

**RECESSED REGULAR MEETING OF THE CITY COUNCIL  
TUESDAY, JANUARY 19, 2016, AT 6:00 P. M.  
CITY HALL, PASCAGOULA, MISSISSIPPI**

The City Council of the City of Pascagoula, Mississippi, met at City Hall in a recessed regular meeting on Tuesday, January 19, 2016, at 6:00 p.m. Mayor Blevins called the meeting to order with the following officials present:

Mayor Harry J. Blevins  
Councilman Burt Hill  
Councilman Freddy Jackson  
Councilman Marvin Pickett, Sr.  
Councilwoman Brenda Simkins  
Councilman David Tadlock  
Councilman Scott Tipton

City Manager Joe Huffman  
City Attorney Eddie Williams  
Asst. City Clerk Brenda J. Reed  
City Clerk/Comptroller Robert J. Parker

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Mayor Blevins welcomed everyone to the meeting. The invocation was given by Councilman Jackson. The pledge of allegiance was led by Councilman Tipton.

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Mayor Blevins welcomed and recognized Annie Perkins, Max Laws, Will Baumhauer, and Tori Pullom, members of the Pascagoula Mayor's Youth Council, who were in attendance tonight.

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Opening remarks were made by several members of the Council. Councilmen Pickett, Tadlock, and Tipton commented on the recent MML Mid-Winter Conference in Jackson, MS, and stated that it was a very informative conference. Mayor Blevins advised that the Pascagoula City Council works very hard and they have developed a good relationship with our legislative delegates. He also announced that one new business, Seaside Smoothies, is now open on Market Street.

**The consent agenda was considered at this time:**

The first item for consideration was the minutes of the regular Council meeting of January 5, 2016, as recommended by Brenda Reed, Asst. City Clerk.

Councilman Jackson made a motion to adopt and approve the minutes of the regular Council meeting of January 5, 2016, as recommended. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

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Minutes of the Pascagoula Mayor's Youth Council meetings of November 9, 2015, and November 16, 2015, were acknowledged by the Council.

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Minutes of the Pascagoula Redevelopment Authority meeting of November 12, 2015, were acknowledged by the Council.

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Minutes of the Recreation Commission meeting of December 2, 2015, were acknowledged by the Council.

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The next item for consideration was a request to allow the Parks & Recreation Department to host a Dr. Seuss Birthday Party event on March 4, 2016, to advertise the resources of the City by providing activities, prizes, and giveaways in an amount not to exceed \$500.00 as recommended by Darcie Crew, Parks & Recreation Director.

Councilman Jackson made a motion to allow the Parks & Recreation Department to host a Dr. Seuss Birthday Party event and advertise the resources of the City by providing activities, prizes, and giveaways in an amount not to exceed \$500.00 as recommended. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

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The next item for consideration was a request to advertise for proposals for the 4<sup>th</sup> of July Fireworks Show – 2016 as recommended by Darcie Crew, Parks & Recreation Director.

Councilman Jackson made a motion to authorize the City Clerk to advertise for proposals for the 4<sup>th</sup> of July Fireworks Show – 2016 as recommended. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

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The next item for consideration was a request to advertise for bids for drainage improvements at 1020 Eastwood Street as recommended by Jaci Turner, City Engineer.

Councilman Jackson made a motion to authorize the City Clerk to advertise for bids for drainage improvements at 1020 Eastwood Street as recommended. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

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The next item for consideration was a request to participate in the Annual Household Hazardous Waste Day with Jackson County as recommended by Jaci Turner, City Engineer. The City would provide four volunteers, two of which will be committed from the Parks & Recreation Department and two will be requested from Utility Partners. The funding will not exceed \$3,125.00. The actual cost will be determined based on the amount of waste collected at the event.

Councilman Jackson made a motion to approve the request to participate in the Annual Household Hazardous Waste Day with Jackson County as recommended. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

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The next item for consideration was a Memorandum of Understanding between Cruisin' the Coast and the City of Pascagoula for the 2016 Goula Cruise Event as presented by Eddie Williams, City Attorney.

