

Tuesday
April 1, 2014
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 April 1, 2014 at 6:30 PM in the City Hall Municipal Building, 3330 Highway 90, Gautier, Mississippi.

Those present were Mayor Gordon Gollott, Council Members Mary Martin, Johnny Jones, Hurley Ray Guillotte, Rusty Anderson, Adam Colledge, City Manager Samantha Abell, City Clerk Cynthia Russell, City Attorney Joshua Danos and other concerned citizens. Councilman Vaughan present via conference phone.

**AGENDA
CITY OF GAUTIER, MISSISSIPPI
CITY HALL COUNCIL CHAMBERS
April 1, 2014 @ 6:30 PM**

- I. Call to Order**
 - 1 Prayer**
 - 2 Pledge of Allegiance**
- II. Agenda Order Approval**
- III. Announcements**
 - 1 3rd Annual Easter Egg Hunt Saturday, April 5th 10:00 am Shepard State Park**
 - 2 Jackson County Household Hazardous Waste Collection Day Saturday, April 26th 8 am – 12 pm in the Singing River Mall Parking Lot**
 - 3 National Day of Prayer Thursday, May 1st 12:00 pm at the Veterans Tribute Tower**
 - 4 Public meeting regarding a Citywide Smoke Free policy will be held Tuesday, April 15th at 6:00 pm**
- IV. Presentation Agenda**
 - 1 Recognition of Retirement for Randy Raynor, Parks Supervisor by Chandra Nicholson, Economic Development and Planning Director**
 - 2 February 2014 Financial Report by Teresa Montgomery, Comptroller**
- V. Public Agenda**
 - 1 Agenda Comments**
- VI. Business Agenda**
 - 1 Approval of Proposed Animal Control Ordinance.**
 - 2 Order approving Professional Services Agreement for Planning and Related Services-Brown, Mitchell & Alexander, Inc. for the I-10/Hwy 57 Area Study.**
 - 3 Order authorizing advertisement for pre-event debris removal services and debris removal monitoring services.**

- 4 Order approving Historic Preservation Commission Nominations for the Gautier Colored School Rehabilitation Project Steering Committee.
 - 5 Order approving the request to fund the Grounds and Maintenance Operator position, eliminate the GIS/Floodplain Manager position and create four (4) part-time Park Attendant positions.
 - 6 Order authorizing advertisement for the Ion Exchange Water Treatment Plant.
 - 7 Resolution authorizing and approving the execution of a Financial Agreement with BankcorpSouth Equipment Finance.
 - 8 Order approving Paid Docket of Claims.
 - 9 Order approving Docket of Claims.
- VII. Consent Agenda **(All items approved in one motion)**
- 1 Order approving Minutes from Recessed Council Meeting held March 18, 2014.
 - 2 Order approving lien to adjudicate private property clean up costs at 3824 Kendale Drive, Gautier.
 - 3 Order declaring Friday, April 18, 2014 Good Friday as a legal holiday.

**STUDY AGENDA
CITY OF GAUTIER, MISSISSIPPI
April 1, 2014**

- 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 April 15, 2014 @ 6:00 PM
www.gautier-ms.gov

Motion made by Councilwoman Martin to revise and approve the agenda as follows:

- 1 Move Business Item #7 – Resolution authorizing and approving the execution of a Financial Agreement with BankcorpSouth Equipment Finance.
- 2 Add Business Item #10 Resolution designating a segment of Highway 90 as the “Scott E. Pruitt Highway”.

Motion seconded by Councilman Jones and unanimously carried.

Announcements

- 1 3rd Annual Easter Egg Hunt Saturday, April 5th 10:00 am Shepard State Park
- 2 Jackson County Household Hazardous Waste Collection Day Saturday, April 26th 8 am – 12 pm in the Singing River Mall Parking Lot
- 3 National Day of Prayer Thursday, May 1st 12:00 pm at the Veterans Tribute Tower
- 4 Public meeting regarding a Citywide Smoke Free policy will be held Tuesday, April 15th at 6:00 pm in City Hall Council Chambers



**3rd Annual
EASTER EGG HUNT**

WHEN: April 5, 2014

WHERE: Shepard State Park
1034 Graveline Road
Gautier, MS 39553

TIME: 10:00 A.M. - until

Ages: 1 - 2 yrs old (1 parent)
3 - 4 yrs old
5 - 7 yrs old
8 - 10 yrs old

**Special Appearance by:
EASTER BUNNY**

For more information, contact Gautier City Hall at (228) 497-8000 or visit www.gautier-ms.gov.

