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other federal tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2019 Bonds. In rendering the opinion contained in this paragraph 4, we have assumed continuing compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met after the issuance of the Series 2019 Bonds in order that interest on the Series 2019 Bonds not be includable in gross income for federal income tax purposes. The failure to meet such requirements may cause interest on the Series 2019 Bonds to be includable in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2019 Bonds.
5. Under and pursuant to existing laws of the State, the Series 2019 Bonds and interest thereon are exempt from all income taxes imposed by the State.

The Governing Body, acting for and on behalf of the City, has covenanted in the Resolution (a) to comply with each requirement of the Code necessary to maintain the excludability of interest on the Series 2019 Bonds from gross income for federal income tax purposes, and in furtherance thereof, to comply with the Non-Arbitrage Certificate, or such other covenants as may, from time to time, be required to be complied with in order to maintain the excludability of interest on the Series 2019 Bonds from gross income for federal income tax purposes, (b) to not use or permit the use of any of the proceeds of the Series 2019 Bonds, or any other funds of the City, directly or indirectly, to acquire any securities, Series 2019 Bonds or other investment property, and (c) to not take or permit to be taken any other action or actions, which would cause any Series 2019 Bond to be an "arbitrage bond" as defined in Section 148 of the Code. Failure of the City to comply with such covenants could result in the interest on the Series 2019 Bonds being subject to federal income tax from the date of issue.

In rendering the opinion in paragraph 4 above, Bond Counsel has assumed the continuing compliance by the City with the tax covenants and representations in the Resolution and the representations in the Non-Arbitrage Certificate. These requirements relate to, *inter alia*, the use and investment of the gross proceeds of the Series 2019 Bonds, the use of any facility, equipment or improvement financed or refinanced directly or indirectly with the proceeds of the Series 2019 Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series 2019 Bonds have resulted in a failure of the City to comply with its covenants. Failure of the City to comply with such covenants could result in the interest on the Series 2019 Bonds becoming subject to federal income tax from the date of issue.

Owners of the Series 2019 Bonds should consult their own tax advisors as to the applicability and effect on their federal income taxes of any other collateral federal income tax consequences.

It is understood that the rights of the owners of the Series 2019 Bonds and the enforceability of the Series 2019 Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization,

moratorium and other similar law affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and that the enforcement thereof may be subject to the exercise of judicial discretion in appropriate cases.

In this opinion letter issued in our capacity as Bond Counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of any statements made in connection with any offer or sale of the Series 2019 Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Series 2019 Bonds, except those specifically addressed herein.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certificates, resolutions, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We also have assumed the genuineness of the signatures appearing upon such public records, certifications, resolutions, documents and proceedings. In rendering this opinion, we have relied upon the opinion of Bordis & Danos, PLLC, Ocean Springs, Mississippi, counsel for the City, dated the date hereof, as to the due authorization and execution by the City of the Series 2019 Bonds and the Resolution.

This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

BUTLER SNOW LLP

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APPENDIX F
CONTINUING DISCLOSURE CERTIFICATE

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CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the City of Gautier, Mississippi (the "City") in connection with the execution and delivery of \$6,000,000 City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2019 (the "Bonds"). The Bonds are being executed and delivered pursuant to resolutions adopted by the Mayor and City Council (the "Governing Body") of the City on November 21, 2017, January 2, 2018, November 5, 2019 and December 3, 2019 (collectively, the "Resolution"). The Bonds are being issued to raise money for the purpose of (a) financing the cost of the improvement, repair, and extension of the City's combined waterworks, water supply, sewerage, and sewer disposal facilities (the "System"), (b) funding a debt service reserve fund for the Bonds, and (c) paying the costs of the sale and issuance of the Bonds. The City covenants and agrees as follows:

SECTION 1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Registered Owners (defined below) and the Beneficial Owners (defined below) of the Bonds in order to assist the Participating Underwriter (defined below) in complying with the Rule (defined below).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"Accompanying Information" shall mean any identifying information or other information then required to accompany the applicable filing pursuant to the Rule, currently including, without limitation, the 9-digit CUSIP numbers for the Bonds.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bond (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bond for federal income tax purposes.

"Business Day" shall mean any day other than (a) a Saturday, (b) a Sunday, (c) any other day on which banking institutions in New York, New York, or the city in which the Paying Agent maintains its principal place of business, are authorized or required not to be open for the transaction of regular banking business or (d) any day on which the New York Stock Exchange is closed.

"City Annual Financial Information" shall mean the information summarized herein below under the heading "Annual Financial Information - City Undertaking."

"EMMA" shall mean the Electronic Municipal Market Access System found at <http://emma.msrb.org> which is the electronic format prescribed by the MSRB pursuant to the Rule.

"Fiscal Year" shall mean a period beginning on October 1 in any year and ending on September 30 of the following year or such other twelve-month period as may be adopted by the City in accordance with law.

"Independent Accountant" shall mean any firm of certified public accountants appointed by the City which is independent pursuant to the Statement on Auditing Standards No. 1 of the American Institute of Certified Public Accountants or the State Auditor.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board. The electronic filings with the MSRB shall be through EMMA.

"Participating Underwriter" shall mean the original purchaser of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Paying Agent" shall mean the paying agent, transfer agent and registrar of the Bonds appointed by the City.

"Registered Owner" shall mean the person or persons in whose name any Bond is registered on the registration records of the City.

"Repository" shall mean the MSRB and each State Repository, if any.

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

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as in effect on the date of this Disclosure Certificate.

"State" shall mean the State of Mississippi.

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

"Timely" as used herein with respect to filings required under the Rule shall have the meaning required under the Rule, which with respect to Listed Events currently means within ten (10) Business Days after the occurrence of the Listed Event.

SECTION 3. General. Nothing in this Disclosure Certificate shall prevent the City from disseminating any information in addition to that required by this Disclosure Certificate. If the City disseminates any such additional information, the City shall not have any obligation to update such information or include it in any further materials disseminated. All expenses and any other costs incurred by the City in complying with this Disclosure Certificate shall be paid by the City.

All filings with the MSRB under this Disclosure Certificate shall be made by electronically transmitting such filings through the EMMA Dataport at <http://www.emma.msrb.org>, as provided by the Rule.

SECTION 4. City Undertaking. The City hereby agrees for the benefit of the Registered Owners and the Beneficial Owners of the Bonds to provide, together with any Accompanying Information and in the Required Electronic Format:

(a) to each Repository, within twelve months after the end of each Fiscal Year of the City ending in or after September 30, 2020, but no later than September 30 of each year,

(1) the City Annual Financial Information relating to such Fiscal Year; or

(2) notice of the failure of the City to provide the City Annual Financial Information, or any portion thereof, in substantially the form attached hereto as Exhibit A; and

(b) (1) to each Repository, in a Timely manner, notice of any Listed Events; and

(2) to each Repository, in writing, in a Timely manner, notice of any event which, in the opinion of an authorized officer of the City had, or will have, a material effect on the financial condition or operations of the City.

SECTION 5. Listed Events. The City shall give or cause to be given notice of the occurrence of any of the following Listed Events with respect to the Bonds, together with any Accompanying Information and in Required Electronic Format, in a Timely manner not in excess of ten (10) business days after the occurrence thereof. All events mandated by the Rule are listed below; however, some may not apply to the Bonds.

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on the credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.
- (7) Modification to rights of bondholders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution or sale of property securing repayment of the Bonds, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the City¹.
- (13) The consummation of a merger, consolidation, or acquisition involving the Bank or the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation² of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material.
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation² of the obligated person, any of which reflect financial difficulties.

¹ For the purposes of the event identified in subparagraph (b)(5)(i)(C)(12) of the Rule, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and official or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

² For purposes of the events identified in subparagraphs (b)(5)(i)(C)(15) and (16) of the Rule, the term "financial obligation" is defined to mean a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) a guarantee of (A) or (B). The term "financial obligation" does not include municipal securities as to which a final official statement has been otherwise provided to the MSRB consistent with the Rule. Numerous other terms contained in these subsections and/or in the definition of "financial obligation" are not defined in the Rule; SEC Release No. 34-83885 contains a discussion of the current SEC interpretation of those terms. For example, in the Release, the SEC provides guidance that the term "debt obligation" generally should be considered to include only lease arrangements that operate as vehicles to borrow money.

SECTION 6. Annual Financial Information.

General. The contents, presentation and format of the City Annual Financial Information may be modified from time to time as determined in the judgment of the City to conform to changes in the Rule to disclosure principles or practices and legal requirements followed by or applicable to the City, provided that such modifications shall comply with the requirements of the Rule.

City Undertaking. City Annual Financial Information is defined to include:

- (a) audited financial statements for such Fiscal Year if audited financial statements are then available, and, if unavailable, such audited financial statements if and when they become available; and
- (b) updated financial and operating information relating to the City and the System set forth in Exhibit B which is similar to the operating and financial information of the System contained in the Official Statement.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the City is an "obligated person" (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify each such other document so incorporated by reference.

SECTION 7. Financial Statements. The annual financial statements for the City for each Fiscal Year shall be prepared in accordance with generally accepted accounting principles in effect from time to time. Such financial statements shall be audited by an Independent Accountant.

SECTION 8. Remedies. This Disclosure Certificate is enforceable in accordance with its terms by any Registered Owner or Beneficial Owner of the Bonds either directly or as a third party beneficiary. Any Registered Owner or Beneficial Owner of the Bonds shall have the rights, for the equal benefit and protection of all Registered Owners and Beneficial Owners of the Bonds, by mandamus or other suit or proceeding at law or in equity, to enforce its rights against the City and any of the officers, agents and employees of the City, and to compel the City or any such officers, agents or employees to perform and carry out their duties under their respective undertakings; provided that such rights shall be limited to an action to compel specific enforcement of the obligations of the City hereunder and shall not include any rights to monetary damages.

SECTION 9. Amendments. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The City will provide notice of such amendment or waiver to the MSRB.

SECTION 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 11. Termination of Reporting Obligation. The undertaking of the City hereunder shall terminate on the earliest of (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the City shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

SECTION 12. Governing Law. This Disclosure Certificate shall be governed by the laws of the State.

IN WITNESS WHEREOF, the City has caused this Disclosure Certificate to be executed by a duly authorized officer of the City as of this ____ day of December, 2019.

(SEAL)

CITY OF GAUTIER, MISSISSIPPI

By _____
Mayor

ATTEST:

By _____
City Clerk

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Gautier, Mississippi

Name of Bond Issue: \$6,000,000 City of Gautier, Mississippi Combined Utility System Revenue Bonds,
Series 2019

Date of Issuance: December ____, 2019

CUSIP Number: _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate dated December ____, 2019. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

CITY OF GAUTIER, MISSISSIPPI

By: _____
Authorized Officer

EXHIBIT B

Name of Issuer: City of Gautier, Mississippi (the "City")

Name of Bond Issue: \$6,000,000 City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2019

Date of Issuance: December ____, 2019

CUSIP Number: _____

The following table sets forth the current utility rate schedule for water and sewer customers in the City for fiscal year 20__:

	Current Rates 20__
Gallons	
Water	
First 3,000 Gallons (Residential)	
Over 3,000 Gallons (per 1,000 Gallons) (Residential)	
First 3,000 Gallons (Commercial)	
Over 3,000 Gallons (per 1,000 Gallons) (Commercial)	
Sewer²	
First 3,000 Gallons (Residential)	
Over 3,000 Gallons (per 1,000 Gallons) (Residential)	
First 3,000 Gallons (Commercial)	
Over 3,000 Gallons (per 1,000 Gallons) (Commercial)	
Wastewater Treatment	
First 3,000 Gallons (Commercial & Residential)	
Over 3,000 Gallons (per 1,000 Gallons) (Commercial & Residential)	
Garbage	
Monthly Charge	
Minimum Average Bill	

¹ The City bills their citizens/customers separately for wastewater treatment. Fire protection is provided through the City's general fund budget.

² Sewer only monthly charge is \$_____ for commercial and \$_____ for residential.

The total number of current water customers within the System is approximately _____. The total number of gallons of water used annually is approximately _____ million gallons for calendar year 20_____.

The ten largest users of water per gallon/per month are listed below as of _____, 20_____:

TEN LARGEST CUSTOMERS:	USAGE (gallons per month)

The capacity of the City's water system for fiscal year 20_____ is as follows:

Current Water System

Number of Gallons per day

Capacity

Peak daily load

Average daily usage

* Based on 24-hour capacity

The ten largest users of sewer per gallon/per month are listed below as of _____, 20_____:

TEN LARGEST CUSTOMERS:	USAGE (gallons per month)

The capacity of the City's sewer system for fiscal year 20____ is as follows:

Current Water System	Number of Gallons per day
Capacity	
Peak daily load	
Average daily usage	

The current outstanding debt of the System is listed below:

Bonds Outstanding¹	Outstanding Principal
--------------------------------------	------------------------------

Total Bonds Currently Outstanding

SRF Loans

Total SRF Loans Currently Outstanding

The last five years historical debt service coverage is as follows:

	Fiscal Year 20____	Fiscal Year 20____	Fiscal Year 20____	Fiscal Year 20____	Fiscal Year 20____
Total Revenues					
Total Expenditures					
Available for Debt Service					
Existing Debt Service					
Balance					
Debt Ratio					

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OFFICIAL BID FORM

\$6,000,000
CITY OF GAUTIER, MISSISSIPPI
COMBINED UTILITY SYSTEM REVENUE BONDS,
SERIES 2019

December 3, 2019

Mayor and City Council
City of Gautier
3330 Highway 90
Gautier, Mississippi 39553

Ladies and Gentlemen:

For Six Million Dollars (\$6,000,000) aggregate principal amount of Combined Utility System Revenue Bonds, Series 2019 (the "Bonds") of the City of Gautier, Mississippi (the "City"), bearing interest at the rate or rates specified below, we will pay you the aggregate par value thereof of \$6,000,000.00 plus a premium of \$_____. The Bonds will be dated and bear interest from the date of delivery thereof and will mature on December 1 in the years set forth in the Notice of Bond Sale, dated November 5, 2019, in connection with the Bonds (the "Notice of Bond Sale").

The Bonds maturing on December 1 in the years indicated shall bear interest at the rates set opposite each, as follows:

Year	Principal Amount	Interest Rate/ Coupon	Year	Principal Amount	Interest Rate/ Coupon
2020	\$205,000	_____	2030	\$300,000	_____
2021	215,000	_____	2031	310,000	_____
2022	220,000	_____	2032	320,000	_____
2023	230,000	_____	2033	335,000	_____
2024	240,000	_____	2034	345,000	_____
2025	250,000	_____	2035	360,000	_____
2026	260,000	_____	2036	375,000	_____
2027	265,000	_____	2037	385,000	_____
2028	280,000	_____	2038	400,000	_____
2029	290,000	_____	2039	415,000	_____

The following is a computation of the net interest cost and average annual net interest rate (calculated in accordance with the provisions of the Notice of Bond Sale), respectively, in the above bid and is submitted for information purposes only and is not a part of this bid unless it is in conformity with the above enumerated interest rates and premium, if any.

Gross Interest Cost \$ _____
Less Premium _____
Net Interest Cost _____
Average Annual Net Interest Rate %

This bid is subject to all of the terms and conditions of the Notice of Bond Sale, which Notice of Bond Sale by this reference thereto is hereby made a part hereof.

We hereby acknowledge that we have received and reviewed the Preliminary Official Statement of the City, dated November 20, 2019, prepared in connection with the Bonds.

A CERTIFIED OR CASHIER'S CHECK, DRAWN UPON A BANK LOCATED WITHIN THE STATE OF MISSISSIPPI, PAYABLE TO THE ORDER OF THE CITY OF GAUTIER, IN THE AMOUNT OF ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000.00) accompanies this bid as evidence of good faith and said good faith deposit shall be returned to the undersigned if this bid is not accepted, or if the City should fail to deliver the Bonds to the undersigned in accordance with the terms of the Notice of Bond Sale; otherwise said good faith deposit shall be held by the City and shall be applied as and when the Bonds are delivered and paid for under the terms of this bid, as part payment therefor, or be applied as and for liquidated damages in the event that the undersigned fails to take up and pay for the Bonds in accordance with the terms of the Notice of Bond Sale. Pending the application of the good faith deposit of the successful bidder as aforesaid, such deposit may be invested in direct obligations of, or obligations guaranteed by, the United States of America or in repurchase agreements with banks fully secured by such obligations, and the City shall be entitled to any income from any such investment.

This bid is for immediate acceptance.