The MOU is spread on the minutes as follows:

**MEMORANDUM OF UNDERSTANDING BETWEEN  
CRUISIN' THE COAST AND THE CITY OF PASCAGOULA**

This Memorandum of Understanding is being entered into by and between Cruisin' the Coast (CTC) and the City of Pascagoula (City) to set forth the mutual obligations of the parties for production of the event described in the exhibit attached hereto.

1. The City of Pascagoula agrees to provide the following:

- a. Payment of an event fee in the amount of \$5,000.
  - b. Sufficient volunteers to staff the event.
  - c. Traffic control during the event.
  - d. Sufficient port-o-lets to accommodate the visitors to the event.
  - e. Appropriate signage directing event participants to the proper venues within the City for the event activities.
  - f. A “person-in-charge” who will coordinate with the “person-in-charge” designated by the CTC in order to produce the event.
  - g. Any and all other services that may be mutually agreed to by and between the parties to produce the event as described in the attached exhibit.
2. CTC will provide the following:
- a. Advertising of the event in all printed materials where possible and on the CTC website.
  - b. Use of CTC logo with prior approval by CTC.
  - c. Ten (10) tickets to the “Kickoff Sponsor Party” to be held Monday evening, October 3, 2016.
  - d. Ten (10) Sponsor T-shirts.
  - e. A “person-in-charge” who will be responsible for coordinating with the City’s “person-in-charge” for the production and promotion of the event described in the attached exhibit.
3. The following miscellaneous provisions also apply:
- a. Outside vendors, not associated with a local merchant, will be liable for their own sales tax. Each vendor will be responsible for submitting the appropriate State reporting forms. The parties agree that the City is the “promoter” of the event and that CTC will have no responsibility for the collection of any applicable taxes.
  - b. ET Motorgear is acknowledged as the official apparel vendor of Cruisin' The Coast. Other vending of this type is not permitted. CTC reserves the right to approve other apparel vending if ET Motorgear is not present, or not able to participate.
  - c. The parties agree that the event as described in the attached exhibit is the primary event in Pascagoula for the period in question along with Gulfport’s Hardy Court and View the Cruise events. Any additional events, promotions, give away items, or marketing efforts, must be pre-approved by CTC.
  - d. All media releases, press conferences and collateral materials promoting the event must be approved in advance by CTC. The parties acknowledge that CTC is a registered trademark and any use of the CTC logo and the words "Cruisin' The Coast" must be approved by CTC.
  - e. The City will obtain such event insurance as may be available at the time of the event and will furnish CTC with a copy of any policy so obtained. CTC acknowledges, however, that the City’s liability for incidents occurring during the event is governed by the Mississippi Tort Claims Act and that the City of Pascagoula already carries \$1,000,000.00 in liability coverage through the

Municipal Services Company that will protect the City in the event of any damages or losses that might be incurred during the event and for which the City would otherwise be liable. The City of Pascagoula, however, by law, cannot agree to indemnify CTC, or to hold CTC harmless from any claims, damages, or assessments, that might arise as a result of incidents occurring during the event, except to the extent allowed by law pursuant to the Mississippi Tort Claims Act.

- f. The parties further agree that this Memorandum of Understanding constitutes the entire agreement between the parties and that any modification or alteration hereof must be agreed to in writing and approved by the respective representatives of the parties hereto.

Witness the signatures of the parties as set forth hereinbelow.

**Cruisin’ The Coast, Inc.**

**City of Pascagoula**

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name  
\_\_\_\_\_  
Title  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name  
\_\_\_\_\_  
Title  
\_\_\_\_\_  
Date

**CRUISIN’ THE COAST 2016 PROPOSAL**

**City of Pascagoula: Goula Cruise:**

- Date: Sunday, October 2, 2016
- Time: 11:30 a.m. to 5:30 p.m.
- Beach Park, Pascagoula
- Provide Cruisin’ routes through City with blocked off streets for viewing cars
  - Cruisers will be able to cruise a designated route throughout the City
  - There will also be a one-of-a-kind photo-op at the Point
- 11:30 a.m. to 5:30 p.m. – Band, DJ, and Entertainment
- Activities for children, family, friendly event
- Food and Activity Vendors
- Large giveaway will take place. Cruisers will receive goody bags and door prizes