The poster features a blue sky background with white clouds. At the bottom, there are five colorful Easter eggs (yellow, white, purple, yellow, and blue) with various designs including a white rabbit, a white dove, a blue cross, and a white lily. The City of Gautier, Mississippi seal is visible on the right side.

Jackson County Household Hazardous Waste Collection Day



DO NOT BRING

Explosive Materials
Radioactive Materials
Electronics
Business Waste
Compressed Cylinders
Medical/Biological Waste
Syringes
PCB's



ACCEPTABLE ITEMS

Aerosols, All Purpose Cleaners, Ammonia, Anti-Freeze, Automobile Cleaners, Batteries, Brake Fluid, Charcoal Lighter Fluid, Chlorine Bleach, Detergents, Disinfectants, Drain Opener, Furniture Polish, Gasoline, Glass Cleaner, Herbicides, Insecticides, Mothballs, Motor Oil, Oven Cleaner, Paint, Paint Thinner, Pesticides, Pool Chemicals, Rodent Poisons, Rubber Cement, Rug & Upholstery Cleaner, Scouring Powder, Silver Polish, Snail & Slug Killers, Toilet Bowl Cleaner, Transmission Fluid, Tub & Tile Cleaner, Turpentine, Varnish, Water Seal, Wood Finish

A One Day FREE

Proper Disposal Turn-in Event

Saturday, April 26, 2014

8 a.m. - 12 noon

Singing River Mall Parking Lot

Highway 90, Gautier



Call (228) 872-8340 for more information

Household Hazardous Waste is ... Unused or leftover portions of products containing toxic chemicals. Any product which is labeled CAUTION, POISONOUS, TOXIC, FLAMMABLE or CORROSIVE is considered a household hazardous waste.

A Safe Substitute is ... A safe alternative to a toxic product. Fact sheets are available to help you reduce the use of toxics and minimize health risks.

Legal Transportation is ... Leaving products in the original containers and making sure that the containers are sealed so that they will not leak. Transport containers in the trunk or in the back of the vehicle away from passengers.

DO NOT TRANSPORT OVER 5 GALLONS OR 50 POUNDS AT ONE TIME.

Proper Disposal is ... Extremely important. It is dangerous and illegal to discard hazardous household materials in the trash or down the drain. Instead; use up the product as intended or take to a household hazardous waste event.



The collection event is a community service funded by the MS Department of Environmental Quality in cooperation with the Jackson County Board of Supervisors, Municipalities and the Jackson County Solid Waste Department.



Presentation Agenda

- 1 Recognition of Retirement for Randy Raynor, Parks Supervisor by Chandra Nicholson, Economic Development and Planning Director
- 2 February 2014 Financial Report by Teresa Montgomery, Comptroller

Economic Development/Planning Department



Certificate of Retirement

Is Presented to **Randy Raynor**

In grateful recognition of **14 years of service**

From **2000 to 2014** *as a faithful Civil Servant of the Economic Development/Planning Department of the City of Gautier, Mississippi.*

This 26th Day of March, 2014.