Bidder ¹ _____

By _____
(Print Name)

(Signature)

Address _____

Telephone Number _____

(Note: No addition to or alteration in this bid is to be made, and any erasure may cause a rejection of this bid. Bids must be filed with the Mayor and City Council of the City of Gautier, Mississippi in the Office of the City Clerk in the City Hall located at 3330 Highway 90, Gautier, Mississippi 39553 attention: Ms. Cindy Russell, City Clerk, sealed and worded on the outside, in substance, "Bid for City of Gautier, Mississippi Combined Utility System Revenue Bonds, Series 2019," before 4:30 o'clock p.m., Mississippi time, on December 3, 2019. No interest will be allowed the bidder on the good faith deposit which accompanies this bid.)

ACCEPTANCE

The above bid accepted by the Mayor and City Council of the City of Gautier, Mississippi, this 3rd day of December, 2019, and receipt of the within mentioned check is hereby acknowledged.

CITY OF GAUTIER, MISSISSIPPI

By _____
Mayor

Attest:

City Clerk

Return of the good faith check is hereby acknowledged.

By _____

Title _____

¹ Please list on an exhibit all members, if any, of your syndicate.

EXHIBIT C

BIDS

COMBINED UTILITY SYSTEM REVENUE BONDS, SERIES 2019

BID OPENING 4:30PM GAUTIER CITY HALL

	FIRM	RATE
1	Robert W. Baird	2.750531%
2	Morgan Stanley	2.769318%
3	Stephens, Inc.	3.099846%
4	Hutchinson Shockey Erley & Co.	2.810400%
5	Duncan-Williams, Inc	2.734320%

Councilman Colledge made the motion to approve the Emergency Repair of the Beasley Well, as presented, from Lyman Well Company at the amount not to exceed \$66,700.00. Councilwoman Martin seconded the motion. The vote was carried unanimously.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 263-2019

WHEREAS, the City of Gautier has discovered that the Beasley water well has developed a hole in the well wall at a depth of approximately 282 feet; and

WHEREAS, the hole has resulted in infiltration of sand into the well, and has caused irreparable failure of the water pump; and

WHEREAS, damage to the Beasley well is critically affecting the City's water capacity, and as such must be repaired immediately; and

WHEREAS, City Council hereby finds that an emergency exists as described above, and that the delay incident to giving opportunity for competitive bidding would be detrimental to the interests of the City; and

WHEREAS, Staff has obtained the attached quote from Lyman Well Company to perform an emergency well restoration and pump replacement, for a cost of \$66,700.00; and

WHEREAS, the Mayor and Members of Council hereby find it is in the best interest of the City of Gautier to approve this emergency repair work; and

WHEREAS, the Mayor and Council Members find, consistent with fact, that this quote is commercially reasonable, is not made to circumvent the public purchasing statutes, and that the cost is reasonable;

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the Beasley well emergency repair, as quoted by Lyman Well Company in the amount of \$66,700.00, is hereby approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilman Colledge**, seconded by **Councilwoman Martin**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: City Council
From: Paula Yancey, City Manager
Date: November 26, 2019
Subject: Authorization to approve the emergency repair for the Beasley well

REQUEST:

The City Manager is requesting the approval of emergency repair for the Beasley well, which is required to properly and adequately provide water to the citizens of the City.

BACKGROUND:

The Beasley well has developed a hole in the well wall at a depth of approximately 282 feet. This must be fixed immediately in order to prevent critically affecting the City's capacity. Giving opportunity for competitive bidding would be detrimental to the interests of the City and its water capacity.

DISCUSSION:

Lyman Well Company has provided a quote to perform a well restoration and pump replacement for a cost of \$66,700.00. Once approved for emergency repair, Lyman Well Company can begin to fix the well.

RECOMMENDATION:

The City Manager recommends the City Council approve the emergency repair for the Beasley

ATTACHMENT(S):

1. Lyman Well Company Attachment

LYMAN WELL COMPANY

15456 SUB LADNER RD
GULFPORT, MS 39503
228-832-3193 office
228-832-3313 fax

November 20th 2019

City of Gautier
Paula Yancey
3330 HWY 90
Gautier MS 39553

Ms. Paula Yancey:

RE: Beasley Well repair

Dear Ms. Yancey,

As you know from our video the Beasley water well has a hole in the casing at a depth of 282 feet. Below is an itemized quote to repair the well and place it back into service.

1. Weld and Install with a crane 430' of 10" liner with 10"x12" K packers. (rubber seals)- \$31,200.00
2. Pump liquid acid descaler threw a tremmie pipe inside of the screens and agitate to remove the scale and mineral build up. \$2,500.00
3. Install a new pump with new 6" column assembly since the old will not fit and it is ruined from pumping sand. \$33,000.00
700 gpm @290' of TDH
Total - \$66,700.00

This work will give you new casing from ground level to the top of your lap pipe. It will also give new pumping equipment from below the well head all the way to your pump.

Thank you,

Josh Ladner

License # UNR 0-640

Josh Ladner

General Manager

Councilwoman Martin made the motion to approve the Docket of Claims, as presented, provided that all entries thereon are true, correct, properly entered, and not fraudulent. Councilman Anderson seconded the motion. The vote was carried unanimously.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 264-2019

WHEREAS, Miss. Code Ann. 21-39-9 requires governing authority to review all unpaid claims and determine if there is an obligation. An obligation exists if the related materials and supplies were properly contracted for and received by the municipality; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that Docket of Claims is hereby approved, provided that all entries thereon are true, correct, properly entered and not fraudulent.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin**, seconded by **Councilman Anderson**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	SOUTHERN PEST CONTROL INC Account Number 001-092-698	200485	12/03/2019	11/19/2019			403.30	
		Description CITY FACILITIES		Invoice # 352331	Date 11/18/2019	P.O.	Amount	403.30
001	C SPIRE WIRELESS Account Number 001-100-605	200486	12/03/2019	11/19/2019			535.84	
		Description POLICE CELLS		Invoice # 0032680896	Date 10/12/2019	P.O.	Amount	535.84
001	AT&T Account Number 001-092-605	200493	12/03/2019	11/20/2019			240.45	
		Description MONTHLY SERVICE		Invoice # 2284972172	Date 11/14/2019	P.O.	Amount	240.45
001	AT&T Account Number 001-092-605	200494	12/03/2019	11/20/2019			144.43	
		Description MONTHLY SERVICE		Invoice # 2284977070	Date 11/14/2019	P.O.	Amount	144.43
001	AT&T Account Number 001-100-699	200495	12/03/2019	11/20/2019			36.29	
		Description NCIC TELECOM		Invoice # 2284970262	Date 11/14/2019	P.O.	Amount	36.29
001	SUNBELT FIRE INC Account Number 001-161-639 001-161-639 001-161-639	200501	12/03/2019	11/22/2019			593.25	
		Description TRAVEL: COMPRESSOR REPAIR		Invoice # 121361	Date 11/18/2019	P.O.	Amount	367.25
		LABOR: COMPRESSOR REPAIR		121361	11/18/2019			175.00
		PARTS: COMPRESSOR REPAIR		121361	11/18/2019			51.00
001	JACKSON COUNTY BOARD OF SUPERVISORS Account Number 001-092-697	200502	12/03/2019	11/22/2019			500.00	
		Description ANIMAL SHELTER FEE FY 2020		Invoice # 11132019	Date 11/13/2019	P.O.	Amount	500.00
001	FOSTERS A/C & HEATING INC Account Number 001-100-635 001-161-635	200503	12/03/2019	11/22/2019			615.00	
		Description DISPATCH: #6 PULL-CLN COILS		Invoice # P1057150E	Date 10/28/2019	P.O.	Amount	390.00
		WFD: SERV CALL, FREON 5LBS		W1057997	11/08/2019			225.00
001	BENJAMIN N MCQUAGGE Account Number 001-161-681 001-161-525 001-161-681	200505	12/03/2019	11/22/2019			200.33	
		Description PER DIEM REIMB: SCHOOL FL		Invoice # 11082019	Date 11/12/2019	P.O.	Amount	104.14
		REIMB FUEL: FM CARD NOT WRKG		11082019	11/12/2019			92.44
		TOLL ROAD FEE: FL		11082019	11/12/2019			3.75
001	DAVID T BEVER Account Number 001-161-525	200506	12/03/2019	11/22/2019			60.00	
		Description REIMB FUEL: FM CARD NOT WRKG		Invoice # 11082019	Date 11/12/2019	P.O.	Amount	60.00
001	GLOBALSTAR Account Number 001-092-605	200517	12/03/2019	11/22/2019			87.43	
		Description MONTHLY SERVICE		Invoice # 0010811629	Date 11/16/2019	P.O.	Amount	87.43

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	AT&T	200520	12/03/2019	11/25/2019			3,295.52	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-092-605	MONTHLY SERVICE		2284978001	11/14/2019			3,295.52
001	FUELMAN	200521	12/03/2019	11/25/2019			2,635.11	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-090-525	UNL FUEL		NP57262927	11/18/2019			94.40
	001-100-525	UNL FUEL		NP57262927	11/18/2019			1,933.07
	001-161-525	UNL & DSL FUEL		NP57262927	11/18/2019			448.54
	001-170-525	UNL & DSL FUEL		NP57262927	11/18/2019			132.71
	001-205-525	UNL FUEL		NP57262927	11/18/2019			26.39
001	SBM REPORTING LLC	200523	12/03/2019	11/25/2019			175.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-090-698	11/07/19 PLANNING MTG		MB1063	11/21/2019			175.00
001	ROBERT JOHNSON	200524	12/03/2019	11/25/2019			60.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-502	REFEREE 2 PLAYOFF GAMES		11132019	11/25/2019			60.00
001	PATRICK EVANS	200525	12/03/2019	11/25/2019			60.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-502	REFEREE 2 PLAYOFF GAMES		11132019	11/25/2019			60.00
001	TIMOTHY SCOTT WARREN	200526	12/03/2019	11/25/2019			60.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-502	REFEREE 2 PLAYOFF GAMES		11132019	11/25/2019			60.00
001	PYRO SHOWS INC	200527	12/03/2019	11/25/2019			8,400.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-596	CHRISTMAS LIGHT THE NIGHT SHOW		12072019	11/25/2019			8,400.00
001	EASTERN SHORE INFLATABLES INC	200528	12/03/2019	11/25/2019			7,500.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-512	WINTER WONDERLAND SNOW PARTY		12072019	11/25/2019			7,500.00
001	UNITED PARCEL SERVICE	200529	12/03/2019	11/25/2019			16.94	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-092-607	PKG TO TASER INTL		0Y99492469	11/16/2019			16.94
001	SEYMOUR ENGINEERING PLLC	200533	12/03/2019	11/25/2019			140.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-094-603	INSPECT TRAIL LIGHTING		7347	11/20/2019			140.00
001	SINGING RIVER ELECTRIC COOPERATIVE	200535	12/03/2019	11/25/2019			545.60	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-161-631	BROWN FD 95237002		11142019	11/21/2019			218.55
	001-161-631	MARTIN BLUFF FD 58380001		11162019	11/22/2019			199.22
	001-201-629	SIGNAL LIGHTS 17546		11162019	11/22/2019			32.08
	001-092-631	CITY LIMIT SIGN 17546		11162019	11/22/2019			25.70

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	SINGING RIVER ELECTRIC COOPERATIVE	200535	12/03/2019	11/25/2019			545.60	(CONTINUED)
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-631	MBLUFF SUB STN 58521002		11162019	11/22/2019			70.05
001	ALABAMA MEDIA GROUP	200541	12/03/2019	11/25/2019			17.52	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-090-615	PUBLIC NOTICE: GPC #19-22 VAR		0009405649	11/17/2019	200169		17.52
001	MID SOUTH UNIFORM & SUPPLY INC	200542	12/03/2019	11/25/2019			1,385.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-559	SBA ARMOR SX02 LVL 2: SLOVER		598726	11/11/2019	200031		600.00
	001-100-559	SBA ARMOR SX02 LVL 2: WARD		598726	11/11/2019	200031		600.00
	001-100-559	M1 CONCEALABLE CARRIER: WARD		598726	11/11/2019	200031		75.00
	001-100-559	M1 CONCEALABLE CARRIER: SLOVER		598726	11/11/2019	200031		75.00
	001-100-559	SBA SOFT TRAUMA PLATE: WARD		598726	11/11/2019	200031		17.50
	001-100-559	SBA SOFT TRAUMA PLATE: SLOVER		598726	11/11/2019	200031		17.50
001	DIXIE SEAT COVER SHOP	200543	12/03/2019	11/25/2019			80.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-512	REPR BANNER-GROMMET:CHRISTMAS		23135	11/12/2019	200144		40.00
	001-170-512	REPR BANNER-GROMMET:CRUISIN		23135	11/12/2019	200144		40.00
001	SOUTHERN PIPE & SUPPLY	200544	12/03/2019	11/25/2019			18.56	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-170-559	4OZ CLEAR RG PVC CEMENT		3671901-00	11/20/2019	200175		3.80
	001-170-559	2-1/2 SCH 40 PVC SLIP CAP (4)		3671901-00	11/20/2019	200175		14.76
001	GOODYEAR AUTO CENTER	200546	12/03/2019	11/25/2019			547.12	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-638	SET P225/60R18 99W EAG:U #54		214839	11/13/2019	200161		547.12
001	STAPLES BUSINESS ADVANTAGE DEPT	ATL 200548	12/03/2019	11/25/2019			500.04	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-040-500	LEXMARK 501H BLK TONER		3429770183	11/01/2019	200119		149.61
	001-040-500	LEXMARK 500ZG IMAGINE RTN KIT		3430447990	11/07/2019	200119		52.49
	001-100-500	LEXMARK 501H BLK TONER (2)		3430447992	11/07/2019	200145		254.98
	001-100-500	SCOTCH TAPE GRIP DISPENSER (2)		3430447993	11/07/2019	200153		16.38
	001-100-500	SCOTCH SHIP TAPE 6/ROLLS (2)		3430447993	11/07/2019	200153		26.58
001	G & O SUPPLY CO, INC	200551	12/03/2019	11/25/2019			3,534.40	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-201-576	42X20 HDPE SOLID PIPE LF (80)		G11828	11/15/2019	200172		3,534.40
001	SENTRY SPORTS A TO Z LLC	200552	12/03/2019	11/25/2019			10,950.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-201-751	TYPE D STREET POLE NILAND		219	11/13/2019	191119		10,950.00
001	ECONOMY BOOTS SALES & SERVICE	200553	12/03/2019	11/25/2019			100.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	001-100-535	SZ DUTY BOOTS: REID, TYLER		18408	11/13/2019	200162		100.00

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
001	FUELMAN	200567	12/03/2019	11/26/2019			3,045.02	
	Account Number		Description		Invoice #	Date	P.O.	Amount
	001-090-525		UNL FUEL		NP57291522	11/25/2019		27.52
	001-092-525		UNL FUEL		NP57291522	11/25/2019		27.57
	001-100-525		UNL FUEL		NP57291522	11/25/2019		2,190.00
	001-161-525		UNL & DSL FUEL		NP57291522	11/25/2019		535.63
	001-161-638		AUTO SUPPLY		NP57291522	11/25/2019		.85
	001-170-525		UNL & DSL FUEL		NP57291522	11/25/2019		169.01
	001-205-525		UNL & DSL FUEL		NP57291522	11/25/2019		94.44
001	GRAND VIEW SECURITY LLC	200573	12/03/2019	11/26/2019			199.00	
	Account Number		Description		Invoice #	Date	P.O.	Amount
	001-170-559		ESC CENTRAL GSM ALARM COMM		1911141206	11/26/2019		199.00
FUND TOTAL	1 Claims	to	Checks	33 Total	46,681.15	Manual	Held	Total 46,681.15

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
130	RIGHT OF WAY TECHNOLOGY INC Account Number 130-130-770	200532	12/03/2019	11/25/2019			1,200.00	
		Description		Invoice #	Date	P.O.	Amount	
		RELOCATION ASST REVIEW (2)		209	11/13/2019			1,200.00
FUND TOTAL 130 Claims	to	Checks	1 Total	1,200.00	Manual	Held	Total	1,200.00

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
157	BARNEYS POLICE AND HUNTING SUPPLIES	200550	12/03/2019	11/25/2019			7,617.50	
	Account Number		Description	Invoice #	Date	P.O.	Amount	
	157-100-799		SOFT TRAUMA PLATE (11)	31839	11/15/2019	191124		192.50
	157-100-799		CARRIER M1 CONCEAL TAILS	31839	11/15/2019	191124		75.00
	157-100-799		BALLISTICS SX02 MALE PANEL(10)	31839	11/15/2019	191124		6,000.00
	157-100-799		CARRIER M1 CONCEAL TAILS (10)	31839	11/15/2019	191124		750.00
	157-100-799		BALLISTICS SX02 FEM-U PANEL	31839	11/15/2019	191124		600.00
FUND TOTAL 157 Claims	to	Checks	1 Total	7,617.50	Manual	Held	Total	7,617.50

