

BE IT REMEMBERED THAT THERE WAS BEGUN AND HELD THE REGULAR MEETING OF THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF PETAL, MISSISSIPPI AT 7:00 P.M. JANUARY 7, 1992 IN THE BOARD ROOM OF SAID CITY.

THOSE PRESENT	MAYOR JACK GAY, JR.
CITY ATTORNEY	THOMAS W TYNER
ALDERMEN	REUBEN CLEPPER JERRY CROWE DONALD H ROWELL BOBBY RUNNELS LEROY SCOTT
OTHERS PRESENT	REV AND MRS W A FORDHAM BETTIE LOTT DAVID CRENSHAW BRANT CEDOTAL WILLOUGHBY WRIGHT AND OTHERS

THE INVOCATION WAS OFFERED BY REVEREND FORDHAM.

THE PLEDGE OF ALLEGIANCE WAS RECITED.

WHEREAS, ALDERMAN ROWELL MADE A MOTION THAT THE MINUTES OF DECEMBER 17, 1991 BE ACCEPTED AS WRITTEN. ALDERMAN CLEPPER SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY CALLED FOR PUBLIC COMMENT.

THEREUPON, BETTIE LOTT OF 409 W FIRST AVENUE ADDRESSED THE BOARD CONCERNING HER NEIGHBORHOOD. MS. LOTT STATED THAT BECAUSE OF A FEDERAL REGULATION BANKS WILL NOT LOAN MONEY ON HOUSES IN HER AREA OF TOWN BECAUSE THEY ARE TOO CLOSE TO THE RAILROAD TRACKS AND TRAINS ARE CARRYING HAZARDOUS WASTE WHICH POSE A DANGER TO THE NEIGHBORHOOD. THEREFORE, MS. LOTT STATED THAT MOST OF THE HOUSES, BECAUSE THEY CANNOT BE SOLD, ARE BECOMING RENTAL PROPERTY AND THESE HOMES ARE BECOMING RUNDOWN AND UNKEPT.

THEREUPON, MAYOR GAY STATED THAT HE WILL ASK DAN TOLBERT, THE CITY ZONING ADMINISTRATOR, TO REVIEW THIS AREA OF TOWN FOR VIOLATIONS OF THE CITY ORDINANCES, WHICH WOULD REQUIRE THE REMOVAL OF JUNK CARS AND HEALTH HAZARDS AND IF MS. LOTT WOULD CONTACT AREA RESIDENTS WITH LIKE CONCERNS, THE BOARD WOULD LIKE TO MEET WITH THESE CITIZENS.

WHEREAS, DAVID CRENSHAW ADDRESSED THE BOARD CONCERNING THE REIMBURSEMENT OF AN ATTORNEY FEE WHICH HE INCURRED WHILE GETTING A SITUATION STRAIGHT THAT INVOLVED THE ARREST OF A MAN, WHO POSED AS MR CRENSHAW AND USED HIS LICENSE NUMBER, THEREFORE CAUSING MR CRENSHAW'S DRIVER'S LICENSE TO BE SUSPENDED. MR CRENSHAW CONTENDED THAT THE POLICEMAN COULD HAVE PREVENTED THE SITUATION, THEREFORE THE CITY SHOULD REIMBURSE HIM THE \$250.00 FEE.

THEREUPON, AFTER LENGTHY DISCUSSION, ALDERMAN SCOTT MADE A MOTION TO TAKE THIS UNDER ADVISEMENT UNTIL THE NEXT BOARD MEETING IN JANUARY. ALDERMAN CROWE SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, THE HOUR OF 7:00 P.M. HAVING ARRIVED, THE MAYOR AND BOARD OF ALDERMEN PROCEEDED TO PUBLICLY OPEN AND READ THE SEALED PROPOSAL RECEIVED FOR THE PROFESSIONAL SERVICES FOR THE 1991 RENTAL REHAB PROGRAM. THE PROPOSAL READ AS FOLLOWS TO WIT:

NEEL-SCHAFFER, INC.  
P O BOX 982  
HATTIESBURG, MS. 39403-0982

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO ACCEPT NEEL-SCHAFFER, INC. PROPOSAL AS IT WAS THE ONLY PROPOSAL RECEIVED, EVEN AFTER THE CITY ACTIVELY SOLICITED OTHER PROPOSALS. ALDERMAN RUNNELS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

THOSE PRESENT AND ABSTAINING:

ALDERMAN JERRY CROWE

WHEREAS, FIRE CHIEF AUBRA EVANS REQUESTED PERMISSION TO PURCHASE A MOTOROLA MTX-8205 H25JKH51B5-N 800 MHZ RADIO AND A NMN6156 REMOTE SPEAKER/MIC FROM THE EMERGENCY MANAGEMENT DISTRICT AT A COST BELOW THE STATE CONTRACT PRICE FOR THE SAME ITEM.

	EMER MGT COST	STATE CONT COST
MTX-8205 H25JKH51B5-N 800 MHZ RADIO	1,282.50	1,325.25
NMN6156 REMOTE SPEAKER/MIC	72.00	76.00

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO AUTHORIZE THE PURCHASE OF THE MOTOROLA RADIO AND SPEAKER, UPON VERIFICATION OF THE STATE CONTRACT PRICE. ALDERMAN SCOTT SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, POLICE CHIEF WAYNE MURPHY REQUESTED PERMISSION TO ORDER ONE (1) NEW 1992 FORD CROWN VICTORIA WITH THE POLICE PACKAGE AT THE STATE CONTRACT PRICE OF \$13,395.00.

THEREUPON, ALDERMAN RUNNELS MADE A MOTION TO AUTHORIZE THE PURCHASE OF ONE (1) 1992 FORD CROWN VICTORIA WITH POLICE PACKAGE FROM EAST FORD IN JACKSON AT THE STATE CONTRACT PRICE OF \$13,395.00. ALDERMAN ROWELL SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A PLAQUE TO REVEREND W A FORDHAM RECOGNIZING HIM FOR 30 YEARS OF DEDICATED SERVICE AND LEADERSHIP IN PETAL WHILE SERVING AS PASTOR OF THE FIRST BAPTIST CHURCH OF PETAL.

WHEREAS, MAYOR GAY STATED THAT ROBERT KING WOULD LIKE TO ADDRESS THE BOARD BUT HAD ARRIVED TOO LATE FOR THE PUBLIC COMMENT PORTION OF THE AGENDA.

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO SUSPEND THE RULES AND ALLOW MR KING TO SPEAK AS PART OF PUBLIC COMMENT ON THE AGENDA.

THEREUPON, MR KING STATED THAT HE HAS SERVICED SOME OF THE CITY VEHICLES IN THE PAST AND WOULD LIKE TO HELP THE CITY DEPARTMENT SET UP A SCHEDULE OF PREVENTATIVE MAINTENANCE FOR THE CITY VEHICLES.

THEREUPON, MAYOR GAY STATED THAT THE BOARD WOULD CONSIDER HIS PROPOSAL.

WHEREAS, MAYOR GAY PRESENTED THE FOLLOWING APPLICATION FOR TAX BENEFITS FROM BRANT CEDOTAL D/B/A HUB CITY BRUSH COMPANY.

SEE EXHIBIT "A"

APPLICATION FOR TAX BENEFITS  
BRANT CEDOTAL D/B/A/ HUB CITY BRUSH COMPANY

THEREUPON, ALDERMAN RUNNELS MADE A MOTION TO ADOPT THE FOLLOWING RESOLUTION GRANTING EXEMPTION FROM AD VALOREM TAXES TO BRANT CEDOTOAL D/B/A/ HUB CITY BRUSH COMPANY. ALDERMAN SCOTT SECONDED THE MOTION.

