



**Statement from Mayor Dane Maxwell,  
Councilwoman at Large Jennifer Colmer, Councilman Willie Jones,  
and Councilman Stephen Burrow**

After reviewing all of the information at hand from both staff research and CenterPoint Energy, we felt it was in the best long-term interest of the City to move forward with the sale of the gas system, accepting the offer from CenterPoint Energy.

This came down to a business decision:

Does the City need to continue to pay someone else to run the gas system for us, when it has been an expensive undertaking, not included proper maintenance and no real financial plan for implementing its upgrade and expansion?

Further, should the cost and potential liability for this limited service line be the entire City's responsibility?

We believe the answer is NO.

Despite the arguments otherwise, the fact remains the City has no significant funds currently or in the immediate future to repair, replace, or extend gas lines. Unlike CenterPoint, we do not have the customer base over which to spread the rate increases necessary to pay for a safe and reliable system. We do not believe this Council wants to pass a tax increase to pay for a safe and reliable system, to be borne in large part by taxpayers who are not natural gas customers through future indebtedness.

The sale to CenterPoint will provide a real benefit to families who are struggling financially or on fixed incomes. The City receives calls from families who cannot pay their utility bills and are struggling to make ends meet. Mississippi law prohibits city governments from helping them. On the other hand, CenterPoint has programs that offer level billing over 12 months, and choices such as LIHEAP (Low Income Home Energy Assistance Program) to assist those struggling to make ends meet.

It is prudent, as we reorganize our City, clean up the books, and fix the problems of the past to take the steps necessary to look beyond today or this term in office, and to consider the collective future our City and its residents.

We can make the adjustments necessary to amend the utility fund budget, even if painful in the short-term, and begin to focus solely on water, sewer and roads – our most critical needs for all residents.

The purchase price of \$3,000,000 was within the range of values presented by a third-party independent appraiser. Those funds will help the City adjust to any short-term cash flow issues in our utility fund resulting from the sale.

Also, not enough has been said about safety. A cornerstone of any good government is to provide safety for its citizens. The friends and families who grew up with us here in Pascagoula, and the friends and families who have moved here and become a part of our community, deserve to be safe from harm. The safety of our citizens, and the City as a whole, and reducing that liability, is paramount.

Accepting this offer from CenterPoint provides a better opportunity for gas customers to realize upgrades and line extensions within a safer gas system, reduces the City's financial burden, provides additional payment options to customers that we as a City legally cannot, and eliminates the largest single liability the City has as a utility in terms of safety for our residents.

We look forward to working with CenterPoint and sharing information in the weeks ahead as this sale is finalized and the new owner assumes control of the service line.