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
172	JACKSON-GEORGE REGIONAL LIBRARY	200507	12/03/2019	11/22/2019			1,725.74	
	Account Number 172-350-650	Description LIBRARY SUPPORT		Invoice # NOV 2019	Date 11/19/2019	P.O.	Amount	
							1,725.74	
FUND TOTAL 172 Claims	to	Checks	1 Total	1,725.74	Manual	Held	Total	1,725.74

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
176	AD2 INC	200487	12/03/2019	11/19/2019			501.50	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	176-170-699	HOSTING FEE NOV 2019	3547	11/15/2019			36.50	
	176-170-699	SHOPPING CART FEE NOV 2019	3547	11/15/2019			115.00	
	176-170-699	WEB SITE MAINT:10/15-11/14/19	3547	11/15/2019			350.00	
176	AT&T	200496	12/03/2019	11/20/2019			52.05	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	176-170-605	NOV 2019: SSP INTERNET	285615432	11/11/2019			52.05	
176	AT&T	200497	12/03/2019	11/20/2019			159.10	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	176-170-605	MONTHLY SERVICE	2284972244	11/14/2019			159.10	
176	FUELMAN	200568	12/03/2019	11/26/2019			34.47	
	Account Number	Description	Invoice #	Date	P.O.	Amount		
	176-170-525	UNL FUEL	NP57291522	11/25/2019			34.47	
FUND TOTAL 176 Claims		to	Checks	4 Total	747.12 Manual	Held	Total	747.12

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
351	MAGNOLIA CONSTRUCTION CO LLC Account Number 351-726-768	200534	12/03/2019	11/25/2019			63,920.52	
	Description CONSTRUCTION 84.22%			Invoice # 5	Date 11/20/2019	P.O.	Amount	63,920.52
351	SAMPLE HICKS & ASSOCIATES INC Account Number 351-726-601	200537	12/03/2019	11/25/2019			5,900.00	
	Description CONSTRUCTION 75% COMPLETE			Invoice # 1119-03	Date 11/22/2019	P.O.	Amount	5,900.00
351	SEYMOUR ENGINEERING PLLC Account Number 351-726-787	200538	12/03/2019	11/25/2019			9,037.20	
	Description RES PROJ REP-CONSTR ADMIN			Invoice # 7346	Date 11/20/2019	P.O.	Amount	9,037.20
FUND TOTAL 351 Claims to		Checks 3	Total	78,857.72	Manual		Held	Total 78,857.72

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
360	SEYMOUR ENGINEERING PLLC	200539	12/03/2019	11/25/2019			12,000.00	
	Account Number 360-726-762	Description		Invoice #	Date	P.O.	Amount	
		VIDEO EXISTING SWR INF 50%		7344	11/20/2019			12,000.00
FUND TOTAL 360 Claims	to	Checks	1 Total	12,000.00	Manual	Held	Total	12,000.00

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
400	AT&T	200488	12/03/2019	11/19/2019			61.61	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-605	MONTHLY SERVICE		2284972276	11/06/2019			61.61
400	CITY OF GAUTIER	200498	12/03/2019	11/22/2019			43,427.11	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-680-821	ST LNS #3 90/57 SWR		11122019	11/12/2019			7,877.45
	400-680-822	ST LNS #4 90/57 WTR		11122019	11/12/2019			10,948.67
	400-680-822	ST LNS #4 90/57 SWR		11122019	11/12/2019			9,019.22
	400-680-823	ST LNS #5 ALLEN RD		11122019	11/12/2019			2,149.95
	400-680-824	ST LNS #6 OLD SPAN TR		11122019	11/12/2019			3,765.83
	400-680-825	ST LNS #7 OLD SPAN TR		11122019	11/12/2019			9,665.99
400	ARISTA INFORMATION SYSTEMS INC	200499	12/03/2019	11/22/2019			3,628.05	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-698	OCT 2019 STATEMENTS		28599	11/14/2019			1,128.05
	400-650-698	OCT 2019 POSTAGE		1425201911	11/14/2019			2,500.00
400	2018 BOND DEBT SERVICE FUND	200500	12/03/2019	11/22/2019			25,000.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-900-950	DEC 2019: 2018 BOND DS		12012019	12/01/2019			25,000.00
400	MSC 7511	200504	12/03/2019	11/21/2019			166.49	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-698	FGYJ00-01 RENTAL FEE		INV3373049	11/09/2019			166.49
400	AT&T	200518	12/03/2019	11/22/2019			209.29	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-605	MONTHLY SERVICE		2284975234	11/14/2019			209.29
400	FUELMAN	200522	12/03/2019	11/25/2019			76.59	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-525	UNL FUEL		NP57262927	11/18/2019			76.59
400	MISSISSIPPI 811 INC	200530	12/03/2019	11/25/2019			3,557.62	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-698	2020 BILLING (1728)		414	11/12/2019			3,039.47
	400-651-698	UFDP BOARD FEE (1728)		414	11/12/2019			86.40
	400-651-698	FAX CHARGE (1727)		414	11/12/2019			431.75
400	SEYMOUR ENGINEERING PLLC	200531	12/03/2019	11/25/2019			555.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-603	SERVS: DRAINAGE ISSUES		7348	11/20/2019			280.00
	400-650-603	SERVS: WW FLOW MONITORING DESN		7348	11/20/2019			275.00
400	SINGING RIVER ELECTRIC COOPERATIVE	200536	12/03/2019	11/25/2019			2,471.27	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-631	LIFT STATIONS 20649		11142019	11/21/2019			848.56
	400-651-631	LIFT STATIONS 28779		11142019	11/21/2019			93.62
	400-651-631	SCHOONER WELL 20688		11112019	11/19/2019			1,263.01

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
400	SINGING RIVER ELECTRIC COOPERATIVE	200536	12/03/2019	11/25/2019			2,471.27	(CONTINUED)
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-631	LIFT STATIONS 20688		11112019	11/19/2019			266.08
400	SOUTHERN PIPE & SUPPLY	200545	12/03/2019	11/25/2019			1,729.68	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-583	2 SCH40 PVC BALL VALVE (12)		3591009-00	11/05/2019	200094		123.84
	400-651-583	2 THRD BALL VALVE (12)		3591009-00	11/05/2019	200094		1,169.52
	400-651-583	CRDT: 2 THRD BALL VALVE (12)		3676132-00	11/21/2019	200094		-1,169.52
	400-651-583	2 THRD BALL VALVE (12)		3676132-00	11/21/2019	200094		619.80
	400-651-583	2-1/2X24 MH RISER (4)		3598832-00	11/18/2019	200118		986.04
400	M T DEASON COMPANY INC	200547	12/03/2019	11/25/2019			459.18	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-581	#4 HF LOCKS W/CAP (100)		84105	11/15/2019	200170		450.00
	400-651-581	FREIGHT		84105	11/15/2019	200170		9.18
400	STAPLES BUSINESS ADVANTAGE DEPT ATL	200549	12/03/2019	11/25/2019			323.54	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-500	LEGAL FILE FOLDER 100/BX (4)		3429624604	10/31/2019	200113		60.96
	400-650-500	BIC 60/PK BLUE PENS		3429624604	10/31/2019	200113		5.49
	400-650-500	BIC WHITE-OUT 4/PK		3429624604	10/31/2019	200113		12.29
	400-650-500	COUNTERFEIT PENS 3/PK (2)		3429624604	10/31/2019	200113		2.00
	400-650-500	FNDR TIP SORT KWIK 3/PK		3429624604	10/31/2019	200113		4.19
	400-650-500	HP952 COLOR CMY CARTRIDGE 3/PK		3429624604	10/31/2019	200113		66.01
	400-650-500	LEXMARK 501H U&H BLK TONER		3429624604	10/31/2019	200113		149.61
	400-650-559	32GB FLASH MEMORY		3430369026	11/06/2019	200113		22.99
400	LYMAN WELL COMPANY	200554	12/03/2019	11/25/2019			11,040.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-581	LABOR REMV SAND: BEASLEY WELL		10407	11/14/2019	200149		11,040.00
400	J H WRIGHT & ASSOCIATES INC	200555	12/03/2019	11/25/2019			1,212.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-651-584	DUPLEX FLOAT CONTROLLER (2)		419707	11/15/2019	200165		1,000.00
	400-651-584	SHIPPING: LS SPARES		419707	11/15/2019	200165		20.00
	400-651-584	SQUARE D MOTOR HEATER (6)		419777	11/18/2019	200109		132.00
	400-651-584	MISSION PW429 TRANSFORMER (3)		419815	11/19/2019	200164		45.00
	400-651-584	SHIPPING: SCADA		419815	11/19/2019	200164		15.00
400	CITY OF GAUTIER	200566	12/03/2019	11/26/2019			129,990.84	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-000-104	OCT 2019 GARBAGE PMTS		10312019	10/31/2019			129,990.84
400	FUELMAN	200569	12/03/2019	11/26/2019			108.11	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-650-525	UNL FUEL		NP57291522	11/25/2019			108.11
400	2018 BOND CONTINGENCY FUND	200570	12/03/2019	11/26/2019			5,000.00	
	Account Number	Description		Invoice #	Date	P.O.	Amount	
	400-900-950	FY20 CONTINGENCY FUNDING		12012019	12/01/2019			5,000.00

Docket of Claims
Release date from 12/03/2019 thru 12/03/2019

Fund	Name of Claimant	Trans #	Release Date	Claim Date	Claim Number	Check Number	Claim Amount	Approved/Disapproved
400	2018 BOND DEPRECIATION FUND Account Number 400-900-950	200571	12/03/2019	11/26/2019			5,000.00	
		Description		Invoice #	Date	P.O.	Amount	
		FY20 DEPRECIATION FUNDING		12012018	12/01/2018			5,000.00
400	HUB INTERNATIONAL GULF SOUTH Account Number 400-650-625	200572	12/03/2019	11/26/2019			43,805.19	
		Description		Invoice #	Date	P.O.	Amount	
		WELLS & IONIZATION PLANT		GAUTIER-02	11/26/2019			43,805.19
FUND TOTAL 400 Claims to		Checks	20 Total	277,821.57	Manual			
							Held	Total 277,821.57

SUMMARY OF ALL FUNDS

FUND 1 Claims	to	Checks	33 Total	46,681.15 Manual	Held	Total	46,681.15
FUND 130 Claims	to	Checks	1 Total	1,200.00 Manual	Held	Total	1,200.00
FUND 157 Claims	to	Checks	1 Total	7,617.50 Manual	Held	Total	7,617.50
FUND 172 Claims	to	Checks	1 Total	1,725.74 Manual	Held	Total	1,725.74
FUND 176 Claims	to	Checks	4 Total	747.12 Manual	Held	Total	747.12
FUND 351 Claims	to	Checks	3 Total	78,857.72 Manual	Held	Total	78,857.72
FUND 360 Claims	to	Checks	1 Total	12,000.00 Manual	Held	Total	12,000.00
FUND 400 Claims	to	Checks	20 Total	277,821.57 Manual	Held	Total	277,821.57
Total for all Funds			Checks	64 Total	426,650.80 Manual	Held	Total 426,650.80

Councilman Colledge made the motion to approve Amendment #3 to the professional services agreement with Heflin Engineering for work associated with Shepard State Park Marsh Boardwalk project, as presented. Councilwoman Martin seconded the motion. The vote was carried unanimously.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 265-2019

WHEREAS, the City entered into a professional services agreement with Heflin Engineering on December 18, 2018 to assist in the construction of the Shepard State Park Boardwalk; and

WHEREAS, under that contract, Heflin Engineering is required to provide conceptual layout, topographic survey, test pile data, preliminary layout, opinion of probable cost, detailed design, final construction drawings, and specifications related to this project; and

WHEREAS, Amendment No.3 adds the cost of a Cultural Resources Survey, as required by the Mississippi Department of Archives and History, for the permit process to move forward; and

WHEREAS, the contract total will increase to \$84,000; and

WHEREAS, engineering services will be funded through Tidelands; and

WHEREAS, the Mayor and Council Members hereby find that approval of Amendment No.3 is in the best interest of the City; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that Amendment No.3 to the professional services agreement with Heflin Engineering is hereby approved and authorized.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilman Colledge**, seconded by **Councilwoman Martin**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: April Stennett, Grants and Projects Director
Date: December 3, 2019
Subject: Shepard State Park Marsh Boardwalk – Professional Services Agreement Amendment No. 3 with Heflin Engineering

REQUEST:

The Grants and Projects Department requests City Council approval of Amendment No. 3 to the professional services agreement with Heflin Engineering for work associated with the Shepard State Park Marsh Boardwalk project to add \$7,000 to the contract amount.

BACKGROUND:

The purpose of the Tidelands fund is to ensure that monies derived from the public trust tidelands assessments shall be used for the benefit of preserving and protecting the tidelands and submerged lands found within the three most southern counties of the state. Funds are disbursed by the commission for new and extra programs of tidelands management, such as conservation, reclamation, preservation, acquisition, education or the enhancement of public access to the public trust tidelands or public improvement projects as they relate to those lands.

DISCUSSION:

This project includes approximately 1000 feet of pedestrian boardwalk at Shepard State Park, along the marsh on the northwest side of the park. The boardwalk will include educational panels and birdwatching opportunities. Engineering services will be funded through Tidelands.

An original contract was executed with Heflin in December 2018 for a total of \$31,500. Under that contract, Heflin was to provide conceptual layout, topographic survey, test pile data, preliminary layout, opinion of probable cost, detailed design, final construction drawings and specifications, etc. related to this project.

The original plan was to design and build the proposed boardwalk in two phases, but the scope changed as funding needs were met. Amendment No. 1 added \$15,000 in design phase services and \$3,000 in permitting and studies in order to complete the design of the entire boardwalk.

Amendment No. 2 added graphic design work for the marshwalk's educational panels (a total of eight panels for \$2,000), construction staking (\$1,500) and bidding, contraction and construction phase services (\$24,000) for a total of \$27,500.

Amendment No. 3 will add the cost of a Cultural Resources Survey, as required by the Mississippi Department of Archives and History, for the permit process to move forward. This will add \$7,000 to the contract.

If approved, the contact total will increase to \$84,000.

RECOMMENDATION:

The Grants and Projects Department recommends that City Council approve Amendment No. 3 to the professional services agreement with Heflin Engineering for work associated with the Shepard State Park Marsh Boardwalk project to add \$7,000 to the contract amount.

The City Council may:

1. Approve Amendment No. 3 to the professional services agreement with Heflin Engineering for the Shepard State Park Marsh Boardwalk project as presented;
or
2. Not approve Amendment No. 3 professional services agreement with Heflin Engineering for the Shepard State Park Marsh Boardwalk project as presented.

ATTACHMENT(S):

1. Amendment No. 3

CITY OF GAUTIER, MISSISSIPPI

AMENDMENT NO. 3

to

Agreement for Professional Services

* * * * *

WHEREAS, the City of Gautier (OWNER) and Heflin Engineering, Inc. (ENGINEER) entered into a Professional Services Agreement dated December 18, 2018, and

WHEREAS, the City of Gautier (OWNER) and Heflin Engineering, Inc. (ENGINEER) executed Amendment No. 1 dated March 19, 2019, and

WHEREAS, the City of Gautier (OWNER) and Heflin Engineering, Inc. (ENGINEER) executed Amendment No. 2 dated September 17, 2019, and

WHEREAS, the OWNER desires for the ENGINEER to provide a Cultural Resources Survey, which has been requested by the Mississippi Department of Archives and History (MDAH),

THEREFORE, both parties mutually agree as follows:

Amend SECTION 1 - SERVICES OF THE ENGINEER, Permitting & Studies by adding the following:

3. Perform a Cultural Resources Survey within the project area and prepare a report of findings.

Amend and replace SECTION 4 - COMPENSATION TO THE ENGINEER, Part 1, Compensation Table with the following:

TASK	BUDGET W/ AMEND #1	BUDGET W/ AMEND #2	BUDGET W/ AMEND #3
Design Phase	\$34,800	\$34,800	\$34,800
Topographic Survey	\$2,800	\$2,800	\$2,800
Test Pile	\$2,400	\$2,400	\$2,400
Permitting & Studies	\$9,500	\$9,500	\$9,500
Bidding, Contracting & Construction Phase	TBD	\$24,000	\$24,000
Construction Staking	--	\$1,500	\$1,500
Graphic Design for Signage	--	\$2,000	\$2,000
Cultural Resources Survey	--	--	\$7,000
TOTAL	\$49,500	\$77,000	\$84,000

All other provisions of the Agreement shall remain unchanged and in full effect. This Amendment shall become a part of the Agreement for Professional Services for the City of Gautier project entitled "Shepard State Park Boardwalk".