February 2014 Ending Cash Balances

GENERAL DEPOSITORY

Fund Name		Account #	Balance
General Fund	Depository Account	001-000-001	\$1,726,059.45
MS Development Loan Katrina	Depository Account	007-000-001	\$2,460.45
CDBG-Downtown Revitalization	Depository Account	012-000-001	(\$47,339.20)
Transportation Enhancement	Depository Account	013-000-001	\$31,250.00
CIAP-Town Center	Depository Account	014-000-001	(\$27,080.83)
Allen Road Widening	Depository Account	020-000-001	\$22,369.00
MOHS DUI Enforcement Grant	Depository Account	025-000-001	(\$12,398.47)
MDOT Safe Routes to School	Depository Account	029-000-001	\$15,000.00
Hazard Mitigation 1794-23-01	Depository Account	100-000-001	
Martin Bluff Road Improvements	Depository Account	128-000-001	\$238,358.64
U S Justice Equitable Sharing	Depository Account	157-000-001	\$196,162.62
Fire Protection Fund	Depository Account	160-000-001	\$154,941.71
FF Grant:EMW-2012-FO-02393	Depository Account	161-000-001	(\$0.98)
DMR-BP Oil Spill Grant	Depository Account	165-000-001	(\$349.94)
MDOT-Youth Corp Program	Depository Account	166-000-001	
Tidelands Grant	Depository Account	171-000-001	\$233,500.00
Library Support Fund	Depository Account	172-000-001	\$37,857.77
Shepard State Park Fund	Depository Account	176-000-001	\$25,428.72
Solid Waste Fund	Depository Account	404-000-001	\$111,958.04
		General Ledger Cash Balance	\$2,708,176.98
		General Depository Reconciled Cash Balance	\$2,708,726.84

ENTERPRISE FUND

Fund Name		Account #	Balance
Water & Sewer Utility	Enterprise Account-M&M	400-000-001	\$221,429.73
	Enterprise Account-Hancock	400-000-002	\$2,084,950.31
CIAP: Old Shell	Enterprise Account-Hancock	414-000-002	(\$377,620.32)
MDB Loan: Water Ion-X Project	Enterprise Account-Hancock	421-000-002	\$2,860,676.86
Utility Bond Refunding	Enterprise Account-Hancock	430-000-002	\$13,216.66
		General Ledger Cash Balance	\$4,802,653.24
		Enterprise Reconciled Cash Balance	\$4,799,780.19

FEBRUARY 2014
YEAR TO DATE TOTALS

General Fund Totals	FY 2014 Budget	February 2014	Balance	41.66% % to date
General Fund Revenues	9,259,267.00	4,642,349.87	4,616,917.13	40.0%
Expenditures:				
001 Legislative	106,889.00	47,299.72	59,589.28	44.2%
010 City Court	299,473.00	141,449.25	158,023.75	47.2%
021 City Manager	172,381.00	71,179.03	101,201.97	41.2%
022 Human Resources	143,335.00	57,456.34	85,878.66	40.0%
040 City Clerk	270,849.00	110,524.20	160,324.80	40.8%
045 Finance	179,971.00	75,920.43	104,050.57	42.1%
060 City Attorney	95,000.00	39,583.35	55,416.65	41.6%
090 Economic Dev - Planning	816,457.00	349,372.19	467,084.81	42.7%
092 Building & General Expenses	384,100.00	181,687.91	202,412.09	47.3%
100 Police	3,546,291.00	1,543,340.74	2,002,950.26	43.5%
161 Fire	2,130,823.00	731,515.78	1,399,307.22	34.3%
170 Recreation	78,600.00	41,069.91	37,530.09	52.2%
201 PW: Streets	207,000.00	51,194.65	155,805.35	24.7%
205 PW: Maintenance	215,801.00	86,743.68	129,057.32	40.1%
680 Debt Service	0.00	0.00	0.00	
900 Interfund Transfers	798,146.00	254,928.75	543,217.25	31.9%
General Fund Expenditures	9,445,116.00	3,783,265.93	5,661,850.07	40.0%
<i>Total Operating Expenditures</i>	8,191,610.00	3,168,528.49	5,023,081.51	
<i>Total Capital Outlay Expenditures</i>	250,304.00	236,395.56	13,908.44	
<i>Total Debt Service</i>	205,056.00	123,413.13	81,642.87	
<i>Total Transfers Out</i>	798,146.00	254,928.75	543,217.25	
<i>Check Total</i>	9,445,116.00	3,783,265.93	5,661,850.07	
<i>Personnel</i>	6,560,025.00	2,532,929.91	4,027,095.09	38.6%
<i>Supplies</i>	457,485.00	155,278.78	302,206.22	33.9%
<i>Other Services</i>	1,174,100.00	480,319.80	693,780.20	40.9%
<i>Capital Outlay</i>	250,304.00	236,395.56	13,908.44	94.4%
<i>Debt Service</i>	205,056.00	123,413.13	81,642.87	60.2%
<i>Interfund Transfers</i>	798,146.00	254,928.75	543,217.25	31.9%
<i>Check Total</i>	9,445,116.00	3,783,265.93	5,661,850.07	40.0%
Beginning Cash Balance			1,238,137.31	
General Fund Revenue			1,976,873.32	
General Fund Expenditures			1,488,951.18	
Remaining balance			1,726,059.45	