Councilman Jackson made a motion to approve the Memorandum of Understanding between Cruisin’ the Coast and the City of Pascagoula for the 2016 Goula Cruise Event as presented, authorize the City Manager to execute the related documents, and authorize a manual check for \$5,000.00 for payment of the Cruisin’ the Coast fee. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins “AYE”. Councilmen Hill “AYE”, Jackson “AYE”, Pickett “AYE”, Simkins “AYE”, Tadlock “AYE”, and Tipton “AYE”. (Approved 1-19-16)

(A copy of the related documents is filed in the minute file of this meeting and incorporated herein by reference.)

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The next item for consideration was a request to acknowledge the closeout of the Coastal Impact Assistance Program (CIAP) Grant for the Pascagoula Sanitary Sewer Project as recommended by Jen Dearman, Community and Economic Development Director. The total authorized federal funds were \$680,000.00. The City expended all but \$7.38, and all reimbursements have been received.

Councilman Jackson made a motion to acknowledge the closeout of the Coastal Impact Assistance Program (CIAP) Grant for the Pascagoula Sanitary Sewer Project and authorize the Community and Economic Development Director to sign the final federal financial report as recommended. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

(A copy of the related documents is filed in the minute file of this meeting and incorporated herein by reference.)

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The next item for consideration was authorization of conference fees and travel expenses for the City Council to attend the National League of Cities 2016 Congressional City Conference in Washington, DC, March 5-9, 2016, as presented by Joe Huffman, City Manager.

Councilman Jackson made a motion to authorize conference fees and travel expenses for the City Council to attend the National League of Cities 2016 Congressional City Conference in Washington, DC, March 5-9, 2016, as presented. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

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The next item for consideration was a request to extend the pest control contract with OI Magnolia Pest Control, Pascagoula, MS, for one year at the same contract price of \$210.00 per month as recommended by Robin Wood, Purchasing Agent. The new contract dates will be February 6, 2016, through February 5, 2017.

Additional information is spread on the minutes as follows:

Robin Wood  
Purchasing Agent  
[rwood@cityofpascagoula.com](mailto:rwood@cityofpascagoula.com)



Phone: (228) 938-6722  
Fax: (228) 938-6749

603 Watts Avenue - P.O. Drawer 908  
Pascagoula, MS 39567 - Pascagoula, MS 39568-0908

January 13, 2016

O'l Magnolia Pest Control  
1917 Tucker Avenue  
Pascagoula, MS 39567

Re: Extension of Pest Control Contract

Dear Mr. Harrison,

The current Pest Control Contract between the City of Pascagoula and O'l Magnolia Pest Control is set to expire on February 5, 2016. We would like to extend this contract at the existing contract price of \$210.00 per month. The new contract will be effective from February 6, 2016-February 5, 2017.

If you agree to this contract extension, please respond by signing the concurrence line below and return this letter via fax or email. If you have any questions, please give me a call. Your prompt response is appreciated.

Sincerely,

CITY OF PASCAGOULA

Robin Wood  
Purchasing Agent

CONCURRENCE

O'l Magnolia Pest Control Authorized Representative, Title

1-13-16

Date

Councilman Jackson made a motion to approve the one-year extension of the pest control contract with O'l Magnolia Pest Control at the same contract price of \$210.00 per month as recommended. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

(A copy of the related documents is filed in the minute file of this meeting and incorporated herein by reference.)

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The next item for consideration was a request to authorize City employee participation in the 2016 Jackson County Heart Walk and American Heart Association Fundraising Campaign as recommended by Anne Pitre, Public Relations Specialist.