Date: _____

City of Gautier, Mississippi

Heflin Engineering, Inc.

By: _____

By: Austin D. Moore

Councilman Colledge made the motion to approve the LPA Utility Agreement and Easement with AT&T, as presented, for Martin Bluff Roadway Improvements (STP-9194-00(001) LPA/105069-811000). Councilman Vaughan seconded the motion. The vote was carried unanimously.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 266-2019

WHEREAS, the City has undertaken a project to widen Martin Bluff Road (hereinafter, "the Project"); and

WHEREAS, this project is intended to provide improved traffic operations and safety on Martin Bluff Road; and

WHEREAS, AT&T holds an easement from the county for the cross connect cabinet located at the northeast corner of Martin Bluff Road and Gautier Vancleave Road; and

WHEREAS, the box must be relocated as part of the project (hereinafter, "the relocation"); and

WHEREAS, to complete the relocation, the city must provide an easement for the new cross connect cabinet on the north side of Martin Bluff Road, just west of Claresholm Street; and

WHEREAS, in order to begin the relocation, AT&T requires execution of the attached easement and LPA utility agreement, which entails payment of costs to relocate (not to exceed \$191,334.00); and

WHEREAS, the utility relocation costs will come from the City's federal earmark funds; and

WHEREAS, the work will be completed by February 28, 2020; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the LPA utility agreement and easement with AT&T for the Martin Bluff Roadway Improvements Project STP-9194-00(001)LPA/105069-811000 is hereby approved and authorized.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilman Colledge**, seconded by **Councilman Vaughan**, and the following vote was recorded:

AYES: Phil Torjusen
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: None

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: April Stennett, Grants and Projects Director
Date: December 3, 2019
Subject: Approval of LPA Utility Agreement and Easement with AT&T for Martin Bluff Roadway Improvements (STP-9194-00(001)LPA/105069-811000)

REQUEST:

The Grants and Projects Department requests authorization to approve and execute an LPA Utility Agreement (MDOT-800 Form) and easement with AT&T for the Martin Bluff Roadway Improvements Project (STP-9194-00(001)LPA/105069-811000).

BACKGROUND:

This project is intended to provide improved traffic operations and safety on Martin Bluff Road. The project limits are between Gautier-Vancleave Road and the Service Road north of Interstate 10.

DISCUSSION:

AT&T holds an easement from the county for the cross connect cabinet located at the northeast corner of Martin Bluff Road and Gautier Vancleave Road. The box must be relocated as part of the Martin Bluff Road widening project. The city is providing an easement for the new cross connect cabinet on the north side of Martin Bluff Road, just west of Claresholm Street. The cost will not exceed \$191,334. If approved, the work will be completed by Feb. 28, 2020. The utility relocation costs will come from the City's federal earmark funds.

RECOMMENDATION:

The Grants and Projects Department recommends that City Council authorize the approval and execution of an LPA Utility Agreement (MDOT-800 Form) and easement with AT&T for the Martin Bluff Roadway Improvements Project (STP-9194-00(001)LPA/105069-811000).

The City Council may:

1. Approve the LPA Utility Agreement and easement with AT&T as presented; or
2. Not approve the LPA Utility Agreement and easement with AT&T as presented.

ATTACHMENT(S):

1. Engineer's Recommendation Letter
2. MDOT Email Regarding Funding
3. AT&T Cost Letter
4. Utility Agreement
5. Easement

November 20, 2019

April Stennett
Grants and Projects Director
City of Gautier
3330 Highway 90
Gautier, Mississippi 39553

Subject: Martin Bluff Roadway Widening

AT&T Relocation

Dear April:

Enclosed please find the following:

- Email from MDOT (David Seyfarth) stating that there are approximately \$430,000.00 remaining in the Martin Bluff Road project's R.O.W. federal funds that can be used for the AT&T box relocation with a City 20% match. **1 Page**
- Estimate letter from AT&T stating that the cost of relocation of their facilities within their existing easement shall not exceed \$191,334.00. **1 Page**
- LPA Utility Relocation Form MDOT-800 (relocation contract) that the City and AT&T will execute to allow ATT to commence the relocation work. **4 Pages**
- Easement documentation for execution by the City and AT&T that will provide AT&T with a new easement for the relocated equipment (existing easement will be given to the City). **3 Pages**

Based on these enclosures and our discussions with MDOT, we recommend that the relocation form (MDOT-800) and the new easement documentation be placed on the December 3, 2019 City Council agenda for approval. As discussed, I will attend this meeting in the event the Council members have questions and to provide an overall project update.

Please feel free to call me with any questions.

Respectfully,



Shawn Wozencraft, P.E.
Project Manager

From: Seyfarth, David <dseyfarth@mdot.ms.gov>

Sent: Tuesday, November 19, 2019 3:01 PM

To: May, Jeff <JMay@mbakerintl.com>; April Stennett (astennett@gautier-ms.gov) <astennett@gautier-ms.gov>

Cc: Wise, Ethan <Ethan.Wise@mbakerintl.com>; Starita, Chuck <cstarita@mdot.ms.gov>; Willis, Sharen <swillis@mdot.ms.gov>; Baker, Necole E. <nbaker@mdot.ms.gov>

Subject: RE: EXTERNAL: STP-9194-00(001)LPA/105069/801000- Martin Bluff Road Improvements - Utility Adjustments/relocations

I discussed this with Sharen Willis today. After review of ROW files/reimbursements – The City has approximately \$430,000 in federal funds remaining in the ROW detail for the project. She said that since Utility Adjustments were listed when the funds were obligated – ROW funds could be used for utility relocations. She also stated that the funds would be reimbursed at 80%. Please forward a copy of the cost estimate and Utility Agreement once it is drafted and I will get it reviewed.

David H. Seyfarth, PE, PS
Special Projects Engineer
Mississippi Department of Transportation
16499-B Highway 49
Saucier, MS 39574-9740
Telephone (228) 832-0682
Direct Extension (228) 328-4600
Mobile (228) 861-4969

CONFIDENTIALITY NOTE:

This email and any attachments may be confidential and protected by legal privilege. If you are not the intended recipient, please be aware that any disclosure, copying, distribution, use or reliance of the e-mail and/or any attachment is prohibited. If you have received this email in error, please notify the sender immediately by replying to the sender and deleting this email, any attachments and the reply from your system. Thank you for your cooperation.

AT&T Mississippi
Corey Amis
2310 7th St
Meridian, MS 39301

August 14, 2019

Paula Yancey
City Manager
3330 Hwy 90
Gautier, MS 39553

Ms. Yancey,

Please find attached a signed copy of the AT&T's Utility Agreement for the AT&T cross connect cabinet relocation associated with the Martin Bluff Road Improvement project. The estimated total cost of AT&T's necessary work for this project is \$191,334.

The costs of this work, which include removal of the existing cross connect cabinet and associated cables and placement of a new cross connect cabinet and associated cables, are viewed as reimbursable by AT&T from the City of Gautier. The estimated costs for this work are as follows:

- The estimated cost for removal of existing cable and equipment is \$1,226
- The estimated cost of the new cross connect cabinet and associated cables is \$41,059
- The estimated contractor cost for placement of new cable is \$11,205
- The estimated AT&T construction cost associated with splicing and cutover work is \$106,230
- The estimated engineering cost for fielding, design, and administrative work is \$31,614
- The total estimated reimbursable cost is \$191,334

Please do not hesitate to contact me with any questions regarding this estimate and the work it is associated with at 601-693-8866 or ha2210@att.com.

Thank you,

Corey Amis
Outside Plant Engineer
AT&T Mississippi

MISSISSIPPI DEPARTMENT OF TRANSPORTATION

UTILITY AGREEMENT

Martin Bluff Road Improvements
STP-9194-00(001) LPA-105069-801000
JACKSON COUNTY, MISSISSIPPI

This agreement, entered into as of the date of the last signature, by and between **A T & T** hereinafter referred to as the COMPANY, and the **City of Gautier**, hereinafter referred to as the COMMISSION, for the adjustment of the facilities of the Company necessitated by the construction of a roadway under the Mississippi Department of Transportation (MDOT) Local Public Agency (LPA) Program.

1. That the COMMISSION will submit a project for highway construction being a section of the **Martin Bluff Road Improvements** known as No. **STP-9194-00(001) LPA-105069-801000** in **Jackson** County, and to be designed as **Martin Bluff Road Improvements**; and will recommend its approval by the Federal Highway Administration for construction with fund apportioned to the State under Federal Aid allotment: and,
2. That right of way for the proposed new road will pass over and include certain property interests of the COMPANY as defined by Paragraph 107(a) of Federal Highway Administration 23CFR645A upon which it has heretofore constructed and is now maintaining its **telecommunication** facilities, which property interest will be more particularly described and located according to plans agreeable to both parties; and,
3. That the proposed highway construction will necessitate certain adjustments, removals and /or alterations of the existing facilities of the COMPANY as shown by the COMPANY'S plans and estimate of cost attached hereto and made a part of this agreement by reference; and,
4. That the proposed adjustment will not result in a credit for accrued depreciation of the COMPANY'S system; and,
5. That the COMPANY hereby certifies it is not eligible for 100% reimbursement of utility relocation costs in accordance with Senate Bill 2183 or Senate Bill 2250 amending Section 65-1-8, Mississippi Code 1972 Annotated (certification attached as ATTACHMENT A).
6. That the COMPANY will make the necessary adjustments, removals or alterations in its facilities at a total estimated cost of approximately **\$191,334.00** as shown by the COMPANY'S estimate. That the total estimated cost to the CITY for actual nonbetterment work will be approximately **\$191,334.00, 100%**; and that the total estimated cost of the work to be done at the expense of the COMPANY will be approximately **\$0.00, 0%**; and,
7. That the COMPANY will commence the work on or before the **2nd** day of **January 2019** and have it completed on or before the **28th** day of **February**. The COMPANY shall be responsible for any delay to the construction of the project caused by the failure of the COMPANY to have its facilities moved on the aforementioned date; and,
8. That the COMPANY will procure the work provided for in this agreement by the method checked below:
☒ **BY COMPANY'S REGULAR FORCES:** The COMPANY proposes to use their regular construction or maintenance crews and personnel at its standard schedule of wages and working hours and working in accordance with the terms of its agreement with such employees: or,

☒ BY CONTRACT: The COMPANY does not have adequate staff or equipment to perform the necessary work with its own forces. Therefore, the COMPANY subject to prior approval of the COMMISSION and Federal Highway Administration proposes to contract the work covered by this agreement in accordance with the provisions of 23CFR645A. The items of work to be accomplished by contract and the names of the qualified contractors whose services will be solicited are shown in the COMPANY'S estimate; or,

☒ BY EXISTING CONTINUING CONTRACT: Subject to prior approval of the COMMISSION and the Federal Highway Administration the COMPANY proposed to use an existing continuing contract under which certain work as shown by the COMPANY'S estimate is regularly performed by the COMPANY and under which the lowest available costs are developed. The name of the Contractor is listed in the COMPANY'S estimate.

9. That the method used by the COMPANY in developing the relocation costs except for Lump-Sum shall be in accordance with Paragraph 117 of 23CFR645A; Indicate here is Lump-Sum ☐ or Actual Cost ☒; and

10. That the COMPANY shall make the most economical type adjustments, removal, and/or alterations of its facilities as will satisfactorily meet the same service requirements of the old facility; and,

11. That the COMMISSION will reimburse the COMPANY the cost of work done here under, as hereinbefore provided for, but the liability of CITY shall not exceed 100% of its assigned share of the estimated net Actual Cost without a Supplemental Utility Agreement agreed to by the parties and executed prior to COMMISSION'S payment of the final bill, and COMMISSION shall reimburse COMPANY only for costs that are eligible for payment according to 23CFR645A; and,

12. That all cost records of the COMPANY pertaining to the project will be subject at any time before final audit to inspection by representatives of the COMMISSION and the Federal Highway Administration; and,

13. It is understood that the project herein contemplated is to be financed from funds appropriated by the Federal Government and expended under Federal regulations; that all plans, estimates of cost, specifications, awards of contracts, acceptance of work and procedure in general are subject at all times to all Federal laws, rules, regulations, orders and approval applying to it as a Federal Project, as well as all Buy America requirements as specified in 23 U.S.C. 313 and 23 CFR 635; and that the COMMISSION shall reimburse the COMPANY as provided above for only such items of work and expense and in such amounts and forms as are proper and eligible for payment according to 23CFR645A; and,

14. It is understood and agreed by and between the parties hereto that adjustments, removals, and/or alterations of the facilities to be made shall be made according to the plans and estimates attached hereto, which plans and estimates are hereby approved as to sufficiency thereof, and are incorporated herein and made a part hereof, and the COMMISSION shall pay the cost thereof according to the terms of this agreement, subject only to the provisions of paragraph 10 above. For the same consideration to be paid herein, the COMPANY does hereby agree to subordinate unto the COMMISSION such surface rights, subsurface rights or air rights, as the case maybe, in and to the property interests covered by the agreement, to the full extent of the needs and demands of the COMMISSION in its use thereof for the purpose of this agreement. Further, should the COMMISSION find it necessary or desirable to change the design, construction, and/or maintenance plans to an extent that will require additional adjustments, removals, and/or alterations in the facilities covered hereby, which remained within the existing easement or other property interest of the COMPANY, the COMPANY will make such further adjustments, removals, and/or alterations as may be necessary according to the methods hereinabove set out, and the COMMISSION will pay therefore such sums as may be mutually agreed upon, subject only to the provisions of paragraph 10 above. However, should the COMPANY for its own purposes need or desire to expand, alter, adjust, remove, relocate, service or maintain the facilities covered by this agreement, the COMPANY agrees to make application to the COMMISSION for a proper permit to cover such changes, and any such changes made shall be at the expense of the COMPANY.

ROW-800

Rev. 06-15

Page 3

WITNESS this my signature in execution hereof, this the _____ day of _____, 2019.

NAME OF COMPANY

Witness as to Company

BY _____
Title

Attest _____

(CORPORATE SEAL)

WITNESS this my signature in execution hereof, this the _____ day of _____, 2019.

City of Gautier

Witness as to City

BY _____
Mayor

BOOK _____ PAGES _____ & _____

Attest:

City Clerk

(SEAL)

Initial _____

ATTACHMENT A

CERTIFICATION

COMPANY hereby certifies it is not eligible for 100% reimbursement of utility relocation costs in accordance with Senate Bill 2183 or Senate Bill 2250 amending Section 65-1-8, Mississippi Code 1972 Annotated, and the MDOT will be notified, immediately, in the event of any change in status of eligibility. By this certification, COMPANY understands that, should it be determined that this certification of eligibility was falsified by mistake of otherwise does not meet the Legal requirements, reimbursement of utility relocation costs will be based on property interest; and that COMPANY would be held responsible for the reimbursement of costs expended by the MDOT.

IN WITNESS WHEREOF, the parties hereto have affixed their respective corporate names and seals through their duly authorized officers this the _____ day of _____, 20_____.

NAME OF COMPANY

Witness as to Company

BY _____
Title

Attest _____

(CORPORATE SEAL)

STATE OF MISSISSIPPI
COUNTY OF Jackson

8416-I-MS
(05-2018)

Preparer's name and address:

Josh Hurst

1105 CR 122

Carrollton, MS. 38917

662-515-5258

Grantee's Address:

BellSouth Telecommunications, LLC, d/b/a AT&T Mississippi

209 East Capitol Street

Jackson, MS. 39201

601-592-1135

EASEMENT

For and in consideration of Ten & 00/100 dollars (\$ 10) and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the undersigned owner(s) of the premises described below, (hereinafter referred to as "Grantor"), do(es) hereby grant to BellSouth Telecommunications, LLC, a Georgia limited liability company, d/b/a AT&T Mississippi, and its parent and its and its parent's direct and indirect affiliates, subsidiaries, agents, attorneys, employees, officers, directors, servants, insurance carriers, licensees, successors, and assigns (hereinafter referred to as "Grantee"), an easement to construct, operate, maintain, add, and/or remove such systems of communications (including broadcast), facilities, standby generators and associated fuel supply systems as a means of providing uninterrupted service during commercial power outages, and related items as the Grantee may from time to time deem necessary in the conduct of its business upon, over, and under a portion of the lands described in Deed Book 1828, page 667, Jackson County, Mississippi Records, and, to the fullest extent the Grantor has the power to grant, upon, over, along, and under the roads, streets, or highways adjoining or through said property. The said easement is more particularly described as follows:

All that tract or parcel of land lying in Section 24, Township 7 South, Range 7 West, St. Stephens Meridian, Jackson County, State of Mississippi, consisting of a (☐ strip) (☒ parcel) of land as indicated on attached exhibit "A" hereof made a part of this document.