FEBRUARY 2014
YEAR TO DATE TOTALS

<i>General Depository Special Funds</i>	BUDGET FY 2014	As of February 2014	Balance	41.66% % to date
007 MS Dev 2.36M Katrina Bonds				
Revenues	280,977.00	254,928.75	26,048.25	90.7%
Expenditures	282,027.00	254,928.75	27,098.25	90.3%
012 CDBG Downtown Revitalization				
Revenues	454,896.08	246,549.30	208,346.78	54.1%
Expenditures	454,551.88	293,544.30	161,007.58	64.5%
013 TE-Downtown Revitalization				
Revenues	420,000.00	0.00	420,000.00	
Expenditures	465,000.00	13,750.00	451,250.00	2.90%
014 CIAP-Town Center				
Revenues	804,143.75	1,200.00	802,943.75	0.1%
Expenditures	790,466.75	14,653.83	775,812.92	1.80%
020 Allen Road Widening				
Revenues	995,980.00	61,000.00	934,980.00	
Expenditures	957,349.00	0.00	957,349.00	
025 MOHS DUI Enforcement Grant				
Revenues	46,088.00	3,396.88	42,691.12	7.30%
Expenditures	46,088.00	15,795.35	30,292.65	34.2%
029 MDOT Safe Routes to School				
Revenues	125,000.00	15,000.00	110,000.00	12.0%
Expenditures	125,000.00	0.00	125,000.00	
100 Hazard Mitigation Grant 1794-23-01				
Revenues	16,800.00	16,800.00	0.00	100.0%
Expenditures	0.00	0.00	0.00	
103 US DOJ Ballistic Vest Grant				
Revenues	24,552.00	0.00	24,552.00	
Expenditures	24,552.00	0.00	24,552.00	
128 Martin Bluff Road Project				
Revenues	0.00	0.00	0.00	
Expenditures	50,000.00	1,568.29	48,431.71	3.1%
157 US Justice Equitable Sharing				
Revenues	0.00	0.00	0.00	
Expenditures	12,276.00	10,646.88	1,629.12	
160 Fire Protection Fund				
Revenues	98,641.00	0.00	98,641.00	
Expenditures	118,742.00	5,849.26	112,892.74	4.9%

FEBRUARY 2014
YEAR TO DATE TOTALS

161 FF Grant: EMW-2012-FO-02393				
Revenues	29,379.00	29,379.00	0.00	100.0%
Expenditures	29,379.50	29,380.48	-0.98	100.0%
166 MDOT Youth Corp Program				
Revenues	31,508.01	33,273.39	-1,765.38	105.6%
Expenditures	35,000.00	1,014.46	33,985.54	2.8%
171 Combined Tidelands Grant				
Revenues	404,736.76	2,625.00	402,111.76	0.6%
Expenditures	642,111.76	6,500.00	635,611.76	1.0%
172 Library Support Fund				
Revenues	111,698.00	78,219.64	33,478.36	70.0%
Expenditures	111,698.00	48,289.20	63,408.80	43.2%
175 MSWFP Recreation Trails Grant				
Revenues	99,840.00	0.00	99,840.00	
Expenditures	99,840.00	0.00	99,840.00	
176 Shepard State Park				
Revenues	91,000.00	54,865.00	36,135.00	60.2%
Expenditures	86,000.00	43,841.51	42,158.49	50.9%
404 Solid Waste Fund				
Revenues	1,205,000.00	523,396.49	681,603.51	43.4%
Expenditures	1,205,500.00	414,954.30	790,545.70	34.4%

FEBRUARY 2014
YEAR TO DATE TOTALS

General Depository Special Fund
130 \$7M GO Bond - Capital Improvements

	FY 2014 Budget	February 2014	Balance	41.66%
Revenue	488,969.00	759.88	488,209.12	0.1%
Capital Improvements	2,040,022.79	160,684.15	1,879,338.64	7.8%
Debt Service	488,969.00	107,934.38	381,034.62	22.0%
	2,528,991.79	268,618.53	2,260,373.26	