SEE EXHIBIT "B"

RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PETAL,  
FORREST COUNTY, MISSISSIPPI GRANTING EXEMPTION FROM  
AD VALOREM TAXES

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

THOSE PRESENT AND ABSTAINING:

ALDERMAN DONALD H ROWELL

WHEREAS, ALDERMAN JERRY CROWE MADE A MOTION TO SEND A LETTER TO THE FORREST COUNTY BOARD OF SUPERVISORS REQUESTING THAT THEY NOTIFY THE CITY PRIOR TO AUTHORIZING ANY TAX EXEMPTIONS WITHIN THE CITY LIMITS. ALDERMAN RUNNELS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, WILLOUGHBY C. WRIGHT, CPA, PRESENTED THE CITY'S AUDIT REPORT FOR THE FISCAL YEAR 1990-91 TO THE BOARD. THE REPORT WAS AS FOLLOWS:

SEE EXHIBIT "C"

CITY OF PETAL AUDIT REPORT  
1990-91

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO ACCEPT THE AUDIT REPORT AND TO AUTHORIZE THE CITY CLERK TO PUBLISH THE PUBLIC NOTICE. ALDERMAN CROWE SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED ESTIMATE # 5 FOR \$34,269.79 TO CARTER MULLINGS, INC. FOR THE SANITARY SEWER IMPROVEMENTS.

THEREUPON, ALDERMAN RUNNELS MADE A MOTION TO AUTHORIZE THE PAYMENT OF ESTIMATE # 5 IN THE AMOUNT OF \$34,269.79 TO CARTER MULLINGS, INC. ALDERMAN CLEPPER SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED CLAIMS #19467-19775 OF THE CITY OF PETAL GENERAL FUNDS AND THE PETAL WATER AND SEWER FUNDS.

THEREUPON, ALDERMAN RUNNELS MADE A MOTION TO PAY CLAIMS #19467-19775 OF THE CITY OF PETAL GENERAL FUNDS AND THE PETAL WATER AND SEWER FUNDS.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED THE STATEMENT FROM FORREST COUNTY FOR THE DECEMBER LANDFILL FEES IN THE AMOUNT OF \$3,000.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO PAY THE \$3,000 TO FORREST COUNTY FOR THE DECEMBER LANDFILL FEE UNDER PROTEST. ALDERMAN RUNNELS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

THOSE PRESENT AND ABSTAINING:

ALDERMAN DONALD H ROWELL

WHEREAS, MAYOR GAY STATED THAT HE HAD RECEIVED THE 1991 RENTAL REHAB GRANT AGREEMENT ON SUBGRANT R-91-SG-28-0103 ON DECEMBER 27, 1991 AND IT HAD TO BE BACK IN TO THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT BY JANUARY 3, 1992, THEREFORE HE HAD EXECUTED THE AGREEMENT AND RETURNED IT BY THE DEADLINE.

SEE EXHIBIT "D"

1991 RENTAL REHAB GRANT AGREEMENT  
ON SUBGRANT R-91-SG-28-0103

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO CONCUR WITH THE MAYOR'S DECISION AND APPROVE THE EXECUTION OF THE AGREEMENT FOR THE 1991 RENTAL REHAB PROGRAM. ALDERMAN CLEPPER SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A REQUEST FOR THE CITY TO PURCHASE ADVERTISING IN CONJUNCTION WITH THE PETAL SCHOOL DISTRICT IN THE HATTIESBURG AMERICAN 1992 ANNUAL REPORT.

THEREUPON, ALDERMAN SCOTT MADE A MOTION THAT THE CITY AND SCHOOL PURCHASE A ONE-HALF PAGE AD, SHARING THE COST OF \$485.00 EQUALLY AND SHARING THE PURCHASED SPACE EQUALLY. ALDERMAN CROWE SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A TRAVEL REQUEST FROM CHIEF MURPHY TO ATTEND THE NATIONAL SHERIFF'S ASSOCIATION SEMINAR ON LIABILITY, TRAINING AND RISK MANAGEMENT ON JANUARY 15, 1992 IN BILOXI, MISSISSIPPI.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO AUTHORIZE THE CHIEF TO ATTEND THE SEMINAR AND PAY HIS EXPENSES. ALDERMAN RUNNELS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A TRAVEL REQUEST FROM CHIEF MURPHY TO SEND KEN BULLOCK TO THE ASP INSTRUCTOR CERTIFICATION PROGRAM AT THE MISSISSIPPI LAW ENFORCEMENT ACADEMY APRIL 6-7, 1992.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO AUTHORIZE PATROLMAN BULLOCK TO ATTEND THE ASP INSTRUCTOR CERTIFICATION PROGRAM AND TO PAY HIS EXPENSES. ALDERMAN RUNNELS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

WHEREAS, MAYOR GAY PRESENTED A TRAVEL REQUEST TO ATTEND THE MIDC/MACCE CONFERENCE IN JACKSON, MS ON FEBRUARY 13-14, 1992.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO AUTHORIZE THE MAYOR TO ATTEND THE MIDC/MACCE CONFERENCE IN JACKSON ON FEBRUARY 13-14, 1992 AND TO PAY THE EXPENSES. ALDERMAN RUNNELS SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE



WHEREAS, MAYOR GAY PRESENTED A SANITARY SEWER EASEMENT FROM PATRICIA GAMBLE.

THEREUPON, ALDERMAN SCOTT MADE A MOTION TO ACCEPT THE EASEMENT FROM MRS. GAMBLE AND TO PAY HER THE \$10.00 FOR THE EASEMENT. ALDERMAN ROWELL SECONDED THE MOTION.

THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

THEREUPON, ALDERMAN CLEPPER MADE A MOTION TO ADJOURN. ALDERMAN ROWELL SECONDED THE MOTION.

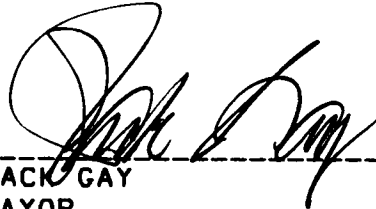
THOSE PRESENT AND VOTING "AYE":

ALDERMAN REUBEN CLEPPER  
ALDERMAN JERRY CROWE  
ALDERMAN DONALD H ROWELL  
ALDERMAN BOBBY RUNNELS  
ALDERMAN LEROY SCOTT

THOSE PRESENT AND VOTING "NAY":

NONE

THEREBEING NO FURTHER BUSINESS THE REGULAR MEETING OF THE MAYOR AND BOARD OF ALDERMEN WAS ADJOURNED ON THIS THE 7TH DAY OF JANUARY, A.D., 1992.



-----  
JACK GAY  
MAYOR

(SEAL)

ATTEST:



-----  
PRISCILLA C. DANIEL  
CITY CLERK



EXHIBIT "A"

APPLICATION FOR TAX BENEFITS

APPLICATION OF BRANT CEDOTAL d/b/a  
HUB CITY BRUSH COMPANY FOR EXEMPTION  
FROM AD VALOREM TAXES AUTHORIZED BY  
§ 27-31-101, et seq., OF THE MISSISSIPPI  
CODE OF 1972, AS AMENDED

TO THE MAYOR & BOARD OF ALDERMEN OF THE CITY OF PETAL,  
MISSISSIPPI

1. BRANT CEDOTAL d/b/a HUB CITY BRUSH COMPANY files this, his Application in triplicate for exemption from Ad Valorem taxation, and respectfully represents unto this Honorable Body a follows:

2. Applicant, BRANT CEDOTAL d/b/a HUB CITY BRUSH COMPANY, is a sole proprietorship and is domiciled in Forrest County, Mississippi.

3. Applicant is now operating as a brush head, wood implement and utensil manufacturer within Petal, Forrest County, Mississippi, which factory is a bona fide enterprise of public utility within the meaning of § 27-31-101, et seq., and related sections of the Mississippi Code of 1972, as amended, and previously having been granted certain exemptions in accord with the enumeration therein of:

(A) 11 factories for making furniture, springs, fixtures, utensils, machines or implements of either wood or metal, or other materials, for use in homes, hotels, schools or offices; herein seeks in like manner, the exemption from taxation of certain tangible properties constructed and being used in connection with necessary to the operation of such enterprise, within the purview of § 27-31-105, Mississippi Code Annotated (1972), as amended, the instant exemption herein being wholly without a renovation or replacement of any existing building, machinery, equipment or other type property, whether real or personal.

The applicant herein seeks, in like manner, the exemption from taxation of certain additions to or expansions of the said facilities or properties, such being used in connection with or necessary to the operation of such enterprise, within the purview of § 27-31-105, Miss. Code Ann. (1972), as amended, the instant exemption herein sought being wholly exclusive of renovation or replacement of any existing building, machinery, equipment or other type property, whether real or personal;

4. The said additions or expansions were in service or completed upon the respective dates set forth in Exhibit "A" hereto within the meaning of the applicable statutes of the State of Mississippi, and, therefore, the exemptions herein claimed should commence upon those said dates.