The following rights are also granted: the exclusive right to allow any other person, firm, or corporation to attach wires, antennas, or communications equipment or lay cable or conduit or other appurtenances upon, over, and under said easement for communications or electric power transmission or distribution; ingress to and egress from said easement at all times; the right, but not the obligation, to clear the easement and keep it cleared of all trees, undergrowth, or other obstructions; the right, but not the obligation, to trim and cut and keep trimmed and cut all dead, weak, leaning, or dangerous trees or limbs outside the easement which might interfere with or fall upon the lines or systems of communication or power transmission or distribution; the right to relocate said facilities, systems of communications, or related services on said lands to conform to any future highway relocation, widening, or improvements; the right to conduct site evaluations and/or other above and below ground tests and surveys deemed necessary by Grantee, the right to test and maintain generators and associated equipment; and the right to allow any other person, firm, or corporation to provide for fuel/energy distribution to equipment placed on the site. To have and to hold the above granted easement unto BellSouth Telecommunications, LLC, d/b/a AT&T Mississippi, and its parent and its and its parent's direct and indirect affiliates, subsidiaries, agents, attorneys, employees, officers, directors, servants, insurance carriers, licensees, successors, and assigns forever and in perpetuity. Grantor warrants that Grantor is the true owner of record of the above described land on which the aforesaid easement is granted.

RF-8425
(02-2013)
Representative Capacity

SPECIAL STIPULATIONS OR COMMENTS:

The following special stipulation(s) shall control in the event of conflict with any of the foregoing easement (servitude):

In witness whereof, the following undersigned has/have caused this instrument to be executed on the _____ day of _____,

Signed, sealed and delivered in the presence of:

Witness _____
(Print Name and Address) _____

Grantor City of Gautier
(Print Name and Address) 3330 Highway 90
Gautier, MS 39553
228-497-8000

Witness _____
(Print Name and Address) _____

By: _____
Title: _____

STATE OF _____
COUNTY (PARISH) OF _____

Personally appeared before me, the undersigned authority in and for the said county (parish) and state, on this _____ day of _____, within my jurisdiction, the within named _____, who acknowledged to me that (he) (she) is _____ of City of Gautier and that in said representative capacity (he) (she) executed the above and foregoing instrument, after first having been duly authorized so to do.

Notary Public _____
(Print Name) _____

Notary Number _____
My Commission Expires: _____

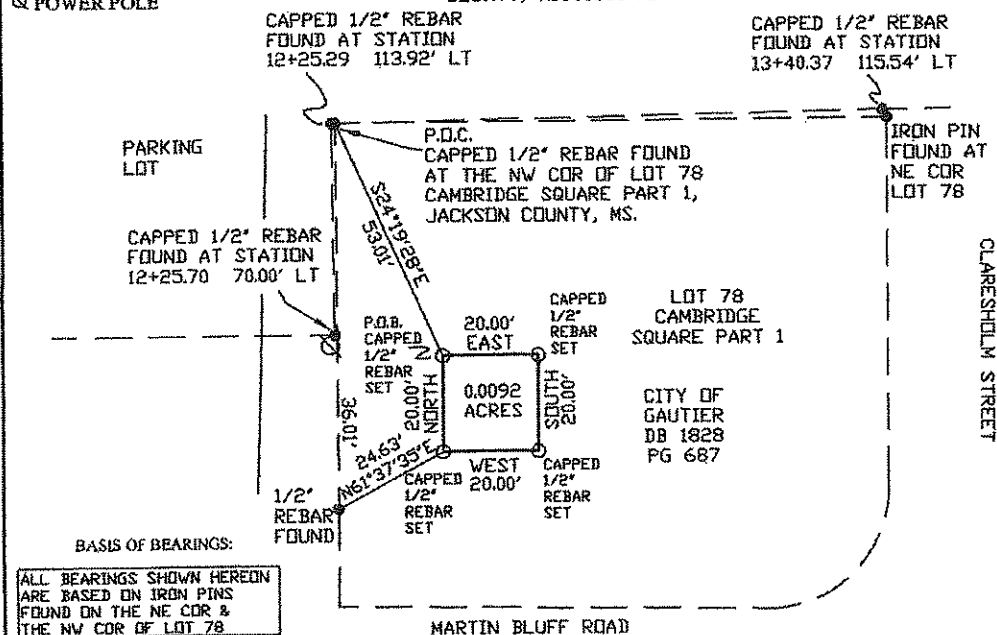
Personally Known ☐ OR Produced Identification ☐ Type of Identification Produced: _____

District <u>Mississippi</u>	PRC	Wire Center/XXX	Authority <u>97C02064N</u>
Drawing	Area Number	Plat Number	RWID
Parcel ID <u>85080013.000</u>	Approval	Title	

Use this form with Form 8416

☒ POWER POLE

SITUATED IN:
SECTION 24, TOWNSHIP 7 SOUTH,
RANGE 7 WEST, JACKSON
COUNTY, MISSISSIPPI



A PARCEL OF LAND LYING AND BEING IN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 7 SOUTH, RANGE 7 WEST, JACKSON COUNTY, MISSISSIPPI, AND CONTAINING 0.0092 ACRES, MORE OR LESS, AND BEING MORE PARTICULARLY DESCRIBED AS:

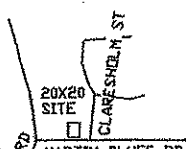
COMMENCING AT A CAPPED 1/2 INCH REBAR FOUND AT THE NORTHWEST CORNER OF LOT 78 OF CAMBRIDGE SQUARE PART 1 AS RECORDED IN THE OFFICE OF THE CHANCERY CLERK OF JACKSON COUNTY, MISSISSIPPI IN PLAT CABINET A AT SLIDE 569; RUN THENCE S 24°19'28" E FOR A DISTANCE OF 53.01 FEET TO A CAPPED 1/2 INCH REBAR SET FOR A POINT OF BEGINNING OF SAID PARCEL; RUN THENCE EAST FOR A DISTANCE OF 20.00 FEET TO A CAPPED 1/2 INCH REBAR SET; RUN THENCE SOUTH FOR A DISTANCE OF 20.00 FEET TO A CAPPED 1/2 INCH REBAR SET; RUN THENCE WEST FOR A DISTANCE OF 20.00 FEET TO A CAPPED 1/2 INCH REBAR SET; RUN THENCE NORTH FOR A DISTANCE OF 20.00 FEET BACK TO THE POINT OF BEGINNING. BEARINGS ARE BASED ON IRON PINS FOUND AT THE NORTHEAST CORNER AND NORTHWEST CORNER OF LOT 78 CAMBRIDGE SQUARE PART 1. THIS DESCRIPTION IS BASED ON THE SURVEY PLAT MADE BY CLAY BECKWITH, PROFESSIONAL LAND SURVEYOR, DATED "06/25/19".

1/2" REBARS W/ CAPS SET AT ALL CORNERS
THIS IS A CLASS "C" SURVEY.
DATE OF FIELD SURVEY 06/24/19.

NOT VALID UNLESS AN ORIGINAL SEAL
AND SIGNATURE APPEARS HEREON.
TITLE SEARCH NOT PERFORMED.

PART OF THE SW1/4 OF THE NW1/4 OF SEC. 24,
T7S. R7W, JACKSON COUNTY, MS.

VICINITY MAP



SITE LOCATION COORDINATES

LATITUDE 30°25'17" N
LONGITUDE 88°38'54" W
STATE PLANE COORDINATES
NAD83/MS EAST ZONE(2301)
NORTHING 335127.388 sft
EASTING 1042560.884 sft



I CERTIFY THIS SURVEY AND PLAT WAS
PREPARED BY ME OR THOSE UNDER MY

Councilwoman Martin made the motion to approve Consent Agenda Items 1-8, as presented. Councilman George seconded the motion. The vote was carried unanimously.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 267-2019

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that Consent Agenda Items 1-8 are hereby approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin**, seconded by **Councilman George**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi the following:

RESOLUTION NUMBER 042-2019

RESOLUTION OF THE CITY OF GAUTIER, MISSISSIPPI REMOVING A CLERKE REVOLVER AND A GLOCK PISTOL FROM POLICE DEPARTMENT INVENTORY, FINDING THAT THEY HAVE NO VALUE, AND APPROVING DISPOSAL

WHEREAS, the Gautier Police Department is requesting the following to be removed from inventory, found to have no value, and to be disposed of as indicated herein;

<u>ITEM</u>	<u>INVENTORY NUMBER</u>
(1) Clerke Revolver	2977
(1) Glock Pistol	1415

WHEREAS, these two firearms were forfeited, surrendered, or confiscated by the Gautier Police Department; and

WHEREAS, an order to forfeit these firearms to the City of Gautier was signed by Gautier Municipal Court Judge and placed on the Police Department's inventory; and

WHEREAS, the Mayor and Members of the Council have determined that, given these items have missing serial numbers and/or altered serial numbers, these items have no value, and that removal from inventory and disposal, is in the best interest of the City of Gautier.

WHEREAS, City Staff requests authorization to dispose of the above items by destruction or, if appropriate, by discarding in the same manner as other municipal solid waste.

BE IT, THEREFORE, RESOLVED by the Mayor and Council of the City of Gautier, Mississippi that the above items are found to have no value, are hereby removed from inventory, and may be disposed of by destruction or, if appropriate, by discarding in the same manner as other municipal solid waste.

BE IT, FURTHER, RESOLVED that the Council authorizes the City Manager or City Clerk to execute all documents necessary for this purpose.

The motion to approve the foregoing resolution was made by **Councilwoman Martin**, seconded by **Councilman George**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge⁵⁸⁷

NAYS: None

WHEREUPON, the Mayor and Members of the Council of the City of Gautier, Mississippi, declared the motion carried and the Resolution adopted this the 3rd of December, 2019.

MAYOR

ATTEST:

CITY CLERK

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: Danny Selover, Police
Date: 11/21/2019
Subject: Authorization to remove a Clerke revolver and a Glock Pistol from the Police Department's inventory and for these firearms to be cut up and destroyed.

REQUEST:

City Council authorization is requested to remove and destroy one (1) Clerke revolver serial number 156751(city inventory number 2977) and one (1) Glock pistol, serial number AGA736 (city inventory number 1415) from the Police Department's inventory.

BACKGROUND:

These two firearms were found to be previously forfeited, surrendered or confiscated by the Gautier Police Department. An order to forfeit the firearms to the City of Gautier was signed by Gautier Municipal Court judge and placed on the police department's inventory.

DISCUSSION:

These two (2) firearms have either missing serial numbers and/or the serial number has been altered.

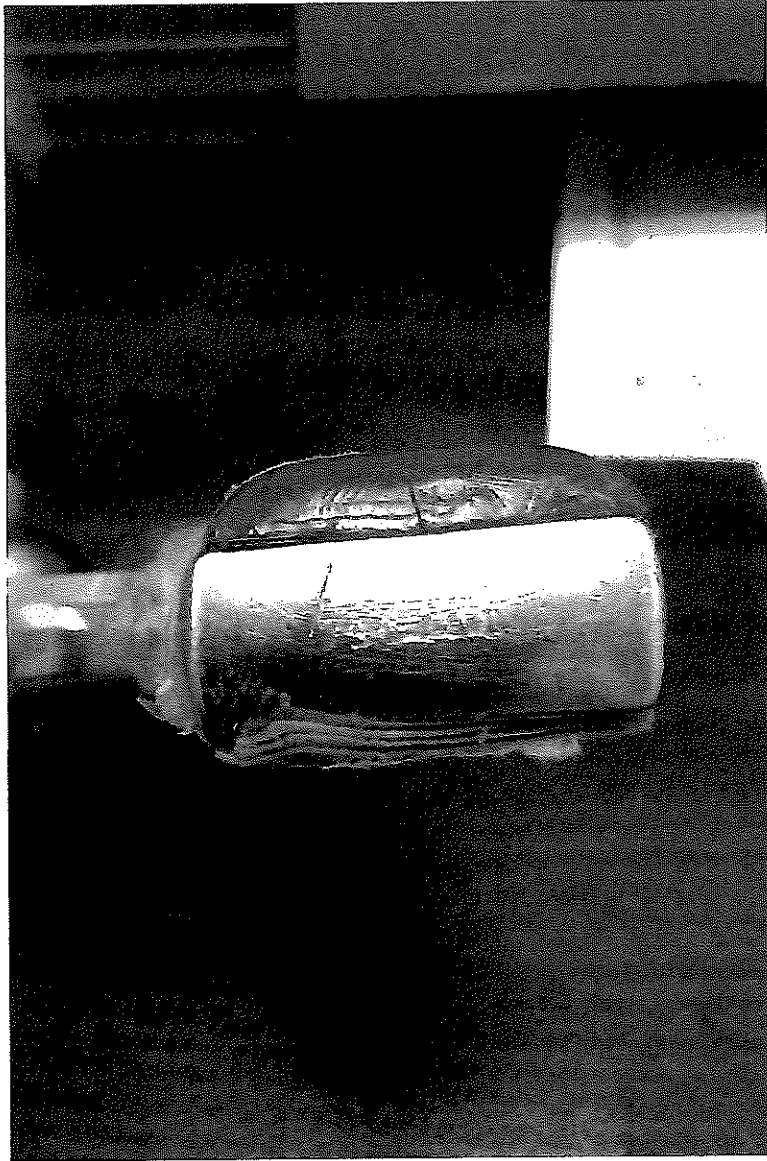
RECOMMENDATION:

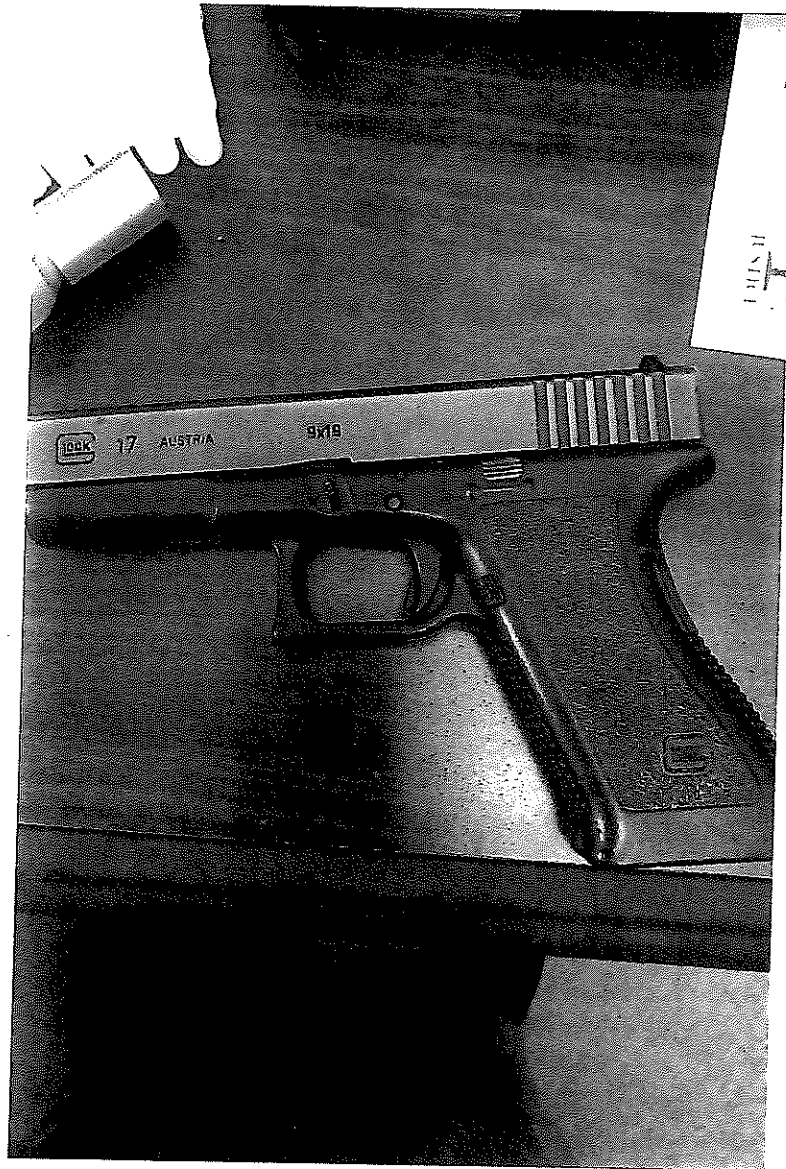
Police Department staff recommends that City Council authorize the removal of these pistols from inventory and authorize the police department to destroy them.