The Council then considered the following Resolution:

**RESOLUTION AUTHORIZING PARTICIPATION OF  
CITY EMPLOYEES AND USE OF CITY RESOURCES  
IN THE 2016 JACKSON COUNTY HEART WALK/AMERICAN HEART  
ASSOCIATION FUNDRAISING CAMPAIGN**

**WHEREAS**, the American Heart Association, a national charity, is in the process of organizing a fundraising campaign in the City of Pascagoula; and

**WHEREAS**, the American Heart Association, through its fundraising efforts, makes available to citizens in this community a variety of services that would otherwise not be available to them due to their economic circumstances; and

**WHEREAS**, American Heart Association, has requested that the City participate in this year's campaign to raise funds for the organization; and

**WHEREAS**, the City Council finds that the participation of its employees and use of its resources promotes a proper municipal purpose and serves as a way of advertising and bringing to favorable notice the opportunities, possibilities and resources of the City:

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

**SECTION 1.** The City Manager is authorized and directed, in his discretion, to assign personnel to assist with the fundraising efforts as requested by American Heart Association.

**SECTION 2.** The City Manager, in his discretion, is also authorized to allow the use of City resources for this effort and as a means of advertising the resources of the City for a proper municipal purpose.

**SECTION 3.** No overtime compensation shall be allowed for participation by the City staff in this effort.

**SECTION 4.** The total costs of staff time and resources devoted to the fundraising effort shall not exceed the sum of \$1,000.00.

The above Resolution was introduced by Councilman Jackson, seconded for adoption by Councilman Hill, and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". The Mayor then declared the Resolution adopted on the 19<sup>th</sup> day of January, 2016.

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The next item for consideration was a request to retroactively approve the renewal of an advertising agreement with Scranton Broadcasting Company, LLC, (WGUD), Pascagoula, MS, for filming, editing, and broadcasting Council meetings twice weekly on WGUD as recommended by Anne Pitre, Public Relations Specialist. The monthly cost is \$600.00. The contract dates are October 1, 2015, through September 30, 2016.

The agreement is spread on the minutes as follows:

**Scranton Broadcasting Company, LLC**  
 3318 Pascagoula Street – Pascagoula, MS 39567  
 Phone: 228.762.3434 – Email: sales@wgud.tv  
 www.wgud.tv



## Advertising Agreement

ADVERTISER/CLIENT: City of Pascagoula \_\_\_\_\_

ADDRESS: 603 Watts Avenue

CITY: Pascagoula \_\_\_\_\_ STATE: Ms \_\_\_\_\_ ZIP: 39567 \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

CONTACT: Joe Huffman \_\_\_\_\_ E-MAIL: \_\_\_\_\_

### Sponsorship Details :

SCHEDULE START DATE: 10/01/2015 \_\_\_\_\_ END DATE: 09/30/2016 \_\_\_\_\_  
 # OF WEEKS 52 \_\_\_\_\_

PROGRAM(S) / PACKAGE: \_\_\_\_\_  
 City of Pascagoula City Council Meetings 1st and 3rd Tuesday  
 Filming, Editing and Broadcasting  
 Broadcast Times Every Wednesday 7:30 p.m. and Every Friday 7:00 A.M.

### Payment Method :

\_\_\_\_\_ CASH \_\_\_\_\_ MONEY ORDER XX CHECK \_\_\_\_\_ CREDIT CARD \_\_\_\_\_ OTHER \_\_\_\_\_

MONTHLYCOST \$ 600.00 \_\_\_\_\_ TOTAL ORDER \$ 7200.00 \_\_\_\_\_

**PLEASE NOTE:** Scranton Broadcasting Company, LLC agrees to provide air time to the above advertiser for the terms and compensation as specified herein, guaranteed for the term of this agreement only. Any commercials produced by WGUD may not be used on any other TV Station unless the production is paid in full. Some of WGUD's packages include a FREE commercial production. The client will have the right of use of their commercial once the advertising agreement is fulfilled. Client agrees to allow WGUD to use their name and/or commercial for promotional use. In order to cancel an existing contract, the client must e-mail: sales@wgud.tv with a two week notice. The two weeks allows time for WGUD to completely remove any and all advertising from MeTV Network programming, social media, WGUD's website and any pre-recorded programming produced by WGUD-Television. Any cancellation will result in the charge of any and all commercial production charges that may have been waived to consummate this advertising agreement. The price that WGUD charges for a 30 second commercial is \$500 and the price for a 60 second commercial is \$900. The production cost must be paid no later than the date of cancellation. Confidentiality – neither party is authorized to share details of this contract, including specific advertising rates, without express written consent of the other party.