5. The additions and expansions enabled the employment of approximately two (2) additional persons.

6. The said exemptions upon the tangible property described in Exhibit "A" should be granted respectively for consecutive periods of less than five (5) years from said dates of completion, not to exceed ten (10) years;

7. The true value of all property to be subject to exemption is Ninety Thousand and Four Hundred Thirty and no/100 Dollars (\$90,430.00), as shown in an itemized list attached hereto as Exhibit "A" and made a part hereof.

PRAYER

WHEREFORE, Applicant prays that this Honorable Body enter a finding that Applicant's additions or expansions contained within this application are not by way of renovation or replacement of either real or personal property, and that the same were completed upon the respective dates as shown on Exhibit "A" hereto within the purview of the applicable laws of Mississippi; and

That Applicant be granted exemptions from Ad Valorem taxation, except state and school district Ad Valorem taxation, as provided by law for the real property described in Exhibit "A" hereto for a period of five (5) years less one (1) day, commencing on the 15th day of January, 1991, and ending on the 14th day of January 1996; and for a consecutive period for five (5) years less one (1) day commencing on the 14th day of January, 1996 and ending on the 13th day of January, 2001 as aforesaid;

For the personal property described in Exhibit "A" hereto for a period of five (5) years less one (1) day commencing on the 28th day of March, 1991 and ending on the 28th day of

EXHIBIT "A"

less one (1) day commencing on the 28th day of February, 1996 and ending on the 27th day of February, 2001 as aforesaid.

That this Honorable Body approve this Application by an Order or Resolution spread upon its minutes, declaring that such property is exempt from all Ad Valorem taxation, except state and school Ad Valorem taxation, for the periods set forth respectively, and forward the original and one certified copy of this Application and a certified transcript of such approval to the Mississippi State Tax Commission, and upon approval of such Application by the said Mississippi State Tax Commission and certification of its approval, entry of a final Order upon the minutes of this Honorable Body, granting the exemptions herein sought.

Respectfully submitted, upon this the 4th day of December, 1991.

Brant Cedotal  
BRANT CEDOTAL

STATE OF MISSISSIPPI  
COUNTY OF

I, the undersigned, a Notary Public in and for the aforesaid jurisdiction, hereby certify that BRANT CEDOTAL, whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that he, being informed of the contents of the said instrument executed the same voluntarily and certified the representations to be true and accurate.

GIVEN UNDER MY HAND and official seal this the 4th day of December, 1991.

Peta Devine Aultman  
NOTARY PUBLIC

MY COMMISSION EXPIRES:

My Commission Expires Oct. 7, 1997

EXHIBIT "A"

PERSONAL PROPERTY

Personal property assets added to Hub City Brush Company's plant in service as of the 1st day of March, 1991.

<u>DESCRIPTION</u>	<u>VALUE</u>
One (1) Carlson 17 brush machine	\$45,430.00

REAL PROPERTY

Real Property assets added to Hub City Brush Company's plant completed as of the 15th day of January, 1991.

Addition to Building	\$45,000.00
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TOTAL OF REAL AND PERSONAL PROPERTY	\$90,430.00
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EXHIBIT "B"

RESOLUTION OF THE BOARD OF ALDERMEN  
OF THE CITY OF PETAL, FORREST COUNTY, MISSISSIPPI  
GRANTING EXEMPTION FROM AD VALOREM TAXES

The BOARD next took up for consideration the matter of granting tax exemption from Ad Valorem taxes for Brant Cedotal d/b/a Hub City Brush Company; and the following Resolution, having first been reduced to writing, was introduced:

Resolution of the BOARD OF ALDERMEN of the City of Petal, Forrest County, Mississippi, granting tax exemption from Ad Valorem taxes for a period of five (5) years to Brant Cedotal d/b/a Hub City Brush Company, authorized by Section 27-31-101, et seq., of the Mississippi code of 1972, as amended.

WHEREAS, Brant Cedotal, d/b/a, Hub City Brush Company, filed in triplicate with this Board its Application for exemption from ad valorem taxation; and

WHEREAS, Brant Cedotal, d/b/a Hub City Brush Company, has produced written verification and documentation to this BOARD as to the authenticity and correctness of its Application in regards to the true value of the prayed for exemption, the completion date of said enterprise, and that the prayed for exemption does not constitute a renovation or replacement of reality or personality in whole or in part.

WHEREAS, this Board finds as a fact that the property described in the aforesaid Application constitutes an industrial enterprise of public utility which was completed on the 15th day of January, 1991, and that said be entitled to the exemption sought for a period of five (5) years, beginning on the 15th day of

EXHIBIT "B"

January, 1991, with extensions of the exemptions not to exceed ten (10) years, subject to approval and certification by the Mississippi State Tax Commission.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the City of Petal, Forrest County, Mississippi as follows:

1. That the Application for Ad Valorem tax exemption by Hub City Brush Company, for a period of five (5) years, beginning January 15, 1991, with extensions of the exemptions not to exceed ten (10) years, on the property described in the Application filed by said Company for tax exemption, be and the same is hereby approved, subject to approval and certification by the Mississippi Board of Economic Development.

2. That Hub City Brush Company, is hereby granted tax exemption of Ad Valorem taxes, except State and School District Ad Valorem taxation, for a period of five (5) years, beginning January 15, 1991, with extensions of the exemptions not to exceed ten (10) years.

3. That the Clerk of this Board be, and he is hereby directed to spread a copy of this Order on the Minutes of this Board; and that said Clerk shall forward the original and one (1) certified copy of this Application and a certified copy of the transcript of this Order approving said Application to the Mississippi State Tax Commission for its approval and certification; and said Clerk shall also forward one certified copy to the Tax Assessor stating that both the real and personal property, as itemized in the Application has been placed on the appropriate tax roll as "Non-Taxable", except for State and School District Ad Valorem taxes, for the duration of the exemption period only.

After a full discussion of the matter Bobby Runnels moved that the foregoing Resolution be adopted and said Motion was seconded by Leroy Scott, and upon the question being put to a vote, the Resolution was

adopted by the affirmative vote of the members of the Board of Aldermen who were present.

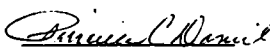
WHEREUPON, the foregoing Resolution was declared passed and adopted at a regular meeting of the Board of Aldermen of the City of Petal, Forrest County, Mississippi, on this the 7th day of January, 1992. /

CERTIFICATE OF CITY CLERK

STATE OF MISSISSIPPI  
COUNTY OF FORREST

I, Priscille C. Daniel, do hereby certify that the above and foregoing is a true and correct copy of a RESOLUTION OF THE BOARD OF ALDERMEN OF THE CITY OF PETAL, FORREST COUNTY, MISSISSIPPI, GRANTING EXEMPTION FROM AD VALOREM TAXES, duly passed and adopted at the regular meeting of the BOARD OF ALDERMEN, held on the 7th day of January, 1992.

This the 18th day of December, 1990.

  
City Clerk

CITY OF PETAL, MISSISSIPPI  
**EXHIBIT "C"**  
GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 1991

PUBLIC OFFICIALS  
\*\*\*\*\*

Jack Gay, Jr.  
Mayor

Priscilla C. Daniel  
City Clerk

Members of Board of Aldermen

Donald H. Rowell	Alderman, Ward 1
Jerry Crowe	Alderman, Ward 2
Bobby Runnels	Alderman, Ward 3
Leroy Scott	Alderman, Ward 4
Reuben Clepper	Alderman at Large