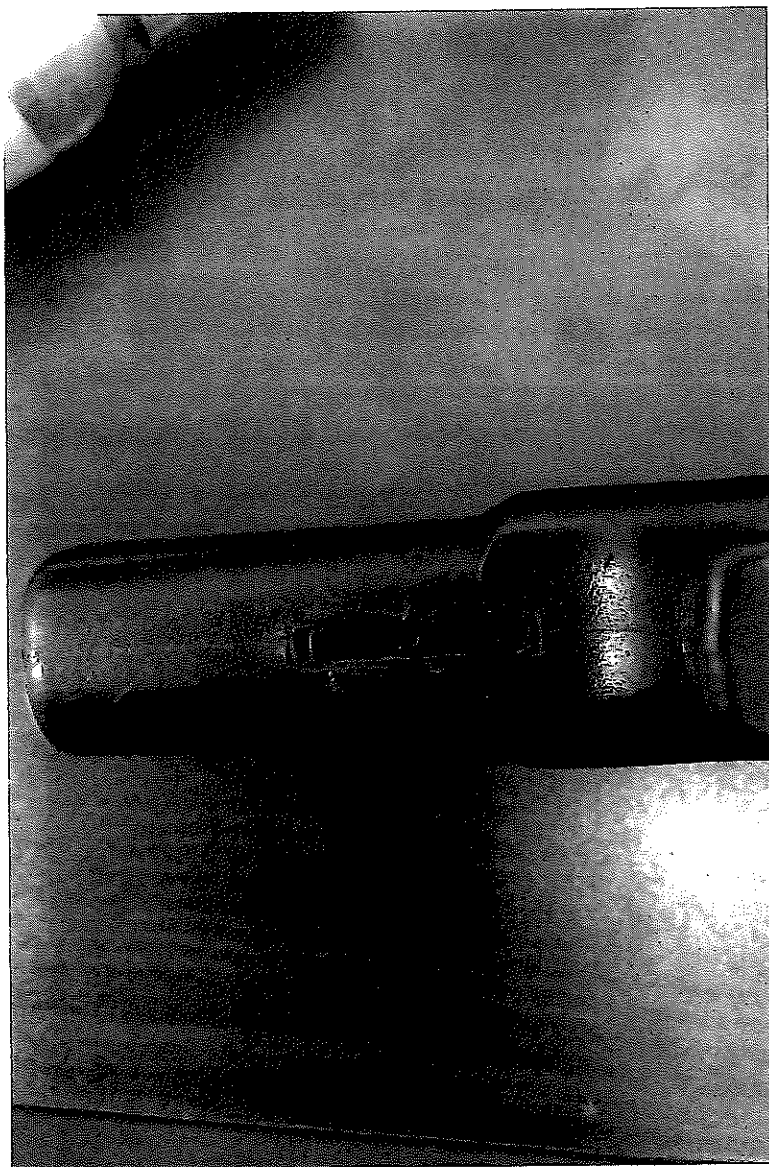
ATTACHMENTS:

1. Image 1
2. Image 2
3. Image 3
4. Image 4









There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi the following:

RESOLUTION NUMBER 043-2019

RESOLUTION OF THE CITY OF GAUTIER, MISSISSIPPI REMOVING THREE SETS OF REAR WINDOW PRISONER TRANSPORT BARS FROM THE INVENTORY OF GAUTIER POLICE DEPARTMENT AND TO DECLARE SURPLUS

WHEREAS, the Gautier Police Department is requesting the following equipment be removed from inventory and declared surplus:

<u>ITEM</u>	<u>INVENTORY NUMBER</u>
(3) Sets of Window Prisoner Transport Bars	1161
	1500
	1505

WHEREAS, the Mayor and Members of the Council have determined that given the age and condition of the equipment, these item have no value, and therefore removal from inventory and declaring surplus is in the best interest of the City of Gautier.

BE IT, THEREFORE, RESOLVED that the Mayor and Council of the City of Gautier, Mississippi has determined that the equipment described above is hereby removed from inventory and declared surplus.

BE IT, FURTHER, RESOLVED that the Council authorizes the City Manager or City Clerk to execute all documents necessary for this purpose.

The motion to approve the foregoing resolution was made by **Councilwoman Martin**, seconded by **Councilman George**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

WHEREUPON, the Mayor and Members of the Council of the City of Gautier, Mississippi, declared the motion carried and the Resolution adopted this the 3rd of December, 2019.

MAYOR

ATTEST:

CITY CLERK

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager

From: Danny Selover, Police

Date: 11/22/2019

Subject: Authorization to remove three (3) sets of rear window prisoner transport bars from the Police Department's inventory.

REQUEST:

City Council authorization is requested to remove three (03) sets of rear window prisoner transport bars from the Police Department's inventory and to declare them as surplus.

BACKGROUND:

The Police Department has determined that, given the age and condition of these items, removal from inventory is in the best interest of the City of Gautier. City of Gautier inventory control numbers are 1161, 1500 and 1505 (No serial numbers).

DISCUSSION:

These window bars were purchased for the Ford Crown Victoria Police vehicles that we have previously declared surplus. These window bars will not work on our Dodge Chargers and are of no future use to the Gautier Police Department.

RECOMMENDATION:

Police Department staff recommends that City Council authorize the removal of these items from inventory and authorize them to be declared surplus.

ATTACHMENTS:

1. ID 1161
2. ID 1500
3. ID 1505







There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 268-2019

WHEREAS, the Historic Preservation Commission is charged with the responsibility to preserve, promote and develop the historical resources of the City in accordance with the provisions of the Mississippi Local Government Historic Preservation Law of 1978, codified as Chapter 13 of Title 39 of the Mississippi Code of 1972; and

WHEREAS, the Historic Preservation Commissioners serve 3-year terms after appointment; and

WHEREAS, Michael Martin, Gwen Parker, and Gaynell Atkinson are currently serving on the Historic Preservation Commission and whose staggered terms are expiring January 5, 2020, are willing to be re-appointed; and

WHEREAS, the City Council hereby finds that reappointments of Michael Martin, Gwen Parker, and Gaynell Atkinson for an additional 3 year term is in the best interest of the City;

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the reappointment of Michael Martin, Gwen Parker, and Gaynell Atkinson to the Historic Preservation Commission for a period of three (3) years, effective January 5, 2020 through January 5, 2023 is hereby approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilwoman Martin**, seconded by **Councilman George**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by the Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting December 3, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: April Stennett, Grants Administrator
Date: 11/22/2019
Subject: Gautier Historic Preservation Commission Re-appointments

REQUEST:

The Grants and Projects Department requests City Council approval of the re-appointment of three incumbents who are willing to be re-appointed to the Gautier Historic Preservation Commission.

BACKGROUND:

"The city is authorized to establish a preservation commission to preserve, promote, and develop the city's historical resources and to advise the city on the designation of historic districts, landmarks, and landmark sites and perform such other functions as may be provided by law. All members of the commission are appointed by the city and shall serve at the will and pleasure of the city and shall serve staggered terms. The commission shall consist of 9 members residing in the City of Gautier.

All members of the commission shall serve for terms of 3 years and shall be eligible for reappointment. All commission members shall have a demonstrated knowledge of or interest, competence, or expertise in historic preservation. To the extent available in the community, the city shall appoint professional members from the primary historic preservation-related disciplines such as urban planning, American studies, American civilization, cultural geography, cultural anthropology, interior design, law, and related fields."

DISCUSSION:

Currently, three members of the Historic Preservation Commission whose staggered terms are expiring January 5, 2020, are willing to be re-appointed. These members include Michael Martin, Gwen Parker, and Gaynell Atkinson.

RECOMMENDATION:

City Council may:

- 1) Approve the three re-appointments to the Historic Preservation Commission, as presented; or
- 2) Not approve one or more of the proposed re-appointments.

ATTACHMENTS:

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 269-2019

WHEREAS, Miss. Code Ann. 21-35-13 requires a budget report to be presented to the governing authority at the regular meeting each month.

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the Finance Report for September 2019 is hereby received.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary.

Motion was made by **Councilwoman Martin**, seconded by **Councilman George**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by the Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting December 3, 2019.

SEPTEMBER 2019 Ending Cash Balances

GENERAL DEPOSITORY

Fund Name		Account #	Balance
General Fund	Depository Account	001-000-001	\$3,025,709.49
MS Development Loan Katrina	Depository Account	007-000-001	\$431.80
CDBG-Downtown Revitalization	Depository Account	012-000-001	
Transportation Enhancement	Depository Account	013-000-001	(\$40,971.45)
Allen Road Widening	Depository Account	020-000-001	
MDOT Safe Routes to School	Depository Account	029-000-001	
MDAH School House Grant	Depository Account	030-000-001	\$2,983.43
MDMR City Pk Boat Launch Imp	Depository Account	050-000-001	
Martin Bluff Road Improvements	Depository Account	128-000-001	\$102,012.64
U S Justice Equitable Sharing	Depository Account	157-000-001	\$396,892.02
Fire Protection Fund	Depository Account	160-000-001	\$242,526.10
Tidelands Grant	Depository Account	171-000-001	(\$32,082.92)
Library Support Fund	Depository Account	172-000-001	\$7,484.55
MSWFP Recreation Trails Grant	Depository Account	175-000-001	
Shepard State Park Fund	Depository Account	176-000-001	\$75,836.82
USDA NRCS EWP Program	Depository Account	300-000-001	\$21,967.16
Pine Cone Drive Spillway	Depository Account	301-000-001	\$43,160.53
Robert Hiram Bridge Sheet Pile Wall	Depository Account	302-000-001	
MDOT TA Grant: Martin Bluff Sidewalk	Depository Account	303-000-001	\$400,851.61
Town Commons Park Project	Depository Account	304-000-001	
Solid Waste Fund	Depository Account	404-000-001	\$169,694.77
EPA: Brownfields Assessment	Depository Account	409-000-001	
General Ledger Cash Balance			\$4,416,496.55
General Depository Reconciled Cash Balance			\$4,415,686.09

ENTERPRISE FUND

Fund Name		Account #	Balance
Elevated Water Tank	Enterprise Account	350-000-002	\$625,012.00
Bemis Sewer Project	Enterprise Account	351-000-002	
Water & Sewer Utility	Enterprise Account	400-000-002	\$2,987,584.25
MDB Loan: Water Ion-X Project	Enterprise Account	421-000-002	\$56,287.52
Water Meter Project	Enterprise Account	422-000-002	
Hurricane Katrina (PW Bldg)	Enterprise Account	449-000-002	
General Ledger Cash Balance			\$3,668,883.77
Enterprise Reconciled Cash Balance			\$3,664,225.59

BOND & RESTRICTED FUNDS

Fund Name		Account #	Balance
7M GO Bond S2010	Bond Fund	130-000-001	\$1,307,804.34
W&S Rev Bond S2018: Debt Service	Debt Service Fund	250-000-007	\$145,963.69
W&S Rev Bond S2018: DS Reserve	Restricted Fund	251-000-003	\$303,884.95
W&S Rev Bond S2018: Contingency	Restricted Fund	251-000-005	\$10,238.53
W&S Rev Bond S2018: Depreciation	Restricted Fund	251-000-009	\$10,238.53
Infrastructure Imp Funds: Town Commons	Restricted Fund	304-000-004	\$487,345.31
S2019 Construction Fund MPI GO Bond	Bond Fund	Funds 304-308	\$3,959,519.83
S2019 Cash w/ Fiscal Agent (Debt Service)	Bond Fund	Fund 305	\$189,949.84
W&S Rev Bond S2018: Construction	Bond Fund	Funds 351-355	\$2,733,407.68
S2012 W&S Refunding Bonds: Debt Service	Closed	602-000-007	\$0.00
S2012 W&S Refunding Bonds: DS Reserve	Closed	495-000-001	\$0.00
MS Dev Bank SO Bond S2013: DS Reserve	Restricted Fund	497-000-001	\$273,220.35
Customer Meter Deposit Funds	Restricted Fund	406-000-001	\$753,227.44
Total Bond & Restricted Reconciled Cash Balances			\$10,174,800.49

**SEPTEMBER 2019
YEAR TO DATE TOTALS**

General Fund Totals

	BUDGET FY 2019	SEP 2019	Balance	100.0% % to date
General Fund Revenues	10,462,974.00	10,877,034.76	(414,060.76)	103.9%
Expenditures:				
001 Legislative	161,674.00	158,312.02	3,361.98	97.9%
010 City Court	303,675.00	270,130.21	33,544.79	88.9%
021 City Manager	263,892.00	241,068.81	22,823.19	91.3%
022 Human Resources	113,131.00	83,965.34	29,165.66	74.2%
040 City Clerk	263,491.00	232,172.35	31,318.65	88.1%
045 Finance	225,702.00	224,237.80	1,464.20	99.3%
060 City Attorney	130,000.00	124,140.50	5,859.50	95.4%
090 Economic Dev - Planning	361,199.00	329,082.26	32,116.74	91.1%
092 Building & General Expenses	592,020.00	511,486.81	80,533.19	86.3%
094 Grants & Project Admin	154,639.00	149,024.81	5,614.19	96.3%
100 Police	3,508,582.00	3,245,344.98	263,237.02	92.4%
161 Fire	2,579,288.00	2,526,303.08	52,984.92	97.9%
170 Recreation	750,300.00	701,184.62	49,115.38	93.4%
201 PW: Streets	286,420.00	160,896.48	125,523.52	56.1%
205 PW: Maintenance	258,328.00	239,615.47	18,712.53	92.7%
900 Interfund Transfers	880,452.00	880,401.96	50.04	99.9%
General Fund Expenditures	10,832,793.00	10,077,367.50	755,425.50	93.0%
<i>Total Operating Expenditures</i>	9,442,525.00	8,803,925.88	638,599.12	
<i>Total Capital Outlay Expenditures</i>	445,840.00	329,064.85	116,775.15	
<i>Total Debt Service</i>	63,976.00	63,974.81	1.19	
<i>Total Transfers Out</i>	880,452.00	880,401.96	50.04	
<i>Total Unappropriated</i>	0.00	0.00	0.00	
<i>Check Total</i>	10,832,793.00	10,077,367.50	755,425.50	
<i>Personnel</i>	7,332,829.00	7,117,217.54	215,611.46	
<i>Supplies</i>	528,717.00	395,914.57	132,802.43	
<i>Other Services</i>	1,580,979.00	1,290,793.77	290,185.23	
<i>Capital Outlay</i>	445,840.00	329,064.85	116,775.15	
<i>Debt Service</i>	63,976.00	63,974.81	1.19	
<i>Interfund Transfers for DS</i>	880,452.00	880,401.96	50.04	
<i>Unappropriated</i>	0.00	0.00	0.00	
<i>Check Total</i>	10,832,793.00	10,077,367.50	755,425.50	

**SEPTEMBER 2019
YEAR TO DATE TOTALS**

Special Funds	BUDGET FY 2019	As of SEP 2019	Balance	100.0% % to date
007 MS Dev 2.36M Katrina Bonds				
Revenues	280,259.00	280,485.35	(226.35)	100.0%
Expenditures	280,309.00	280,293.75	15.25	99.9%
013 TE-Downtown Revitalization				
Revenues	40,971.45	0.00	40,971.45	
020 Allen Road Widening				
Revenues	46,324.00	46,323.96	0.04	99.9%
Expenditures	46,324.00	46,323.96	0.04	99.9%
029 MDOT Safe Routes to School				
Revenues	27,155.81	0.00	27,155.81	
030 MDAH 2014 Community Heritage				
Revenues	3,000.00	1,825.00	1,175.00	60.8%
Expenditures	3,000.00	0.00	3,000.00	
128 Martin Bluff Road Project				
Expenditures	102,012.64	0.00	102,012.64	
130 \$7M GO Bond - Capital Improvements				
Revenues	5,428,367.47	1,605,462.50	3,822,904.97	29.5%
Expenditures	5,665,471.60	605,381.15	5,060,090.45	10.6%
157 US Justice Equitable Sharing				
Revenues	206,210.00	206,209.60	0.40	99.9%
Expenditures	256,210.00	227,955.10	28,254.90	88.9%
160 Fire Protection Fund				
Revenues	104,000.00	109,614.28	(5,614.28)	105.3%
Expenditures	179,915.06	104,949.44	74,965.62	58.3%
171 Combined Tidelands Grant				
Revenues	522,945.50	275,548.98	247,396.52	52.6%
Expenditures	512,444.00	301,131.90	211,312.10	58.7%
172 Library Support Fund				
Revenues	110,096.00	115,442.31	(5,346.31)	104.8%
Expenditures	110,096.00	110,096.00	0.00	100.0%
176 Shepard State Park				
Revenues	103,500.00	114,868.50	(11,368.50)	110.9%
Expenditures	136,450.00	108,420.57	28,029.43	79.4%
250 2018 W&S Bond Debt Service				
Revenues	335,200.00	338,384.58	(3,184.58)	100.9%
Expenditures	274,964.00	274,963.54	0.46	99.9%