*I have read, understand and agree with every provision of this contact and by my signature, hereby certify that I accept and agree to abide by them and that I am competent and legally qualified to enter into such a contract.*

\_\_\_\_\_  
 ACCOUNT EXECUTIVE

\_\_\_\_\_  
 DATE:

\_\_\_\_\_  
 ADVERTISER/CLIENT SIGNATURE

\_\_\_\_\_  
 DATE:

Councilman Jackson made a motion to retroactively approve the renewal of an advertising agreement with Scranton Broadcasting Company, LLC, (WGUD) for filming, editing, and broadcasting the City Council meetings as recommended and authorize the City Manager to execute the related documents. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

(A copy of the related documents is filed in the minute file of this meeting and incorporated herein by reference.)

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Next for consideration was a request to approve postage funds of \$3,000.00 for the direct debit/postage-on-call meter setting service with Neo-Post for City Hall as recommended by Brenda Reed, Asst. City Clerk.

Councilman Jackson made a motion to approve postage funds of \$3,000.00 for the direct debit/postage-on-call meter setting service with Neo-Post for City Hall as recommended. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

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Next for consideration was an engagement letter from Wolfe, McDuff & Oppie, CPAs, Pascagoula, MS, for audit services for fiscal year ending September 30, 2015, as recommended by Bobby Parker, City Clerk/Comptroller. The fee for this engagement represents a \$2,000.00 (3.6%) increase over the previous year. Mr. Parker advised this is the first increase since the FY2011 engagement.

The engagement letter is spread on the minutes as follows:



**Wolfe • McDuff & Oppie**  
CERTIFIED PUBLIC ACCOUNTANTS  
(A Professional Association)

Michelle Oppie Gist, CPA

K. Jessica Mavromihalis, CPA  
Jesse J. Wolfe, CPA (1927-2009)  
Grover B. McDuff, CPA (Retired)  
Jack A. Oppie, CPA (1960-2014)

3103 Pascagoula Street • Pascagoula, MS 39567 • Phone: 228-762-6348 • Fax: 228-762-4498 • www.wmocpas.com

September 9, 2015

To the Honorable Mayor and City Council  
The City of Pascagoula, Mississippi  
Pascagoula, Mississippi 39567

We are pleased to confirm our understanding of the services we are to provide the City of Pascagoula, Mississippi for the year ended September 30, 2015. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the City of Pascagoula, Mississippi as of and for the year ended September 30, 2015. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Pascagoula, Mississippi 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. As part of our engagement, we will apply certain limited procedures to the City of Pascagoula, Mississippi RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison Schedule
- 3) Employee Retirement System – Schedule of Funding Progress

We have also been engaged to report on supplementary information other than RSI that accompanies the City of Pascagoula, Mississippi's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

- 1) Schedule of expenditures of federal awards.

*Membership in:*  
American Institute of Certified Public Accountants • Mississippi Society of Certified Public Accountants • AICPA Private Companies Practice Section  
AICPA Governmental Audit Quality Center • AICPA Center for Audit Quality • AICPA Employee Benefit Plan Audit Quality Center



The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

1) Schedule of Surety Bonds of Municipal Officers

**Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to Management and City Council of the City of Pascagoula, Mississippi. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

**Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or

governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Pascagoula, Mississippi's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective

of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Pascagoula, Mississippi's major programs. The purpose of these procedures will be to express an opinion on the City of Pascagoula, Mississippi's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

#### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City of Pascagoula, Mississippi in conformity with U.S. generally accepted accounting principles and OMB Circular A-133 based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

#### **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and

grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review on April 1, 2016.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Wolfe, McDuff & Oppie, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State Auditor's Office or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Wolfe, McDuff & Oppie, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the State Auditor's Office. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately April 1, 2016. Michelle Oppie Gist, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$57,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our

firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the City of Pascagoula, Mississippi and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Wolfe, McDuff & Oppie, P.A.

RESPONSE:

This letter correctly sets forth the understanding of the City of Pascagoula, Mississippi.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Councilman Jackson made a motion to approve the engagement letter from Wolfe, McDuff & Oppie, CPAs, for audit services for fiscal year ending September 30, 2015, as recommended and authorize the City Manager to execute the related documents. The motion was seconded by Councilman Hill and received the following vote: Mayor Blevins "AYE", Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

(A copy of the related documents is filed in the minute file of this meeting and incorporated herein by reference.)

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**The following new business items were considered at this time:**

The first item was a request to advertise the resources of the City through the Jackson County Historical and Genealogical Society with LaPointe-Krebs Foundation for the Fete LaPointe 2016 Gala in the amount of \$2,500.00 as recommended by Eddie Williams, City Attorney. The event will be held on April 1, 2016.

Councilman Hill made a motion to approve advertising the resources of the City through the Jackson County Historical and Genealogical Society with LaPointe-Krebs Foundation for the Fete LaPointe 2016 Gala in the amount of \$2,500.00 as recommended. The motion was seconded by Councilman Tipton and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

(A copy of the related documents is filed in the minute file of this meeting and incorporated herein by reference.)

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The next item for consideration was the Order for the docket of claims for January 19, 2016, as follows:

**ORDER**

**WHEREAS**, the attached docket of claims for the period of December 31, 2015, through January 15, 2016, has been presented to the City Council for allowance and approval;

**WHEREAS**, the below claim numbers 12-04-01, 12-18-02, 12-30-03 and 12-04 have also been presented to the City Council for allowance and approval:

<u>December 4, 2015</u>		<u>Claim # 12-04-01</u>
010	General Fund	\$ 492,066.97
400	Pascagoula Utilities	23,293.61
480	Solid Waste Mgmt.	<u>453.60</u>
	Total	<u>\$ 515,814.18</u>

<u>December 18, 2015</u>		<u>Claim 12-18-02</u>
010	General Fund	\$ 481,465.69
400	Pascagoula Utilities	23,974.84
480	Solid Waste Mgmt.	<u>226.81</u>
	Total	<u>\$ 505,667.34</u>

<u>December 30, 2015</u>		<u>Claim 12-30-03</u>
010	General Fund	\$ 498,414.10
400	Pascagoula Utilities	23,825.93
480	Solid Waste Mgmt.	<u>396.91</u>
	Total	<u>\$ 522,636.94</u>

<u>Miscellaneous Claim</u>		<u>Claim #12-04</u>
1000	City Share FICA	\$ 74,759.79
1100	City Share Medicare	17,702.33
7000	City Share PERS	<u>194,763.54</u>
	Total	<u>\$ 287,225.66</u>

**WHEREAS**, it appears that all of said claims are proper and should be allowed;

**NOW, THEREFORE, IT IS ORDERED** that all claims shown on said dockets are hereby allowed and approved for payment.

The above Order was introduced by Councilman Jackson, seconded for adoption by Councilman Tadlock, and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". The Mayor then declared the Order adopted on the 19th day of January, 2016.

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Joe Stout, Coastal Clothing Company, Pascagoula, MS, addressed the Council and requested a waiver of Sections 75-65-1 through 75-65-17, Mississippi Code Annotated of 1972, regarding a going out of business sale. Mr. Stout stated he was advised today that a permit for having such a sale was required prior to the start of the sale; however, the governing authorities of the municipality are authorized to waive the entire provisions of Sections 75-65-1 through 75-65-17. The owners were not aware of this permit requirement. The sale started today with a final sale date scheduled for February 29, 2016. Mr. Stout advised the Brumfield and Stout families have been in business for 98 years in the downtown area in the retail clothing business. Several members of the Council expressed appreciation for their hard work and dedication with their business and encouraged them to stay involved in the community. The Council wished them the best in the future.

After comments, Councilman Tadlock made a motion to approve a waiver of Sections 75-65-1 through 75-65-17, Mississippi Code Annotated of 1972, as requested by Joe Stout for Coastal Clothing Company. The motion was seconded by Councilwoman Simkins and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

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Next for consideration was a Resolution requesting the Legislature to amend the Jackson County Utility Authority Board of Directors statute to provide parity with other coastal Utility Authorities similarly situated and provide more oversight of the JCUA activities as presented by Eddie Williams, City Attorney. A lengthy discussion followed.

The Resolution is spread on the minutes as follows:

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASCAGOULA REQUESTING CERTAIN AMENDMENTS TO SECTION 49-17-733 OF THE MISSISSIPPI CODE, BOARD OF DIRECTORS FOR THE JACKSON COUNTY UTILITY AUTHORITY, TO PROVIDE PARITY WITH OTHER COASTAL UTILITY AUTHORITIES SIMILARLY SITUATED AND TO PROVIDE MORE EFFECTIVE OVERSIGHT BY THE CITIES AND THE COUNTY SUBJECT TO THE AUTHORITY'S JURISDICTION.**

**WHEREAS**, pursuant to Section 49-17-731 of the Mississippi Code, the Jackson County Utility Authority (JCUA) was created from the remnants of the former Mississippi Gulf Coast Regional Wastewater Authority, effective thirty (30) days after April 18, 2006; and

**WHEREAS**, there were created simultaneously therewith certain Utility Authorities in Hancock, Harrison, Stone and Pearl River counties, with each Authority having a designated Board of Directors; and

**WHEREAS**, the Board of Directors for the JCUA was duly constituted pursuant to Section 49-17-733 of the Mississippi Code, with each City in Jackson County having one appointee and the County having three appointees; and

**WHEREAS**, there are significant differences existing among the various Utility Authority Boards regarding the makeup, constitution, terms and powers of the Boards of Directors, resulting in a situation in Jackson County that places the Cities and the County at a distinct disadvantage with respect to control and oversight of the JCUA functions and activities; and

**WHEREAS**, because of these differences, the JCUA as presently constituted, has essentially no checks and balances on its activities resulting in the Cities and the County being placed at a significant and untenable disadvantage due to extraordinary cost increases in the operation of the JCUA over the past several years, which increases must be borne by the participating governmental entities and ultimately by individual taxpayers who have little or no voice in the manner in which the JCUA operates; and

**WHEREAS**, the City Council of the City of Pascagoula wishes to go on record requesting that the Mississippi Legislature enact certain amendments to Section 49-17-733 of the Mississippi Codes so as to bring the JCUA into parity with the other authorities similarly situated in the Mississippi Gulf Coast Region:

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

**SECTION 1.** That the Legislature amend Section 49-17-733 of the Mississippi Code in the following particulars:

- a. Amend Subsection (3)(a) to shorten the terms of office for Directors from six (6) to four (4) years and provide that the Directors serve at the will and pleasure of the appointing authorities.
- b. Delete Subsection (3)(b) prohibiting elected officials from serving on the Board of Directors.
- c. Provide for the termination of the existing terms of the present Directors and the commencement of the new four-year terms.
- d. Provide that a quorum shall consist of a majority of the seven (7) member Board and that four (4) affirmative votes of the majority of the Board shall be required to pass any initiatives, other than bond issues, capital improvements, or rate increases, which will require the unanimous consent of all members of the Board for passage.

**SECTION 2.** That the City Clerk is ordered and directed to cause a certified copy of this Resolution to be sent to the Legislative Delegation for the City of Pascagoula and Jackson County, the Governor, Lieutenant Governor and Speaker of the House of Representatives.

The above Resolution was introduced by Councilwoman Simkins, seconded for adoption by Councilman Pickett, and received the following vote: Mayor Blevins "NAY". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Tadlock "AYE", and Tipton "AYE". The Mayor then declared the Resolution adopted on the 19<sup>th</sup> day of January, 2016.