Beginning Cash Balance	1,689,924.47
GO Bond Revenues	130.24
GO Bond Expenditures	3,009.00
Ending Cash Balance	1,687,045.71

**FEBRUARY 2014
YEAR TO DATE TOTALS**

Water & Sewer Utility Fund Totals	FY 2014 Budget	February 2014	Balance	41.66% % to date
Utility Fund Revenues	6,836,647.00	3,744,915.04	3,091,731.96	54.7%
Administration	1,937,700.00	843,987.71	1,093,712.29	43.5%
Water & Sewer O & M	2,343,727.00	813,260.22	1,530,466.78	34.6%
Debt Service	2,348,397.00	1,008,551.15	1,339,845.85	42.9%
Transfers	545,007.00	0.00	545,007.00	
Utility Fund Expenditures	7,174,831.00	2,665,799.08	4,509,031.92	37.1%

<i>Total Operating Expenditures</i>	<i>4,121,427.00</i>	<i>1,657,247.93</i>	<i>2,464,179.07</i>	
<i>Total Capital Outlay Expenditures</i>	<i>160,000.00</i>	<i>0.00</i>	<i>160,000.00</i>	
<i>Total Debt Service</i>	<i>2,348,397.00</i>	<i>1,008,551.15</i>	<i>1,339,845.85</i>	
<i>Total Interfund Transfers</i>	<i>545,007.00</i>	<i>0.00</i>	<i>545,007.00</i>	
<i>Check Total</i>	<i>7,174,831.00</i>	<i>2,665,799.08</i>	<i>4,509,031.92</i>	

<i>Personnel</i>	<i>103,727.00</i>	<i>57,203.85</i>	<i>46,523.15</i>	<i>55.1%</i>
<i>Supplies</i>	<i>360,000.00</i>	<i>60,604.29</i>	<i>299,395.71</i>	<i>16.8%</i>
<i>Other Services</i>	<i>3,657,700.00</i>	<i>1,539,439.79</i>	<i>2,118,260.21</i>	<i>42.1%</i>
<i>Capital Outlay</i>	<i>160,000.00</i>	<i>0.00</i>	<i>160,000.00</i>	
<i>Debt Service</i>	<i>2,348,397.00</i>	<i>1,008,551.15</i>	<i>1,339,845.85</i>	<i>42.9%</i>
<i>Interfund Transfers</i>	<i>545,007.00</i>	<i>0.00</i>	<i>545,007.00</i>	
<i>Check Total</i>	<i>7,174,831.00</i>	<i>2,665,799.08</i>	<i>4,509,031.92</i>	<i>37.1%</i>

<i>Beginning Cash Balance</i>			<i>1,922,657.64</i>	
<i>Enterprise Fund Revenue</i>			<i>1,063,356.64</i>	
<i>Enterprise Fund Expenditures</i>			<i>679,634.24</i>	
<i>Remaining balance</i>			<i>2,306,380.04</i>	

Enterprise Special Fund

414 CIAP Funds: Old Shell Landing	FY 2014 Budget	February 2014	Balance	41.66%
Grant Proceeds	474,615.12		474,615.12	
Construction Phase Services	474,615.12	377,620.32	96,994.80	79.5%

421 MSB - Water Ionization Project	FY 2014 Budget	February 2014	Balance	41.66%
Loan Proceeds				
Expenditures	2,864,351.86	3,675.00	2,860,676.86	0.1%

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

RESOLUTION NUMBER 009-2014

7335B 70322-002

**RESOLUTION AUTHORIZING AND APPROVING EXECUTION
OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH
BANCORPSOUTH EQUIPMENT FINANCE, A DIVISION OF BANCORPSOUTH
BANK
FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT**

WHEREAS, the Mayor and City Council, the Governing Body (the "Governing Body") of City of Gautier, Mississippi (the "Lessee"), acting for and on the behalf of the Lessee hereby finds, determines and adjudicates as follows;

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with BancorpSouth Equipment Finance, a division of BancorpSouth Bank (the "Lessor") for the purpose of presently purchasing the equipment as described therein for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval;

2. The Lessee is authorized pursuant to Section 31-7-13(e) of the Mississippi Code of 1972, as amended, to acquire equipment and furniture by Lease-Purchase agreement and pay interest thereon by contract for a term not to exceed 5 years;

3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and

4. It is necessary for the Lessee to approve and authorize the Agreement.

5. The Lessee desires to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

NOW, THEREFORE, BE IT RESOLVED by this Governing Body for and on behalf of the Lessee as follows:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is hereby approved and the City Manager, Mayor and/or City Clerk (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being issued in calendar year 2014

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. Lessee hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In calendar year 2014, Lessee has designated \$ _____ of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than \$10,000,000 of obligations issued during calendar year 2014 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 2014 will not exceed \$10,000,000.

Section 9. For purposes of this resolution, the amount of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from Lessee or by an entity subject to substantial control by Lessee, as provided in Section 265(b)(3)(E) of the Code.

Section 10. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

Following the reading of the foregoing resolution, Councilwoman Martin moved that the foregoing resolution be adopted. Councilman Jones seconded the motion for its adoption. The Mayor put the question to a roll call vote and the result was as follows:

<u>Gordon Gollott</u>	Voted: <u>Yes</u>
<u>Mary Martin</u>	Voted: <u>Yes</u>
<u>Johnny Jones</u>	Voted: <u>Yes</u>
<u>Hurley Ray Guillotte</u>	Voted: <u>Yes</u>
<u>Casey Vaughan</u>	Voted: <u>Yes</u>
<u>Rusty Anderson</u>	Voted: <u>Yes</u>
<u>Adam Colledge</u>	Voted: <u>Yes</u>

The motion having received the affirmative vote of all members present, the Mayor declared the motion carried and the resolution adopted this the 1st day of April, 2014

(presiding officer). Title

MAYOR

ATTEST:

CITY Clerk
(SEAL)

ESCROW AGREEMENT

WHEREAS, The City of Gautier, Mississippi has caused or will cause certain funds to be deposited in escrow with BANCORPSOUTH BANK, ("Escrow Agent"), on terms and conditions more particularly described herein.

NOW, THEREFORE, in consideration of the premises, the undersigned hereby agree as follows:

ARTICLE I TERMS AND CONDITIONS

1.1 Establishment of Fund. The undersigned has caused or will cause to be deposited with the Escrow Agent the sum of \$3,235,000.00 (such sum, or the balance thereof remaining from time to time being referred to herein as the "Fund").

1.2 Treatment of Fund. The monies constituting the Fund shall be deposited in a segregated, interest-bearing account pursuant to the terms of this Escrow Agreement. Such account shall be styled "City of Gautier, with federal tax identification no. 64-0732369.

1.3 Investment of Fund. The Fund shall be invested into an interest bearing money market account. Escrow Agent shall have the right to liquidate any investments held in order to make required disbursements under this Escrow Agreement.

1.4 Escrow Procedure and Payment Instruction. The Fund, together with all interest earned thereon, which interest shall become and remain a part of the Fund, shall be held and disbursed in accordance with the terms of this Escrow Agreement as set out below. The parties each acknowledge that Escrow Agent is authorized to disburse funds upon approval as set forth in Exhibit A. If distribution is in accordance with this Section 1.4, by providing written instructions to the Escrow Agent in the form of Exhibit A, no call-back as provided in Schedule 1 is required.

1.5 Termination. This Escrow Agreement shall terminate upon the first to occur of any of the following events:

A. The disbursement of the balance of the Fund in accordance with the provisions of Section 1.4 hereof.

B. The expiration of 12 months from the date of this Escrow Agreement, in which case the remaining balance of the Fund shall be disbursed in accordance with the provisions of Section 1.4 hereof.

ARTICLE II PROVISIONS AS TO ESCROW AGENT

2.1. Limitation of Escrow Agent's Capacity.

A. This Escrow Agreement expressly and exclusively sets forth the duties of Escrow Agent with respect to any and all matters pertinent hereto, and no implied duties or obligations shall be read into this Escrow Agreement against Escrow Agent. This Escrow Agreement constitutes the entire agreement between the Escrow Agent and the other parties hereto in connection with the subject matter of this escrow, and no other agreement entered into between the parties, or any of them, shall be considered as adopted or binding, in whole or in part, upon the Escrow Agent notwithstanding that any such other agreement may be referred to herein or deposited with Escrow Agent or the Escrow Agent may have knowledge thereof, and Escrow Agent's rights and responsibilities shall be governed solely by this Escrow Agreement.

B. Escrow Agent acts hereunder as a depository only, and is not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of the subject matter of this Escrow Agreement or any part thereof, or for the form of execution thereof, or for the identity or authority of any person executing or

depositing such subject matter. Escrow Agent shall be under no duty to investigate or inquire as to the validity or accuracy of any document, agreement, instruction or request furnished to it hereunder believed by it to be genuine and Escrow Agent may rely and act upon, and shall not be liable for acting or not acting upon, any such document, agreement, instruction or request. Escrow Agent shall in no way be responsible for notifying, nor shall it be its duty to notify, any party hereto or any other party interested in this Escrow Agreement of any payment required or maturity occurring under this Escrow Agreement or under the terms of any instrument deposited herewith.

2.2 Authority to Act.

A. Escrow Agent is hereby authorized and directed by the undersigned to deliver the subject matter of this Escrow Agreement only in accordance with the provisions of Article I of this Escrow Agreement.

B. Escrow Agent shall be protected in acting upon any written notice, request, waiver, consent, certificate, receipt, authorization, power of attorney or other paper or document which Escrow Agent in good faith believes to be genuine and what it purports to be, including, but not limited to, items directing investment or non-investment of funds, items requesting or authorizing release, disbursement or retainage of the subject matter of this Escrow Agreement and items amending the terms of this Escrow Agreement.

C. Escrow Agent may consult with legal counsel at the joint and several cost and expense of the undersigned (other than Escrow Agent) in the event of any dispute or question as to the construction of any of the provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in accordance with the advice of such counsel.

D. In the event of any disagreement between any of the parties to this Escrow Agreement, or between any of them and any other person, resulting in adverse claims or demands being made in connection with the matters covered by this Escrow Agreement, or in the event that Escrow Agent, in good faith, be in doubt as to what action it should take hereunder, Escrow Agent may, at its option, refuse to comply with any claims or demands on it, or refuse to take any other action hereunder, so long as such disagreement continues or such doubt exists, and in any such event, Escrow Agent shall not be or become liable in any way or to any person for its failure or refusal to act, and Escrow Agent shall be entitled to continue so to refrain from acting until (i) the rights of all interested parties shall have been fully and finally adjudicated by a court of competent jurisdiction, or (ii) all differences shall have been adjudged and all doubt resolved by agreement among all of the interested persons, and Escrow Agent shall have been notified thereof in writing signed by all such persons. Notwithstanding the foregoing, Escrow Agent may in its discretion obey the order, judgment, decree or levy of any court, whether with or without jurisdiction, or of any agency of the United States or any political subdivision thereof, or of any agency of the State of Mississippi or of any political subdivision thereof, and Escrow Agent is hereby authorized in its sole discretion, to comply with and obey any such orders, judgments, decrees or levies. The right of Escrow Agent under this sub-paragraph are cumulative of all other rights which it may have by law or otherwise.

E. In the event that any controversy should arise among the parties with respect to the Escrow Agreement, or should the Escrow Agent resign and the parties fail to select another Escrow Agent to act in its stead, the Escrow Agent shall have the right to institute a bill of interpleader in any court of competent jurisdiction to determine the rights of the parties.

2.3 Compensation. Escrow Agent shall be entitled to reasonable compensation and expenses incurred in connection with the performance by it of service under this Escrow Agreement (including reasonable fees and expenses of Escrow Agent's counsel) if needed and the undersigned (other than Escrow Agent) agree to so pay Escrow Agent reasonable compensation and reimburse Escrow Agent for reasonable costs and expenses. The parties hereto agree that escrow fees shall be due and payable in the amount of **\$1,200.00** and the fee will be collected upon the commencement of the escrow. Escrow Agent may also collect or receive fees, commissions, and/or administrative service fees directly from a mutual fund company(s).

2.4 Indemnification. To the extent state law allows, the parties to this Escrow Agreement (other than Escrow Agent) hereby jointly and severally agree to indemnify and hold Escrow Agent, its affiliates and their officers, employees, successors, assigns, attorneys and agents (each an "Indemnified Party") harmless from all losses, costs,