**SEPTEMBER 2019
YEAR TO DATE TOTALS**

Special Funds	BUDGET FY 2019	As of SEP 2019	Balance	100.0% % to date
251 2018 W&S Bond Debt Serv Reserve				
Revenues	11,200.00	17,440.64	(6,240.64)	155.7%
300 USDA-NRCS EWP				
Revenues	385,059.00	207,804.96	177,254.04	53.9%
Expenditures	201,514.00	60,168.48	141,345.52	29.8%
301 Pine Cone Drive Spillway				
Expenditures	164,525.60	121,365.07	43,160.53	73.7%
302 Robert Hiram Bridge Sheet Pile Wall				
Revenues	14,397.07	11,897.07	2,500.00	82.6%
Expenditures	90,658.78	88,158.78	2,500.00	97.2%
303 MDOT-TA Grant: Martin Bluff Sidewalk				
Revenues	578,784.00	0.00	578,784.00	
Expenditures	1,060,348.40	80,712.79	979,635.61	7.6%
304 Town Commons Park Project				
Revenues	2,742,426.74	2,179,045.31	563,381.43	79.4%
Expenditures	2,742,426.74	55,127.50	2,687,299.24	2.0%
305 S2019 MPI GO Bond Construction Fund				
Revenues	4,177,283.00	4,440,600.99	(263,317.99)	106.3%
Expenditures	4,177,283.00	4,148,587.82	28,695.18	99.3%
306 Welcome Center PII (SSP)				
Revenues	451,200.00	314,500.00	136,700.00	69.7%
Expenditures	451,200.00	17,775.00	433,425.00	3.9%
307 Bacot Park Improvements				
Revenues	1,722,250.00	1,722,250.00	0.00	100.0%
Expenditures	1,722,250.00	35,000.00	1,687,250.00	2.0%
308 Boardwalk - Shepard State Park				
Revenues	370,000.00	244,950.00	125,050.00	66.2%
Expenditures	370,000.00	36,050.00	333,950.00	9.7%
350 Elevated Water Tank				
Revenues	1,086,500.00	736,500.00	350,000.00	67.7%
Expenditures	1,044,000.00	68,988.00	975,012.00	6.6%
351 Bemis Sewer Project				
Revenues	900,000.00	609,395.00	290,605.00	67.7%
Expenditures	900,000.00	411,076.93	488,923.07	45.6%
352 2018 Bond General Construction/Admin				
Revenues	1,591,749.00	76,005.92	1,515,743.08	4.7%
Expenditures	3,028,197.00	3,018,197.00	10,000.00	99.6%

**SEPTEMBER 2019
YEAR TO DATE TOTALS**

Special Funds	BUDGET FY 2019	As of SEP 2019	Balance	100.0% % to date
353 Hwy 57 Utility Line Relocation				
Revenues	2,143,479.00	1,110,173.80	1,033,305.20	51.7%
Expenditures	2,143,479.00	145,710.37	1,997,768.63	6.7%
354 Robinson Still Road Utility Extension				
Revenues	644,884.00	644,884.00	0.00	100.0%
Expenditures	644,884.00	78,986.00	565,898.00	12.2%
355 Water Supply & Treatment Plant				
Revenues	680,000.00	680,000.00	0.00	100.0%
Expenditures	680,000.00	180,200.00	499,800.00	26.5%
404 Solid Waste Fund				
Revenues	1,567,944.00	1,511,017.74	56,926.26	96.3%
Expenditures	1,484,526.00	1,406,309.11	78,216.89	94.7%
421 MSB - Water Ionization Plant				
Expenditures	56,287.52	0.00	56,287.52	
495 DS Reserve Fund: 2012 Bond				
Revenues	3,985.00	3,825.04	159.96	95.9%
Expenditures	494,710.00	494,709.18	0.82	99.9%
497 DS Fund: 2013 SO Bond				
Revenues	6,015.00	5,320.17	694.83	88.4%
Expenditures	7,015.00	7,014.51	0.49	99.9%
602 DS Fund: 2012 Bond Refinance				
Revenues	583,019.00	582,447.23	571.77	99.9%
Expenditures (Bonds Pay/Trx)	1,411,639.00	1,411,638.98	0.02	99.9%

**SEPTEMBER 2019
YEAR TO DATE TOTALS**

ENTERPRISE FUND (400)

	BUDGET FY 2019	SEP 2019	Balance	100.00% % to date
Utility Fund Revenues	8,967,982.00	9,133,723.32	(165,741.32)	101.8%
Administration	3,218,969.00	2,962,862.27	256,106.73	92.0%
Water & Sewer O & M	3,130,016.00	2,746,277.30	383,738.70	87.7%
Debt Service	1,308,214.00	1,300,198.26	8,015.74	99.3%
Transfers	1,754,097.00	1,754,097.00	0.00	100.0%
Contingencies	440,252.00	0.00	440,252.00	
Utility Fund Expenditures	9,851,548.00	8,763,434.83	1,088,113.17	88.9%
<i>Total Operating Expenditures</i>	<i>6,061,742.00</i>	<i>5,509,570.16</i>	<i>552,171.84</i>	
<i>Total Capital Outlay Expenditures</i>	<i>287,243.00</i>	<i>199,569.41</i>	<i>87,673.59</i>	
<i>Total Debt Service</i>	<i>1,308,214.00</i>	<i>1,300,198.26</i>	<i>8,015.74</i>	
<i>Total Interfund Transfers</i>	<i>1,754,097.00</i>	<i>1,754,097.00</i>	<i>0.00</i>	
<i>Total Contingency Expenditures</i>	<i>440,252.00</i>	<i>0.00</i>	<i>440,252.00</i>	
<i>Check Total</i>	<i>9,851,548.00</i>	<i>8,763,434.83</i>	<i>1,088,113.17</i>	
 <i>Personnel</i>	 <i>487,033.00</i>	 <i>462,690.16</i>	 <i>24,342.84</i>	
<i>Supplies</i>	<i>345,000.00</i>	<i>177,138.05</i>	<i>167,861.95</i>	
<i>Other Services</i>	<i>5,229,709.00</i>	<i>4,869,741.95</i>	<i>359,967.05</i>	
<i>Capital Outlay</i>	<i>287,243.00</i>	<i>199,569.41</i>	<i>87,673.59</i>	
<i>Debt Service</i>	<i>1,308,214.00</i>	<i>1,300,198.26</i>	<i>8,015.74</i>	
<i>Interfund Transfers</i>	<i>1,754,097.00</i>	<i>1,754,097.00</i>	<i>0.00</i>	
<i>Contingencies</i>	<i>440,252.00</i>	<i>0.00</i>	<i>440,252.00</i>	
<i>Check Total</i>	<i>9,851,548.00</i>	<i>8,763,434.83</i>	<i>1,088,113.17</i>	

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi the following:

RESOLUTION NUMBER 044-2019

RESOLUTION OF THE CITY OF GAUTIER, MISSISSIPPI REMOVING CERTAIN VEHICLES FROM THE INVENTORY OF PLANNING DEPARTMENT, DECLARING SUCH EQUIPMENT SURPLUS, AND DISPOSING OF CERTAIN EQUIPMENT PROPERLY

WHEREAS, the Gautier Planning Department is requesting the following vehicles to be removed from inventory and declared surplus:

VIN NUMBERS:

#2FAFP71W3YX161382
#2FAFP71W7XX168222
#2FAFP71W97X112802
#2FAFP71W8YX148384
#2FAFP71W4WX118912

WHEREAS, the following vehicles have been previously declared as surplus and have been removed from inventory:

VIN NUMBERS:

#2FAFP71W1XX145938	#2FABP7BV4BX124398	#2FABP7BV2BX124397
#2FAFP71W85X145366	#2FAFP71W57X112800	#2FAFP71W63X164978
#2FAFP71W8WX118914	#2FAF971W25X145363	#2FAFP71W0XX134977
#2FAFP71W27X115802	#2FAFP71W65X145365	#1FAFP71W27X112804
#2FAFP71W37X115811	#2FAFP71W17X115807	#1FTSW21586EC45606
	#1GKEC13T21J183877	

WHEREAS, the Mayor and Members of the Council have determined that given the age and condition of all above vehicles, these items have no monetary value, and therefore removal from inventory and proper disposal is in the best interest of the City of Gautier.

BE IT, THEREFORE, RESOLVED that the Mayor and Council of the City of Gautier, Mississippi has determined that the vehicles described above are hereby removed from inventory and declared as surplus.

BE IT, FURTHER, RESOLVED that all above vehicles, having no monetary value, may be disposed of in any legal method in the discretion of the City Manager.

BE IT, FURTHER, RESOLVED that the Council authorizes the City Manager or City Clerk to execute all documents necessary for this purpose.

The motion to approve the foregoing resolution was made by **Councilwoman Martin**, seconded by **Councilman George**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

WHEREUPON, the Mayor and Members of the Council of the City of Gautier, Mississippi, declared the motion carried and the Resolution adopted this the 3rd, December, 2019.

MAYOR

ATTEST:

CITY CLERK

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: Scott Ankerson, Planning Director
Date: November 25, 2019
Subject: Authorization to remove vehicles from inventory, declare surplus and scrap

REQUEST:

The Planning Department requests City Council remove vehicles with the following VIN numbers from inventory, declare them surplus and approve for them to be taken for scrap.

#2FAFP71W3YX161382 #2FAFP71W97X112802 #2FAFP71W4WX118912
#2FAFP71W7XX168222 #2FAFP71W8YX148384

The Planning Department also requests City Council approve vehicles with the following VIN numbers to be taken for scrap (these vehicles have previously been declared surplus).

#2FAFP71W1XX145938 #2FABP7BV4BX124398 #2FABP7BV2BX124397
#2FAFP71W85X145366 #2FAFP71W57X112800 #2FAFP71W63X164978
#2FAFP71W8WX118914 #2FAF971W25X145363 #2FAFP71W0XX134977
#2FAFP71W27X115802 #2FAFP71W65X145365 #1FAFP71W27X112804
#2FAFP71W37X115811 #2FAFP71W17X115807 #1FTSW21586EC45606
#1GKEC13T21J183877

BACKGROUND:

The Planning Department has determined that, given the age and condition of the vehicles, removal from inventory and being taken for scrap is in the best interest of the City of Gautier.

DISCUSSION:

The majority of the vehicles have already been declared surplus. The other vehicles are not operational.

RECOMMENDATIONS:

The Planning Department Staff recommends that City Council authorize the removal of those vehicles listed above from inventory, declare them surplus and approve for them to be taken for scrap.

The Planning Department Staff recommends that City Council authorize the vehicles listed above that have previously been declared surplus be approved to be taken for scrap.

ATTACHMENTS:

None

**RESOLUTION APPROVING SPONSORSHIP OF GAUTIER ROTARY CLUB
CHRISTMAS PARADE TO BE HELD ON DECEMBER 7, 2019**

RESOLUTION NUMBER 045-2019

WHEREAS, the Gautier Rotary Club has requested that the City sponsor its annual Christmas Parade to be held on December 7, 2019; and

WHEREAS, the sponsorship includes assistance cleaning up following the event, and placement of City bleachers and barricades as indicated in the request; and

WHEREAS, in exchange for this sponsorship, the City receives advertisement of its resources, and the Gautier Police and Fire Departments are permitted to participate in the parade; and

WHEREAS, the Mayor and Members of the Council of the City of Gautier find that this sponsorship brings into favorable notice the opportunities, possibilities and resources of the City of Gautier; and

WHEREAS, the Mayor and Members of the Council have determined that sponsorship of this event is helpful toward advancing the moral, financial and other interests of the City of Gautier; and

BE IT THEREFORE RESOLVED THAT, the sponsorship of the Gautier Rotary Club Christmas Parade is hereby authorized.

BE IT FURTHER RESOLVED THAT, the City Manager and City Clerk are authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilwoman Martin**, seconded by **Councilman George**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: Chassity Bilbo, Recreation Director
Date: November 25, 2019
Subject: Approval of in-kind services for the Annual Gautier Rotary Christmas Parade

REQUEST:

The Recreation Department requests City Council approval of in-kind services for the Gautier Rotary Club's 22nd Annual Christmas Parade as more fully described in the attached application for special permit submitted on November 25, 2019.

BACKGROUND:

The Gautier Rotary Club's 22nd Annual Christmas Parade will be held on Saturday, December 7th at 1:00 p.m. The City has historically provided logistical services, traffic control and security for this event.

DISCUSSION:

The Gautier Rotary Club has requested that the City sponsor the event by providing in-kind services, including but not limited to the following:

- | | |
|--|--|
| 1. Advertisement of the event on the City's electronic signs | 5. Two sets of bleachers |
| 2. Provision of traffic control for the parade | 6. Barricade set up and take down |
| 3. Police participation in parade as in past years | 7. Street and street apron clean-up after parade |
| 4. Firefighters and Fire Truck participation in parade | 8. Port-O-Lets |

RECOMMENDATION:

The Recreation Department recommends that City Council authorize the in-kind service request from the Gautier Rotary Club for the 22nd Annual Christmas Parade as the City has determined that this event is an economic tool that brings into favorable notices the opportunities, possibilities, and resources of the City of Gautier.

City Council may:

- 1) Approve the in-kind service request from the Gautier Rotary Club for the 22nd Annual Christmas Parade, or
- 2) Not approve the in-kind service request from the Gautier Rotary Club for the 22nd Annual Christmas Parade.

ATTACHMENT(S):

Special Event Application/In-kind Request

This year's Christmas Parade is Saturday, December 7, 2019 and will roll at 1:00 p.m. Line-up will be north of Lowe's at the intersection of William Payne Adams Boulevard and Dolphin Drive starting at 12:00 p.m.

Summary of in kind services requested:

The Gautier Rotary Club would like to request in kind services from the City of Gautier for the 2019 Christmas Parade to include: police support for safety & traffic control, clean up the streets and grass along the parade route after the parade. By 8:00 a.m. the morning of the parade: bleachers in front of the Singing River Mall property and barricades in front of the judging area.

Details:

Chief Elbin:

- * Do you know how many police cars will be riding in the parade? I need to get them in the line-up. Also, will you be riding this year?
- * Will there be support from Pascagoula or the Sheriff's department? Sometimes the Sheriff's Department comes on 4-wheelers or horses.
- * We also need traffic and safety support.
- * Do you think the police union would like to participate in the parade?

Chief Jones:

- * As in year's past, you all let Santa Claus ride on the fire truck. Will you be able to let Santa ride on the fire truck this year?
- * Do you think the fire fighter union would like to participate in the parade?

City of Gautier

- * The city usually requests a spot for the City Council members float. Several years ago, the city employees had a float too. Will the city have one or two entries this year?
- * By 8:00 a.m. the morning of the parade: We need three bleachers in front of the dentists' office in the southwest corner of the mall parking lot along highway 90. We need three barricades to block off the judge's stand in that same area.
- * Also, we will need clean up after the parade as usual.
- * Does the city currently have any Port-O-Lets? Normally, you all put two port-o-lets in the parade set-up area. That would now be on William Payne Adams Boulevard. Although with the mall closed, we may need a port-o-let near the parade route as well. Please let us know.

Thanks for your support!

We're going to have a great community event Saturday, December 7, 2019!

Casey Vaughan, Chairman
228-297-3063

Rotary Club of Gautier, MS
P.O. Box 241
Gautier, MS 39553
Fax: 228-769-2483



**CITY OF GAUTIER
APPLICATION FOR SPECIAL EVENT PERMIT**

Submit This Form to the City Clerk Office at least thirty (30) days prior to requested event.

(Please print or type all information below)

Event Information:

Date of Event: December 7, 2019 Day or Week: Saturday Starting Time: line-up 12:00 p.m. parade 1:00 p.m.

Ending Time: 2:00 p.m. Proposed Location of the Event: William Payne Adams; Dolphin; Gautier-Vancleave; Hwy.90

Describe the type of event to be conducted: 22nd Annual Gautier Rotary Christmas Parade

Reason for Event, Demonstration or March: To attract both locals and visitors to the City of Gautier. The City of Gautier has historically provided logistical support as well as traffic control and security for this event. The total expenses for this year's Christmas parade will be around \$700.00 to \$900.00.