CITY OF PETAL, MISSISSIPPI  
GENERAL PURPOSE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 1991

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	5
FINANCIAL REPORT	
Exhibit A - Combined Balance Sheet - All Fund Types and Account Groups	7
Exhibit B - Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds	11
Exhibit C - Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual - All Governmental & Proprietary Fund Types	11
Exhibit D - Statement of Revenues, Expenses and Changes in Retained Earnings - Water & Sewer Enterprise Fund	21
Exhibit E - Statement of Cash Flows - Water & Sewer Enterprise Fund	22
NOTES TO FINANCIAL STATEMENTS	24
SUPPLEMENTAL INFORMATION	
General Fund:	
Schedule 1 - Balance Sheet	43
Schedule 2 - Statement of Revenues, Expenditures and Changes in Fund Balances	44
Special Revenue Funds:	
Schedule 3-A - Combining Balance Sheet	45
Schedule 3-B - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	47
Debt Service Funds:	
Schedule 4-A - Combining Balance Sheet	49
Schedule 4-B - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	50
Trust and Agency Funds:	
Schedule 5-A - Combining Balance Sheet	51
Schedule 5-B - Combining Statement of Revenues, Expenditures and Changes in Fund Balances	52
	<u>PAGE</u>
OTHER SUPPLEMENTAL INFORMATION	
Schedule of Surety Bonds	54
Schedule of Long-term Debt	55
Reconciliation of Original Ad Valorem Tax Rolls to Fund Collections	56
Schedule of Federal Financial Assistance	57
Independent Auditors' Report on Internal Control Structure Related Matters Noted in a Financial Statement Audit Conducted in Accordance with <u>Government Auditing Standards</u>	59
Independent Auditors' Report on Internal Controls (Accounting & Administrative) - Based on a Study and Evaluation Made as a Part of an Audit of the General Purpose Financial State- ments and the Additional Tests Required by the Single Audit Act	61
Independent Auditors' Report on Compliance with Laws and Regulations Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	64
Independent Auditors' Report on Compliance with Requirements Applicable to Nonmajor Federal Financial Assistance Program Transactions	66
Management Report	67

**CITY OF PETAL  
MINUTE BOOK 12**

Wright, King and Company, P.A.

Certified Public Accountants

\*110 Plaza Drive  
P.O. Box 110  
Hattiesburg, MS 39402  
(601) 268-3135

**EXHIBIT "C"**

Members  
Mississippi Society Of  
Certified Public Accountants  
American Institute of  
Certified Public Accountants

Douglas A. King, CPA  
Douglas C. Wright, CPA

Marcus N. Wright, P.A.

**INDEPENDENT AUDITORS' REPORT**

To the Mayor and Board of Aldermen  
City of Petal, Mississippi

We have audited the accompanying general purpose financial statements of the City of Petal, Mississippi, as of September 30, 1991, and for the year then ended. These general purpose financial statements are the responsibility of the City of Petal, Mississippi, management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Governmental Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128 "Audits of State and Local Governments." Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In connection with our audit, nothing came to our attention that caused us to believe that the City of Petal, Mississippi, is not in compliance with the requirements of the State Department of Audit, as set forth in the Municipal Compliance Questionnaire.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Petal, Mississippi, as of September 30, 1991, and the results of its operations and the cash flows of its enterprise fund for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are

City of Petal, Mississippi  
December 12, 1991  
Page 2

presented for the purpose of additional analysis and are not a part of the general purpose financial statements of the City of Petal, Mississippi. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

WRIGHT, KING & COMPANY, P.A.  
Hattiesburg, Mississippi  
December 12, 1991

**EXHIBIT A  
CITY OF PETAL, MISSISSIPPI  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 1991**

ASSETS	Governmental Fund Types			Capital Projects
	General	Special Revenue	Debt Service	
Cash & other deposits	\$ 484,982	\$ 139,534	\$ 306,922	\$ 0
Cash held by fiscal agent			4,169	
Receivables (Net of allowance of \$2400)			924	
Other receivables		33,424		
Franchise fees receivable				
Interest receivable				
Prepaid expenses		4,677		
Due from other funds		67,584	6,147	
Due from other governments		2,333		
Due from outside entity		1,536		
Inventory, at cost			294,283	
Notes receivable				
Restricted assets				
Property, plant & equipment (net)				
Other assets				
Amount available in debt service fund				
Amount to be provided for retirement of general long-term debt				
<b>Total assets</b>	<b>\$ 594,536</b>	<b>\$ 434,741</b>	<b>\$ 317,238</b>	<b>\$ 0</b>

27,316  
21,328

2,577  
2,289

26,736

1,168,013

2,822,632  
65,762

**CITY OF PETAL  
MINUTE BOOK 12**

**EXHIBIT "C"**

7,484,266

313,069

3,853,851

\$4,480,495

\$ 18,004

\$ 7,484,266

\$ 4,166,920

\$ 17,496,200

27,316  
22,252  
33,424  
2,577  
2,289  
4,677  
73,731  
2,333  
8,272  
274,283  
1,168,013

10,306,898  
65,762

313,069

3,853,851

EXHIBIT A  
Page Two  
CITY OF PETAL, MISSISSIPPI  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 1991

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>LIABILITIES:</b>				
Bills docketed	\$ 52,162	\$ 1,723	\$	\$
Accounts payable				
Due to other funds		1		
Due to outside agency	14,745			
Deferred compensation payable				
Accrued interest on bonds				
Current portion of revenue bonds				
Current portion of general obligation bonds				
Current portion of notes payable				
Contractor retainage payable				
Customer deposits				
Matured bond and interest payable			4,169	
Revenue bonds payable				
General obligation bonds payable				
Sewer abatement notes payable				
Refunding notes payable				
Capital leases				
Total liabilities	<u>66,907</u>	<u>1,724</u>	<u>4,169</u>	<u>0</u>
<b>FUND EQUITY:</b>				
Contributed capital				
Investment in general fixed assets				
Retained earnings				
Reserved for debt service				
Reserved for facilities replacement				
Unreserved				
<b>FUND BALANCES:</b>				
Reserved for inventory	1,536			
Reserved for unemployment compensation				
Reserved for debt service			313,069	
Unreserved	526,093	433,017		
Total fund equity	<u>527,629</u>	<u>433,017</u>	<u>313,069</u>	<u>0</u>
Total liabilities and fund equity	<u>\$594,536</u>	<u>\$434,741</u>	<u>\$317,238</u>	<u>\$ 0</u>

See independent auditors' report.

The notes to financial statements are an integral part of this statement

Proprietary Fund Type	Fiduciary Fund Type Expendable Trusts	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Debt	
\$	\$	\$	\$	\$ 53,885
113,976				113,976
4,672	4			4,677
	556			15,301
	5,041			5,041
14,192				14,192
20,000				20,000
30,000				30,000
20,890				20,890
16,887				16,887
79,619				79,619
				4,169
				785,000
785,000			4,070,000	4,855,000
615,000				275,659
275,659			85,000	85,000
			11,920	11,920
<u>1,975,895</u>	<u>5,601</u>	<u>0</u>	<u>4,166,920</u>	<u>6,221,216</u>
300,978				300,978
		7,484,266		7,484,266
56,562				56,562
285,128				285,128
1,861,932				1,861,932
				1,530
	12,403			12,403
				313,069
				959,110
<u>2,504,600</u>	<u>12,403</u>	<u>7,484,266</u>	<u>0</u>	<u>11,274,984</u>
<u>\$4,480,495</u>	<u>\$ 18,004</u>	<u>\$ 7,484,266</u>	<u>\$ 4,166,920</u>	<u>\$17,496,200</u>

CITY OF PETAL  
MINUTE BOOK 12

CITY OF PETAL, MISSISSIPPI  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ALL GOVERNMENTAL FUND EXCEPT EXPENDABLE TRUST FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 1991

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>REVENUES:</b>				
Property taxes	\$ 406,056	\$ 37,939	\$566,445	\$ 0
Penalties and interest on delinquent taxes	5,858			
Licenses and permits	24,501			
Franchise fees	148,264			
Homestead exemption	32,775			
State shared revenue-other		107,082		
Sales tax	648,775			
Alcoholic beverage levy	900			
Intergovernmental-other	14,951			
Program income		894		
Cultural/recreational fees	19,067			
Fines and forfeitures	73,680			
Charges on services	14,333			
Intergovernmental	3,999			
Prior year taxes	1,333			
Reimbursements	1,533			
Sale of equipment	3,990			
Miscellaneous	5,977		3,192	
<b>Total revenues</b>	<b>1,525,985</b>	<b>153,564</b>	<b>585,078</b>	<b>0</b>
<b>EXPENDITURES:</b>				
General government	309,145			
Public safety	687,054	31,539		
Public works	391,315	82,509		
Health and welfare	19,598	2,198		
Culture and recreation	52,238			
Debt service	97,204		576,795	
<b>Total expenditures</b>	<b>1,556,554</b>	<b>116,246</b>	<b>576,795</b>	<b>0</b>
Excess (deficiency) of revenues over expenditures	(30,569)	37,318	8,283	0
Other financing sources (uses):				
Operating transfers in	260			
Proceeds of debt	85,000			
Discharge of debt per grant contracts		(25,969)		
<b>Total other financing sources (uses)</b>	<b>85,260</b>	<b>(25,969)</b>	<b>0</b>	<b>0</b>
Excess (deficiency) of revenues and other sources over expenditures and other uses	54,691	11,349	8,283	0
(Increase) decrease in reservations of fund balance	(369)		(8,283)	
Fund balance unreserved - 10/01/90	471,771	421,668	0	0
Fund balance unreserved - 9/30/91	\$ 526,093	\$ 433,017	\$ 0	\$ 0

See independent auditors' report.  
The notes to financial statements are an integral part of this statement

Fiduciary Fund Type	Total
Expendable Trust	(Memorandum Only)
	\$ 1,010,440
	5,858
	24,501
	148,264
	32,775
	107,082
	648,775
	900
	14,951
	894
	19,067
	73,680
	14,333
	3,999
	2,087
	1,533
	3,990
	9,169
671	2,265,298
	309,145
	718,593
	473,824
	21,796
	52,238
	673,999
0	2,249,595
671	15,703
	260
	85,000
	(25,969)
0	59,291
671	74,994
(671)	(9,323)
	893,439
\$ 0	\$ 959,110



EXHIBIT C  
CITY OF PETAL, MISSISSIPPI  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL AND PROPRIETARY FUND TYPE  
FOR THE YEAR ENDED SEPTEMBER 30, 1991

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Taxes	\$ 431,000	\$ 406,056	\$ (24,944)
Licenses and permits	165,500	171,545	6,045
Intergovernmental			
State shared revenue	541,300	679,735	38,435
Charges for services	115,500	114,333	(1,167)
Culture and recreation	22,300	19,067	(3,233)
Fines and forfeits	92,100	73,680	(18,420)
Miscellaneous	119,800	55,982	(63,818)
<b>Total revenues</b>	<b>1,587,500</b>	<b>1,520,398</b>	<b>(67,102)</b>
<b>EXPENDITURES:</b>			
<b>General Government</b>			
Personal services	139,177	139,538	361
Supplies	5,400	3,009	2,391
Other services and charges	138,955	117,096	21,859
Capital outlay	2,388	742	1,646
<b>Total</b>	<b>336,088</b>	<b>309,485</b>	<b>26,603</b>
<b>Public safety</b>			
Personal services	611,416	599,083	12,333
Supplies	17,150	15,467	1,683
Other services and charges	62,530	59,299	3,231
Capital outlay	13,800	13,736	64
<b>Total</b>	<b>705,536</b>	<b>687,615</b>	<b>17,921</b>
<b>Public works</b>			
Personal services	243,828	230,908	12,920
Supplies	53,400	48,931	4,469
Other services and charges	123,875	110,956	12,919
Capital outlay	11,000	965	10,035
<b>Total</b>	<b>431,103</b>	<b>391,760</b>	<b>39,343</b>
<b>Health and welfare</b>			
Personal services	15,822	15,208	614
Supplies	1,950	790	1,160
Other services and charges	3,850	3,600	250
<b>Total</b>	<b>20,622</b>	<b>19,598</b>	<b>1,024</b>
<b>Cultural and recreational</b>			
Personal services	21,614	20,585	1,029
Supplies	12,050	10,738	1,312
Other services and charges	23,500	15,293	8,207
Capital outlay	10,500	5,879	4,621
<b>Total</b>	<b>67,664</b>	<b>52,495</b>	<b>15,169</b>
<b>Debt service</b>			
Capital outlay	95,570	97,204	(1,634)
<b>Total expenditures</b>	<b>1,656,583</b>	<b>1,558,157</b>	<b>98,426</b>
Excess (deficiency) of revenues over expenditures	(69,083)	(37,759)	31,324

Special Revenue Fund			Capital Project Fund		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 172,071	\$ 145,669	(26,402)			
	7,997	7,997			
<u>172,071</u>	<u>153,666</u>	<u>(18,405)</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
6,450	6,400	50			
19,042	16,813	2,229			
28,431	8,326	20,105			
<u>53,923</u>	<u>31,539</u>	<u>22,384</u>	<u>0</u>	<u>0</u>	<u>0</u>
102,300	77,838	24,462			
49,207	49,207	0			
<u>151,507</u>	<u>127,045</u>	<u>24,462</u>	<u>0</u>	<u>0</u>	<u>0</u>
26,171	6,198	19,973			
<u>26,171</u>	<u>6,198</u>	<u>19,973</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>231,601</u>	<u>164,782</u>	<u>66,819</u>	<u>0</u>	<u>0</u>	<u>0</u>
(59,530)	(11,116)	48,414	0	0	0

EXHIBIT C (EXHIBIT) "C"  
CITY OF PETAL, MISSISSIPPI  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE:  
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED SEPTEMBER 30, 1991

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Other financing sources(uses):			
Debt proceeds		85,000	85,000
Discharge of debt per grant contracts			
Operating transfers in		260	260
Repayment of program loans			
Total other financing sources(uses)	0	85,260	85,260
Excess(deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ (69,083)	47,501	\$ 116,584
Adjustments to GAAP basis:			
Increase(decrease) in accrued revenue		5,587	
Reclassification of capital outlay to notes receivable			
Add: debt reduction			
Add: capital expenditures (Increase)decrease in accrued expenditures		1,603	
Less: depreciation			
Less: debt proceeds			
Total adjustments		7,190	
Excess(deficiency) of revenues and other financing sources over expenditures and other financing uses (GAAP basis)		54,691	
Increase(decrease) in reservation of fund balance		(369)	
Residual equity transfer out		0	
Net change in unreserved fund balance		54,322	
Fund balance - unreserved October 1, 1990		471,771	
Fund balance - unreserved September 30, 1991		\$ 526,093	

See independent auditors' report.  
The notes to the financial statements are an integral part of these  
statements.

15

Special Revenue Fund			Capital Project Fund		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$	\$	\$	\$	\$	\$
	(25,969)	(25,969)			
	894	894			
0	(25,075)	(25,075)	0	0	0
\$ (59,530)	(36,191)	\$ 23,339	\$ 0	0	\$ 0
	(996)				
	44,536				
	4,000				
	47,540			0	
	11,349			0	
	0			0	
	0				
	11,349				
	421,668				
\$ 433,017			\$ 0		

EXHIBIT "C"

EXHIBIT C  
CITY OF PETAL, MISSISSIPPI  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (NON-GAAP) AND ACTUAL ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED SEPTEMBER 30, 1991

	Debt Service Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES:			
Taxes	\$ 550,510	\$ 565,090	\$ 14,580
Licenses and permits			
Intergovernmental			
State shared revenue			
Charges for services			
Culture and recreation			
Fines and forfeits			
Miscellaneous	18,000	18,633	633
Total revenues	568,510	583,723	15,213
EXPENDITURES:			
General government			
Personal services			
Supplies			
Other services and charges			
Capital outlay			
Total	0	0	0
Public safety			
Personal services			
Supplies			
Other services and charges			
Capital outlay			
Total	0	0	0
Public works			
Personal services			
Supplies			
Other services and charges			
Capital outlay			
Debt service			
Total	0	0	0
Health and welfare			
Personal services			
Supplies			
Other services and charges			
Total	0	0	0
Cultural and recreational			
Personal services			
Supplies			
Other services and charges			
Capital outlay			
Total	0	0	0
Debt service	576,940	576,795	145
Capital outlay	0	0	0
Total expenditures	576,940	576,795	145
Excess (deficiency) of revenues over expenditures	(8,430)	6,928	15,358

17

Enterprise Fund		Variance Favorable (Unfavorable)
Budget	Actual	
\$ 0	\$ 0	\$ 0
13,000	16,000	3,000
595,000	650,608	55,608
152,460	106,603	(45,857)
760,460	773,211	12,751
0	0	0
0	0	0
210,231	194,415	15,816
45,000	32,931	12,069
361,600	293,197	68,403
944,285	314,463	629,822
1,561,116	835,006	726,110
0	0	0
0	0	0
191,269	197,698	(6,429)
0	0	0
1,752,385	1,032,704	719,681
(991,925)	(259,493)	732,432

EXHIBIT "C"

EXHIBIT C (CONTINUED)  
CITY OF PETAL, MISSISSIPPI  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET(NON-GAAP) AND ACTUAL ALL GOVERNMENTAL AND PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED SEPTEMBER 30, 1991

	Debt Service Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
	\$	\$	\$
Other financing sources(uses):			
Debt proceeds			
Operating transfers in			
Operating transfers out			
Discharge of debt per grant contracts			
Equity transfer to enterprise fund			
Repayment of program loans			
Total other financing sources(uses)	0	0	0
Excess(deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ (8,430)	6,928	\$ 15,358
Adjustments to GAAP basis:			
Increase(decrease) in accrued revenue		1,355	
Reclassification of capital outlay to notes receivable			
Add: debt reduction			
Add: capital expenditures			
(Increase)decrease in accounts payable			
Less: depreciation			
Less: debt proceeds			
Total adjustments		1,355	
Excess(deficiency) of revenues and other financing sources over expenditures and other financing uses (GAAP basis)		8,283	
(Increase) decrease in reservation of fund balance		(8,283)	
Residual equity transfer out		0	
Net change in unreserved fund balance		0	
Prior period adjustment		0	
Fund balance - unreserved October 1, 1990		0	
Fund balance - unreserved September 30, 1991		\$ 0	

19

Enterprise Fund		
Budget	Actual	Variance Favorable (Unfavorable)
\$	\$	\$
(260)	(260)	
(260)	(260)	
\$ (992,185)	(259,753)	\$ 732,432
	168	
	70,890	
	345,119	
	(1,818)	
	(102,984)	
	311,375	
	51,622	
	(25,489)	
	0	
	26,133	
	17,963	
	1,817,836	
	\$1,861,932	

EXHIBIT "C"

EXHIBIT D  
CITY OF PETAL, MISSISSIPPI  
WATER AND SEWER ENTERPRISE FUND  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
IN RETAINED EARNINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 1991  
(With Comparative Totals for the Year Ended September 30, 1990)

	<u>1991</u>	<u>1990</u>
Operating revenues:		
Charges for services	\$ 631,045	\$ 654,562
Tap fees	4,610	3,860
Connect fees	5,192	4,952
	<u>640,847</u>	<u>663,374</u>
Operating expenses:		
Personal services	194,415	174,360
Supplies and materials	31,753	34,368
Contractual services	139,129	33,070
Repairs and maintenance	53,396	23,716
Utilities	61,980	52,773
Depreciation and amortization	102,984	92,334
Sewer treatment	34,792	36,231
General and administrative	3,900	5,352
	<u>622,349</u>	<u>452,204</u>
Operating income	18,498	211,170
Nonoperating revenues (expenses):		
Interest earned	99,013	106,796
CDBG grant	19,000	1,475
Reimbursements and sale of equipment	2,887	3,526
Interest expense	(87,516)	(78,151)
Transfer to general fund	(260)	0
	<u>51,622</u>	<u>244,816</u>
Net Income	51,622	244,816
Retained earnings - October 1	2,134,037	1,889,221
Prior period adjustment to record unbilled revenue at 9/30/90.	17,963	
Beginning retained earnings as restated	<u>2,152,000</u>	<u>1,889,221</u>
Retained earnings - September 30	\$ 2,203,622	\$2,134,037
	=====	=====

See independent auditors' report.  
The notes to the financial statements are an integral part of these statements.

EXHIBIT "C"

EXHIBIT E  
CITY OF PETAL, MISSISSIPPI  
WATER AND SEWER ENTERPRISE FUND  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 1991

(With Comparative Totals for the Year Ended September 30, 1990)

	<u>1991</u>	<u>1990</u>
Cash flows from operating activities:		
Cash received from customers	\$ 650,608	\$ 666,216
Cash paid to suppliers and employees	<u>(472,286)</u>	<u>(323,897)</u>
Net cash provided by operating activities	<u>178,322</u>	<u>342,319</u>
Cash flows from noncapital financing activities:		
Receipts of grants	16,000	1,475
Repayment of revenue bonds		(268,000)
Interest paid		(2,290)
Payments to other funds	(260)	
Receipt of capital contributions		<u>172,028</u>
Net cash (used) provided by noncapital financing activities	<u>15,740</u>	<u>(96,787)</u>
Cash flows from capital and related financing activities:		
Proceeds from issuing debt	0	831,418
Proceeds from sale of capital assets	2,884	3,526
Payments for capital acquisitions	(314,463)	(416,847)
Principal payments	<u>(70,890)</u>	<u>(45,891)</u>
Net cash (used) provided by capital and related financing activities	<u>(382,469)</u>	<u>372,206</u>
Cash flows from investing activities:		
Interest received	103,719	101,709
Interest paid	<u>(126,808)</u>	<u>(66,725)</u>
Net cash (used) provided by investing activities:	<u>(23,089)</u>	<u>34,984</u>
Net cash increase (decrease) for the year	(211,496)	652,722
Cash at beginning of year	<u>1,723,351</u>	<u>1,070,629</u>
Cash at end of year	<u>\$1,511,855</u>	<u>\$1,723,351</u>

See independent auditors' report.  
The notes to the financial statements are an integral part of these statements.

EXHIBIT "C"

EXHIBIT E (Continued)  
CITY OF PETAL, MISSISSIPPI  
WATER AND SEWER ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 1991  
(With Comparative Totals for the Year Ended September 30, 1990)

	<u>1991</u>	<u>1990</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 18,498	\$ 211,170
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	102,984	92,334
Change in assets and liabilities:		
(Increase)decrease in accounts receivable	9,761	1,501
Increase(decrease) in inventory		1,917
Increase(decrease) in accounts payable	44,340	34,056
Increase in customer deposits	<u>2,739</u>	<u>1,341</u>
Net cash provided by operating activities	<u>\$ 178,322</u>	<u>\$ 342,319</u>
Other Required Disclosures:		
Interest expense	\$ 87,516	
Interest capitalized	<u>39,292</u>	
Total interest paid	<u>\$ 126,808</u>	

See independent auditors' report.  
The notes to the financial statements are an integral part of these  
statements.

EXHIBIT "D"



STATE OF MISSISSIPPI  
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT  
RAY MARSH  
GOVERNOR

December 19, 1991

Honorable Sidney O. Smith  
Mayor  
City of Petal  
Post Office Box 564  
Petal, Mississippi 39465

RE: Grant Agreement-City of Petal  
Project Number R-91-SG-28-0103

Dear Mayor Smith:

I am pleased to notify you that three copies of the grant agreement for your approved CDBG project are enclosed. Please read the agreement carefully, then sign all three copies, keep one for your files, and return the other two to this office no later than January 3, 1992.

At this time, you should initiate the following:

(1) ADMINISTRATIVE ACTIVITIES

Administrative services may be performed by the recipient's own staff, or an outside administrator may be chosen. In the latter case, the administrator must be selected in accordance with OMB Circular A-102. Please note that only contracts involving administration may be signed before environmental clearance is given, on the basis that administrative activities are exempt from environmental requirements. Other service providers may be selected before environmental clearance is given, but contracts may not be signed.

(2) ENVIRONMENTAL CLEARANCE PROCEDURES

If you have not begun your environmental clearance procedure, it is very important you begin in order to meet the necessary federal requirements. To ensure that your project is completed within the grant period, we recommend that environmental clearance be completed within 60 days. Any questions on environmental procedures should be addressed to Mary Miller at 949-2239.

1200 N. GULF SHORES BUILDING • P. O. BOX 608 • JACKSON, MS 39205 • (601) 359-1470 • TELETYPE UNIT 179/242

-2-  
Honorable Sidney O. Smith  
December 19, 1991

(3) MINORITY AND WOMEN-OWNED BUSINESSES PARTICIPATION

In accordance with federal policy requirements pertaining to the promotion of Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) as set forth in Public Law 95-507, Executive Order 11625, Executive Order 12138, and Executive Order 12432; and the Mississippi Minority Business Enterprise Act of 1988, you are required to take the following actions during the implementation of the CDBG Grant:

- (a) Contact at least two (2) minority/women-owned businesses by certified mail and allow them the opportunity to submit a proposal or bid to provide any service needed.
- (b) Maintain records to document the extent of MBE/WBE contracting and subcontracting and submit to this office the Semi-Annual MBE Reports in a timely manner.
- (c) Develop local MBE/WBE Directory.
- (d) Adopt a resolution establishing local goals for MBE/WBE participation. It is recommended that the local goals be no less than those of the State, i.e., 10 percent MBE and 5 percent WBE.

Congratulations and thank you for your efforts in developing and carrying out this community development program to improve the quality of life, not only for the City of Petal but for the entire State of Mississippi. Should you have any questions, please contact Jim Catt at 359-3179.

Sincerely,

Handwritten signature of Alice A. Lusk in cursive.

Alice A. Lusk  
Associate Director  
Community Services Division



**CITY OF PETAL  
MINUTE BOOK 12**  
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT  
SUBGRANT SIGNATURE SHEET  
301 West Pearl Street  
Jackson, Mississippi 39203-3096

<b>EXHIBIT "D"</b>	
1. Subgrantee's Name, Address, and Phone No.  City of Petal Post Office Box 564 Petal, Mississippi 39465  (601) 545-1776	2. Effective Date: November 1, 1991
	3. Subgrant Number: R-91-SG-28-0103
	4. Grant Identifier: (Funding Source & Year) Rental Rehab 1991
	5. Beginning and Ending Dates: November 1, 1991 - November 30, 1992
	6. Subgrant Payment Method: <input type="checkbox"/> Cost Reimbursement <input checked="" type="checkbox"/> Current Needs <input type="checkbox"/> Fixed Unit or Performance Based
	7. Page 1 of _____

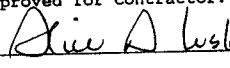
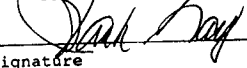
8. The following funds are obligated:

<b>Federal</b>	<b>Other/Local Match</b>
\$16,166	\$15,358

9. The subgrantee agrees to operate the program outlined in this subgrant in accordance with all provisions of this subgrant included herein. The following sections are attached and incorporated into this agreement:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> General Terms and Conditions | <input checked="" type="checkbox"/> State of Mississippi Community Development Block Grant Assurances |
| <input checked="" type="checkbox"/> Special Conditions           | <input checked="" type="checkbox"/> Budget  |

All policies, terms, conditions, and provisions of the Subgrantee Manual, which has been provided to Subgrantee, are also incorporated into this agreement, and Subgrantee agrees to fully comply therewith.

10. Approved for Contractor:  Signature _____ Date 11/20/91 Name: Alice A. Lusk Title: Associate Director	11. Approved for Subgrantee:  Signature _____ Date 12/27/91 Name: <del>Sidney O. Smith</del> JACK GAY Title: Mayor
--	--

CDBG-1  
1-17-91

**GENERAL TERMS AND CONDITIONS**

Award is hereby made in the amount and for the period shown above of a grant under The Housing and Community Development Act of 1981 - Public Law 97-35), and as amended by the Housing and Urban-Rural Recovery Act of 1983, to the above-mentioned recipient, in accordance with the plan set forth in the application of the above-mentioned recipient and subject to any attached revisions or special conditions.

This contract is subject to all applicable rules, regulations, conditions, and assurances as prescribed by the Department of Economic and Community Development's Block Grant Program Final Statement, as well as the U.S. Department of Housing and Urban Development's Community Development Block Grants: State's Program Final Rule (24CFR Part 570), and to each and every Federal and State Statute and guideline affecting the application for, receipt of, and expenditure of Community Development Block Grant funds. It is also subject to such further rules, regulations, and policies as may be reasonably prescribed by the State or Federal Government consistent with the purposes and authorization of P.L. 97-35, and P.L. 98-8.

This contract is also made subject to any and all conditions, special conditions, and assurances attached hereto and made a part hereof at the time of the award of these funds. The application submitted for these funds is incorporated by reference herein and made a part hereof, including any changes, modifications, deletions, or amendments contained therein.

Any unauthorized change or amendment by the recipient to the provisions of this contract shall be considered invalid and the Department of Economic and Community Development reserves the right not to reimburse the recipient for any expenses or costs associated with such an unauthorized change or amendment.

The Department of Economic and Community Development reserves the right to withhold grant funds or to terminate this contract for cause, if the recipient fails to fulfill in a timely and proper manner the obligations under this contract, or if the recipient should violate any of the covenants, agreements, conditions, special conditions, or assurances of this contract by giving written notice to the recipient of the suspension or termination, specifying the effective date thereof, at least five (5) days before the effective date thereof.

The recipient hereby agrees that the project and activities for which these grant funds are awarded shall constitute a fully completed and operative project upon conclusion and the recipient further agrees that in the event the costs of the project exceed the funds awarded under this contract then such costs shall be borne by the recipient from its own local resources.

This grant shall become effective on the beginning date of the grant period provided that this contract shall have been fully completed, executed by the recipient, and received in the office of the Department of Economic and Community Development.

EXHIBIT "D"

City of Petal  
Project Number R-91-SG-28-0103  
Special Conditions

I. Conditions That Shall Require Written Clearance from the Department of Economic and Community Development, Community Services Division.

A. Tenant Assistant Policy

Prior to expending any Rental Rehabilitation funds, the City of Petal shall submit to the Department of Economic and Community Development, Community Services Division, for review and approval, the Tenant Assistance Policy that has been adopted by the City.

B. Service Lines

II. Other Special Conditions

A. Budget Revision Acceptance

The City of Petal hereby agrees to and accepts all changes made to the budget pages of its FY 1991 Rental Rehabilitation application, and the revised budget forms attached to this contract shall constitute the true and correct budget for the City of Petal's FY 1991 Rental Rehabilitation Program and are hereby incorporated by reference herein and made a part of this contract.

B. Documentation of Local Match

All local and/or private match must be thoroughly and completely documented. If the Department of Economic and Community Development, Community Services Division determines that such match has not been adequately documented, then it will require additional dollar contributions to provide for the local and/or private match funds.

C. Loans

The City of Petal shall execute a promissory note for each loan to be secured by a Deed of Trust filed for record for the amount of the public dollars provided, even if no payment is expected. Said promissory note is to be for a minimum of ten (10) years.

D. Start of Construction

The City of Petal shall ensure that within ninety (90) days from the date the contract between the city and state is executed; and that projects are setup and the pre-rehabilitation report is submitted to HUD. Failure to commit Rental Rehabilitation funds to projects in the CMI System by January 31, 1992, will result in recapture of remaining Rental Rehabilitation funds.

E. Legally Binding Agreement

Prior to project setup and the submittal of a pre-rehabilitation report to HUD, the City of Petal shall enter into a legally binding agreement with the property owner. Said agreement shall be in accordance with the requirements contained in 24 CFR Part 511.

F. Reporting Requirements

The City of Petal agrees that each time it accesses the CMI a copy of the appropriate report shall be immediately forwarded to the Department of Economic and Community Development, Community Services Division.

G. Third Party Contracts

1. Right to Audit

The City of Petal shall include in all contracts with Participating Parties receiving grant funds provisions requiring that (i) each such Participating Party keep and maintain books, records, and other documents relating directly to the receipt and disbursement of such grant funds; and (ii) any duly authorized representative of the Department of Economic and Community Development, Community Services Division, the U.S. Department of Housing and Urban Development (HUD), and/or the Controller General of the United States shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all such books, records, and other documents of such Participating Party until the completion of all close-out procedures respecting this grant and the final settlement and conclusion of all issues arising out of this grant.

2. Access to Project

The City of Petal shall include in all contracts with Participating Parties a provision that each Participating Party agrees that any duly authorized representative of the Department of Economic and Community Development, Community Services Division, the U.S. Department of Housing and Urban Development (HUD), and/or the Controller General of the United States shall, at all reasonable times, have access to any portion of the Project in which such Participating Party is involved until the completion of all close-out procedures respecting this grant.





EXHIBIT "D"

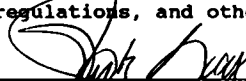
State of Mississippi Community Development Block Grant  
Assurances

The applicant hereby assures and certifies that:

- (a) It possesses legal authority to apply for the grant, and to execute the proposed program.
- (b) Its governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the filing of the application.
- (c) Its application program has been developed so as to give maximum feasible priority to activities which will benefit low- and moderate-income families, or aid in the prevention or elimination of slums or blight, or meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available to meet such needs.
- (d) It will:
  - (1) Comply with Section 104(f) of the Housing and Community Development Act of 1974, as amended, which requires compliance with the policies of the National Environmental Policy Act of 1969 (NEPA) and other provisions of law which further the purposes of the National Environmental Policy Act. Such other provisions of law which further the purposes of the NEPA are specified in regulations issued pursuant to Section 104(f) of the Housing and Community Development Act of 1974, as amended, and are contained in 24 CFR Part 58;
  - (2) Assume all of the responsibilities for environmental review, decision making, and action as specified and required in regulations issued by the Secretary of Housing and Urban Development pursuant to Section 104(f) of the Housing and Community Development Act of 1974, as amended, and published in 24 CFR Part 58.
- (e) Its chief executive officer or other officer of applicant:
  - (1) Consents to assume the status of a responsible federal official under the National Environmental Policy Act of 1969 (NEPA) and other provisions of federal law, as specified in 24 CFR Part 58;
  - (2) Is authorized and consents on behalf of the applicant and himself/herself to accept the jurisdiction of the federal courts for the purpose of enforcement of his/her responsibilities as such an official.
- (f) It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archeological and Historic Data Act of 1966 (16 U.S.C. 469 a-1, et seq) by:
  - (1) Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects of the proposed activities, and
  - (2) Complying with all requirements established by HUD to avoid or mitigate adverse effects upon such properties.
- (g) It will comply with the regulations, policies, guidelines, and requirements of OMB Circular No. A-102, Revised, and OMB Circular A-87 as they relate to the application, and use of federal funds.
- (h) It will comply with:
  - (1) Title VI of the Civil Rights Act of 1964 (Public Law 88-352) and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits.
  - (2) Title VIII of the Civil Rights Act of 1968 (Public Law 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services.
  - (3) Executive Order 11063, as amended by Executive Order 12259, on equal opportunity in housing and nondiscrimination in the sale or rental of housing built with federal assistance.

EXHIBIT "D"

- (4) Executive Order 11246 and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60), which provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of federal or federally assisted construction contracts. Contractors and subcontractors on federal and federally assisted construction contracts shall take affirmative action to ensure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.
- (i) It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) requiring that to the greatest extent feasible opportunities for training and employment be given to low-income residents in the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the area of the project.
- (j) It will certify that it will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Federal Implementing regulation at 49 CFR Part 24, and the requirements of section 570.496a (including the requirement to provide a certification that the recipient is following a residential antidisplacement and relocation assistance plan under section 104(d) of the Act).
- (k) It will establish a written Code of Standards of Conduct to prohibit any of its officers, employees, and agents from using his/her position in any manner or matter which would have the purpose or effect of a conflict of interest, real or apparent. In order to properly implement this provision, it will fully comply with the requirements of OMB Circular No. A-102, Revised, Section 7, "Code of Conduct."
- (l) It will comply with the provisions of the Hatch Act (5 U.S.C. 1501 et seq), which limits the political activity of employees.
- (m) It will give the State of Mississippi, HUD, and the Controller General through any authorized representatives access to and the right to examine all records, books, papers, or other documents related to the grant.
- (n) It will comply with Section 110 of the Housing and Community Development Act of 1974, as amended, which requires that all laborers and mechanics employed by contractors or subcontractors on construction work assisted under the Act shall be paid at rates-not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), and it will comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq). (However, these requirements apply to the rehabilitation of residential property only if such property is designed for residential use of eight or more families.)
- (o) It will comply with the applicable requirements of the Copeland Act (40 U.S.C. 276c).
- (p) It will comply with Section 109 of the Housing and Community Development Act of 1974, as amended, which requires that no person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination, under any program or activities funded in whole or in part with community development funds made available pursuant to the Act. Section 109 further provides that any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq) or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) shall also apply to any such program or activity.
- (q) It will comply with Title IV of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831) which prohibits the use of lead-based paint in residential structures constructed or rehabilitated with federal assistance in any form.
- (r) The recipient shall remain fully obligated under the provision of the "Statement of CDBG Award" notwithstanding its designation of any third party or parties for the undertaking of all or any parts of the program with respect to which assistance is being provided under the "Statement of CDBG Award" to the recipient. Any recipient who is not the applicant shall comply with all lawful requirements of the applicant necessary to ensure that the program with respect to which assistance is being provided under the "Statement of CDBG Award" to the recipient is carried out in accordance with the applicant's assurances and certifications to comply with all applicable laws, regulations, and other requirements.

  
Authorized Signature

  
Title

Date

EXHIBIT "E"

WARREN PAVING INC.

TELEPHONE (601) 544-7811  
FAX # (601) 544-2005



CONTRACTORS & ENGINEERS

POST OFFICE BOX 572  
HATTIESBURG, MISSISSIPPI 39403



January 6, 1992



Honorable Mayor & Board of Aldermen  
City of Petal  
P. O. Box 564  
Petal, MS 39465

Gentlemen:

We propose to furnish all labor, equipment, and materials necessary to form and pour approximately 250 l.f. of concrete curb and gutter south of Mississippi Highway 42 along frontage road at the Country Kitchen Restaurant and Western Auto Store. Fill material and patching around curb will be done by City of Petal. The curb work will be done for \$9.50 l.f.

We appreciate the opportunity of quoting you and hope that you will call if we may be of assistance.

Sincerely,

WARREN PAVING, INC.

*Tony Broome*

Tony Broome  
Vice President

TB:gw

LAUREL OFFICE	601-649-4111
HATTIESBURG	601-582-4981
WAYNESBORO	601-735-3172
PICAYUNE	601-798-0581
LUCEDALE	601-847-4818
SLIDELL	504-883-3121



Construction  
Company, Inc.

Miles of Construction for Over 50 Years

January 7, 1992

Honorable Mayor Jack Gay  
City of Petal  
Petal, MS

Dear Mayor Gay:

In compliance with your request to submit a proposal to pour approximately 240 linear feet of curb and gutter at Petal, Mississippi, between Highway 42 and the Country Kitchen Restaurant, we submit the following:

We propose to grade and pour approximately 240 linear feet of curb and gutter on the above mentioned area for the price of \$12.50 per linear foot. It is our understanding that the asphalt patching and the back-fill of the curb and gutter will be done with city forces.

If any additional information is needed on the above project, please do not hesitate to call us.

Sincerely,

*R. C. Leggett*  
R. C. Leggett  
Director of Operations

md

EXHIBIT "F"

**SHOWS, DEARMAN & WAITS, INC.**

CONSULTING ENGINEERS  
P. O. BOX 1711 - 301 HARDY STREET  
HATTIESBURG, MISSISSIPPI 39403-1711  
PHONE 601-544-1821  
FAX: 601-544-0501

RAYMOND M. DEARMAN, P.E., R.L.S.  
MICHAEL T. WAITS, P.E., R.L.S.

PAUL J. SHOWS, P.E., R.L.S.  
CONSULTANT

January 6, 1992

Mayor and Board of Aldermen  
City of Petal  
P. O. Box 564  
Petal, Mississippi 39465

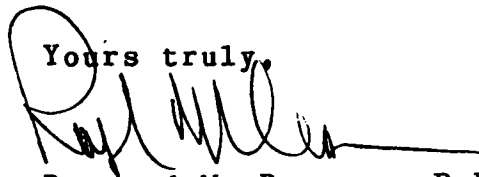
Gentlemen:

At the Mayor's request, I was called to examine a sewer overflow between Sixth and Seventh Avenues behind the Petal Methodist Church. After consulting with your sewer personnel, it was determined that there were two blockages between the manhole at Seventh and the manhole at Sixth Avenues. Due to the raw sewer flowing through a ditch behind the church, I felt that a dire emergency existed, and after consultation with the Mayor, I instructed R.D. Herring to immediately excavate at one point of blockage and sure enough, the old concrete pipe had completely disintegrated. The City's sewer truck then went to the North manhole and tried to wash back to the point of excavation, with no success.

I am of the opinion that the entire section (approximately 455 feet between manholes) needs immediate replacing and have instructed the Contractor to proceed with the work.

If I can furnish further information or be of any additional assistance, please advise.

Yours truly,



Raymond M. Dearman, P.E.

RMD/jc