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The next item for consideration was a Retention Agreement with Capitol Resources, LLC, Jackson, MS, as recommended by Councilwoman Brenda Simkins. This company has proposed to represent the City of Pascagoula, along with other jurisdictions in Jackson County,

and provide its full scope of public affairs and government relations services to advance the legislative priorities of the community. Their staff will also work to ensure that Pascagoula is being treated equitably and fairly regarding matters related to the Jackson County Utility Authority. Eddie Williams, City Attorney, advised three other municipalities are also considering this Retention Agreement at their meetings tonight.

The Retention Agreement is spread on the minutes as follows:



200 North Congress Street, Suite 500, Jackson, Mississippi 39201

January 15, 2016

Eddie C. Williams  
ewilliams@cityofpascagoula.com

Dear Mr. Williams:

Thank you for the opportunity to represent the City of Pascagoula and provide our full scope public affairs and government relations services to advance the legislative priorities of your community. We understand that Pascagoula and other jurisdictions in Jackson County are seeking to be treated equitably and fairly by the Jackson County Utility Authority (JCUA). We will work to craft a solution that gives the citizens of Pascagoula transparency, accountability and a fair voice on par with those experienced by citizens in neighboring communities on the Gulf Coast.

Capitol Resources®, LLC ("Capitol Resources") is a successful multi-state government relations firm that offers a full range of lobbying and public affairs services to a diverse array of clients. We have offices and excellent lobbying teams in Mississippi, Louisiana, Alabama, Florida, Georgia, Tennessee, Texas, West Virginia and Washington, D.C. Our Mississippi team is excited to work with you and support your government relations and issues management initiatives. For more information, visit our website: <http://capitolresourcesllc.com>.

We propose in this letter of engagement to represent the City of Pascagoula at a retainer fee of Thirty Thousand Dollars (\$30,000.00) per year, payable in pro-rated monthly installments of Two Thousand Five Hundred Dollars (\$2,500) per month, for the minimum engagement of twelve (12) months, beginning January 20, 2016. This fee includes the consulting, government relations and issues management services routinely provided by Capitol Resources, to manage and implement your objectives. It is our understanding that the fee does not include any extraordinary expenses such as entertainment or travel, and that we will seek approval by the City of Pascagoula prior to incurring any of these types of expenses.

Capitol Resources will comply with all laws, rules and regulations applicable to its activities related to this Agreement and its performance hereunder, including but not limited to any and all registration, reporting and other applicable requirements. Capitol Resources will maintain the confidentiality of all trade secrets and non-public information and documents related to this Agreement.

Telephone 601-948-6020 Fax 601-948-1506

If this letter of engagement meets your approval, please indicate your acceptance of the terms by countersigning the enclosed copy of this letter. If you should have any questions, please do not hesitate to call me at (601) 948-6020. Once again, thank you very much for the opportunity to work with you.

Sincerely,

*Clare Hester*

Clare Hester, Founding Partner  
Capitol Resources®, LLC

On behalf of the City of Pascagoula, I accept the terms set forth in this letter.

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

After a lengthy discussion, Councilman Tadlock made a motion to approve the Retention Agreement dated January 15, 2016, with Capitol Resources, LLC, as recommended, contingent upon its approval by the other jurisdictions in Jackson County. The motion was seconded by Councilman Jackson and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE". (Approved 1-19-16)

(A copy of the related documents is filed in the minute file of this meeting and incorporated herein by reference.)

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Councilman Hill advised that a lunch plate benefit will be held on Saturday, January 23, 2016, at the Pascagoula Country Club to assist Terri Scott and Matt Oliver with medical expenses. He encouraged everyone to support these individuals.

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There being no further business to come before the Council at this time, Councilman Hill made a motion to adjourn. The motion was seconded by Councilman Jackson and received the following vote: Mayor Blevins "AYE". Councilmen Hill "AYE", Jackson "AYE", Pickett "AYE", Simkins "AYE", Tadlock "AYE", and Tipton "AYE".

The meeting ended at 7:04 p.m.

APPROVED:

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Harry J. Blevins, Mayor

ATTEST:

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Brenda J. Reed, Asst. City Clerk