If Event includes a city property or streets, give proposed route:

(Street)

(Direction Turn)

(Street)

1. William Payne Adams Boulevard to;
2. Dolphin Drive (East);
3. Turn right on Gautier-Vancleave Road (South);
4. Turn right on Highway 90 (West);
Turn right on Dolphin Drive (North)
5. End at Dolphin Drive and William Payne Adams Boulevard (the roundabout)

ATTACH A DETAILED MAP OF THE PROPOSED ROUTE IF REQUESTING A STREET CLOSURE FOR THE EVENT. ATTACH A LIST OF THE ADJACENT BUSINESS OWNERS

Applicant Information:

Organization:

Name: Gautier Rotary Club Phone: (228) 297-3063

Address: Post Office Box 241 Gautier MS 39553
City State Zip

Type of Organization: Civic Profit: Non-Profit Federal ID# 640-76-8451
(Religious, Civic, Social, Etc.)

Individual Making Application for Organization:

Name: Casey Vaughan Phone (Work): n/a

Address: Post Office Box 97 Phone (Cell): (228)297-3063

City: Gautier State: MS Zip Code: 39553

Position with Organization: Parade Chairman

Individual(s) Responsible for keeping order and maintenance:

Name: _____ Phone (H): () _____ (W) () _____

Name: _____ Phone (W): () _____ (W) () _____

Public Demonstrations and Parades are covered under city of Gautier Code of Ordinances

Requirements of Applicant:

☒ Security	☒ Clean up During Event	☒ Staging
☒ Traffic Direction	☒ Clean up After Event	☐ Fencing
☒ Barricades	☒ Trash Receptacles/Bag	☐ Other
☒ Set Up Barricades		

In applying for this permit, I the undersigned, as the responsible individual of the above named organization; AGREE TO HOLD THE CITY OF GAUTIER FREE AND HARMLESS OF ANY LIABILITY WHICH MAY RESULT FROM SAID EVENT, AND ACCEPT FULL RESPONSIBILITY FOR ANY SUCH LIABILITY

Applicant's Signature: _____

Date: November 20, 2019

FOR OFFICE USE ONLY	
DATE REC'D: _____ EVENT HAS BEEN: _____ APPROVED: _____ APPROVAL/DISAPPROVAL AUTHORITY: _____	RECEIVED BY: _____ DISAPPROVED: _____ DATE: _____

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

ORDER NUMBER 270-2019

WHEREAS, Miss. Code Ann. 21-15-33 requires that the minutes be adopted and approved by a majority of the members of the governing body at the next regular meeting or within thirty (30) days of the meeting they represent, whichever occurs first. Upon such approval, the minutes are valid from and after the date of the meeting; and

IT IS HEREBY ORDERED by the Mayor and Members of the Council of the City of Gautier, Mississippi, that the minutes from Recessed Council Meeting held November 19, 2019 are hereby approved.

IT IS FURTHER ORDERED that the City Manager or City Clerk is authorized to execute any and all documents necessary for this purpose.

Motion was made by **Councilwoman Martin**, seconded by **Councilman George**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

MAYOR

ATTEST:

CITY CLERK

Passed and Adopted by Mayor and Members of the Council of the City of Gautier, Mississippi, at the meeting of December 3, 2019.

There came for consideration of the Mayor and Members of the Council of the City of Gautier, Mississippi, the following:

RESOLUTION APPROVING CLOSURE OF ROADS AND TRAFFIC CONTROL MEASURES AS DESCRIBED IN THE APPLICATION FOR SPECIAL EVENT PERMIT SUBMITTED BY THE GAUTIER ROTARY CLUB ON NOVEMBER 20, 2019

RESOLUTION NUMBER 046-2019

WHEREAS, the Gautier Rotary Club has made a request for road closure of portions of William Payne Adams Blvd., Dolphin Dr., Gautier-Vancleave Rd., and Highway 90 as more fully described in an application for special permit submitted on November 20, 2019; and

WHEREAS, the purpose of the road closure is to conduct the 22nd Annual Gautier Rotary Christmas Parade on December 7th, 2019; and

WHEREAS, pursuant to Miss. Code Ann. 21-27-3, municipalities have full jurisdiction over city streets; and

WHEREAS, pursuant to that jurisdiction, cities may close public streets temporarily for public purposes, e.g., parades, festivals, regulation of traffic or other valid purposes under the police power; and

WHEREAS, this authority would include the ability to temporarily close streets to prevent injury to, destruction of, or interference with public or private property, based upon a finding of necessity; and

WHEREAS, based on the application submitted by the Gautier Rotary Club, the Mayor and Members of Council hereby find that closure of the relevant public streets for the time period requested is necessary to prevent injury to, destruction of, or interference with public or private property;

NOW THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Gautier, Mississippi that the request for road closure of portions of William Payne Adams Blvd., Dolphin Ave., Gautier-Vancleave Rd., and Highway 90 as more fully described in an application for special permit dated November 20, 2019 is hereby approved.

BE IT, FURTHER RESOLVED that associated traffic and crowd control is hereby approved, subject to the discretion and judgment of the Police Chief;

BE IT, FURTHER RESOLVED that the Council authorizes the City Manager or Clerk to execute all documents necessary for this purpose.

The motion to approve the foregoing resolution was made by **Councilwoman Martin**, seconded by **Councilman George**, and the following vote was recorded:

AYES: **Phil Torjusen**
 Mary Martin
 Cameron George
 Richard Jackson
 Casey Vaughan
 Rusty Anderson
 Adam Colledge

NAYS: **None**

WHEREUPON, the Mayor and Members of the Council of the City of Gautier, Mississippi, declared the motion carried and the Resolution adopted this the **3rd** day of December, 2019.

PHIL TORJUSEN, MAYOR

ATTEST:

CITY CLERK

**CITY OF GAUTIER
MEMORANDUM**

To: Paula Yancey, City Manager
From: Chassity Bilbo, Recreation Director
Date: 11/25/2019
Subject: Approval for road closure and traffic control for the 22nd Annual Gautier Rotary Christmas Parade

REQUEST:

The Recreation Department requests City Council approval of a request by the Gautier Rotary Club for a road closure of portions of William Payne Adams Blvd., Dolphin Dr., Gautier-Vanceleave Rd., and Highway 90 as more fully described in the attached application for special permit submitted on November 25, 2019

BACKGROUND:

The Gautier Rotary Club's 22nd Annual Gautier Rotary Club Parade will be held on Saturday, December 7th at 1:00 p.m. The City has historically provided logistical services and financial support as well as traffic control and security for this event.

DISCUSSION:

The Gautier Rotary Club has submitted an application for special event permit for the Annual Christmas Parade.

RECOMMENDATION:

The Recreation Department recommends that City Council approve a request by the Gautier Rotary Club for a road closure of portions of William Payne Adams Blvd., Dolphin Dr., Gautier-Vanceleave Rd., and Highway 90 as more fully described in an application for special permit submitted on November 25, 2019. The City has determined that this event is an economic tool that brings into favorable notices the opportunities, possibilities, and resources of the City of Gautier.

City Council may:

- 1) Approve a request by the Gautier Rotary Club for a road closure of portions of William Payne Adams Blvd., Dolphin Dr., Gautier-Vanceleave Rd., and Highway 90.
- 2) Not approve a request by the Gautier Rotary Club for a road closure of portions of William Payne Adams Blvd., Dolphin Dr., Gautier-Vanceleave Rd., and Highway 90.

ATTACHMENTS:

1. Consent Agenda Item 8 - Road Closure Christmas Parade
2. Gautier Rotary Club Parade Request

This year's Christmas Parade is Saturday, December 7, 2019 and will roll at 1:00 p.m. Line-up will be north of Lowe's at the intersection of William Payne Adams Boulevard and Dolphin Drive starting at 12:00 p.m.

Summary of in kind services requested:

The Gautier Rotary Club would like to request in kind services from the City of Gautier for the 2019 Christmas Parade to include: police support for safety & traffic control, clean up the streets and grass along the parade route after the parade. By 8:00 a.m. the morning of the parade: bleachers in front of the Singing River Mall property and barricades in front of the judging area.

Details:

Chief Elbin:

- * Do you know how many police cars will be riding in the parade? I need to get them in the line-up. Also, will you be riding this year?
- * Will there be support from Pascagoula or the Sheriff's department? Sometimes the Sheriff's Department comes on 4-wheelers or horses.
- * We also need traffic and safety support.
- * Do you think the police union would like to participate in the parade?

Chief Jones:

- * As in year's past, you all let Santa Claus ride on the fire truck. Will you be able to let Santa ride on the fire truck this year?
- * Do you think the fire fighter union would like to participate in the parade?

City of Gautier

- * The city usually requests a spot for the City Council members float. Several years ago, the city employees had a float too. Will the city have one or two entries this year?
- * By 8:00 a.m. the morning of the parade: We need three bleachers in front of the dentists' office in the southwest corner of the mall parking lot along highway 90. We need three barricades to block off the judge's stand in that same area.
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Thanks for your support!

We're going to have a great community event Saturday, December 7, 2019!

Casey Vaughan, Chairman
228-297-3063

Rotary Club of Gautier, MS
P.O. Box 241
Gautier, MS 39553
Fax: 228-769-2483



**CITY OF GAUTIER
APPLICATION FOR SPECIAL EVENT PERMIT**

Submit This Form to the City Clerk Office at least thirty (30) days prior to requested event.

(Please print or type all information below)

Event Information:

Date of Event: December 7, 2019 Day or Week: Saturday Starting Time: line-up 12:00 p.m. parade 1:00 p.m.

Ending Time: 2:00 p.m. Proposed Location of the Event: William Payne Adams; Dolphin; Gautier-Vancleave; Hwy.90

Describe the type of event to be conducted: 22nd Annual Gautier Rotary Christmas Parade

Reason for Event, Demonstration or March: To attract both locals and visitors to the City of Gautier. The City of Gautier has historically provided logistical support as well as traffic control and security for this event. The total expenses for this year's Christmas parade will be around \$700.00 to \$900.00.

If Event includes a city property or streets, give proposed route:

(Street)

(Direction Turn)

(Street)

1. William Payne Adams Boulevard to;
2. Dolphin Drive (East);
3. Turn right on Gautier-Vancleave Road (South);
4. Turn right on Highway 90 (West);
Turn right on Dolphin Drive (North)
5. End at Dolphin Drive and William Payne Adams Boulevard (the roundabout)

ATTACH A DETAILED MAP OF THE PROPOSED ROUTE IF REQUESTING A STREET CLOSURE FOR THE EVENT. ATTACH A LIST OF THE ADJACENT BUSINESS OWNERS

Applicant Information:

Organization:

Name: Gautier Rotary Club Phone: (228) 297-3063

Address: Post Office Box 241 Gautier MS 39553
City State Zip

Type of Organization: Civic Profit: Non-Profit Federal ID# 640-76-8451
(Religious, Civic, Social, Etc.)

Individual Making Application for Organization:

Name: Casey Vaughan Phone (Work): n/a

Address: Post Office Box 97 Phone (Cell): (228)297-3063

City: Gautier State: MS Zip Code: 39553

Position with Organization: Parade Chairman

Individual(s) Responsible for keeping order and maintenance:

Name: _____ Phone (H): () _____ (W) () _____

Name: _____ Phone (W): () _____ (W) () _____

Public Demonstrations and Parades are covered under city of Gautier Code of Ordinances

Requirements of Applicant:

☒ Security	☒ Clean up During Event	☒ Staging
☒ Traffic Direction	☒ Clean up After Event	☐ Fencing
☒ Barricades	☒ Trash Receptacles/Bag	☐ Other
☒ Set Up Barricades		

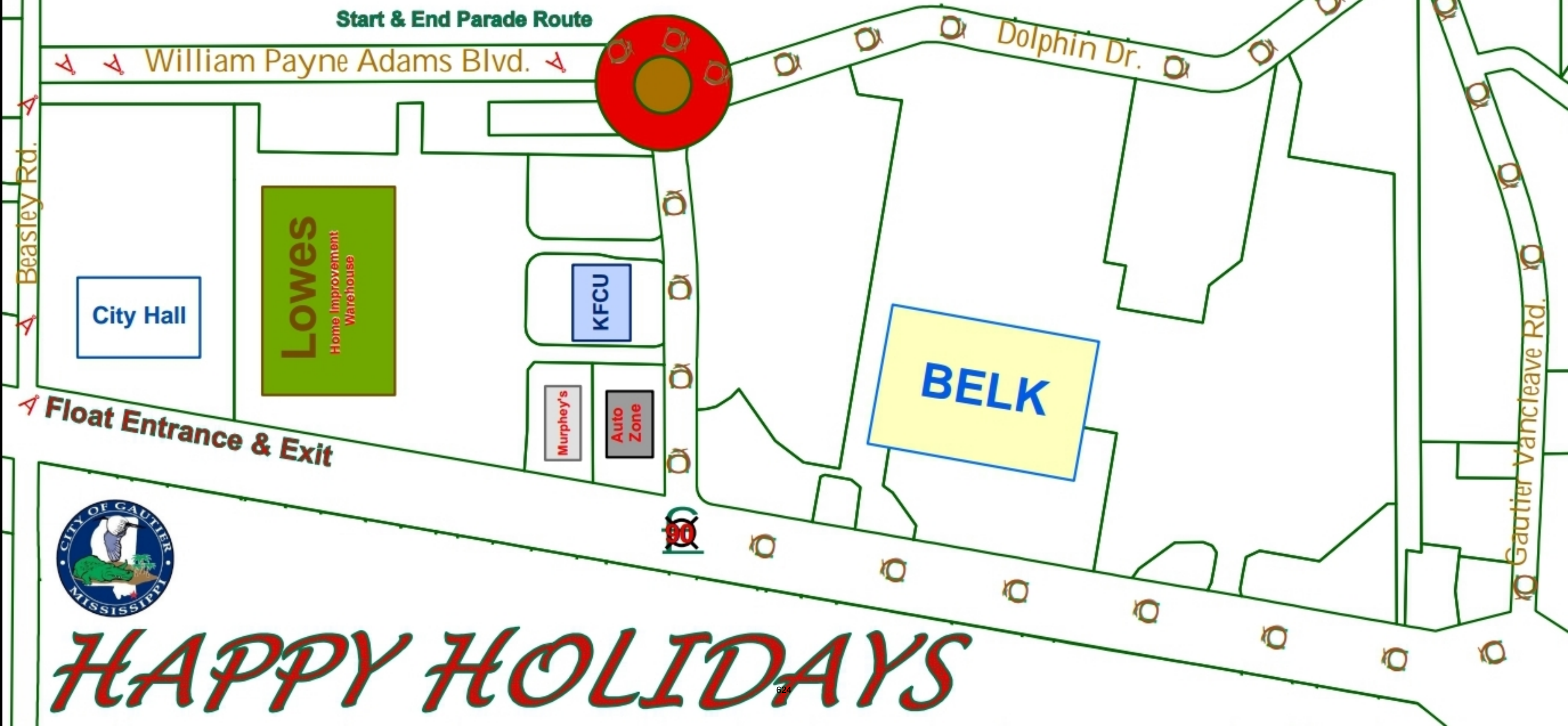
In applying for this permit, I the undersigned, as the responsible individual of the above named organization; AGREE TO HOLD THE CITY OF GAUTIER FREE AND HARMLESS OF ANY LIABILITY WHICH MAY RESULT FROM SAID EVENT, AND ACCEPT FULL RESPONSIBILITY FOR ANY SUCH LIABILITY

Applicant's Signature: Casey Vaughan Date: November 20, 2019

FOR OFFICE USE ONLY	DATE REC'D: _____	RECEIVED BY: _____
	EVENT HAS BEEN: _____	DISAPPROVED: _____
	APPROVED: _____	APPROVAL/DISAPPROVAL AUTHORITY _____
	DATE: _____	

Christmas Parade Route

Start & End Parade Route



HAPPY HOLIDAYS

Councilman Vaughan made the motion to recess until December 17, 2019 at 6:30 pm.
Councilwoman Martin seconded the motion. The vote was carried unanimously.

APPROVED BY:

MAYOR

ATTEST:

CITY CLERK

Submitted for approval of the Mayor and Members of the Council of the City of
Gautier, Mississippi, at the meeting of December 17, 2019.

**CITY OF GAUTIER, MISSISSIPPI
STUDY AGENDA
December 17, 2019**

ITEM DESCRIPTION:

Citizen Comments

City Council Comments

City Manager Comments

City Clerk Comments

City Attorney Comments

NOTES:
