

**Minutes of November 20, 2007**  
**Mayor and Board of Aldermen**

Be it remembered that a public hearing before the Mayor and Board of Aldermen of the City of Long Beach, Mississippi, was begun and held at 5:30 o'clock p.m. on Tuesday the 20<sup>th</sup> day of November, 2007, in the Long Beach School District Central Office, 19148 Commission Road in said City and the same being the time, date and place fixed by order of the Mayor and Board of Aldermen for holding said public hearing.

There were present and in attendance on said Board and at the public hearing the following named persons: Mayor William Skellie, Jr., Aldermen Allen D. Holder, Jr., Richard Notter, Richard Burton, Joseph McNary, Richard Bennett, City Clerk Rebecca E. Schruff, and City Attorney Frank R. McCreary, III.

Aldermen Charles Boggs and Mark Lishen were absent the public hearing.

There being a quorum present and sufficient to transact the business of this public hearing, the following proceedings were had and done.

\*\*\*\*\*

The Clerk reported that pursuant to that certain order of the Mayor and Board of Aldermen at a regular meeting duly held and convened on October 16, 2007, that she did cause to be published in The Sun Herald, a newspaper with a general circulation in the City of Long Beach and published in Harrison County, Legal Notice, Public Hearing, "KATRINA SUPPLEMENTAL COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS", as evidenced by the Publisher's Proof of Publication.

Alderman Holder made motion seconded by Alderman Burton and unanimously carried to spread said Proof of Publication upon the record of this public hearing in words and figures, as follows:

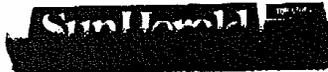
Minutes of November 20, 2007  
Mayor and Board of Aldermen

2007 16:44

12288960515

TEAM2 SUN HERALD

PAGE 02/02



South Mississippi's Newspaper

**AFFIDAVIT**

Proof of Publication

DATE: 11-19-07

A display ad(s) for City of Long Beach was published in the Sun Herald as follows:

Date	Ad Caption	Size	Section	Page
11-7-07	Public Notice	3x4	C	6

STATE OF MISSISSIPPI  
Harrison County  
Gulfport, Mississippi

I hereby certify that the above said advertisement(s) was published in the Sun Herald. Please accept this affidavit as proof of publication for your records.

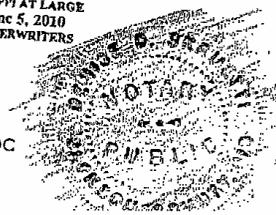
Mimi Jackson  
Advertising Services

Sworn before me on this the 19 day of November, 2007.

Devised D. Skemalle  
Notary Public

NOTARY PUBLIC STATE OF MISSISSIPPI AT LARGE  
MY COMMISSION EXPIRES: June 5, 2010  
BONDED THRU NOTARY PUBLIC UNDERWRITERS

Advertising Department  
PO Box 4567 • Biloxi, MS 39535 • PH: (228) 896-2463/FX; (228) 896-0516 •  
Offices In Gulfport, Bay St. Louis, Ocean Springs, Pascagoula, Jackson and Washington, DC



**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

**CITY OF LONG BEACH  
NOTICE OF PUBLIC HEARING  
FOR KATRINA SUPPLEMENTAL  
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

The City of Long Beach is the recipient of Katrina Supplemental Community Development Block Grant Planning funds in the amount of \$470,000 to update its Comprehensive Plan, Zoning Ordinance and Map, Subdivision Regulations and Architectural Design Standards. The City is considering amending the project to include a Fringe Area Study, should additional funds be made available to the City from the Mississippi Development Authority. More specific details regarding the proposed amendments will be provided at a public hearing that will be held at City Hall at 645 Klondyke Road in Long Beach, on November 20, 2007 at 5:30 p.m. The purpose of the hearing is to receive citizen input concerning the proposed amendment.

\*

\*

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

The Attendance Roster is as follows:

**ATTENDANCE ROSTER  
LONG BEACH, MISSISSIPPI  
KATRINA SUPPLEMENTAL COMMUNITY DEVELOPMENT BLOCK GRANT  
DISASTER ASSISTANCE PROGRAM  
PUBLIC HEARING**

Tuesday, November 20, 2007

5:30 9.m.

NAME	ADDRESS/PHONE NUMBER	REPRESENTING
Ann Frasier	1100 Cherry St V. Buss, MS	Jimmy Geras, Urban Planning
CALVIN POUPART	P.O. Box 7624 Gulfport, MS	HARBOR
Michael Brown	5759 Mitchell Rd L.B. MS 864.6884	L.B.F.D.
Neil Clark	520 Purvis-Breaklyn Rd Purvis, MS 39475	Soubelt Fire, Inc.
CONNIE GROSS	205 SOUTHERN CIR. GULFPORT, MS 39242	COLDWELL BANKER COMMERCIAL
Dave Reid	42 Lynn Dr Carrville 935.788-0536	
Cape Blanton	517 Mockingbird Dr LB 228-3439325	—
Jenny Blanton	517 Mockingbird Dr 228-343-9825	
Mary Edna Thompson	Box 207 Ferrisville, Va (540) 473-3777	
Greta Johnson	1070 E. 53th Ave Pittsburg, KS 66762	—
Vanessa Weesner	PO Box 399 Palmer Lake CO	
FRANK CASTIGLIA	706 KENDRYKE RD L.B.	—
Jeanne Ryball	323 Ferguson Ave LB	LeBray



**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

**ATTENDANCE ROSTER  
LONG BEACH, MISSISSIPPI  
KATRINA SUPPLEMENTAL COMMUNITY DEVELOPMENT BLOCK GRANT  
DISASTER ASSISTANCE PROGRAM  
PUBLIC HEARING**

Tuesday, November 20, 2007

5:30 9.m.

NAME	ADDRESS/PHONE NUMBER	REPRESENTING
Allen Hobden	401 E. 2nd St LB 224-1711	Alderman @ Large City of L.B.
Richard Schmitt	414 E 2nd St 864-7415	City Clerk
William Mullin	2012 Pinewood Rd Long Beach, MS 39556	Mayor
Richard Bennett	20108 Daugherty Rd Long Beach, MS 39560	City
RICHARD BURTON	121 ENGLISH VILLAGE DRIVE LONG BEACH, MS 39560	CITY
Richard Nutter	312 MAGNOLIA STREET LONG BEACH, MS 39560	CITY
Jacquie Lipski	973 Old Town Rd LB 39560	citizen

\* \* \*

The Mayor recognized Ann Frazier of the firm of Jimmy G. Gouras Urban Planning Consultants, Inc., to elaborate on the additional CDBG funding to include a fringe area study. The City of Long Beach received \$470,000 in Katrina Supplemental CDBG monies to fund a Comprehensive Plan, Subdivision, Regulations, Architectural Design Standards and Zoning Ordinance and Map. The city then requested and was approved to receive and additional \$60,000 from the Mississippi Development Authority to undertake a Fringe Area Study. This study will provide the city with a valuable tool in long term recovery and rebuilding and its path of future growth.

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

\* \* \*

The Mayor opened the floor for public comments and recognized Buddy Ray, 470 West Beach Boulevard, who requested a time frame for the fringe area study. It was determined that once the project commenced, it would be approximately six (6) months.

\* \* \*

There being no further comments or discussion, Alderman Bennett made motion seconded by Alderman Holder and unanimously carried to close the public hearing.

\*\*\*\*\*

Be it remembered that a regular meeting of the Mayor and Board of Aldermen of the City of Long Beach, Mississippi, was begun and held at the Long Beach School District Central Office, 19148 Commission Road, in said City at 5:30 p.m. it being the third Tuesday in November, 2007, and the same being the time, date and place fixed by Laws of Mississippi and Ordinance of the City of Long Beach for holding said meeting.

There were present and in attendance on said Board and at the meeting the following named persons: Mayor William Skellie, Jr., Aldermen Allen D. Holder, Jr., Richard Notter, Richard Burton, Joseph McNary, Richard Bennett, City Clerk Rebecca E. Schruff and City Attorney Frank R. McCreary, III.

Aldermen Charles Boggs and Mark Lishen were absent the meeting.

There being a quorum present sufficient to transact the business of the City, the following proceedings were had and done.

\*\*\*\*\*

The Clerk reported that pursuant to that certain order of the Mayor and Board of Aldermen at a regular meeting duly held and convened on October 16, 2007, that she did cause to be published in The Sun Herald, a newspaper with a general circulation in the City of Long Beach and published in Harrison County, Legal Notice, Request for Proposals, "CITY PLANNING CONSULTING SERVICES – FRINGE AREA STUDY", as evidenced by the Publisher's Proof of Publication.

Alderman Bennett made motion seconded by Alderman Holder and unanimously carried to spread said Proof of Publication upon the minutes of this meeting in words and figures, as follows:

Minutes of November 20, 2007  
 Mayor and Board of Aldermen

**PROOF OF PUBLICATION**

ning document funded in whole or in part with Katrina Supplemental Community Development Block Grant Funds.

- A Fringe Area Study to be prepared in accordance with the scope of work attached in the Information To Offerors Packet.

An Information to Offerors Packet concerning this request for proposals is available at City Hall, 645 Klondyke Road, Long Beach, Mississippi 39560-0929, between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday.

Proposals for this planning work will be reviewed and rated in accordance with the following rating factors/criteria:

1. EXPERIENCE: With similar planning work specifically including preparation of Fringe Area Studies.
2. QUALIFICATIONS: Educational background, knowledge, professional and technical expertise in performing similar projects and to perform the planning work in this project.
3. CAPACITY FOR PERFORMANCE: The capacity to complete the work in a proper and timely manner given the current workload and staff of the proposer.
4. COST: The proposed cost of performing the planning work requested in this request for proposals.

All proposals will be rated based on the following rating system which will be used to determine the best/acceptable offeror:

- Qualifications - 30 Points
- Experience - 30 Points
- Capacity - 20 Points
- Cost - 10 Points

Proposals will be reviewed by a Planning Consultant Selection Committee using the above selection criteria. A written contract will be awarded to the firm whose proposal is within the competitive cost range and determined by the committee to be the most advantageous to the City, cost and other factors considered. The contract will include scope and extent of work and other essential requirements. The Mayor and Aldermen of the City of Long Beach reserve the right to reject any and all proposals and to waive any irregularities or informalities in the proposal process. The City of Long Beach is an equal opportunity employer.

Proposals shall be sealed and properly labeled as: PROPOSAL FOR CITY PLANNING CONSULTING SERVICES, KATRINA SUPPLEMENTAL CDBG PROGRAM, CITY OF LONG BEACH, MISSISSIPPI, and may be delivered or mailed to the following no later than 5:00 p.m., Tuesday, November 20, 2007.

City Clerk  
 City of Long Beach, Mississippi  
 P.O. Box 929  
 645 Klondyke Road  
 Long Beach, MS 39560-0929

The proposals will be received by the Mayor and Aldermen and referred to the Planning Consultant Selection Committee. The Selection Committee will review and rate each proposal and select the best proposal, cost and other factors considered. The Selection Committee will recommend the selected firm/individual to the Governing Body. Five copies of each proposal shall be submitted.

M77\_adv26.1fn  
 1203767

STATE OF MISSISSIPPI  
 COUNTY OF HARRISON

Before me, the undersigned Notary of Harrison County, Mississippi personally appeared Julie Garner who, being by me first duly sworn, did depose and say that she is a clerk of The Sun Herald, a newspaper published in the city Gulfport, in Harrison County, Mississippi, and the publication of the notice, a copy of which is hereto attached, has been made in said paper 7 times in the following numbers and on the following dates of such paper, viz:

- Vol. 124 No., 23 dated 26 day of Oct, 20 07
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

Affiant further states on oath that said newspaper has been established and published continuously in said country for a period of more than twelve months next prior to the first publication of said notice.

OCT 29 2007

*Julie Garner*  
 Clerk

Sworn to and subscribed before me this 29 day of Oct, A.D., 20 07

KANDI A. BERKLEY  
 Notary Public, State of Mississippi  
 Harrison County  
 My Commission Expires  
 April 05, 2010

*Kandi Berkley*  
 Notary Public

Printer's Fee ..... \$ \_\_\_\_\_  
 Furnishing proof of publication ..... \$ \_\_\_\_\_  
 TOTAL..... \$ \_\_\_\_\_

The Clerk further reported that two (2) proposals were properly filed, as follows:

Slaughter & Associates, PLLC  
 Urban Planning Consultants  
 P.O. Box 2401  
 Oxford, MS 38655

N-Y Associates, Inc.  
 Consulting Engineers and Planners  
 178 Main Street  
 Biloxi, MS 39530-3830

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

Upon discussion, Alderman Holder made motion seconded by Alderman Notter and unanimously carried authorizing the Mayor to appoint a five (5) member selection committee for review and tabulation of the aforementioned proposals, with a recommendation at the next regular meeting, December 4, 2007.

\*\*\*\*\*

The Clerk reported that pursuant to that certain order of the Mayor and Board of Aldermen at a regular meeting duly held and convened on October 16, 2007, that she did cause to be published in The Sun Herald, a newspaper with a general circulation in the City of Long Beach and published in Harrison County, Legal Notice, Advertisement for Bids, "RECLAIMED CRUSHED CONCRETE", as evidenced by the Publisher's Proof of Publication.

Alderman Holder made motion seconded by Alderman Bennett and unanimously carried to spread said Proof of Publication upon the minutes of this meeting in words and figures, as follows:

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

**PROOF OF PUBLICATION**

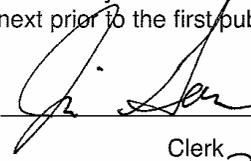
**LEGAL NOTICE ADVERTISEMENT FOR BIDS:**  
 NOTICE IS HEREBY GIVEN that the City of Long Beach, Mississippi, will receive sealed bids for "RECLAIMED CRUSHED CONCRETE", as ordered by the City of Long Beach from time to time for a period beginning October 1, 2007 and ending September 30, 2008.  
 Bid sheets, which include specifications and terms of purchase, are available at the administrative offices: Utility Partners, LLC, 404 Kohler Avenue, Long Beach, Mississippi, 39560, (228) 863-0440 or in the office of the City Clerk, City Hall, 645 Kennedy Road, Post Office Box 929, Long Beach, Mississippi, 39560, (228) 863-1556.  
 Bids will be received at the City Hall by the City Clerk, Monday through Friday 8:00 a.m. to 5:00 p.m. and between the hours of 5:00 and 5:30 p.m. Tuesday, November 20, 2007, at the Long Beach School District Office, 19148 Commission Road, Long Beach, Mississippi, at which time all bids properly filed will be publicly opened and read aloud. Sealed bids must be submitted on the required bid form and must be clearly marked "BID FOR RECLAIMED CRUSHED CONCRETE" on the outside envelope.  
 Bids may be held by the City of Long Beach, for a period not to exceed thirty (30) days from the date of the opening of bids for the purpose of reviewing the bids and investigating the qualifications of bidders prior to awarding of the Contract.  
 The City of Long Beach reserves the right to reject any and all bids and to waive any informalities.  
 ORDERED by the Mayor and Board of Aldermen this 16th day of October, 2007.  
 s/signed  
 Rebecca E. Schuff, City Clerk  
 M24adv23,30,2ue 1202779

STATE OF MISSISSIPPI  
 COUNTY OF HARRISON

Before me, the undersigned Notary of Harrison County, Mississippi personally appeared Julie Garner who, being by me first duly sworn, did depose and say that she is a clerk of The Sun Herald, a newspaper published in the city Gulfport, in Harrison County, Mississippi, and the publication of the notice, a copy of which is hereto attached, has been made in said paper 2 times in the following numbers and on the following dates of such paper, viz:

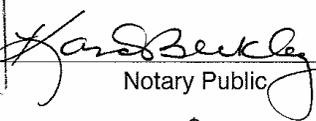
- Vol. 24 No., 20 dated 23 day of Oct, 20 07
- Vol. 24 No., 27 dated 30 day of Oct, 20 07
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

Affiant further states on oath that said newspaper has been established and published continuously in said country for a period of more than twelve months next prior to the first publication of said notice.

  
 Clerk

Sworn to and subscribed before me this 31 day of Oct, A.D., 20 07

KANDI A. BERKLEY  
 Notary Public, State of Mississippi  
 Harrison County  
 My Commission Expires  
 April 05, 2010

  
 Notary Public

Printer's Fee ..... \$ \_\_\_\_\_  
 Furnishing proof of publication ..... \$ \_\_\_\_\_  
 TOTAL..... \$ \_\_\_\_\_

The Clerk further reported that two (2) bids were properly filed, whereupon, said bids were then and there publicly opened and read aloud, as follows:

J & S Excavation, Inc.  
 P.O. Box 10178  
 Gulfport, MS 39505  
 Bid Amount: \$ 20.00 per ton (Bidder to load on City truck)

Warren Paving, Inc.  
 P.O. Box 2545  
 Gulfport, MS 39505  
 Bid Amount: \$ 20.00 per ton (Bidder to load on City truck)

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

Upon discussion, Alderman Holder made motion seconded by Alderman McNary and unanimously carried to take the aforementioned bids under advisement for review and tabulation by Derrel Wilson, Project Manager, Utility Partners, LLC, with a recommendation at the next regular meeting, December 4, 2007.

\*\*\*\*\*

The Clerk reported that pursuant to that certain order of the Mayor and Board of Aldermen at a regular meeting duly held and convened on October 16, 2007, that she did cause to be published in The Sun Herald, a newspaper with a general circulation in the City of Long Beach and published in Harrison County, Legal Notice, Advertisement for Bids, "CRUSHED LIMESTONE", as evidenced by the Publisher's Proof of Publication.

Alderman Holder made motion seconded by Alderman Bennett and unanimously carried to spread said Proof of Publication upon the minutes of this meeting in words and figures, as follows:

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

**PROOF OF PUBLICATION**

STATE OF MISSISSIPPI  
COUNTY OF HARRISON

Before me, the undersigned Notary of Harrison County, Mississippi personally appeared Julie Garner who, being by me first duly sworn, did depose and say that she is a clerk of The Sun Herald, a newspaper published in the city Gulfport, in Harrison County, Mississippi, and the publication of the notice, a copy of which is hereto attached, has been made in said paper 2 times in the following numbers and on the following dates of such paper, viz:

Vol. 124 No., 21 dated 24 day of Oct, 2007  
 Vol. 124 No., 28 dated 31 day of Oct, 2007  
 Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
 Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
 Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
 Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
 Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Affiant further states on oath that said newspaper has been established and published continuously in said country for a period of more than twelve months next prior to the first publication of said notice

NOV 01 2007

[Signature]  
Clerk

Sworn to and subscribed before me this 1 day of Nov, A.D., 2007

KANDI A. BERKLEY  
Notary Public, State of Mississippi  
Harrison County  
My Commission Expires  
April 05, 2010

[Signature]  
Notary Public

Printer's Fee ..... \$ \_\_\_\_\_  
 Furnishing proof of publication ..... \$ \_\_\_\_\_  
 TOTAL..... \$ \_\_\_\_\_

LEGAL NOTICE  
ADVERTISEMENT FOR  
BIDS IS HEREBY GIVEN  
that the City of Long Beach,  
Mississippi, will receive  
sealed bids for "CRUSHED  
LIMESTONE", as ordered by  
the City of Long Beach from  
time to time for a period begin-  
ning October 1, 2007, and  
ending September 30, 2008.  
Bid sheets, which include  
specifications and terms of  
purchase, are available at the  
administrative offices, Daily  
Partners, LLC, 404 Kohler  
Avenue, Long Beach, Missis-  
sippi, 39560, (228) 863-0440  
or in the office of the City  
Clerk, City Hall, 645 Klondyke  
Road, Post Office Box 929,  
Long Beach, Mississippi,  
39560, (228) 863-1556.  
Bids will be received at City  
Hall by the City Clerk, Monday  
through Friday, 8:00 a.m. -  
5:00 p.m. and between the  
hours of 5:00 and 5:30 p.m.,  
Tuesday November 20, 2007,  
at the Long Beach School Dis-  
trict Office, 19148 Com-  
mission Road, Long Beach,  
Mississippi, at which time all  
bids properly filed will be pub-  
licly opened and read aloud.  
Sealed bids must be submit-  
ted on the required bid form  
and must be clearly marked  
"BID FOR CRUSHED LIME-  
STONE" on the outside en-  
velope.  
Bids may be held by the City of  
Long Beach, for a period not  
to exceed thirty (30) days from  
the date of the opening of bids  
for the purpose of reviewing  
the bids and investigating the  
qualifications of bidders prior  
to awarding of the Contract.  
The City of Long Beach  
reserves the right to reject any  
and all bids and to waive any  
informalities.  
ORDERED by the Mayor and  
Board of Aldermen this 4th  
day of September, 2007.  
s/signed  
Rebecca E. Schuff, City  
Clerk  
M44,adv24.31,2wed  
1203217

The Clerk further reported that three (3) bids were properly filed, whereupon, said bids were then and there publicly opened and read aloud, as follows:

Vulcan Materials Company  
4127 Eaton Road  
Long Beach, MS 39560

Acknowledge Addendum #1

Bid Amount: \$ 25.52 per ton (Limestone 825-a or 825-b gradation)

Bid Amount: \$ 25.52 per ton (Limestone 610 gradation)

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

J & S Excavation, Inc.  
P.O. Box 10178  
Gulfport, MS 39505  
Bid Amount: \$ 25.85 per ton (Limestone 610 gradation)

Warren Paving, Inc.  
11211 Reichold Road  
P.O. Box 2545  
Gulfport, MS 39505  
Acknowledge Addendum #1  
Bid Amount: \$ No Bid (Limestone 825-a or 825-b gradation)  
Bid Amount: \$ 24.00 per ton (Limestone 610 gradation)

Upon discussion, Alderman Notter made motion seconded by Alderman Holder and unanimously carried to take the aforementioned bids under advisement for review and tabulation with a recommendation by Derrel Wilson, Project Manager, Utility Partners, LLC, at the next regular meeting, December 4, 2007.

\*\*\*\*\*

The Clerk reported that pursuant to that certain order of the Mayor and Board of Aldermen at a regular meeting duly held and convened on October 16, 2007, that she did cause to be published in The Sun Herald, a newspaper with a general circulation in the City of Long Beach and published in Harrison County, Legal Notice, Advertisement for Bids, "ONE (1) CLASS A COMMERCIAL PUMPER FIRE APPARATUS MOUNTED ON FREIGHTLINER M2 CHASSIS", as evidenced by the Publisher's Proof of Publication.

Alderman Bennett made motion seconded by Alderman McNary and unanimously carried to spread said Proof of Publication upon the minutes of this meeting in words and figures, as follows:

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

**PROOF OF PUBLICATION**

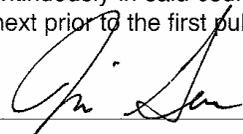
**LEGAL NOTICE  
ADVERTISEMENT FOR  
BIDS**  
Invitation to Submit Sealed Bids  
Long Beach Fire Department  
Date of Bid Opening  
Tuesday, November 20, 2007  
Time of Bid Opening: 5:30 p.m.  
Place of Bid Opening: Long Beach School District Office, 1914B Commission Road, Long Beach, MS  
At the above date, time, and place all sealed bids properly filed will be accepted and publicly opened and read aloud for:  
One (1) Class A Commercial Pumper Fire Apparatus  
Complete apparatus must be built in accordance with the recommendations of the National Fire Protection Association 1901 in its latest edition.  
The officials of the buyer reserve the right to accept the bid they deem is in the best interest of the department. The buyer will be the final authority in determining compliance with the specifications. Questions concerning the technical specifications may be directed to:  
Contact: Assistant Fire Chief Mike Brown  
Phone: (228) 863-7292  
Bids shall be sealed, shall be marked "Proposal for Fire Truck," along with the date and time of the bid opening. The award will be made to the lowest responsible bidder meeting the requirements of the specifications. The buyer will not be responsible for bids opened in error which are incorrectly or inadequately marked.  
No bid may be withdrawn for a period of thirty (30) days. All documents and bid forms required by the specifications shall be submitted in the original bid. No additions or modifications will be allowed after bids are opened.  
The buyer reserves the right to reject any or all bids with or without cause.  
Specifications are on file in the office of the City Clerk and Assistant Fire Chief, 645 Klondyke Road, Long Beach, MS 39560.  
Return Bids to:  
Rebecca E. Schruif  
City Clerk  
P.O. Box 929  
645 Klondyke Road  
Long Beach, MS 39560  
(228) 863-1656  
Signed Rebecca E. Schruif  
Title City Clerk  
M23.adv23.90.21ue  
1202772

STATE OF MISSISSIPPI  
COUNTY OF HARRISON

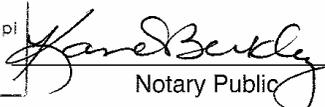
Before me, the undersigned Notary of Harrison County, Mississippi personally appeared Julie Garner who, being by me first duly sworn, did depose and say that she is a clerk of The Sun Herald, a newspaper published in the city Gulfport, in Harrison County, Mississippi, and the publication of the notice, a copy of which is hereto attached, has been made in said paper 2 times in the following numbers and on the following dates of such paper, viz:

- Vol. 24 No., 20 dated 23 day of Oct, 20 07
- Vol. 24 No., 27 dated 30 day of Oct, 20 07
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_
- Vol. \_\_\_\_\_ No., \_\_\_\_\_ dated \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

Affiant further states on oath that said newspaper has been established and published continuously in said country for a period of more than twelve months next prior to the first publication of said notice.

  
Clerk

Sworn to and subscribed before me this 31 day of Oct, A.D., 20 07

KANDI A. BERKLEY  
Notary Public, State of Mississippi  
Harrison County  
My Commission Expires  
April 05, 2010  
  
Notary Public

Printer's Fee ..... \$ \_\_\_\_\_  
Furnishing proof of publication ..... \$ \_\_\_\_\_  
TOTAL..... \$ \_\_\_\_\_

The Clerk further reported that one (1) bid was properly filed, whereupon, said bid was then and there publicly opened and read aloud, as follows:

Sunbelt Fire  
8050 McGowin Drive  
Fairhope, AL 36532  
Bid Amount: \$208,499.00

**Alternate**

Electronic Federal-Q Siren Mounted in Front Bumper  
Bid Amount: \$ 5,535.00

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

Upon discussion, Alderman Bennett made motion seconded by Alderman Holder and unanimously carried to take the aforementioned bid under advisement for review and tabulation by the Fire Department with a recommendation at the next regular meeting, December 4, 2007.

\*\*\*\*\*

There came on for consideration a letter from Derrel Wilson, Project Manager, Utility Partners, LLC, as follows:

**UTILITY PARTNERS, LLC**

# Memo

**To:** REBECCA SCHRUFF, CITY CLERK  
**From:** Derrel Wilson, Project Manager  
**CC:**  
**Date:** 11/13/2007  
**Re:** ANNUAL BID FOR HOT BITUMINOUS PAVEMENT, SC-1

---

I have reviewed the bids received for Hot Bituminous Pavement, SC-1, and found that Warren Paving, Inc. has submitted the lowest and best bid. I recommend the City award the bid to Warren Paving, Inc., P.O. Box 572, Hattiesburg, MS 02932.

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

Based upon the recommendation of Mr. Wilson, Alderman Holder made motion seconded by Alderman Notter and unanimously carried to award the bid for "HOT BITUMINOUS PAVEMENTS, SC-1" to the lowest and best bidder, Warren Paving, Inc., as set forth above.

\*\*\*\*\*

There came on for consideration a letter from Derrel Wilson, Project Manager, Utility Partners, LLC, as follows:

**UTILITY PARTNERS, LLC**

# Memo

**To:** REBECCA SCHRUFF, CITY CLERK  
**From:** Derrel Wilson, Project Manager  
**CC:**  
**Date:** 11/13/2007  
**Re:** ANNUAL BID FOR POLYETHYLENE CULVERT PIPE

---

I have reviewed the bid received for Polyethylene Culvert Pipe and have found that Advanced Drainage Systems, Inc. has submitted the lowest and best bid. I recommend the City award the bid to Advanced Drainage Systems, Inc., 12408 Oakview Court, Gulfport, MS 39503.

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

Based upon the recommendation of Mr. Wilson, Alderman Bennett made motion seconded by Alderman Notter and unanimously carried to award the bid for "POLYETHYLENE CULVERT PIPE" to the lowest and best bidder, Advanced Drainage Systems, Inc., as set forth above.

\*\*\*\*\*

Alderman Bennett made motion seconded by Alderman Holder and unanimously carried authorizing the advertisement for bids Long Beach Tree Planting Project.

\*\*\*\*\*

There were no announcements, presentations or proclamations.

\*\*\*\*\*

Alderman Holder made motion seconded by Alderman Burton and unanimously carried to suspend the rules and amend the Municipal Docket to include the following:

VII.2.a. PLANNING COMMISSION – November 8, 2007 – Comments from Planning Commission Chairman Frank Olaiver;

IX.3.c. DEPARTMENTAL BUSINESS – Katrina Water & Sewer Replacement – Harbor;

EXECUTIVE SESSION – Personnel (End of Meeting).

\*\*\*\*\*

Alderman McNary made motion seconded by Alderman Bennett and unanimously carried to approve the recess meeting minutes of the Mayor and Board of Aldermen dated November 7, 2007, as submitted.

\*\*\*\*\*

There came on for consideration the November 8, 2007, Planning Commission minutes and it was noted for the record that the minutes did not reflect the vote on the actions taken.

Alderman Holder made motion seconded by Alderman Burton and unanimously carried to take the aforementioned minutes under advisement, directing the Planning Commission Clerk to provide corrected copies for consideration at the next regular meeting, December 4, 2007.

\* \*

The Mayor recognized Planning Commission Chairman Frank Olaiver to discuss zoning and smart codes. The Mayor and Board of Aldermen directed Mr. Olaiver to

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

contact Dhiru Thandani to meet with the Planning Commission and report at the next regular meeting, December 4, 2007.

\*\*\*\*\*

Alderman McNary made motion seconded by Alderman Holder and unanimously carried to approve the November 15, 2007, Port Commission minutes, as submitted.

\*\*\*\*\*

Alderman Holder made motion seconded by Alderman McNary and unanimously carried to approve payment of invoices as listed in Docket of Claims number 112007.

\*\*\*\*\*

Discussion was held regarding the lighting on Highway 90, however, no action was required or taken.

\*\*\*\*\*

Based upon the recommendation of Fire Chief George Bass and certification by the Civil Service Commission, Alderman Bennett made motion seconded by Alderman Notter and unanimously carried to approve Fire Department step increases, as follows:  
Firefighter 1<sup>st</sup> Class Clayton Franklin, PS-9-I, effective November 16, 2007;  
Firefighter 1<sup>st</sup> Class Jay Lonthair, PS-9-Basic, effective November 16, 2007;  
Firefighter 1<sup>st</sup> Class Heath Mitchell, PS-9-I, effective November 16, 2007;  
Firefighter 1<sup>st</sup> Class Brad McGill, PS-9-III, effective December 1, 2007;  
Firefighter 2<sup>nd</sup> Class Jared Bolton, PS-7, effective December 16, 2007;  
Lieutenant Lance Bond, PS-14-IV, effective December 1, 2007;  
Lieutenant Mark Scafide, PS-14-IV, effective December 1, 2007.

\*\*\*\*\*

Alderman McNary made motion seconded by Alderman Notter and unanimously carried to extend the Proclamation of Civil Emergency – Hurricane Katrina.

\*\*\*\*\*

There came on for consideration a letter with attachments from City Engineer David Ball, as follows:

# Minutes of November 20, 2007 Mayor and Board of Aldermen



**A. GARNER RUSSELL & ASSOCIATES, INC. / CONSULTING ENGINEERS**

520 33<sup>RD</sup> STREET, GULFPORT, MS 39507  
P.O. BOX 1677, GULFPORT, MS 39502

TEL (228) 863-0667  
FAX (228) 863-5232



November 14, 2007

City of Long Beach  
P.O. Box 929  
Long Beach, MS 39560

**RE: Proposed Change Order Number 3  
Repairs to Long Beach Smallcraft Harbor – Phase 2**

Gentlemen:

As we began work on the redecking of Pier 4 in accordance with Change Order No. 2 executed by the City; it became apparent that there was some severe damage to the deck stringers. However, my inspection of the problem indicates that the damage is not due to the effects of Hurricane Katrina, but is due to the aging of the wood of the stringers. We found that a majority of the stringers have a longitudinal fracture in the nailing surface of the wood, which could make nailing new deck boards into the existing stringers a futile effort. In other words, the existing stringers (in our opinion) are damaged due to aging in such a way that new decking will likely not be firmly attached to the stringers. This could lead to the decking being pulled off in small storm events, or even in very high tides with much wave action. After consulting with the Contractor and the Port Commission, it was decided to replace the deck stringers with a full-size stringer "sistered" to the existing stringer. This was the cheapest, most effective way to solve the problem. We have attached proposed Change Order No. 3 to address the additional work, which costs \$2,200. This seems to be a very reasonable cost for this additional work.

This work will not be reimbursed by FEMA, but it will be paid by the Port Commission from their Tidelands Grant funds. This work certainly meets the conditions of that Grant by enhancing the public access to the Harbor. We respectfully request your consideration and approval of this Change Order so that this work may proceed soon. Thank you.

Sincerely,

David Ball, P.E.

DB:1775-II  
Enclosure

# Minutes of November 20, 2007 Mayor and Board of Aldermen

## CHANGE ORDER

No. 3

Dated 11/14/2007

Owner's Project No. \_\_\_\_\_ Engineer's Project No. 1775-II

Project Repairs to Long Beach Smallcraft Harbor Phase 2

Owner City of Long Beach

Contractor Vice Construction, Inc. Contract Date 5/2/2007

Contract For Entire Project

To: Vice Construction, Inc.

Contractor:

You are directed to make the changes noted below in the subject contract:

Owner City of Long Beach

By \_\_\_\_\_

Date \_\_\_\_\_

### Nature of the Change

1. Install new stringers to replace old, rotten stringers on full length of Pier 4.

### Enclosures:

1. Contractor's price proposal

The changes result in the following adjustment of Contract Price and Contract Time:

Contract Price Prior to This Change Order	\$	<u>807,815.00</u>
Net (Increase) (Decrease) Resulting from this Change Order	\$	<u>2,200.00</u>
Current Contract Price Including This Change Order	\$	<u>810,015.00</u>

NSPE 1910-8-B (1970 Edition)

© 1970, National Society of  
Professional Engineers

# Minutes of November 20, 2007 Mayor and Board of Aldermen

Contract Time Prior to This Change Order	<u>195</u>	Calendar Days.
Net (Increase) (Decrease) Resulting From This Change Order	<u>0</u>	Calendar Days.
Current Contract Time Including This Change Order	<u>195</u>	Calendar Days.

---

The Above Changes Are Approved:

A. Garner Russell & Associates, Inc.  
ENGINEER

by \_\_\_\_\_

Date \_\_\_\_\_

---

The Above Changes Are Accepted:

Vice Construction, Inc.  
CONTRACTOR

by \_\_\_\_\_

Date \_\_\_\_\_

# Minutes of November 20, 2007 Mayor and Board of Aldermen

PROJECT NO. 1775 II  
Page 3 of 3

3

ATTACHMENT TO CHANGE ORDER NUMBER

NO.	DESCRIPTION	CURRENT CONTRACT QUANTITY	UNIT PRICE	CURRENT CONTRACT AMOUNT	QUANTITY THIS C.O.	EXTENSION THIS C.O.	QUANTITY TO DATE	EXTENSION TO DATE
1-A1	DEMOLITION - DECK & BROKEN PILES & SUBSTRUCTURE - PIER 2	1 L.S.	\$28,340.00	\$28,340.00	0	\$0.00	1	\$28,340.00
1-A2	DEMOLITION - DETERIORATED PILES & SUBSTRUCTURE - PIER 2	1 L.S.	\$25,070.00	\$25,070.00	0	\$0.00	1	\$25,070.00
1-B	DEMOLITION - PIER 3	1 L.S.	\$20,000.00	\$20,000.00	0	\$0.00	1	\$20,000.00
1-C	DEMOLITION - PIER 4	1 L.S.	\$8,000.00	\$8,000.00	0	\$0.00	1	\$8,000.00
2-A	10" x 30' PILE	13 EA.	\$763.00	\$9,919.00	0	\$0.00	13	\$9,919.00
2-B	12" x 36' PILE	83 EA.	\$872.00	\$72,376.00	0	\$0.00	83	\$72,376.00
3-A	WOOD TIMBER PIER SUBSTRUCTURE	7,384 B.F.	\$32.50	\$239,980.00	0	\$0.00	7,384	\$239,980.00
4-A	WOOD PIER DECKING, 6' WIDE DECK	382 L.F.	\$41.50	\$15,853.00	0	\$0.00	382	\$15,853.00
4-B	WOOD PIER DECKING, 10' WIDE DECK	554 L.F.	\$53.50	\$29,639.00	0	\$0.00	554	\$29,639.00
4-C	FINGER PIER	25 EA.	\$1,962.00	\$49,050.00	0	\$0.00	25	\$49,050.00
5-A	MAIN POWER SERVICE	1 L.S.	\$61,171.00	\$61,171.00	0	\$0.00	1	\$61,171.00
5-B	DOUBLE 30A RECEPTACLE BOX WITH WIRING	77 EA.	\$2,652.00	\$204,204.00	0	\$0.00	77	\$204,204.00
5-C	LIGHT ASSEMBLY	15 EA.	\$635.00	\$9,525.00	0	\$0.00	15	\$9,525.00
6-A	WATER DISTRIBUTION SYSTEM - PIER 2	1 L.S.	\$8,720.00	\$8,720.00	0	\$0.00	1	\$8,720.00
6-B	WATER DISTRIBUTION SYSTEM - PIER 3	1 L.S.	\$9,538.00	\$9,538.00	0	\$0.00	1	\$9,538.00
6-C	WATER DISTRIBUTION SYSTEM - PIER 4	1 L.S.	\$2,180.00	\$2,180.00	0	\$0.00	1	\$2,180.00
7-A	CHAIN LINK FENCE GATE - PIER 2	1 L.S.	\$1,100.00	\$1,100.00	0	\$0.00	1	\$1,100.00
7-B	CHAIN LINK FENCE GATE - PIER 3	1 L.S.	\$1,100.00	\$1,100.00	0	\$0.00	1	\$1,100.00
7-C	CHAIN LINK FENCE GATE - PIER 4	1 L.S.	\$1,100.00	\$1,100.00	0	\$0.00	1	\$1,100.00
CO2-1	DEMOLITION - PIER 4 DECKING	1 L.S.	\$1,500.00	\$1,500.00	0	\$0.00	1	\$1,500.00
CO2-2	DECKING, 6' WIDE (NOT INCLUDING STRINGERS)	300 L.F.	\$31.50	\$9,450.00	0	\$0.00	300	\$9,450.00
CO3-1	PIER 4 STRINGERS	0 L.S.	\$2,200.00	\$0.00	1	\$2,200.00	1	\$2,200.00
<b>TOTALS:</b>				\$807,815.00		\$2,200.00		\$810,015.00

# Minutes of November 20, 2007 Mayor and Board of Aldermen



K & G Crane and Marine Services, Inc.  
24203 Bilbo Road  
Vanceleave, MS 39565  
Tel 228-381-1661 fax 228-826-1164

October 17, 2007

Long Beach Smallcraft Harbor  
220 South Cleveland  
Long Beach, MS. 39560  
Tel. 228-313-4074

Subject: Price for adding stringers to pier 4

Mr. David Ball

We noted during the removal of the decking on pier 4 that the existing stringers are in a very deteriorated condition, the timbers have longitudinal fractures and are weakened at the attachment to the main cross beam. We do not feel the new decking can effectively be re-attached to the existing stringers.

K&G Crane and Marine Services Inc. makes three recommendations listed below to address the situation concerning attaching the new decking to pier 4;

- 1. Do complete replacement per issued design standard for 6' decking**
  - a. We feel this is the most cost prohibited since all plumbing and electrical services have already been installed. This would require removal and re-installation.
- 2. Sister nail a 2"x8" timber to existing stringers**
  - a. The concern would be a none full width timber, therefore the new timbers would not rest on the main cross beams. This would leave structural concerns.
- 3. Sister nail a 2"x10" full width timber to existing stringers.**
  - a. We feel this is the most cost effective approach to address the current situation. This approach will yield a structurally sound connection for the new decking and a strengthened attachment to the main cross beams. K&G Crane recommends this option.
  - b. Listed below is pricing for this option

Description	unit	amount	extended
Install 2"x10" stringers sister nailed to existing in place stringers	Lump sum	\$ 2,200.00	\$ 2,200.00

We look forward to hearing from you. If you should have any questions, please call me at (228) 381-1661.

Sincerely,

Joseph Schmidt  
K&G Crane and Marine Services Inc.

Based upon the recommendation of Mr. Ball, Alderman McNary made motion seconded by Alderman Burton and unanimously carried to approve Change Order Number 3, Vice Construction, Inc., "REPAIRS TO LONG BEACH SMALLCRAFT HARBOR PHASE 2", as set forth above.

\*\*\*\*\*

There came on for consideration a letter with attachments from City Engineer David Ball, as follows:

# Minutes of November 20, 2007 Mayor and Board of Aldermen



**A. GARNER RUSSELL & ASSOCIATES, INC. / CONSULTING ENGINEERS**

520 33<sup>RD</sup> STREET, GULFPORT, MS 39507  
P.O. BOX 1677, GULFPORT, MS 39502

TEL (228) 863-0667  
FAX (228) 863-5232



November 16, 2007

City of Long Beach  
P.O. Box 929  
Long Beach, MS 39560

**RE: Katrina Water & Sewer Replacement – Harbor**

Gentlemen:

This project consists of the replacement of water and sewer infrastructure within the Long Beach Smallcraft Harbor area. Bids were received on October 2, 2007, and a Certified Tabulation of Bids is enclosed.

The low bid was \$259,965.00 made by Onyx, Inc. from Bessemer, Alabama. Obviously, we have current and continuing construction experience with this Contractor; and we certainly feel they are qualified and able to perform the work, especially with the other on-going projects nearing completion. The bid price came very close to our estimate of the construction cost and falls reasonably in-line with the FEMA Project Worksheets for this replacement work.

The MEMA technical review team expressed some doubt about the inclusion of this work in the Project Worksheets because it was not specifically included in the Scope of Work; however, after efforts by the Mayor, we received the attached email from one of our MEMA contacts, Anthony Long. He recommends that the City proceed with the project, while MEMA creates a new Version of the PW to specifically obligate the work in the Scope of Work. The City can receive reimbursement for this project prior to the Version because we have not yet over-run the amount obligated in the current Version.

Based on the above, we recommend an Award of Contract to Onyx, Inc., as the lowest and best bidder. After the award, we will handle getting signed contracts and bonds so that construction may begin as soon as possible.

Sincerely,

David Ball, P.E.

DB:1770-Harbor  
Enclosure

cc: Tom Hale, Onyx Inc. (Fax: 205-425-5038)

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

Page 1 of 1

**David Ball**

---

**From:** Long, Anthony (OGA) [anthony.long@associates.dhs.gov]  
**Sent:** Friday, November 16, 2007 2:26 PM  
**To:** mayor@cityoflongbeachms.com; David Ball  
**Cc:** Christopher Fields; Smith, CharlesD (CTR); JJTomba@pbsj.com; Sullivan, Shae; JPVarner@pbsj.com; Griffin, Larry (CTR); Walker, James  
**Subject:** Long Beach Harbor Water and Sewer Repair

Mayor

We have completed a tech review of the Harbor water and sewer repair project. At this time I believe that all of the work contained in the plans is eligible for FEMA funding, however a version will need to be completed as the harbor work is not identified at this time. While we are completing a version or general comments you can award the contract and proceed with this work. I will have a request submitted to FEMA next week and a version started as quickly as possible.

Anthony Long  
MEMA  
919-357-2866

11/16/2007

Based upon the recommendation of Mr. Ball, Alderman McNary made motion seconded by Alderman Holder and unanimously carried to award the contract, "KATRINA WATER & SEWER REPLACEMENT – HARBOR REPAIRS", to Onyx, Inc., as set forth above.

\*\*\*\*\*

Based upon the recommendation of Police Chief Wayne McDowell and certification by the Civil Service Commission, Alderman McNary made motion

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

seconded by Alderman Holder and unanimously carried to approve Police Department Step Increases, as follows:

1<sup>st</sup> Class Patrol Craig DeRoche, PS-10-III, effective December 1, 2007;

1<sup>st</sup> Class Dispatch Derrick Rowe, PS-3-II, effective December 1, 2007;

2<sup>nd</sup> Class Dispatch Meghan Goepel, PS-2, effective December 16, 2007.

\*\*\*\*\*

Alderman Bennett made motion seconded by Alderman Notter and unanimously carried to hire a Licensed Landscaper to oversee "the Maintenance Plan", Long Beach Tree Planting Grant Program.

\*\*\*\*\*

Alderman Holder made motion seconded by Alderman McNary and unanimously carried to adopt the City Holiday Schedule as follows:

# Minutes of November 20, 2007 Mayor and Board of Aldermen

## HOLIDAY SCHEDULE 2007 \*

Wednesday, November 21<sup>st</sup> Close Noon (ALL administrative employees taking off at noon MUST utilize annual leave or comp time or remain at work for their normal work day)

Thursday, November 22<sup>nd</sup> & Friday, November 23<sup>rd</sup> Closed – Thanksgiving Holidays

Friday, December 21<sup>st</sup> Close Noon (ALL administrative employees taking off at noon MUST utilize annual leave or comp time or remain at work for their normal work day)

Monday, December 24<sup>th</sup> & Tuesday, December 25<sup>th</sup> Closed – Christmas Holidays

## HOLIDAY SCHEDULE 2008 \*

Tuesday, January 1<sup>st</sup> Closed - New Year's Day  
Monday, January 21<sup>st</sup> Closed - Martin Luther King, Jr. Day  
Robert E. Lee Day

Monday, February 18<sup>th</sup> Closed - President's Day

Monday, April 28<sup>th</sup> Closed - Confederate Memorial Day

Monday, May 26<sup>th</sup> Closed - Federal Memorial Day

Friday, July 4<sup>th</sup> Closed - Independence Day

Monday, September 1<sup>st</sup> Closed – Labor Day

Tuesday, November 11<sup>th</sup> Closed – Veteran's Day  
Wednesday, November 26<sup>th</sup> Close Noon (ALL administrative employees taking off at noon MUST utilize annual leave or comp time or remain at work for their normal work day)

Thursday, November 27<sup>th</sup> & Friday, November 28<sup>th</sup> Closed – Thanksgiving Holidays

Wednesday, December 24<sup>th</sup> Close Noon (ALL administrative employees taking off at noon MUST utilize annual leave or comp time or remain at work for their normal work day)

Thursday, December 25<sup>th</sup> & Friday, December 26<sup>th</sup> Closed – Christmas Holidays

**\* Holidays are subject to change in accordance with Governor's proclamation**

\*\*\*\*\*

Alderman Notter made motion seconded by Alderman McNary and unanimously carried to approve the CDBG Requests for Cash, authorizing the Mayor to execute same, as follows:

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

**MEMO**

**DATE:** November 1, 2007  
**TO:** Honorable William Skellie, Jr.  
City of Long Beach  
**FROM:** Ann Frazier  
Jimmy G. Gouras Urban Planning  
**RE:** City of Long Beach  
Community Revitalization Grant  
CDBG Project #R-103-235-01-KCR  
Request for Cash and Summary Support Sheet

Enclosed please find the following invoices for the above referenced project:

1. Jimmy G. Gouras Urban Planning Consultants Inc.  
Invoice Number 5062 in the amount of \$4,141.56  
For general administration

Also enclosed is "Request for Cash and Summary Support Sheet No. 2" in the amount of \$4,141.56 for payment of the above invoice.

Please have the above invoice and Request for Cash and the supporting documentation placed on your next agenda for approval. After its approval, the appropriate official should sign the "Request for Cash and Cash Summary Support Sheet No. 1" and return it along with the supporting documentation for processing to our office at the following address:

Adrienne Howell, Associate Consultant  
Jimmy Gouras Urban Planning  
953-B Howard Street  
Biloxi, MS 39530

If you have any questions, please do not hesitate to call me or Adrienne Howell (228)436-9425.

Enclosures

**JIMMY G. GOURAS**

URBAN PLANNING CONSULTANTS, INC.

1100 CHERRY ST. • P.O. BOX 1547 • VICKSBURG, MS 39181-1547 • 601-638-7121 • FAX 601-638-5292 • Email: [jggouras@bellsouth.net](mailto:jggouras@bellsouth.net)



# Minutes of November 20, 2007 Mayor and Board of Aldermen

## Mississippi Development Authority Cash Summary Support Sheet

Page 1 of 2

Applicant: City of Long Beach Request No: 2 Grant Number: R-103-06  
 Period Cost - Beginning: October 1, 2007 Ending Date: October 31, 2007 Contract Number: R-103-235-01-KCR

1. Activity: Administration		(a)	(b)	Federal Share
Line Item	Vendor Name	Invoice #	Invoice Amount	Match Share
A.	Administration	Jimmy Gouras	5062	\$4,141.56
B.				
C.				
D.				
			<b>Subtotal:</b>	<b>\$4,141.56</b>
				<b>\$4,141.56</b>

2. Activity:		(a)	(b)	Federal Share
Line Item	Vendor Name	Invoice #	Invoice Amount	Match Share
A.				
B.				
C.				
D.				
			<b>Subtotal:</b>	<b>\$</b>
				<b>\$</b>

3. Activity:		(a)	(b)	Federal Share
Line Item	Vendor Name	Invoice #	Invoice Amount	Match Share
A.				
B.				
C.				
D.				
			<b>Subtotal:</b>	<b>\$</b>
				<b>\$</b>

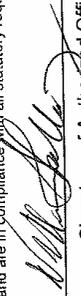
# Minutes of November 20, 2007 Mayor and Board of Aldermen

Applicant City of Long Beach Request No: 2 Grant Number: R-103-06  
 Cash Summary Support Sheet Contract Number: R-103-295-01-KCR

4. Activity:	Line Item	Vendor Name	Invoice #	Invoice Amount (a)	Match Share (b)	Federal Share
A.						
B.						
C.						
D.						
<b>Subtotal:</b>						
5. Activity:	Line Item	Vendor Name	Invoice #	Invoice Amount (a)	Match Share (b)	Federal Share
A.						
B.						
C.						
D.						
<b>Subtotal:</b>						
6. Activity:	Line Item	Vendor Name	Invoice #	Invoice Amount (a)	Match Share (b)	Federal Share
A.						
B.						
C.						
D.						
<b>Subtotal:</b>						
				<b>GRAND TOTAL:</b>	<b>\$ 4,141.56</b>	<b>\$ 4,141.56</b>
				<b>Cumulative Match Expended To Date:</b>	<b>\$ 39,783.12</b>	
				<b>Cumulative Federal Expended To Date:</b>		

I hereby Certify That: a) the services covered by this request have not been received from the Federal Government or expended for such services under any other contract agreement or grant; b) the amount requested will be expended for allowable costs/expenditures under the terms of the contract agreement or grant; c) the amount requested herein does not exceed the total funds obligated by contract; and d) the funds are requested for only immediate disbursements.

I hereby Certify that the goods sold and/or services rendered have been delivered and/or performed in good order and are in compliance with all statutory requirements and regulations.

William Skellie, Jr., Mayor  
 Typed Name and Title of Authorized Official  
  
 Signature of Authorized Official



**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

*STATEMENT FOR SERVICES RENDERED*

*CITY OF LONG BEACH*

*KATRINA SUPPLEMENTAL COMMUNITY DEVELOPMENT BLOCK GRANT  
COMMUNITY REVITALIZATION PROJECT  
PROJECT NO. R-103-235-01-KCR*

*OCTOBER 31, 2007*

*INVOICE #5062*

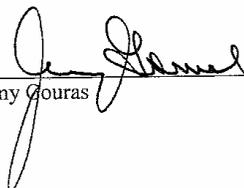
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Monthly Administrative Services Rendered Pertaining Project #R-103-235-01-KCR.

Services rendered include overall coordination of project activities; Attending MDA/HUD monitoring visits, meetings, etc.; Maintaining financial records; Preparing the necessary documentation to request funds from MDA; and Providing all other services considered normal administrative services within the course of this Agreement

**TOTAL DUE**

**\$ 4,141.56**

  
Jimmy Gouras

**JIMMY G. GOURAS**

URBAN PLANNING CONSULTANTS, INC.

1100 CHERRY ST. • P.O. BOX 1547 • VICKSBURG, MS 39181-1547 • 601-638-7121 • FAX 601-638-5292 • Email:jggouras@bellsouth.net

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

**MEMO**

**DATE:** November 1, 2007  
**TO:** Honorable William Skellie, Jr.  
City of Long Beach  
**FROM:** Ann Frazier  
Jimmy G. Gouras Urban Planning  
**RE:** City of Long Beach  
Planning Grant  
CDBG Project # R-103-235-01-KP  
Request for Cash and Summary Support Sheet

Enclosed please find the following invoice for the above referenced project:

1. Jimmy G. Gouras Urban Planning Consultants Inc.  
Invoice Number 5051 in the amount of \$1,166.67  
For general administration

Also enclosed is "Request for Cash and Summary Support Sheet No. 2" in the amount of \$1,166.67 for payment of the above invoice.

Please have the above invoice and Request for Cash and the supporting documentation placed on your next agenda for approval. After its approval, the appropriate official should sign the "Request for Cash and Cash Summary Support Sheet No. 2" and return it along with the supporting documentation for processing to our office at the following address:

Adrienne Howell, Associate Consultant  
Jimmy Gouras Urban Planning  
953-B Howard Street  
Biloxi, MS 39530

If you have any questions, please do not hesitate to call me or Adrienne Howell (228)436-9425.

Enclosures

**JIMMY G. GOURAS**

URBAN PLANNING CONSULTANTS, INC.

1100 CHERRY ST. • P.O. BOX 1547 • VICKSBURG, MS 39181-1547 • 601-638-7121 • FAX 601-638-5292 • Email:jggouras@bellsouth.net

# Minutes of November 20, 2007 Mayor and Board of Aldermen

## Mississippi Development Authority REQUEST FOR CASH

Section A: General Information		Section B: Project Information	
Applicant Name: City of Long Beach Mailing Address: Post Office Box 929 Street Address: City, State Zip: Long Beach, MS 39560 Telephone No.: 228-863-1556 Fax Number: 228-865-0822 Email Address: <a href="mailto:cityclerk@cityoflongbeach.ms.gov">cityclerk@cityoflongbeach.ms.gov</a>	Grant No.: R-103-06 Contract No.: R-103-235-01-KP Request No.: 2  <b>FOR MDA USE ONLY</b> Vendor No.: IDIS Voucher Number:		
Bank Information Electronic Transfer: 065503681 Bank Account: 043306089 Bank Name: Hancock Bank Address: 101 Jeff Davis Avenue City, State Zip: Long Beach, MS 39560 Telephone No.: 228-688-4000 Services Rendered:		Approval for Payment Signature: _____ Date: _____ Activity Numbers: _____	
From: October 1, 2007      Thru: October 31, 2007			
<b>Section C: Request Per Activity</b>			
1	Administration	Budget Amount	Total Prior Request to Date
		\$ 17,500.00	\$ 3,666.67
			This Request
			\$ 1,166.67
			Remaining Balance
			\$ 12,666.66
2	Application Preparation	\$ 2,500.00	\$ 2,500.00
3	Planning	\$ 450,000.00	\$ 450,000.00
4			
5			
6			
	Total:	\$ 470,000.00	\$ 6,166.67
			\$ 462,666.66

I Herby Certify That (a) the services covered by this request have not been received from the Federal Government or expended for such services under any other contract agreement or grant; (b) the amount requested will be expended for allowable costs / expenditures under the terms of the contract agreement or grant; (c) the amount requested herein does not exceed the total funds obligated by contract; and (d) the funds are requested for only immediate disbursements.

I Herby Certify That the goods sold and/or services rendered have been delivered and/or performed in good order within the time listed above and are in compliance with all statutory requirements and regulations. I certify that this request does not include any advances or funds for future obligations.

  
 Signature of Authorized Official

William Skelle, Jr., Mayor  
 Typed Name and Title of Authorized Official

  
 Date Signed: 11/14/07

Chisty Pickering, CPA  
 Prepared By

228-374-0300  
 Preparer's Telephone No.

10/31/2007  
 Date Prepared

# Minutes of November 20, 2007 Mayor and Board of Aldermen

## Mississippi Development Authority Cash Summary Support Sheet

Applicant City of Long Beach Request No: 2 Grant Number: R-103-06  
 Period Cost - Beginning October 1, 2007 Ending Date: October 31, 2007 Contract Number: R-103-295-01-KP

1. Activity: <u>Administration</u>		(a)	(b)	
Line Item	Vendor Name	Invoice #	Invoice Amount	Match Share
A.	<u>Jimmy Gouras</u>	<u>5051</u>	<u>\$1,166.67</u>	
B.				
C.				
D.				
<b>Subtotal:</b>			<u>\$1,166.67</u>	<u>\$1,166.67</u>
2. Activity:		(a)	(b)	
Line Item	Vendor Name	Invoice #	Invoice Amount	Match Share
A.				
B.				
C.				
D.				
<b>Subtotal:</b>			<u>\$</u>	<u>\$</u>
3. Activity:		(a)	(b)	
Line Item	Vendor Name	Invoice #	Invoice Amount	Match Share
A.				
B.				
C.				
D.				
<b>Subtotal:</b>			<u>\$</u>	<u>\$</u>

# Minutes of November 20, 2007 Mayor and Board of Aldermen

Page 2 of 2

**Cash Summary Support Sheet**

Applicant City of Long Beach Request No: 2 Grant Number: R-103-06  
 Contract Number: R-103-235-01-KP

4. Activity:	Line Item	Vendor Name	Invoice #	Invoice Amount (a)	Match Share (b)	Federal Share
A.						
B.						
C.						
D.						
<b>Subtotal:</b>						
5. Activity:	Line Item	Vendor Name	Invoice #	Invoice Amount (a)	Match Share (b)	Federal Share
A.						
B.						
C.						
D.						
<b>Subtotal:</b>						
6. Activity:	Line Item	Vendor Name	Invoice #	Invoice Amount (a)	Match Share (b)	Federal Share
A.						
B.						
C.						
D.						
<b>Subtotal:</b>						

Cumulative Match Expended To Date: \$ 1,166.67 \$ - \$ 1,166.67

Cumulative Federal Expended To Date: \$ 7,333.34

I hereby Certify That: a) the services covered by this request have not been received from the Federal Government or expended for such services under any other contract agreement or grant; b) the amount requested will be expended for allowable costs/expenses under the terms of the contract agreement or grant; c) the amount requested herein does not exceed the total funds obligated by contract; and d) the funds are requested for only immediate disbursements.

I hereby Certify that the goods sold and/or services rendered have been delivered and/or performed in good order and are in compliance with all statutory requirements and regulations.

William Skellie, Jr., Mayor Signature of Authorized Official

Typed Name and Title of Authorized Official



**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

*STATEMENT FOR SERVICES RENDERED*

*CITY OF LONG BEACH*

*KATRINA SUPPLEMENTAL COMMUNITY DEVELOPMENT BLOCK GRANT  
PLANNING PROJECT  
PROJECT NO. R-103-235-01-KP*

*OCTOBER 31, 2007*

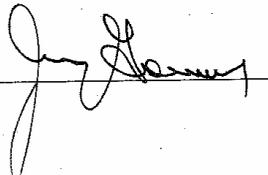
*INVOICE #5051*

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Monthly Administrative Services Rendered Pertaining Project #R-103-235-01-KP.

Services rendered include overall coordination of project activities; Attending State monitoring visits, meetings, etc.; Maintaining financial records; Preparing the necessary documentation to request funds from the State; and Providing all other services considered normal administrative services within the course of this Agreement

**TOTAL DUE** **\$1,166.67**

  
\_\_\_\_\_

Jimmy Gouras

**JIMMY G. GOURAS**  
URBAN PLANNING CONSULTANTS, INC.

1100 CHERRY ST. • P.O. BOX 1547 • VICKSBURG, MS 39181-1547 • 601-638-7121 • FAX 601-638-5292 • Email:jggouras@bellsouth.net

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Alderman Bennett made motion seconded by Alderman Burton and unanimously carried to engage the professional services of the firm of Wolfe, McDuff & Oppie, Certified Public Accountants, to conduct the City of Long Beach Fiscal Year 2006 and 2007 audits, authorizing the City Clerk to execute same, as follows:

# Minutes of November 20, 2007 Mayor and Board of Aldermen



Jesse J. Wolfe, CPA (Retired)  
Grover B. McDuff, CPA (Retired)  
Jack A. Oppie, CPA

C. Scott Rankin, CPA  
Delorise A. Larsen, CPA  
Jason Keenum, CPA

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3103 Pascagoula Street • Pascagoula, MS 39567 • Phone: 228-762-6343 • Fax: 228-762-4498 • www.wmocpas.com

November 19, 2007

City of Long Beach  
Long Beach, MS

We are pleased to confirm our understanding of the services we are to provide to the City of Long Beach for the years ended September 30, 2006 and September 30, 2007. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of the City of Long Beach as of and for the years ended September 30, 2006 and September 30, 2007. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to accompany the City of Long Beach's basic financial statements. As part of our engagement, we will apply certain limited procedures to the City of Long Beach's RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it. 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 schedules

Supplementary information other than RSI, such as combining and individual fund financial statements, also accompanies the City of Long Beach's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and will provide an opinion on it in relation to the basic 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 Public Company Audit Firms • AICPA Employee Benefit Plan Audit Quality Center



# Minutes of November 20, 2007

## Mayor and Board of Aldermen

City of Long Beach, Mississippi  
Page 2

### Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic 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 additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants, 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 reports on internal control and compliance will each include a statement that the report is intended for the information and use of the audit committee, management, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with U.S. generally accepted auditing standards; 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 Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified, we will fully 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 to issue a report as a result of this engagement.

### Management Responsibilities

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Long Beach and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for federal award program compliance with applicable laws and regulations and the provisions of contracts and grant agreements. Management is responsible for the basic financial

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)

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City of Long Beach, Mississippi  
Page 3

statements and all accompanying information as well as all representations contained therein.

You are responsible for management decisions and functions. As part of the audit, we will prepare a draft of your financial statements, schedule of expenditures of federal awards, and related notes. In accordance with *Government Auditing Standards*, you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further, you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services.

Management is responsible for making all financial records and related information available to us, including identifying significant vendor relationships in which the vendor has the responsibility for program compliance and for the accuracy and completeness of that information. Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the 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 or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts 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 entity complies with applicable laws, regulations, contracts, agreements, and grants. 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.

Management is responsible for establishment and maintenance of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits or other engagements or 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 or other engagements 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, and the timing and format related thereto.

**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. We will plan and

# Minutes of November 20, 2007

## Mayor and Board of Aldermen

City of Long Beach, Mississippi  
Page 4

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

Because an audit is designed to provide reasonable, but not absolute assurance 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. 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 you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. 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, 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 also require certain written representations from you about the financial statements and related matters.

### **Audit Procedures—Internal Controls**

Our audit will include obtaining an understanding of the entity 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

# Minutes of November 20, 2007

## Mayor and Board of Aldermen

City of Long Beach, Mississippi  
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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. 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 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 Long Beach's compliance with applicable laws and regulations and the provisions of 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 test 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 Long Beach's major programs. The purpose of those procedures will be to express an opinion on the City of Long Beach's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

### **Audit 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.

# Minutes of November 20, 2007

## Mayor and Board of Aldermen

City of Long Beach, Mississippi  
Page 6

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide twenty-five (25) of our reports to the City; however, 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 a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, 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. At the conclusion of the engagement, we will provide information to management as to where the reporting packages should be submitted and the number to submit.

The audit documentation for this engagement is the property of Wolfe, McDuff, & Oppie, P.A. and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available 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 or for any additional period requested by the State Auditor's Office, or a federal or state agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit of the September 30, 2006 financial statements on approximately December 10, 2007 and to issue our reports no later than January 31, 2008. The start and completion dates for the September 30, 2007 audit will be determined upon completion of the 2006 audit. 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 \$20,000 for the period ending September 30, 2006 and \$20,000 for the period ending September 30, 2007. 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 report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs



Postlethwaite & Netterville

A Professional Accounting Corporation  
Associated Offices in Principal Cities of the United States  
www.pncpa.com

To the Owner of  
Wolfe, McDuff & Oppie, PA  
and the Center for Public Company Audit Firms Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Wolfe, McDuff & Oppie, PA (the firm) applicable to non-SEC issuers in effect for the year ended December 31, 2005. The firm's accounting and auditing practice applicable to SEC issuers was not reviewed by us since the Public Company Accounting Oversight Board (PCAOB) is responsible for inspecting that portion of the firm's accounting and auditing practice in accordance with PCAOB requirements. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (the AICPA). The design of the system, and compliance with it, are the responsibilities of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with that system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Committee of the Center for Public Company Audit Firms and included procedures to plan and perform the review that are summarized in the attached description of the peer review process. Our review would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it or with the membership requirements of the Section since it was based on selective tests. Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice applicable to the non-SEC issuers of Wolfe, McDuff & Oppie, PA, in effect for the year ended December 31, 2005, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year then ended to provide the firm with reasonable assurance of complying with professional standards.

Baton Rouge, Louisiana  
September 22, 2006

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**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

**ORDINANCE NO. 546**

**AN ORDINANCE BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF LONG BEACH, MISSISSIPPI, AMENDING ORDINANCE NO. 344, AS AMENDED, ENTITLED "THE ZONING ORDINANCE OF THE CITY OF LONG BEACH, MISSISSIPPI" AMENDING THE ZONING MAP INCORPORATED IN SAID ORDINANCE TO CHANGE THE CLASSIFICATION OF CERTAIN PROPERTY HAVING AN ADDRESS AT 2004 WEST 2<sup>ND</sup> STREET, LONG BEACH, MISSISSIPPI, FROM R-3 (MULTI-FAMILY RESIDENTIAL) TO R-O (RESIDENTIAL OFFICE), AND FOR RELATED PURPOSES.**

WHEREAS, application was filed with the Planning Commission of the City of Long Beach, Mississippi, for the change in the zoning classification from R-3 (Multi-Family Residential) to C-3 (Neighborhood Commercial) by the owner of certain property located at 2004 West 2<sup>nd</sup> Street, Long Beach, Mississippi, bearing Harrison County tax parcel number 0512J-03.069.001, and being more particularly described as follows:

A parcel of land situated in Fractional Section 22, Township 8 South, Range 12 West, City of Long Beach, First Judicial District of Harrison County, Mississippi, more particularly described as follows:

Beginning at an iron rod found at the Northeast corner of Lot 22, Replat of Lots 8 thru 31 of Pelican Cove Townhouses, City of Long Beach, Harrison County, Mississippi; thence along the North line of said Lot 22, N 89 degrees 54 minutes 15 seconds West 89.79 feet; thence North 04 degrees 08 minutes 43 seconds East 64.43 feet; thence North 03 degrees 12 minutes 58 seconds East 50.69 feet; thence North 01 degrees 14 minutes 25 seconds East 48.08 feet to the South margin of 2<sup>nd</sup> Street; thence along said South margin, North 70 degrees 10 minutes 31 seconds East 84.44 feet to an iron rod found; thence S 00 degrees 33 minutes 16 seconds East 191.14 feet to the Point of Beginning.

and hereinafter referred to as the "Subject Property"; and

WHEREAS, the Long Beach Planning Commission reviewed said application and, after issuing notice of Public Hearing as required by the Long Beach Zoning Ordinance, did conduct a public hearing on said application on September 13, 2007 at 6:30 p.m. and upon conclusion of said public hearing did recommend changing the zoning classification of the subject property from R-3 (Multi-Family Residential) to R-O (Residential Office) as reflected in the official minutes of the September 13, 2007, meeting of the Long Beach Planning Commission; and

WHEREAS, the Mayor and Board of Aldermen of the City of Long Beach, Mississippi, having made due investigation therefore, do now find, determine, adjudicate and declare as follows, to-wit:

**Minutes of November 20, 2007**  
**Mayor and Board of Aldermen**

a. That pursuant to legal notice published and given for the time and in the manner provided by law, the Mayor and Board of Aldermen of the City of Long Beach, Mississippi, did meet at 5:30 p.m. on Wednesday, November 7, 2007, at the City Hall in said City, the time, place and date fixed in said legal notice, and did conduct a public hearing at which hearing all parties interested in or opposed to the proposed zoning classification amendment changing the zoning classification of the aforesaid Subject Property, were given an opportunity to be heard and allowed to make oral and/or written comment to such proposed change, which proposed change was then and there on file and had been on file during the period of said notice in the office of the City Clerk at the City Hall in said City, available for public inspection and examination by any and all parties interested in or opposed to the proposed change, al as more particularly hereinafter set forth in this ordinance.

b. That, as a result of the aforesaid public hearing and after consideration by the Mayor and Board of Aldermen of the testimony and evidence presented and their own knowledge and familiarity with the City, the Mayor and Board of Aldermen did then find, and do now find, determine adjudicate and declare as follows:

c. That the clear and convincing evidence establishes, based upon the examination of the municipal zoning map, the character of the surrounding neighborhood, and the minutes of the Long Beach Planning Commission that:

- 1) That the building on the subject property was constructed for use and was originally used as a convenience store, and was most recently used as an office building;
- 2) That the subject property is situated on West 2<sup>nd</sup> Street, which street is a major arterial street, the traffic upon which has increased over the years;
- 3) Whereas the subject property, due to nearby single family residences, is not suitable for a C-3 (Neighborhood Commercial) zoning classification or use, the neighborhood has changed to the extent and traffic on West 2<sup>nd</sup> Street has increased to the extent that the subject property and the building thereon is suitable for a residential-office use and the zoning classification of the subject property should be changed to an R-O zoning classification;
- 4) That the aforesaid change in character of the neighborhood and traffic volume are material changes and mandate a change in the zoning classification of the subject property to R-O (Residential Office); and

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5) That the best use for the subject property is Residential Office use and the zoning classification of same should be changed from R-3 (Multi-Family Residential) to R-O (Residential Office)

d. That the clear and convincing evidence establishes the public need for the said amendment changing the zoning classification of the subject property from R-3 to R-O;

e. That the uses within the subject property will not be detrimental to the present and potential surrounding uses, but will benefit same in completion of development in accordance with the aforesaid development plan heretofore approved by the Governing Authority;

f. The proposed change is in conformance with the general intent of the Comprehensive Master Plan; and

g. That the Zoning Ordinance of the City of Long Beach should be amended by amending the Zoning Map incorporated therein to change the zoning classification of the subject property from R-3 (Multi-Family Residential) to R-O (Residential Office).  
NOW THEREFORE,

**BE IT ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE  
CITY OF LONG BEACH, MISSISSIPPI, AS FOLLOWS:**

**SECTION 1.** That Ordinance No. 344, as amended, entitled the "ZONING ORDINANCE OF THE CITY OF LONG BEACH, MISSISSIPPI", be and it is hereby amended as follows:

The Zoning Classification as set forth on the Zoning Map incorporated in and being a part of Ordinance No. 344, as amended, entitled "THE ZONING ORDINANCE OF THE CITY OF LONG BEACH, MISSISSIPPI", of that parcel of land located at 2004 West 2<sup>nd</sup> Street, Long Beach, Mississippi, bearing Harrison County tax parcel number 0512J-03.069.001, which parcel is described as:

A parcel of land situated in Fractional Section 22, Township 8 South, Range 12 West, City of Long Beach, First Judicial District of Harrison County, Mississippi, more particularly described as follows:

Beginning at an iron rod found at the Northeast corner of Lot 22, Replat of Lots 8 thru 31 of Pelican Cove Townhouses, City of Long Beach, Harrison County, Mississippi; thence along the North line of said Lot 22, N 89 degrees 54 minutes 15 seconds West 89.79 feet; thence North 04 degrees 08

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minutes 43 seconds East 64.43 feet; thence North 03 degrees 12 minutes 58 seconds East 50.69 feet; thence North 01 degrees 14 minutes 25 seconds East 48.08 feet to the South margin of 2<sup>nd</sup> Street; thence along said South margin, North 70 degrees 10 minutes 31 seconds East 84.44 feet to an iron rod found; thence S 00 degrees 33 minutes 16 seconds East 191.14 feet to the Point of Beginning.

is hereby changed from R-3 (Multi-Family Residential) to R-O (Residential-Office).

**SECTION 2. Severability**

If any section, subsection, sentence, clause or phrase of this Ordinance, or the application thereof, be held by any court of competent jurisdiction to be invalid or unconstitutional, such holding shall not affect the remaining portions of this Ordinance.

**SECTION 3. Effective Date**

This ordinance shall take effect and be and force thirty (30) days after its adoption, publication and enrollment thereof as provided by law.

The above and foregoing Ordinance No. 546 was introduced in writing by Alderman Holder who moved its adoption. Alderman Notter seconded the motion to adopt the Ordinance, and after discussion, no member of the Board of Aldermen having requested the Ordinance to be read by the City Clerk, and the question being put to a roll call vote, the result was as follows:

Alderman Richard Notter	voted Aye
Alderman Richard Burton	voted Aye
Alderman Charles A. Boggs	voted Absent, Not Voting
Alderman Richard Bennett	voted Aye
Alderman Allen D. Holder, Jr.	voted Aye
Alderman Joseph McNary	voted Aye
Alderman Mark Lishen	voted Absent, Not Voting

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The question having received the affirmative vote of all the Alderman present and voting, the Mayor declared the motion carried in the said Ordinance 546 adopted and approved this the 20<sup>th</sup> day of November, 2007.

APPROVED:

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WILLIAM SKELLIE, JR., MAYOR

ATTEST:

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REBECCA E. SCHRUFF, CITY CLERK





# Minutes of November 20, 2007 Mayor and Board of Aldermen

**Becky**

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**From:** Deborah\_Waddell@deq.state.ms.us  
**Sent:** Wednesday, November 14, 2007 2:04 PM  
**To:** cityclerk@cityoflongbeachms.com  
**Cc:** Tony\_Caldwell@deq.state.ms.us  
**Subject:** SRF Loans

Rebecca,  
Listed below are the estimated new monthly repayments on the  
4 WPCRLF loans based on repayments starting 2-1-08. Please let me know if you need any  
additional information.

Debbie

SRF-C280802-01	\$27,094.70
SRF-C280802-02	\$ 3,134.74
SRF-C280802-03	\$ 6,071.47
SRF-C280802-04	\$ 3,362.80
Total:	\$39,663.71

Deborah Waddell  
Administrative Coordinator  
SRF Construction Branch  
Mississippi Department of Environmental Quality P.O. Box 10385 Jackson, MS 39289-0385

E-Mail: Deborah\_Waddell@deq.state.ms.us  
Tel: 601-961-5294  
Fax: 601-961-5187

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The Mayor recognized Mr. Calvin Foster, Sawyer-Foster Insurance Group, to discuss the city's insurance coverage. The matter was taken under advisement for further review and discussion at the regular meeting of December 18, 2007.

\*\*\*\*\*

The animal control (dog) ordinance was taken under advisement for consideration at the next regular meeting, December 4, 2007.

\*\*\*\*\*

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The on-line water bill payment proposals and the credit/debit setup was taken under advisement for consideration at the next regular meeting, December 4, 2007.

\*\*\*\*\*

MEMORANDUM FOR

The on-line water bill payment proposals and the credit/debit setup was taken under advisement for consideration at the next regular meeting, December 4, 2007.

MEMORANDUM FOR THE BOARD OF ALDERMEN AND THE MAYOR

DATE: 11/20/07

MEMORANDUM FOR THE BOARD OF ALDERMEN AND THE MAYOR  
SUBJECT: On-line water bill payment proposals and the credit/debit setup  
The on-line water bill payment proposals and the credit/debit setup was taken under advisement for consideration at the next regular meeting, December 4, 2007.

MEMORANDUM FOR THE BOARD OF ALDERMEN AND THE MAYOR  
SUBJECT: On-line water bill payment proposals and the credit/debit setup  
The on-line water bill payment proposals and the credit/debit setup was taken under advisement for consideration at the next regular meeting, December 4, 2007.

MEMORANDUM FOR THE BOARD OF ALDERMEN AND THE MAYOR  
SUBJECT: On-line water bill payment proposals and the credit/debit setup  
The on-line water bill payment proposals and the credit/debit setup was taken under advisement for consideration at the next regular meeting, December 4, 2007.

MEMORANDUM FOR THE BOARD OF ALDERMEN AND THE MAYOR  
SUBJECT: On-line water bill payment proposals and the credit/debit setup  
The on-line water bill payment proposals and the credit/debit setup was taken under advisement for consideration at the next regular meeting, December 4, 2007.

MEMORANDUM FOR THE BOARD OF ALDERMEN AND THE MAYOR  
SUBJECT: On-line water bill payment proposals and the credit/debit setup  
The on-line water bill payment proposals and the credit/debit setup was taken under advisement for consideration at the next regular meeting, December 4, 2007.

BE IT ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF LONG BEACH, MISSISSIPPI, AS FOLLOWS:

SECTION 1. Definitions:

- a. Solicitor. A solicitor is any person, whether a resident of the City of Long Beach, Mississippi, or not, traveling either by foot, motor vehicle or any

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other type of conveyance, from place to place, from house to house, or from street to street, taking or attempting to take orders for sale of goods, wares, and merchandise, personal property of any nature whatsoever, for future delivery, or for services, whether or not such individual has, carries, or exposes for sale a sample of the subject of such sale, or whether he is collecting advance payment on such sales or not.

- b. Peddler. A peddler is any person, whether a resident of the City of Long Beach, Mississippi, or not, traveling either by foot, motor vehicle or any other type of conveyance, from place to place, from house to house, or from street to street, carrying, conveying, or transporting goods, products or provisions, offering and exposing them for sale, or making sales and delivering articles to purchasers.

**SECTION 2. Prohibited Time for Residential Door-to-Door Soliciting or Peddling**

The practice of going in and upon private residences in the City of Long Beach, State of Mississippi, by solicitors, peddlers and transient vendors of merchandise or services, not having first requested or invited so to do by the owner or owners, occupant or occupants of the private residence, for the purpose of soliciting orders for the sale of goods, wares, merchandise, newspapers, books, pictures, periodicals, magazines, insurance, or services, or for the purpose of demonstrating or advertising the same or for the purpose of disclosing of or peddling or hawking the same from 3:00 p.m. to 10:00 a.m., or at any time when a sign has been posted on a building stating "No solicitors or peddlers," or words to that effect, is hereby prohibited.

**SECTION 3. Penalty.**

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Any person who violates the provisions of Section 2, above, shall be guilty of a misdemeanor, and upon conviction, shall be punished by a fine of not more than \$500.00, or imprisonment of not more than six (6), months, or both.

**SECTION 4. Effective Date**

It being necessary and in the best interests of the public health, safety and welfare, and to alleviate the danger posed by and to uninvited peddlers, solicitors and other transient vendors going onto the private residential property, especially after sunset, in an attempt to solicit sales or peddle merchandise or services, and the immediate preservation of public health, safety and welfare requiring it, this Ordinance shall take effect and be in force from and after its adoption; but notice shall nevertheless be given as provided by law, and this Ordinance shall be enrolled in the Ordinance Book of the City as by law provided.

The above and foregoing Ordinance No. 548 was introduced in writing by Alderman Burton who moved its adoption. Alderman McNary seconded the motion to adopt the Ordinance, and after discussion, no member of the Board of Aldermen having requested the Ordinance to be read by the City Clerk, and the question being put to a roll call vote, the result was as follows:

Alderman Richard Notter	voted Aye
Alderman Richard Burton	voted Aye
Alderman Charles A. Boggs	voted Absent, Not Voting
Alderman Richard Bennett	voted Aye
Alderman Allen D. Holder	voted Aye
Alderman Mark E. Lishen	voted Absent, Not Voting
Alderman Joseph McNary	voted Aye

The question having received the affirmative vote of all the Aldermen present and voting, the Mayor declared the motion carried and the said Ordinance adopted and approved this the 20<sup>th</sup> day of November, 2007.

APPROVED:

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Mayor and Board of Aldermen**

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WILLIAM SKELLIE, JR., MAYOR

ATTEST:

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REBECCA E. SCHRUFF, CITY CLERK

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There came on for consideration the volunteer camp formerly known as "God's Katrina Kitchen", located at the New Life Church, 20201 28<sup>th</sup> Street, Long Beach, Mississippi. After considerable discussion, Zoning Enforcement Officer Ken Price was directed to contact New Life Church requesting a letter by January 1, 2008, apprising the city when the camp will disband and to apprise the church that extension cords connecting temporary buildings to power were not allowed.

\*\*\*\*\*

Discussion was held regarding the new garbage company, their routes and times, however, no formal action was required or taken.

\*\*\*\*\*

**RESOLUTION ADOPTING A SECTION 3 PLAN AS REQUIRED BY REGULATIONS  
GOVERNING THE KATRINA SUPPLEMENTAL CDBG PROGRAM AND TO BE  
APPLICABLE TO PROJECTS FUNDED BY THE RESPECTIVE GRANT PROGRAMS**

WHEREAS, the City of Long Beach will receive Katrina Supplemental CDBG Program funds from the Mississippi Development Authority; and

WHEREAS, by virtue of its receipt of the Katrina Supplemental CDBG Program funds, the City of Long Beach is required to adopt a Section 3 Plan, which is intended to encourage, to the greatest extent feasible, that economic opportunity generated by CDBG projects be given to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons; and

WHEREAS, it is the intention of the City of Long Beach to implement its CDBG projects in accordance with all program regulations including the said Section 3 requirements.

NOW, THEREFORE, BE IT RESOLVED by the City of Long Beach that:

SECTION ONE: The Katrina Supplemental CDBG Program Section 3 Plan, which is attached thereto and made a part hereof, be and is hereby adopted.

The above and foregoing resolution, after having been first reduced to writing, was introduced by Alderman Allen Holder, Jr., seconded by Alderman Joseph McNary, and was adopted by the following vote, to wit:

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YEAS:

Alderman Richard Notter  
Alderman Richard Burton  
Alderman Richard Bennett  
Alderman Allen Holder, Jr.  
Alderman Joseph McNary

NAYS:

Aldermen Charles A. Boggs and Mark Lishen were absent, not voting.

The motion was carried and the resolution adopted on this the 20<sup>th</sup> day of November 2007.

The City of Long Beach

ATTEST:

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Billy Skellie, Mayor

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Rebecca E. Schruff, City Clerk

# Minutes of November 20, 2007 Mayor and Board of Aldermen

## KATRINA SUPPLEMENTAL CDBG GRANT PROGRAM SECTION 3 PLAN

### Introduction

This Section 3 Plan is to fulfill requirements of the Katrina Supplemental CDBG Grant Program as provided in Section 3 of the Housing and Urban Development Act of 1968.

The Section 3 Plan has been adopted by the City of Long Beach by a resolution of the Mayor and Aldermen.

### What Section 3 Requires

Section 3 requires that, to the greatest extent possible, opportunities for job training and employment be given to lower income residents of the Section 3 area and that contracts for work in connection with the Section 3 covered projects be awarded to business concerns that are located in or owned in substantial part by persons residing in the Section 3 area. Section 3 requires that the City/contractor take affirmative steps to give preference to qualified Section 3 area residents and business concerns in providing training, employment and contracting in connection with Section 3 covered projects. This Plan describes the obligations of the City and contractors imposed as a condition of receiving financial assistance for a Section 3 covered project. The "condition" is imposed by means of a certification or contract document that includes Section 3 obligations.

HUD Regulations require the City to adopt appropriate procedures and requirements to "assure good faith efforts toward compliance with the statutory directive." The regulation further provides that Section 3 Regulations, at 24CFR Part 135 "are not applicable to" CDBG activities assisted under 24CFR Part 570. The Part 135 regulations, while not binding on CDBG grantees, "may be referred to as guidance indicative of the Secretary's view of the statutory objectives in other contexts".

### Applicable Definitions

1. *Employment Opportunities Generated by Section 3 Covered Assistance*  
Rehabilitation and construction positions pursuant to the activities covered by Section 3, plus management and administrative jobs (including architectural, engineering or related professional services required to prepare plans, drawings, specifications or work write-ups) and jobs directly related to the administrative support of these activities (e.g., construction manager, relocation specialist, payroll clerk, etc.).
2. *Housing and Community Development Assistance*  
Any financial assistance provided or otherwise made available through a HUD housing or community development program through any grant, loan, loan guarantee, cooperative agreement or contract, and includes community development funds in the form of community development block grants and loans guaranteed under Section 108 of the Housing and Community Development Act of 1974, as amended, Housing and Community Development assistance does not include financial assistance provided through a contract of insurance or guaranty.
3. *Service Area*  
The geographical area in which the persons benefiting from the Section 3 covered assistance project reside. The service area shall not extend beyond the unit of general local government in which the Section 3 covered assistance is expended.

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4. *New Hires*  
Full-time employees for permanent, temporary or seasonal employment opportunities.
5. *Recipient*  
Any entity that receives Section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian Tribe or other public body, public or private non-profit organization, private agency or institution, mortgagors, developers, limited dividend sponsors, builders, property managers, RMC, RC, or cooperative associations. Recipient also includes any successor, assignee, or transferee of any such entity but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.
6. *Section 3 Business Concern*  
A business concern that is (1) 51% or more owned by Section 3 residents; (2) whose permanent, full-time employees include persons at least 30% of whom are currently Section 3 residents, or within three years of the date of first employment with the business and Section 3 residents; or (3) that provides evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be award to business concerns that meet the qualifications of (1) and (2) above.
7. *Section 3 Covered Contract*  
A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance or for work arising in connection with a Section 3 covered project. "Section 3 covered contracts" do not include contracts awarded under HUD's procurement program or contracts for supplies and materials. However, when a contract for supplies and materials includes the installation of the materials, the contract constitutes a Section 3 covered contract (i.e., the installation of a furnace).
8. *Section 3 Covered Project*  
The construction, reconstruction, conversion, or rehabilitation of housing (including the reduction of lead-based paint hazards), other public construction that includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.
9. *Section 3 Resident*  
(1) A public housing resident or (2) an individual who resides in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended and who is (a) a low-income person (with income not exceeding 80% of median, or (b) a very low-income person (with income not exceeding 50% of median).

The Contracted Party will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 17010), requiring that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project area be awarded to eligible business concerns that are located in or owned in substantial part by persons residing in the area of the project.

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### A Good Faith Effort – Section 3 Residents

The City will make a good faith effort to utilize Section 3 area residents as trainees and employees. To the greatest extent feasible, opportunities for training and employment arising in connection with a Section 3 covered project are to be given to Section 3 area residents.

1. Although Section 3 does not require that a training program be established, it does require that where there is a training program, Section 3 area residents receive preference for such training. An applicant, city, contractor or subcontractor is obligated under Part 135 Subpart B, to use the maximum number of persons in training categories and to fill all vacant training positions with Section 3 area residents except for those training positions that remain unfilled after a good faith effort has been made to fill them with qualified/eligible Section 3 area residents.

### Actions Demonstrating Good Faith Effort

In its efforts to demonstrate and document a good faith effort, the City will undertake the following:

1. Publish a Notice To Section 3 Residents and Businesses in a local newspaper of general circulation in the community. The Notice will inform interested Section 3 Residents and Businesses of the types of projects to be undertaken and providing an opportunity for those interested persons or businesses to be placed on a Section 3 Resident or Business Registry (see attached).
2. Post at City Hall, a Notice To Section 3 Residents and Businesses informing interested Section 3 Residents and Businesses of the types of projects to be undertaken and providing an opportunity for those interested persons or businesses to be placed on a Section 3 Resident or Business Registry (see attached).
3. Post at the Mississippi Regional Housing Authority No. VIII and other local agencies providing assisted housing, a Notice To Section 3 Residents and Businesses informing interested Section 3 Residents and Businesses of the types of projects to be undertaken and providing an opportunity for those interested persons or businesses to be placed on a Section 3 Resident or Business Registry (see attached).
  - Mississippi Regional Housing Authority No. VIII
  - Long Beach Housing Authority
  - Mercy Housing and Human Development
  - Catholic Social and Community Services
4. Establish a Section 3 Resident Registry to provide names, addresses, and contact information of eligible/qualified Section 3 Residents to contractors or subcontractors.
5. Establish a Section 3 Business Registry to provide names, addresses, and contact information of eligible/qualified Section 3 Businesses to contractors or subcontractors.
6. Notify State and Federal agencies, by letter, of the local government's interest in complying with Section 3 and requesting names, addresses, and other contact information of Section 3 Businesses in the community. The list of agencies should include, at a minimum:
  - The U.S. Department of Housing and Urban Development, Jackson Office of Fair Housing and Equal Opportunity
  - The Gulf Coast Offices of the Small Business Administration

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## Mayor and Board of Aldermen

- The State Office of the Small Business Administration
  - The Mississippi Regional Housing Authority No. VIII
  - Long Beach Housing Authority
  - Mercy Housing and Human Development
  - Catholic Social and Community Services
  - The Mississippi Development Authority Minority and Small Business Development Division
  - The Mississippi Employment Security Commission (local office)
7. Take steps to secure the cooperation of contractors in meeting the goals for contract awards to Section 3 Business concerns, and take steps to ensure that Section 3 Business concerns are notified of pending contractual opportunities by accomplishing the following:
- a. Insert the Section 3 Contractor's Plan Format in bid documents.
  - b. Identify the Section 3 area in the bid documents.
  - c. Include in all procurement solicitations, the following paragraph that is designed to make offerors aware of the Section 3 requirements and to describe the Section 3 area:

Section 3 of the Housing and Urban Development Act of 1968 requires that the City and contractors participating in CDBG projects give opportunities for job training and employment to lower income residents of the Section 3 area that is described below:

    - (1) Section 3 also requires that "to the maximum extent feasible" contracts for work in connection with Section 3 covered projects be awarded to business concerns that are located in or owned in substantial part by persons residing in the Section 3 area.
    - (2) The Section 3 area is defined as follows: (To be determined on a project-by-project basis)
  - d. Include a Section 3 Plan Format (see attached) in any construction procurement solicitations on Section 3 covered projects, and require its submittal to the City along with required documentation.

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- e. At pre-construction conferences, provide a letter to all successful contractors on Section 3 covered projects. The letter defines Section 3 Residents and Businesses and urges adherence to Section 3 requirements. Attached to the letter are the following:
- HUD Section 3 Brochure
  - 24CFR Subtitle 3 Chapter 1
  - Contractor Section 3 Plan Format
- f. At pre-construction conferences, provide the attached Section 3 poster to be displayed at Section 3 covered project sites.

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## SECTION 3 PLAN ATTACHMENTS

- Resolution Adopting Section 3 Plan
- Section 3 Resident Registry
- Section 3 Business Registry
- Notice To Section 3 Residents and Businesses for Publication
- Notice to Section 3 Residents
  - Post at Housing Agencies
  - Post at City Hall/Courthouse
- Notice to Section 3 Businesses
  - Post at Housing Agencies
  - Post at City Hall/Courthouse
- Letter to HUD Office of Fair Housing and Equal Opportunity
- Letter to Mississippi Development Authority, Minority and Small Business Development Division
- Letter to Small Business Administration – State Office
- Letter to Small Business Administration – Gulf Coast District
- Letter to Mississippi Regional Housing Authority No. VIII
- Letter to Long Beach Housing Authority
- Letter to Catholic Social and Community Services
- Letter to Mercy Housing and Human Development
- Letter to Contractors RE: Section 3 Requirements with Attachments:
  - HUD Brochure – Section 3
  - Copy of 24 CFR Subtitle B Ch.1
  - Contractor Section 3 Plan Format
- Section 3 Construction Site Poster

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**PUBLIC NOTICE  
SECTION 3 BUSINESSES  
SECTION 3 RESIDENTS**

The City of Long Beach has received Katrina Supplemental Community Development Block Grant Program Funds from the Mississippi Development Authority for construction projects that involve street and sidewalk improvements, landscaping, building construction, engineering, architectural, and other professional services in connection with the projects.

In keeping with the requirements of the Community Development Block Grant Program and in keeping with the CDBG projects, the City is seeking to identify the following eligible participants:

**Section 3 Businesses** that may be interested in employment or business opportunities in connection with the CDBG projects. A Section 3 Business is defined by HUD as any business located within the Section 3 area and is owned at least by 51% by persons residing in the Section 3 area. The business must qualify as small under the small business size standards of the Small Business Administration; and the persons owning the business must be considered by the Small Business Administration to be socially or economically disadvantaged.

**Section 3 Residents** that may be interested in employment or training opportunities in connection with the CDBG projects. A Section 3 Resident is defined by HUD as any individual who resides within the City in which the CDBG project is located and whose income does not exceed ninety percent (90%) of the median income of the metropolitan statistical area in which the project is located.

The City will maintain a Section 3 Business and Section 3 Resident Registry that will be provided to perspective bidders, contractors, and sub-contractors who are successful bidders on the CDBG projects in the future.

Eligible Section 3 Businesses and Section 3 Residents should contact \_\_\_\_\_  
at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_





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## NOTICE TO SECTION 3 RESIDENTS

The City of Long Beach has received Katrina Supplemental Community Development Block Grant Program Funds from the Mississippi Development Authority for construction projects that involve street and sidewalk improvements, landscaping, building construction, engineering, architectural, and other professional services in connection with the projects.

In keeping with requirements of the Community Development Block Grant Program, the City is seeking to identify Section 3 Residents that might be interested in employment or training opportunities in connection with the Katrina CDBG projects. The City will maintain a Section 3 Registry that will be provided to perspective bidders, contractors, and sub-contractors who are successful bidders on the CDBG project in the future.

A Section 3 Resident is defined by HUD as any individual who resides within the City in which the CDBG project is located and whose income does not exceed ninety percent (90%) of the median income of the metropolitan statistical area in which the project is located.

Interested Section 3 Residents should contact \_\_\_\_\_ at the following address:

\_\_\_\_\_  
Biloxi, MS 39530  
Phone: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

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## NOTICE TO SECTION 3 BUSINESSES

The City of Long Beach has received Katrina Supplemental Community Development Block Grant Program Funds from the Mississippi Development Authority for construction projects that involve street and sidewalk improvements, landscaping, building construction, engineering, architectural, and other professional services in connection with the projects.

In keeping with requirements of the Community Development Block Grant Program, the City is seeking to identify eligible Section 3 Businesses that might be interested in employment or business opportunities in connection with the Katrina CDBG projects. The City will maintain a Section 3 Business Registry that will be provided to perspective bidders, contractors, and sub-contractors who are successful bidders on the CDBG project in the future.

Eligible interested Section 3 Businesses should contact \_\_\_\_\_ at the following address:

\_\_\_\_\_  
Biloxi, MS 39530  
Phone: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

# Minutes of November 20, 2007 Mayor and Board of Aldermen

October 10, 2007

Minority and Small Business Development Division  
Mississippi Development Authority  
P. O. Box 849  
Jackson, MS 39205

RE: Identification of Section 3 Businesses

Dear Sir or Madam:

I am charged with the responsibility to administer CDBG programs for the recipients of Katrina Supplemental CDBG Program funds and/or Gulf Region CDBG Disaster Recovery Grant funds.

As a recipient of CDBG funds, we are required to address the requirements of Section 3 of the Housing and Urban Development Act of 1968.

It is with this letter that we respectfully request that you assist us in identifying Section 3 Businesses in the area. Our plans are to develop a Section 3 Business Registry that can be provided to prospective bidders and contractors and subcontractors doing work on Section 3 covered projects.

I would be grateful if you would provide the names, addresses, and other contact information for any of the Section 3 Businesses you could identify for us.

Thank you in advance for your prompt attention to this request.

Sincerely,

# Minutes of November 20, 2007 Mayor and Board of Aldermen

October 10, 2007

Office of Fair Housing and  
Equal Opportunity Office  
Jackson HUD Office  
100 West Capitol Street  
Room 910  
Jackson, MS 39269

Dear Sir or Madam:

This letter is written in my capacity as administrator of projects funded under the Katrina Supplemental CDBG Grant Program through the Mississippi Development Authority.

On behalf of the City of Long Beach, I am writing in an effort to comply with the Section 3 requirements of the Housing and Urban Development Act of 1968.

I would be grateful if you could provide the following information:

- The name of any entity operating HUD youth-build programs;
- The names and addresses of any agency providing housing assistance to low- and moderate-income persons or persons with disabilities; and
- The names and addresses of any Section 3 businesses.

We are sincere about making a real effort to seek employment of Section 3 residents and/or Section 3 businesses in connection with the CDBG projects we are administering.

Thank you for your assistance.

Sincerely,

# Minutes of November 20, 2007 Mayor and Board of Aldermen

October 10, 2007

Small Business Administration  
AmSouth Bank Plaza  
210 E. Capitol Street, Suite 900  
Jackson, MS 39201

RE: Identification of Section 3 Businesses

Dear Sir or Madam:

I am charged with the responsibility to administer CDBG programs for the recipients of Katrina Supplemental CDBG Program funds and/or Gulf Region CDBG Disaster Recovery Grant funds.

As a recipient of CDBG funds, we are required to address the requirements of Section 3 of the Housing and Urban Development Act of 1968.

It is with this letter that we respectfully request that you assist us in identifying Section 3 Businesses in the area. Our plans are to develop a Section 3 Business Registry that can be provided to prospective bidders and contractors and subcontractors doing work on Section 3 covered projects.

I would be grateful if you would provide the names, addresses, and other contact information for any of the Section 3 Businesses you could identify for us.

Thank you in advance for your prompt attention to this request.

Sincerely,

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

October 10, 2007

Small Business Administration  
Gulf Coast Business Technology Center  
1636 Poppo Ferry Road, Suite 203  
Biloxi, MS 39532

RE: Identification of Section 3 Businesses

Dear Sir or Madam:

I am charged with the responsibility to administer CDBG programs for the recipients of Katrina Supplemental CDBG Program funds and/or Gulf Region CDBG Disaster Recovery Grant funds.

As a recipient of CDBG funds, we are required to address the requirements of Section 3 of the Housing and Urban Development Act of 1968.

It is with this letter that we respectfully request that you assist us in identifying Section 3 Businesses in the area. Our plans are to develop a Section 3 Business Registry that can be provided to prospective bidders and contractors and subcontractors doing work on Section 3 covered projects.

I would be grateful if you would provide the names, addresses, and other contact information for any of the Section 3 Businesses you could identify for us.

Thank you in advance for your prompt attention to this request.

Sincerely,

# Minutes of November 20, 2007 Mayor and Board of Aldermen

October 11, 2007

MS Regional Housing Authority No. VIII  
P. O. Box 2347  
Gulfport, MS 39505

Dear Sir or Madam:

As Program Administrator for the City of Long Beach Katrina Supplemental CDBG Program projects, we are seeking to identify Section 3 Businesses in the City. The City is interested in identifying Section 3 Businesses that are interested and qualified to participate in employment/business opportunities in connection with projects funded with Katrina CDBG dollars.

Projects in the City will involve \_\_\_\_\_ . Also, \_\_\_\_\_ will be involved. Professional services such as \_\_\_\_\_ and \_\_\_\_\_ and related services will be involved.

I would be grateful if you would provide a listing of any Section 3 Businesses your agency might have.

Thank you for your prompt response to this request.

Sincerely,

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

October 11, 2007

Long Beach Housing Authority  
102 N. Girard Avenue  
Long Beach, MS 39560

Dear Sir or Madam:

As Program Administrator for the City of Long Beach Katrina Supplemental CDBG Program projects, we are seeking to identify Section 3 Businesses in the City. The City is interested in identifying Section 3 Businesses that are interested and qualified to participate in employment/business opportunities in connection with projects funded with Katrina CDBG dollars.

Projects in the City will involve \_\_\_\_\_ . Also, \_\_\_\_\_ will be involved. Professional services such as \_\_\_\_\_ and \_\_\_\_\_ and related services will be involved.

I would be grateful if you would provide a listing of any Section 3 Businesses your agency might have.

Thank you for your prompt response to this request.

Sincerely,

**Minutes of November 20, 2007  
Mayor and Board of Aldermen**

October 11, 2007

Mercy Housing & Human Development  
1010 Ford Street  
Gulfport, MS 39507

Dear Sir or Madam:

As Program Administrator for the City of Long Beach Katrina Supplemental CDBG Grant Program projects, we are seeking to identify Section 3 Businesses in the City. The City is interested in identifying Section 3 Businesses that are interested and qualified to participate in employment/business opportunities in connection with projects funded with Katrina CDBG dollars.

Projects in the City will involve \_\_\_\_\_ . Also, \_\_\_\_\_ will be involved. Professional services such as \_\_\_\_\_ and \_\_\_\_\_ and related services will be involved.

I would be grateful if you would provide a listing of any Section 3 Businesses your agency might have.

Thank you for your prompt response to this request.

Sincerely,

# Minutes of November 20, 2007 Mayor and Board of Aldermen

October 11, 2007

Catholic Social & Community Services  
P. O. Box 1457  
Biloxi, MS 39533-1457

Dear Sir or Madam:

As Program Administrator for the City of Long Beach Katrina Supplemental CDBG Program projects, we are seeking to identify Section 3 Businesses in the City. The City is interested in identifying Section 3 Businesses that are interested and qualified to participate in employment/business opportunities in connection with projects funded with Katrina CDBG dollars.

Projects in the City will involve \_\_\_\_\_ . Also, \_\_\_\_\_ will be involved. Professional services such as \_\_\_\_\_ and \_\_\_\_\_ and related services will be involved.

I would be grateful if you would provide a listing of any Section 3 Businesses your agency might have.

Thank you for your prompt response to this request.

Sincerely,

# Minutes of November 20, 2007 Mayor and Board of Aldermen

In Re: Section 3 Requirements  
Katrina Supplemental CDBG Program  
Gulf Region CDBG Disaster Recovery Program

Dear Contractor:

As a recipient of CDBG funds, the City is required to adhere to the requirements of Section 3 of the Housing and Urban Development Act of 1968. The Section 3 program requires that recipients of HUD CDBG funds and their contractors, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very low-income residents in connection with projects and activities in their neighborhoods.

The project upon which you will work is a Section 3 covered project. Please pay particular attention to the Section 3 clause in your contract.

The following are definitions of a Section 3 Resident and Section 3 Business:

- A Section 3 Business is defined by HUD as any business located within the Section 3 area and is owned at least by (fifty-one percent) 51% by persons residing in the Section 3 area. The business must qualify as small under the small business size standards of the Small Business Administration; and the persons owning the business must be considered by the Small Business Administration to be socially or economically disadvantaged.
- A Section 3 Resident is defined by HUD as any individual who resides within the City in which the CDBG project is located and whose income does not exceed ninety percent (90%) of the median income of the metropolitan statistical area in which the project is located.

Additionally, we have attached the following for your information and to assist you in adhering to Section 3 requirements:

- HUD Brochure – Section 3
- Copy of 24 CFR Subtitle B Ch. 1
- Contractor Section 3 Plan Format

Please note that the Contractor Section 3 Plan Format must be completed by your company and any of your subcontractors and must be provided to this office, attention \_\_\_\_\_, Biloxi, MS 39530.

Thank you in advance for your assistance in complying with Section 3.

Sincerely,

Enclosure

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## Mayor and Board of Aldermen

### Section 3

#### What is Section 3?

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods.

#### How does Section 3 promote self-sufficiency?

Section 3 is a starting point to obtain job training, employment and contracting opportunities. From this integral foundation coupled with other resources

- Federal, state and local programs
- Advocacy groups
- Community and faith-based organizations

comes the opportunity for economic advancement and self-sufficiency.

#### How does Section 3 promote homeownership?

Section 3 is a starting point to homeownership. Once a Section 3 resident has obtained employment or contracting opportunities they have begun the first step to self-sufficiency.

Remember, "It doesn't have to be fields of dreams". Homeownership is achievable. For more information visit our HUD [website](#).

#### Who are Section 3 residents?

Section 3 residents are:

- Public housing residents or
- Persons who live in the area where a HUD-assisted project is located and who have a household income that falls below HUD's income limits.

#### Determining Income Levels

- Low income is defined as 80% or below the median income of that area.
- Very low income is defined as 50% or below the median income of that area.

#### What is a Section 3 business concern?

A business that:

- Is 51 percent or more owned by Section 3 residents;

# Minutes of November 20, 2007

## Mayor and Board of Aldermen

- Employs Section 3 residents for at least 30 percent of its full-time, permanent staff; or
- Provides evidence of a commitment to subcontract to Section 3 business concerns, 25 percent or more of the dollar amount of the awarded contract.

### What programs are covered?

Section 3 applies to HUD-funded Public and Indian Housing assistance for development, operating, and modernization expenditures.

Section 3 also applies to certain HUD-funded Housing and Community Development projects that complete housing rehabilitation, housing construction, and other public construction.

### What types of economic opportunities are available under Section 3?

- Job training
- Employment
- Contracts

Any employment resulting from these expenditures, including administration, management, clerical support, and construction, is subject to compliance with Section 3.

Examples of Opportunities include:

- |                        |                         |                       |
|------------------------|-------------------------|-----------------------|
| • Accounting           | • Electrical            | • Marketing           |
| • Architecture         | • Elevator Construction | • Painting            |
| • Appliance repair     | • Engineering           | • Payroll Photography |
| • Bookkeeping          | • Fencing               | • Plastering          |
| • Bricklaying          | • Florists              | • Plumbing            |
| • Carpentry            | • Heating               | • Printing Purchasing |
| • Carpet Installation  | • Iron Works            | • Research            |
| • Catering             | • Janitorial            | • Surveying           |
| • Cement/Masonry       | • Landscaping           | • Tile setting        |
| • Computer/Information | • Machine Operation     | • Transportation      |
| • Demolition           | • Manufacturing         | • Word processing     |
| • Drywall              |                         |                       |

### Who will award the economic opportunities?

Recipients of HUD financial assistance will award the economic opportunities. They and their contractors and subcontractors are required to provide, to the greatest extent feasible, economic opportunities consistent with existing Federal, State, and local laws and regulations.

### Who receives priority under Section 3?

For training and employment:

- Persons in public and assisted housing

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## How can Section 3 residents or Section 3 business concerns allege Section 3 violations?

You can file a written complaint with the local HUD Field Office or mail it to:

The Assistant Secretary for Fair Housing and Equal Opportunity  
Attn: Office of Economic Opportunity  
U.S. Department of Housing and Urban Development  
451 Seventh Street, S.W.,  
Room 5100  
Washington, D.C. 20410-2000

A written complaint should contain:

- Name and address of the person filing the complaint
- Name and address of subject of complaint (HUD recipient, contractor or subcontractor)
- Description of acts or omissions in alleged violation of Section 3
- Statement of corrective action sought i.e. training, employment or contracts

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## Mayor and Board of Aldermen

### § 135.1

#### APPENDIX TO PART 135

AUTHORITY: 12 U.S.C. 1701u; 42 U.S.C. 3535(d).

SOURCE: 59 FR 33860, June 30, 1994, unless otherwise noted.

EFFECTIVE DATE NOTE: At 59 FR 33880, June 30, 1994, part 135 was revised effective August 1, 1994 through June 30, 1995. At 60 FR 28325, May 31, 1995, the effective period was extended until the final rule implementing changes made to section 3 of the Housing and Urban Development Act of 1968 by the Housing and Community Development Act of 1992 is published and becomes effective.

#### Subpart A—General Provisions

##### § 135.1 Purpose.

(a) *Section 3.* The purpose of section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (section 3) is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.

(b) *Part 135.* The purpose of this part is to establish the standards and procedures to be followed to ensure that the objectives of section 3 are met.

##### § 135.2 Effective date of regulation.

The regulations of this part will remain in effect until the date the final rule adopting the regulations of this part with or without changes is published and becomes effective, at which point the final rule will remain in effect.

[60 FR 28326, May 31, 1995]

##### § 135.3 Applicability.

(a) *Section 3 covered assistance.* Section 3 applies to the following HUD assistance (section 3 covered assistance):

(1) *Public and Indian housing assistance.* Section 3 applies to training, employment, contracting and other economic opportunities arising from the

#### 24 CFR Subtitle B, Ch. I (4-1-03 Edition)

expenditure of the following public and Indian housing assistance:

(i) Development assistance provided pursuant to section 5 of the U.S. Housing Act of 1937 (1937 Act);

(ii) Operating assistance provided pursuant to section 9 of the 1937 Act; and

(iii) Modernization assistance provided pursuant to section 14 of the 1937 Act;

(2) *Housing and community development assistance.* Section 3 applies to training, employment, contracting and other economic opportunities arising in connection with the expenditure of housing assistance (including section 8 assistance, and including other housing assistance not administered by the Assistant Secretary of Housing) and community development assistance that is used for the following projects:

(i) Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement);

(ii) Housing construction; and

(iii) Other public construction.

(3) *Thresholds—(i) No thresholds for section 3 covered public and Indian housing assistance.* The requirements of this part apply to section 3 covered assistance provided to recipients, notwithstanding the amount of the assistance provided to the recipient. The requirements of this part apply to all contractors and subcontractors performing work in connection with projects and activities funded by public and Indian housing assistance covered by section 3, regardless of the amount of the contract or subcontract.

(ii) *Thresholds for section 3 covered housing and community development assistance—(A) Recipient thresholds.* The requirements of this part apply to recipients of other housing and community development program assistance for a section 3 covered project(s) for which the amount of the assistance exceeds \$200,000.

(B) *Contractor and subcontractor thresholds.* The requirements of this part apply to contractors and subcontractors performing work on section 3 covered project(s) for which the amount of the assistance exceeds \$200,000; and the contract or subcontract exceeds \$100,000.

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### Office of Asst. Secy., Equal Opportunity, HUD

(C) *Threshold met for recipients, but not contractors or subcontractors.* If a recipient receives section 3 covered housing or community development assistance in excess of \$200,000, but no contract exceeds \$100,000, the section 3 preference requirements only apply to the recipient.

(b) *Applicability of section 3 to entire project or activity funded with section 3 assistance.* The requirements of this part apply to the entire project or activity that is funded with section 3 covered assistance, regardless of whether the section 3 activity is fully or partially funded with section 3 covered assistance.

(c) *Applicability to Indian housing authorities and Indian tribes.* Indian housing authorities and tribes that receive HUD assistance described in paragraph (a) of this section shall comply with the procedures and requirements of this part to the maximum extent consistent with, but not in derogation of, compliance with section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e(b)). (See 24 CFR part 905.)

(d) *Other HUD assistance and other Federal assistance.* Recipients, contractors and subcontractors that receive HUD assistance, not listed in paragraph (a) of this section, or other Federal assistance, are encouraged to provide, to the greatest extent feasible, training, employment, and contracting opportunities generated by the expenditure of this assistance to low- and very low-income persons, and business concerns owned by low- and very low-income persons, or which employ low- and very low-income persons.

#### § 135.5 Definitions.

The terms *Department*, *HUD*, *Indian housing authority (IHA)*, *Public housing agency (PHA)*, and *Secretary* are defined in 24 CFR part 5.

*Annual Contributions Contract (ACC)* means the contract under the U.S. Housing Act of 1937 (1937 Act) between HUD and the PHA, or between HUD and the IHA, that contains the terms and conditions under which HUD assists the PHA or the IHA in providing decent, safe, and sanitary housing for low income families. The ACC must be in a form prescribed by HUD under

which HUD agrees to provide assistance in the development, modernization and/or operation of a low income housing project under the 1937 Act, and the PHA or IHA agrees to develop, modernize and operate the project in compliance with all provisions of the ACC and the 1937 Act, and all HUD regulations and implementing requirements and procedures. (The ACC is not a form of procurement contract.)

*Applicant* means any entity which makes an application for section 3 covered assistance, and includes, but is not limited to, any State, unit of local government, public housing agency, Indian housing authority, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization (CHDO), resident management corporation, resident council, or cooperative association.

*Assistant Secretary* means the Assistant Secretary for Fair Housing and Equal Opportunity.

*Business concern* means a business entity formed in accordance with State law, and which is licensed under State, county or municipal law to engage in the type of business activity for which it was formed.

*Business concern that provides economic opportunities for low- and very low-income persons.* See definition of "section 3 business concern" in this section.

*Contract.* See the definition of "section 3 covered contract" in this section.

*Contractor* means any entity which contracts to perform work generated by the expenditure of section 3 covered assistance, or for work in connection with a section 3 covered project.

*Employment opportunities generated by section 3 covered assistance* means all employment opportunities generated by the expenditure of section 3 covered public and Indian housing assistance (i.e., operating assistance, development assistance and modernization assistance, as described in §135.3(a)(1)). With respect to section 3 covered housing and community development assistance, this term means all employment opportunities arising in connection

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with section 3 covered projects (as described in §135.3(a)(2)), including management and administrative jobs connected with the section 3 covered project. Management and administrative jobs include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; and jobs directly related to administrative support of these activities, e.g., construction manager, relocation specialist, payroll clerk, etc.

*Housing authority (HA)* means, collectively, public housing agency and Indian housing authority.

*Housing and community development assistance* means any financial assistance provided or otherwise made available through a HUD housing or community development program through any grant, loan, loan guarantee, cooperative agreement, or contract, and includes community development funds in the form of community development block grants, and loans guaranteed under section 108 of the Housing and Community Development Act of 1974, as amended. Housing and community development assistance does not include financial assistance provided through a contract of insurance or guaranty.

*Housing development* means low-income housing owned, developed, or operated by public housing agencies or Indian housing authorities in accordance with HUD's public and Indian housing program regulations codified in 24 CFR Chapter IX.

*HUD Youthbuild programs* mean programs that receive assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended by the Housing and Community Development Act of 1992 (42 U.S.C. 12899), and provide disadvantaged youth with opportunities for employment, education, leadership development, and training in the construction or rehabilitation of housing for homeless individuals and members of low- and very low-income families.

*Indian tribes* shall have the meaning given this term in 24 CFR part 571.

*JTPA* means the Job Training Partnership Act (29 U.S.C. 1579(a)).

*Low-income person.* See the definition of "section 3 resident" in this section.

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*Metropolitan area* means a metropolitan statistical area (MSA), as established by the Office of Management and Budget.

*Neighborhood area* means:

(1) For HUD housing programs, a geographical location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in ordinances, or other local documents as a neighborhood, village, or similar geographical designation.

(2) For HUD community development programs, see the definition, if provided, in the regulations for the applicable community development program, or the definition for this term in 24 CFR 570.204(c)(1).

*New hires* mean full-time employees for permanent, temporary or seasonal employment opportunities.

*Nonmetropolitan county* means any county outside of a metropolitan area.

*Other HUD programs* means HUD programs, other than HUD public and Indian housing programs, that provide housing and community development assistance for "section 3 covered projects," as defined in this section.

*Public housing resident* has the meaning given this term in 24 CFR part 963.

*Recipient* means any entity which receives section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee or transferee of any such entity, but does not include any ultimate beneficiary under the HUD program to which section 3 applies and does not include contractors.

*Section 3* means section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

*Section 3 business concern* means a business concern, as defined in this section—

(1) That is 51 percent or more owned by section 3 residents; or

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### § 135.7

such variations are necessary because of unusually high or low family incomes.

(3) A person seeking the training and employment preference provided by section 3 bears the responsibility of providing evidence (if requested) that the person is eligible for the preference.

*Section 8 assistance* means assistance provided under section 8 of the 1937 Act (42 U.S.C. 1437f) pursuant to 24 CFR part 882, subpart G.

*Service area* means the geographical area in which the persons benefitting from the section 3 covered project reside. The service area shall not extend beyond the unit of general local government in which the section 3 covered assistance is expended. In HUD's Indian housing programs, the service area, for IHAs established by an Indian tribe as a result of the exercise of the tribe's sovereign power, is limited to the area of tribal jurisdiction.

*Subcontractor* means any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of section 3 covered assistance, or arising in connection with a section 3 covered project.

*Very low-income person.* See the definition of "section 3 resident" in this section.

*Youthbuild programs.* See the definition of "HUD Youthbuild programs" in this section.

[58 FR 33880, June 30, 1994, as amended at 61 FR 5206, Feb. 9, 1996]

### § 135.7 Delegation of authority.

Except as may be otherwise provided in this part, the functions and responsibilities of the Secretary under section 3, and described in this part, are delegated to the Assistant Secretary for Fair Housing and Equal Opportunity. The Assistant Secretary is further authorized to redelegate functions and responsibilities to other employees of HUD; *provided however*, that the authority to issue rules and regulations under this part, which authority is delegated to the Assistant Secretary, may

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not be redelegated by the Assistant Secretary.

### § 135.9 Requirements applicable to HUD NOFAs for section 3 covered programs.

(a) *Certification of compliance with part 135.* All notices of funding availability (NOFAs) issued by HUD that announce the availability of funding covered by section 3 shall include a provision in the NOFA that notifies applicants that section 3 and the regulations in part 135 are applicable to funding awards made under the NOFA. Additionally the NOFA shall require as an application submission requirement (which may be specified in the NOFA or application kit) a certification by the applicant that the applicant will comply with the regulations in part 135. (For PHAs, this requirement will be met where a PHA Resolution in Support of the Application is submitted.) With respect to application evaluation, HUD will accept an applicant's certification unless there is evidence substantially challenging the certification.

(b) *Statement of purpose in NOFAs.* (1) For competitively awarded assistance in which the grants are for activities administered by an HA, and those activities are anticipated to generate significant training, employment or contracting opportunities, the NOFA must include a statement that one of the purposes of the assistance is to give to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, job training, employment, contracting and other economic opportunities to section 3 residents and section 3 business concerns.

(2) For competitively awarded assistance involving housing rehabilitation, construction or other public construction, where the amount awarded to the applicant may exceed \$200,000, the NOFA must include a statement that one of the purposes of the assistance is to give, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, job training, employment, contracting and other economic opportunities to section 3 residents and section 3 business concerns.

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(2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or

(3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications set forth in paragraphs (1) or (2) in this definition of "section 3 business concern."

*Section 3 clause* means the contract provisions set forth in § 135.38.

*Section 3 covered activity* means any activity which is funded by section 3 covered assistance public and Indian housing assistance.

*Section 3 covered assistance* means: (1) Public and Indian housing development assistance provided pursuant to section 5 of the 1937 Act;

(2) Public and Indian housing operating assistance provided pursuant to section 9 of the 1937 Act;

(3) Public and Indian housing modernization assistance provided pursuant to section 14 of the 1937 Act;

(4) Assistance provided under any HUD housing or community development program that is expended for work arising in connection with:

- (i) Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement);
- (ii) Housing construction; or
- (iii) Other public construction project (which includes other buildings or improvements, regardless of ownership).

*Section 3 covered contract* means a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of section 3 covered assistance, or for work arising in connection with a section 3 covered project. "Section 3 covered contracts" do not include contracts awarded under HUD's procurement program, which are governed by the Federal Acquisition Regulation System (see 48 CFR, Chapter 1). "Section 3 covered contracts" also do not include contracts for the purchase of supplies and

materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a section 3 covered contract. For example, a contract for the purchase and installation of a furnace would be a section 3 covered contract because the contract is for work (i.e., the installation of the furnace) and thus is covered by section 3.

*Section 3 covered project* means the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.

*Section 3 joint venture*. See § 135.40.

*Section 3 resident* means: (1) A public housing resident; or

(2) An individual who resides in the metropolitan area or nonmetropolitan county in which the section 3 covered assistance is expended, and who is:

(i) A *low-income person*, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act defines this term to mean families (including single persons) whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families; or

(ii) A *very low-income person*, as this term is defined in section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)) defines this term to mean families (including single persons) whose incomes do not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the Secretary's findings that

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§ 135.11

(c) *Section 3 as NOFA evaluation criteria.* Where not otherwise precluded by statute, in the evaluation of applications for the award of assistance, consideration shall be given to the extent to which an applicant has demonstrated that it will train and employ section 3 residents and contract with section 3 business concerns for economic opportunities generated in connection with the assisted project or activity. The evaluation criteria to be utilized, and the rating points to be assigned, will be specified in the NOFA.

### § 135.11 Other laws governing training, employment, and contracting.

Other laws and requirements that are applicable or may be applicable to the economic opportunities generated from the expenditure of section 3 covered assistance include, but are not necessarily limited to those listed in this section.

(a) *Procurement standards for States and local governments (24 CFR 85.36)—(1) General.* Nothing in this part 135 prescribes specific methods of procurement. However, neither section 3 nor the requirements of this part 135 supersede the general requirement of 24 CFR 85.36(c) that all procurement transactions be conducted in a competitive manner. Consistent with 24 CFR 85.36(c)(2), section 3 is a Federal statute that expressly encourages, to the maximum extent feasible, a geographic preference in the evaluation of bids or proposals.

(2) *Flexible Subsidy Program.* Multifamily project mortgagors in the Flexible Subsidy Program are not required to utilize the methods of procurement in 24 CFR 85.36(d), and are not permitted to utilize methods of procurement that would result in their award of a contract to a business concern that submits a bid higher than the lowest responsive bid. A multifamily project mortgagor, however, must ensure that, to the greatest extent feasible, the procurement practices it selects provide preference to section 3 business concerns.

(b) *Procurement standards for other recipients (OMB Circular No. A-110).* Nothing in this part prescribes specific methods of procurement for grants and other agreements with institutions of

higher education, hospitals, and other nonprofit organizations. Consistent with the requirements set forth in OMB Circular No. A-110, section 3 is a Federal statute that expressly encourages a geographic preference in the evaluation of bids or proposals.

(c) *Federal labor standards provisions.* Certain construction contracts are subject to compliance with the requirement to pay prevailing wages determined under Davis-Bacon Act (40 U.S.C. 276a-276a-7) and implementing U.S. Department of Labor regulations in 29 CFR part 5. Additionally, certain HUD-assisted rehabilitation and maintenance activities on public and Indian housing developments are subject to compliance with the requirement to pay prevailing wage rates, as determined or adopted by HUD, to laborers and mechanics employed in this work. Apprentices and trainees may be utilized on this work only to the extent permitted under either Department of Labor regulations at 29 CFR part 5 or for work subject to HUD-determined prevailing wage rates, HUD policies and guidelines. These requirements include adherence to the wage rates and ratios of apprentices or trainees to journeymen set out in "approved apprenticeship and training programs," as described in paragraph (d) of this section.

(d) *Approved apprenticeship and trainee programs.* Certain apprenticeship and trainee programs have been approved by various Federal agencies. Approved apprenticeship and trainee programs include: an apprenticeship program approved by the Bureau of Apprenticeship and Training of the Department of Labor, or a State Apprenticeship Agency, or an on-the-job training program approved by the Bureau of Apprenticeship and Training, in accordance with the regulations at 29 CFR part 5; or a training program approved by HUD in accordance with HUD policies and guidelines, as applicable. Participation in an approved apprenticeship program does not, in and of itself, demonstrate compliance with the regulations of this part.

(e) *Compliance with Executive Order 11246.* Certain contractors covered by this part are subject to compliance with Executive Order 11246, as amended

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by Executive Order 12086, and the Department of Labor regulations issued pursuant thereto (41 CFR chapter 60) which provide 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.

### Subpart B—Economic Opportunities for Section 3 Residents and Section 3 Business Concerns

#### § 135.30 Numerical goals for meeting the greatest extent feasible requirement.

(a) *General.* (1) Recipients and covered contractors may demonstrate compliance with the "greatest extent feasible" requirement of section 3 by meeting the numerical goals set forth in this section for providing training, employment, and contracting opportunities to section 3 residents and section 3 business concerns.

(2) The goals established in this section apply to the entire amount of section 3 covered assistance awarded to a recipient in any Federal Fiscal Year (FY), commencing with the first FY following the effective date of this rule.

(3) For recipients that do not engage in training, or hiring, but award contracts to contractors that will engage in training, hiring, and subcontracting, recipients must ensure that, to the greatest extent feasible, contractors will provide training, employment, and contracting opportunities to section 3 residents and section 3 business concerns.

(4) The numerical goals established in this section represent minimum numerical targets.

(b) *Training and employment.* The numerical goals set forth in paragraph (b) of this section apply to new hires. The numerical goals reflect the aggregate hires. Efforts to employ section 3 residents, to the greatest extent feasible, should be made at all job levels.

(1) *Numerical goals for section 3 covered public and Indian housing programs.* Recipients of section 3 covered public and Indian housing assistance (as described in § 135.5) and their contractors and

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subcontractors may demonstrate compliance with this part by committing to employ section 3 residents as:

(i) 10 percent of the aggregate number of new hires for the one year period beginning in FY 1995;

(ii) 20 percent of the aggregate number of new hires for the one period beginning in FY 1996;

(iii) 30 percent of the aggregate number of new hires for one year period beginning in FY 1997 and continuing thereafter.

(2) *Numerical goals for other HUD programs covered by section 3.* (i) Recipients of section 3 covered housing assistance provided under other HUD programs, and their contractors and subcontractors (unless the contract or sub-contract awards do not meet the threshold specified in § 135.3(a)(3)) may demonstrate compliance with this part by committing to employ section 3 residents as 10 percent of the aggregate number of new hires for each year over the duration of the section 3 project;

(ii) Where a managing general partner or management agent is affiliated, in a given metropolitan area, with recipients of section 3 covered housing assistance, for an aggregate of 500 or more units in any fiscal year, the managing partner or management agent may demonstrate compliance with this part by committing to employ section 3 residents as:

(A) 10 percent of the aggregate number of new hires for the one year period beginning in FY 1995;

(B) 20 percent of the aggregate number of new hires for the one year period beginning in FY 1996;

(C) 30 percent of the aggregate number of new hires for the one year period beginning in FY 1997, and continuing thereafter.

(3) Recipients of section 3 covered community development assistance, and their contractors and subcontractors (unless the contract or sub-contract awards do not meet the threshold specified in § 135.3(a)(3)) may demonstrate compliance with the requirements of this part by committing to employ section 3 residents as:

(i) 10 percent of the aggregate number of new hires for the one year period beginning in FY 1995;

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(ii) 20 percent of the aggregate number of new hires for the one year period beginning in FY 1996; and

(iii) 30 percent of the aggregate number of new hires for the one year period beginning in FY 1997 and continuing thereafter.

(c) *Contracts.* Numerical goals set forth in paragraph (c) of this section apply to contracts awarded in connection with all section 3 covered projects and section 3 covered activities. Each recipient and contractor and subcontractor (unless the contract or subcontract awards do not meet the threshold specified in §135.3(a)(3)) may demonstrate compliance with the requirements of this part by committing to award to section 3 business concerns:

(1) At least 10 percent of the total dollar amount of all section 3 covered contracts for building trades work for maintenance, repair, modernization or development of public or Indian housing, or for building trades work arising in connection with housing rehabilitation, housing construction and other public construction; and

(2) At least three (3) percent of the total dollar amount of all other section 3 covered contracts.

(d) *Safe harbor and compliance determinations.* (1) In the absence of evidence to the contrary, a recipient that meets the minimum numerical goals set forth in this section will be considered to have complied with the section 3 preference requirements.

(2) In evaluating compliance under subpart D of this part, a recipient that has not met the numerical goals set forth in this section has the burden of demonstrating why it was not feasible to meet the numerical goals set forth in this section. Such justification may include impediments encountered despite actions taken. A recipient or contractor also can indicate other economic opportunities, such as those listed in §135.40, which were provided in its efforts to comply with section 3 and the requirements of this part.

### § 135.32 Responsibilities of the recipient.

Each recipient has the responsibility to comply with section 3 in its own operations, and ensure compliance in the

operations of its contractors and subcontractors. This responsibility includes but may not be necessarily limited to:

(a) Implementing procedures designed to notify section 3 residents about training and employment opportunities generated by section 3 covered assistance and section 3 business concerns about contracting opportunities generated by section 3 covered assistance;

(b) Notifying potential contractors for section 3 covered projects of the requirements of this part, and incorporating the section 3 clause set forth in §135.38 in all solicitations and contracts.

(c) Facilitating the training and employment of section 3 residents and the award of contracts to section 3 business concerns by undertaking activities such as described in the Appendix to this part, as appropriate, to reach the goals set forth in §135.30. Recipients, at their own discretion, may establish reasonable numerical goals for the training and employment of section 3 residents and contract award to section 3 business concerns that exceed those specified in §135.30;

(d) Assisting and actively cooperating with the Assistant Secretary in obtaining the compliance of contractors and subcontractors with the requirements of this part, and refraining from entering into any contract with any contractor where the recipient has notice or knowledge that the contractor has been found in violation of the regulations in 24 CFR part 135.

(e) Documenting actions taken to comply with the requirements of this part, the results of actions taken and impediments, if any.

(f) A State or county which distributes funds for section 3 covered assistance to units of local governments, to the greatest extent feasible, must attempt to reach the numerical goals set forth in 135.30 regardless of the number of local governments receiving funds from the section 3 covered assistance which meet the thresholds for applicability set forth at 135.3. The State or county must inform units of local government to whom funds are distributed of the requirements of this part; assist

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local governments and their contractors in meeting the requirements and objectives of this part; and monitor the performance of local governments with respect to the objectives and requirements of this part.

#### § 135.34 Preference for section 3 residents in training and employment opportunities.

(a) *Order of providing preference.* Recipients, contractors and subcontractors shall direct their efforts to provide, to the greatest extent feasible, training and employment opportunities generated from the expenditure of section 3 covered assistance to section 3 residents in the order of priority provided in paragraph (a) of this section.

(1) *Public and Indian housing programs.* In public and Indian housing programs, efforts shall be directed to provide training and employment opportunities to section 3 residents in the following order of priority:

(i) Residents of the housing development or developments for which the section 3 covered assistance is expended (category 1 residents);

(ii) Residents of other housing developments managed by the HA that is expending the section 3 covered housing assistance (category 2 residents);

(iii) Participants in HUD Youthbuild programs being carried out in the metropolitan area (or nonmetropolitan county) in which the section 3 covered assistance is expended (category 3 residents);

(iv) Other section 3 residents.

(2) *Housing and community development programs.* In housing and community development programs, priority consideration shall be given, where feasible, to:

(i) Section 3 residents residing in the service area or neighborhood in which the section 3 covered project is located (collectively, referred to as category 1 residents); and

(ii) Participants in HUD Youthbuild programs (category 2 residents).

(iii) Where the section 3 project is assisted under the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 *et seq.*), homeless persons residing in the service area or neighborhood in which the section 3 covered project is

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located shall be given the highest priority;

(iv) Other section 3 residents.

(3) Recipients of housing assistance programs administered by the Assistant Secretary for Housing may, at their own discretion, provide preference to residents of the housing development receiving the section 3 covered assistance within the service area or neighborhood where the section 3 covered project is located.

(4) Recipients of community development programs may, at their own discretion, provide priority to recipients of government assistance for housing, including recipients of certificates or vouchers under the Section 8 housing assistance program, within the service area or neighborhood where the section 3 covered project is located.

(b) *Eligibility for preference.* A section 3 resident seeking the preference in training and employment provided by this part shall certify, or submit evidence to the recipient contractor or subcontractor, if requested, that the person is a section 3 resident, as defined in § 135.5. (An example of evidence of eligibility for the preference is evidence of receipt of public assistance, or evidence of participation in a public assistance program.)

(c) *Eligibility for employment.* Nothing in this part shall be construed to require the employment of a section 3 resident who does not meet the qualifications of the position to be filled.

#### § 135.36 Preference for section 3 business concerns in contracting opportunities.

(a) *Order of providing preference.* Recipients, contractors and subcontractors shall direct their efforts to award section 3 covered contracts, to the greatest extent feasible, to section 3 business concerns in the order of priority provided in paragraph (a) of this section.

(1) *Public and Indian housing programs.* In public and Indian housing programs, efforts shall be directed to award contracts to section 3 business concerns in the following order of priority:

(i) Business concerns that are 51 percent or more owned by residents of the housing development or developments

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for which the section 3 covered assistance is expended, or whose full-time, permanent workforce includes 30 percent of these persons as employees (category 1 businesses);

(ii) Business concerns that are 51 percent or more owned by residents of other housing developments or developments managed by the HA that is expending the section 3 covered assistance, or whose full-time, permanent workforce includes 30 percent of these persons as employees (category 2 businesses); or

(iii) HUD Youthbuild programs being carried out in the metropolitan area (or nonmetropolitan county) in which the section 3 covered assistance is expended (category 3 businesses).

(iv) Business concerns that are 51 percent or more owned by section 3 residents, or whose permanent, full-time workforce includes no less than 30 percent section 3 residents (category 4 businesses), or that subcontract in excess of 25 percent of the total amount of subcontracts to business concerns identified in paragraphs (a)(1)(i) and (a)(1)(ii) of this section.

(2) *Housing and community development programs.* In housing and community development programs, priority consideration shall be given, where feasible, to:

(i) Section 3 business concerns that provide economic opportunities for section 3 residents in the service area or neighborhood in which the section 3 covered project is located (category 1 businesses); and

(ii) Applicants (as this term is defined in 42 U.S.C. 12899) selected to carry out HUD Youthbuild programs (category 2 businesses);

(iii) Other section 3 business concerns.

(b) *Eligibility for preference.* A business concern seeking to qualify for a section 3 contracting preference shall certify or submit evidence, if requested, that the business concern is a section 3 business concern as defined in § 135.5.

(c) *Ability to complete contract.* A section 3 business concern seeking a contract or a subcontract shall submit evidence to the recipient, contractor, or subcontractor (as applicable), if requested, sufficient to demonstrate to the satisfaction of the party awarding

the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract. (The ability to perform successfully under the terms and conditions of the proposed contract is required of all contractors and subcontractors subject to the procurement standards of 24 CFR 85.36 (see 24 CFR 85.36(b)(8)).) This regulation requires consideration of, among other factors, the potential contractor's record in complying with public policy requirements. Section 3 compliance is a matter properly considered as part of this determination.

### § 135.38 Section 3 clause.

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR

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part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

#### § 135.40 Providing other economic opportunities.

(a) *General.* In accordance with the findings of the Congress, as stated in section 3, that other economic opportunities offer an effective means of empowering low-income persons, a recipient is encouraged to undertake efforts to provide to low-income persons economic opportunities other than training, employment, and contract awards, in connection with section 3 covered assistance.

(b) *Other training and employment related opportunities.* Other economic opportunities to train and employ section 3 residents include, but need not be limited to, use of "upward mobility", "bridge" and trainee positions to fill vacancies; hiring section 3 residents in

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management and maintenance positions within other housing developments; and hiring section 3 residents in part-time positions.

(c) *Other business related economic opportunities.* (1) A recipient or contractor may provide economic opportunities to establish, stabilize or expand section 3 business concerns, including micro-enterprises. Such opportunities include, but are not limited to the formation of section 3 joint ventures, financial support for affiliating with franchise development, use of labor only contracts for building trades, purchase of supplies and materials from housing authority resident-owned businesses, purchase of materials and supplies from PHA resident-owned businesses and use of procedures under 24 CFR part 963 regarding HA contracts to HA resident-owned businesses. A recipient or contractor may employ these methods directly or may provide incentives to non-section 3 businesses to utilize such methods to provide other economic opportunities to low-income persons.

(2) A *section 3 joint venture* means an association of business concerns, one of which qualifies as a section 3 business concern, formed by written joint venture agreement to engage in and carry out a specific business venture for which purpose the business concerns combine their efforts, resources, and skills for joint profit, but not necessarily on a continuing or permanent basis for conducting business generally, and for which the section 3 business concern:

(i) Is responsible for a clearly defined portion of the work to be performed and holds management responsibilities in the joint venture; and

(ii) Performs at least 25 percent of the work and is contractually entitled to compensation proportionate to its work.

#### Subpart C [Reserved]

#### Subpart D—Complaint and Compliance Review

##### § 135.70 General.

(a) *Purpose.* The purpose of this subpart is to establish the procedures for handling complaints alleging non-compliance with the regulations of this

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part, and the procedures governing the Assistant Secretary's review of a recipient's or contractor's compliance with the regulations in this part.

(b) *Definitions.* For purposes of this subpart:

(1) *Complaint* means an allegation of noncompliance with regulations of this part made in the form described in § 135.76(d).

(2) *Complainant* means the party which files a complaint with the Assistant Secretary alleging that a recipient or contractor has failed or refused to comply with the regulations in this part.

(3) *Noncompliance with section 3* means failure by a recipient or contractor to comply with the requirements of this part.

(4) *Respondent* means the recipient or contractor against which a complaint of noncompliance has been filed. The term "recipient" shall have the meaning set forth in § 135.7, which includes PHA and IHA.

### § 135.72 Cooperation in achieving compliance.

(a) The Assistant Secretary recognizes that the success of ensuring that section 3 residents and section 3 business concerns have the opportunity to apply for jobs and to bid for contracts generated by covered HUD financial assistance depends upon the cooperation and assistance of HUD recipients and their contractors and subcontractors. All recipients shall cooperate fully and promptly with the Assistant Secretary in section 3 compliance reviews, in investigations of allegations of noncompliance made under § 135.76, and with the distribution and collection of data and information that the Assistant Secretary may require in connection with achieving the economic objectives of section 3.

(b) The recipient shall refrain from entering into a contract with any contractor after notification to the recipient by HUD that the contractor has been found in violation of the regulations in this part. The provisions of 24 CFR part 24 apply to the employment, engagement of services, awarding of contracts or funding of any contractors or subcontractors during any period of

debarment, suspension or otherwise ineligible status.

### § 135.74 Section 3 compliance review procedures.

(a) *Compliance reviews by Assistant Secretary.* The Assistant Secretary shall periodically conduct section 3 compliance reviews of selected recipients and contractors to determine whether these recipients are in compliance with the regulations in this part.

(b) *Form of compliance review.* A section 3 compliance review shall consist of a comprehensive analysis and evaluation of the recipient's or contractor's compliance with the requirements and obligations imposed by the regulations of this part, including an analysis of the extent to which section 3 residents have been hired and section 3 business concerns have been awarded contracts as a result of the methods undertaken by the recipient to achieve the employment, contracting and other economic objectives of section 3.

(c) *Where compliance review reveals noncompliance with section 3 by recipient or contractor.* Where the section 3 compliance review reveals that a recipient or contractor has not complied with section 3, the Assistant Secretary shall notify the recipient or contractor of its specific deficiencies in compliance with the regulations of this part, and shall advise the recipient or contractor of the means by which these deficiencies may be corrected. HUD shall conduct a follow-up review with the recipient or contractor to ensure that action is being taken to correct the deficiencies.

(d) *Continuing noncompliance by recipient or contractor.* A continuing failure or refusal by the recipient or contractor to comply with the regulations in this part may result in the application of sanctions specified in the contract through which HUD assistance is provided, or the application of sanctions specified in the regulations governing the HUD program under which HUD financial assistance is provided. HUD will notify the recipient of any continuing failure or refusal by the contractor to comply with the regulations in this part for possible action under any procurement contract between the recipient and the contractor.

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Debarment, suspension and limited denial of participation pursuant to HUD's regulations in 24 CFR part 24, where appropriate, may be applied to the recipient or the contractor.

(e) *Conducting compliance review before the award of assistance.* Section 3 compliance reviews may be conducted before the award of contracts, and especially where the Assistant Secretary has reasonable grounds to believe that the recipient or contractor will be unable or unwilling to comply with the regulations in this part.

(f) *Consideration of complaints during compliance review.* Complaints alleging noncompliance with section 3, as provided in § 135.76, may also be considered during any compliance review conducted to determine the recipient's conformance with regulations in this part.

### § 135.76 Filing and processing complaints.

(a) *Who may file a complaint.* The following individuals and business concerns may, personally or through an authorized representative, file with the Assistant Secretary a complaint alleging noncompliance with section 3:

(1) Any section 3 resident on behalf of himself or herself, or as a representative of persons similarly situated, seeking employment, training or other economic opportunities generated from the expenditure of section 3 covered assistance with a recipient or contractor, or by a representative who is not a section 3 resident but who represents one or more section 3 residents;

(2) Any section 3 business concern on behalf of itself, or as a representative of other section 3 business concerns similarly situated, seeking contract opportunities generated from the expenditure of section 3 covered assistance from a recipient or contractor, or by an individual representative of section 3 business concerns.

(b) *Where to file a complaint.* A complaint must be filed with the Assistant Secretary for Fair Housing and Equal Opportunity, Department of Housing and Urban Development, Washington, DC, 20410.

(c) *Time of filing.* (1) A complaint must be received not later than 180 days from the date of the action or

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omission upon which the complaint is based, unless the time for filing is extended by the Assistant Secretary for good cause shown.

(2) Where a complaint alleges noncompliance with section 3 and the regulations of this part that is continuing, as manifested in a number of incidents of noncompliance, the complaint will be timely if filed within 180 days of the last alleged occurrence of noncompliance.

(3) Where a complaint contains incomplete information, the Assistant Secretary shall request the needed information from the complainant. In the event this information is not furnished to the Assistant Secretary within sixty (60) days of the date of the request, the complaint may be closed.

(d) *Contents of complaint—(1) Written complaints.* Each complaint must be in writing, signed by the complainant, and include:

(i) The complainant's name and address;

(ii) The name and address of the respondent;

(iii) A description of the acts or omissions by the respondent that is sufficient to inform the Assistant Secretary of the nature and date of the alleged noncompliance.

(iv) A complainant may provide information to be contained in a complaint by telephone to HUD or any HUD Field Office, and HUD will reduce the information provided by telephone to writing on the prescribed complaint form and send the form to the complainant for signature.

(2) *Amendment of complaint.* Complaints may be reasonably and fairly amended at any time. Such amendments may include, but are not limited to, amendments to cure, technical defects or omissions, including failure to sign or affirm a complaint, to clarify or amplify the allegations in a complaint, or to join additional or substitute respondents. Except for the purposes of notifying respondents, amended complaints will be considered as having been made as of the original filing date.

(e) *Resolution of complaint by recipient.* (1) Within ten (10) days of timely filing of a complaint that contains complete

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complainants shall be kept confidential except to the extent necessary to carry out the purposes of this part, including the conduct of any investigation, hearing or judicial proceeding arising thereunder.

(j) *Judicial relief.* Nothing in this subpart D precludes a section 3 resident or section 3 business concerning from exercising the right, which may otherwise be available, to seek redress directly through judicial procedures.

(Approved by the Office of Management and Budget under control number 2529-0043)

### Subpart E—Reporting and Recordkeeping

#### § 135.90 Reporting.

Each recipient which receives directly from HUD financial assistance that is subject to the requirements of this part shall submit to the Assistant Secretary an annual report in such form and with such information as the Assistant Secretary may request, for the purpose of determining the effectiveness of section 3. Where the program providing the section 3 covered assistance requires submission of an annual performance report, the section 3 report will be submitted with that annual performance report. If the program providing the section 3 covered assistance does not require an annual performance report, the section 3 report is to be submitted by January 10 of each year or within 10 days of project completion, whichever is earlier. All reports submitted to HUD in accordance with the requirements of this part will be made available to the public.

(Approved by the Office of Management and Budget under control number 2529-0043)

#### § 135.92 Recordkeeping and access to records.

HUD shall have access to all records, reports, and other documents or items of the recipient that are maintained to demonstrate compliance with the requirements of this part, or that are maintained in accordance with the regulations governing the specific HUD program under which section 3 covered assistance is provided or otherwise

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made available to the recipient or contractor.

#### APPENDIX TO PART 135

##### I. Examples of Efforts To Offer Training and Employment Opportunities to Section 3 Residents

(1) Entering into "first source" hiring agreements with organizations representing Section 3 residents.

(2) Sponsoring a HUD-certified "Step-Up" employment and training program for section 3 residents.

(3) Establishing training programs, which are consistent with the requirements of the Department of Labor, for public and Indian housing residents and other section 3 residents in the building trades.

(4) Advertising the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) to every occupied dwelling unit in the housing development or developments where category 1 or category 2 persons (as these terms are defined in § 135.34) reside.

(5) Advertising the training and employment positions by posting flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) in the common areas or other prominent areas of the housing development or developments. For HAs, post such advertising in the housing development or developments where category 1 or category 2 persons reside; for all other recipients, post such advertising in the housing development or developments and transitional housing in the neighborhood or service area of the section 3 covered project.

(6) Contacting resident councils, resident management corporations, or other resident organizations, where they exist, in the housing development or developments where category 1 or category 2 persons reside, and community organizations in HUD-assisted neighborhoods, to request the assistance of these organizations in notifying residents of the training and employment positions to be filled.

(7) Sponsoring (scheduling, advertising, financing or providing in-kind services) a job informational meeting to be conducted by an HA or contractor representative or representatives at a location in the housing development or developments where category 1 or category 2 persons reside or in the neighborhood or service area of the section 3 covered project.

(8) Arranging assistance in conducting job interviews and completing job applications for residents of the housing development or developments where category 1 or category 2

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persons reside and in the neighborhood or service area in which a section 3 project is located.

(9) Arranging for a location in the housing development or developments where category 1 persons reside, or the neighborhood or service area of the project, where job applications may be delivered to and collected by a recipient or contractor representative or representatives.

(10) Conducting job interviews at the housing development or developments where category 1 or category 2 persons reside, or at a location within the neighborhood or service area of the section 3 covered project.

(11) Contacting agencies administering HUD Youthbuild programs, and requesting their assistance in recruiting HUD Youthbuild program participants for the HA's or contractor's training and employment positions.

(12) Consulting with State and local agencies administering training programs funded through JTPA or JOBS, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 residents for the HA's or contractor's training and employment positions.

(13) Advertising the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

(14) Employing a job coordinator, or contracting with a business concern that is licensed in the field of job placement (preferably one of the section 3 business concerns identified in part 135), that will undertake, on behalf of the HA, other recipient or contractor, the efforts to match eligible and qualified section 3 residents with the training and employment positions that the HA or contractor intends to fill.

(15) For an HA, employing section 3 residents directly on either a permanent or a temporary basis to perform work generated by section 3 assistance. (This type of employment is referred to as "force account labor" in HUD's Indian housing regulations. See 24 CFR 905.102, and §905.201(a)(6).)

(16) Where there are more qualified section 3 residents than there are positions to be filled, maintaining a file of eligible qualified section 3 residents for future employment positions.

(17) Undertaking job counseling, education and related programs in association with local educational institutions.

(18) Undertaking such continued job training efforts as may be necessary to ensure the continued employment of section 3 residents previously hired for employment opportunities.

(19) After selection of bidders but prior to execution of contracts, incorporating into the contract a negotiated provision for a spe-

cific number of public housing or other section 3 residents to be trained or employed on the section 3 covered assistance.

(20) Coordinating plans and implementation of economic development (e.g., job training and preparation, business development assistance for residents) with the planning for housing and community development.

### II. Examples of Efforts To Award Contracts to Section 3 Business Concerns

(1) Utilizing procurement procedures for section 3 business concerns similar to those provided in 24 CFR part 905 for business concerns owned by Native Americans (see section III of this Appendix).

(2) In determining the responsibility of potential contractors, consider their record of section 3 compliance as evidenced by past actions and their current plans for the pending contract.

(3) Contacting business assistance agencies, minority contractors associations and community organizations to inform them of contracting opportunities and requesting their assistance in identifying section 3 businesses which may solicit bids or proposals for contracts for work in connection with section 3 covered assistance.

(4) Advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information, in the common areas or other prominent areas of the housing development or development areas owned and managed by the HA.

(5) For HAs, contacting resident councils, resident management corporations, or other resident organizations, where they exist, and requesting their assistance in identifying category 1 and category 2 business concerns.

(6) Providing written notice to all known section 3 business concerns of the contracting opportunities. This notice should be in sufficient time to allow the section 3 business concerns to respond to the bid invitations or request for proposals.

(7) Following up with section 3 business concerns that have expressed interest in the contracting opportunities by contacting them to provide additional information on the contracting opportunities.

(8) Coordinating pre-bid meetings at which section 3 business concerns could be informed of upcoming contracting and subcontracting opportunities.

(9) Carrying out workshops on contracting procedures and specific contract opportunities in a timely manner so that section 3 business concerns can take advantage of upcoming contracting opportunities, with such information being made available in languages other than English where appropriate.

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(i) Bids shall be solicited from all businesses (section 3 business concerns, and non-section 3 business concerns). An award shall be made to the qualified section 3 business concern with the highest priority ranking and with the lowest responsive bid if that bid—

(A) is within the maximum total contract price established in the contracting party's budget for the specific project for which bids are being taken, and

(B) is not more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder. "X" is determined as follows:

	X=lessor of:
When the lowest responsive bid is less than \$100,000 .....	10% of that bid or \$9,000.
When the lowest responsive bid is:	
At least \$100,000, but less than \$200,000 .....	9% of that bid, or \$16,000.
At least \$200,000, but less than \$300,000 .....	8% of that bid, or \$21,000.
At least \$300,000, but less than \$400,000 .....	7% of that bid, or \$24,000.
At least \$400,000, but less than \$500,000 .....	6% of that bid, or \$25,000.
At least \$500,000, but less than \$1 million .....	5% of that bid, or \$40,000.
At least \$1 million, but less than \$2 million .....	4% of that bid, or \$60,000.
At least \$2 million, but less than \$4 million .....	3% of that bid, or \$80,000.
At least \$4 million, but less than \$7 million .....	2% of that bid, or \$105,000.
\$7 million or more .....	1 1/2% of the lowest responsive bid, with no dollar limit.

(ii) If no responsive bid by a section 3 business concern meets the requirements of paragraph (2)(i) of this section, the contract shall be awarded to a responsible bidder with the lowest responsive bid.

(3) Procurement under the competitive proposals method of procurement (Request for Proposals (RFP)). (i) For contracts and subcontracts awarded under the competitive proposals method of procurement (24 CFR 85.36(d)(3)), a Request for Proposals (RFP) shall identify all evaluation factors (and their relative importance) to be used to rate proposals.

(ii) One of the evaluation factors shall address both the preference for section 3 business concerns and the acceptability of the strategy for meeting the greatest extent feasible requirement (section 3 strategy), as disclosed in proposals submitted by all business concerns (section 3 and non-section 3 business concerns). This factor shall provide for a range of 15 to 25 percent of the total number of available points to be set aside for the evaluation of these two components.

(iii) The component of this evaluation factor designed to address the preference for section 3 business concerns must establish a preference for these business concerns in the order of priority ranking as described in 24 CFR 135.36.

(iv) With respect to the second component (the acceptability of the section 3 strategy), the RFP shall require the disclosure of the contractor's section 3 strategy to comply with the section 3 training and employment preference, or contracting preference, or both, if applicable. A determination of the contractor's responsibility will include the submission of an acceptable section 3 strategy. The contract award shall be made to the responsible firm (either section 3 or non-section 3 business concern) whose proposal is determined most advantageous, considering

price and all other factors specified in the RFP.

## PART 146—NONDISCRIMINATION ON THE BASIS OF AGE IN HUD PROGRAMS OR ACTIVITIES RE- CEIVING FEDERAL FINANCIAL ASSISTANCE

### Subpart A—General

- Sec. 146.1 Purpose of the Age Discrimination Act of 1976.
- 146.3 Purpose of HUD's age discrimination regulation.
- 146.5 Applicability of part.
- 146.7 Definitions.

### Subpart B—Standards for Determining Age Discrimination

- 146.11 Scope of subpart.
- 146.13 Rules against age discrimination.

### Subpart C—Duties of HUD Recipients

- 146.21 General responsibilities.
- 146.23 Notice of subrecipients.
- 146.25 Assurance of compliance and recipient assessment of age distinctions.
- 146.27 Information requirements.

### Subpart D—Investigation, Settlement, and Enforcement Procedures

- 146.31 Compliance reviews.
- 146.33 Complaints.
- 146.35 Mediation.
- 146.37 Investigation.
- 146.39 Enforcement procedures.
- 146.41 Prohibition against intimidation or retaliation.

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## Mayor and Board of Aldermen

### CONTRACTOR

#### SECTION 3 PLAN FORMAT

\_\_\_\_\_ agrees to implement the following specific affirmative  
(Name of Contractor)  
action steps directed at increasing the utilization of lower income residents and businesses within the City  
of \_\_\_\_\_.

- A. To ascertain from the locality's CDBG program official the exact boundaries of the Section 3 covered project area and where advantageous, seek the assistance of the local officials in preparing and implementing the affirmative action plan.
- B. To attempt to recruit from within the City the necessary number of lower income residents through: local advertising media, signs placed at the proposed site for the project, and community organizations and public or private institutions operating within or serving the project area such as Service Employment and Redevelopment (SER), Opportunities Industrialization Center (OIC), Urban League, Concentrated Employment Program, Hometown Plan, or the U.S. Employment Service.
- C. To maintain a list of all lower income area residents who have applied either on their own or on referral from any source, and to employ such persons, if otherwise eligible and if a vacancy exists.
- D.\* To insert this Section 3 Plan in all bid documents and to require all bidders on subcontracts to submit a Section 3 Affirmative Action Plan including utilization goals and the specific steps planned to accomplish these goals.
- E.\* To insure that subcontractors, which are typically let on a negotiated rather than a bid basis in areas other than Section 3 covered project areas, are also let on a negotiated basis, whenever feasible, when let in on a Section 3 covered project area.
- F. To formally contact unions, subcontractors and trade associations to secure their cooperation for this program.
- G. To insure that all appropriate project area business concerns are notified of pending sub-contractual opportunities.
- H. To maintain records, including copies of correspondence, memoranda, etc., which document that all of the above affirmative action steps have been taken.
- I. To appoint or recruit an executive official of the company or agency as Equal Opportunity Officer to coordinate the implementation of this Section 3 Plan.
- J. To list on Table A information related to any subcontracts that may be awarded.
- K. To list on Table B, all projected workforce needs for all phases of this project by occupation, trade, skill level, and number of positions.

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As officers and representatives of \_\_\_\_\_  
(Name of Contractor)  
we, the undersigned, have read and fully agree to this Affirmative Action Plan and become a party to the full implementation of this program.

_____ Signature	_____ Date
_____ Title	
_____ Signature	_____ Date
_____ Title	

\*Loans, grants, contracts, and subsidies for less than \$10,000 will be exempt.

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\_\_\_\_\_  
Company

\_\_\_\_\_  
Project Name Project Number

\*The Project Area is coextensive with the City of \_\_\_\_\_ boundaries.

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## ESTIMATED PROJECT WORKFORCE BREAKDOWN

<u>Column 1</u> Total	<u>Column 2</u> Number of Estimated Positions	<b>TABLE B</b> <u>Column 3</u> Number of Positions Currently Occupied by Permanent Employees	<u>Column 4</u> Number of Positions Not Currently Occupied	<u>Column 5</u> Positions to be Filled With L.I.P.A.R.*
<b>Job Category</b>				
Officers/Supervisors	_____	_____	_____	_____
Professionals	_____	_____	_____	_____
Technicians	_____	_____	_____	_____
Housing Sales/ Rental/Mgmt.	_____	_____	_____	_____
Office Clerical	_____	_____	_____	_____
Service Workers	_____	_____	_____	_____
Others	_____	_____	_____	_____
<b>Trade:</b>				
Journeyman	_____	_____	_____	_____
Helpers	_____	_____	_____	_____
Apprentices	_____	_____	_____	_____
Maximum No. of Trainees	_____	_____	_____	_____
Others	_____	_____	_____	_____
<b>Trade:</b>				
Journeyman	_____	_____	_____	_____
Helpers	_____	_____	_____	_____
Apprentices	_____	_____	_____	_____
Maximum No. of Trainees	_____	_____	_____	_____
Others	_____	_____	_____	_____
<b>Trade:</b>				
Journeyman	_____	_____	_____	_____
Helpers	_____	_____	_____	_____
Apprentices	_____	_____	_____	_____
Maximum No. of Trainees	_____	_____	_____	_____
Others	_____	_____	_____	_____
<b>TOTAL</b>	_____	_____	_____	_____
_____ Company				

\*Lower Income Project Area Residents - individuals residing within the City of \_\_\_\_\_ whose family income does not exceed 90% of the median income in the SMSA.

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**CERTIFICATION OF BIDDER REGARDING SECTION 3  
AND SEGREGATED FACILITIES**

\_\_\_\_\_  
Name of Prime Contractor Project Name & Number

The undersigned hereby certifies that:

- (a) Section 3 provisions are included in the Contract.
- (b) A written Section 3 Plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds \$10,000).
- (c) No segregated facilities will be maintained.

\_\_\_\_\_  
Name & Title of Signer (Print or Type)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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**CERTIFICATION OF NON-SEGREGATED FACILITIES**

By the submission of this bid, the bidder, offeror, applicant or subcontractor certifies that she/he does not maintain or provide for his/her employees any segregated facility at any of his/her establishments, and that she/he does not permit employees to perform their services at any location under his/her control, where segregated facilities are maintained. She/He certifies further that she/he will not maintain or provide for employees any segregated facilities at any of his/her establishments, and she/he will not permit employees to perform their services at any location under his/her control, where segregated facilities are maintained. The bidder, offeror, applicant or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity Clause of this contract. As used in this certification, the term "segregated facilities" means any waiting rooms; work areas; rest rooms and wash rooms; restaurants and other eating areas; time clocks; locker rooms; and other storage or dressing areas; parking lots; drinking fountains; recreation or entertainment areas; and transportation and housing facilities provided for employees, which are segregated by explicit directives or are, in fact, segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. She/He further agrees that (except where she/he has obtained identical certifications from proposed subcontractors for specific time periods) she/he will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000, which are not exempt from the provisions of the Equal Opportunity Clause; that she/he will retain such certifications in his/her files; and that she/he will forward the following notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

---

Name & Title of Signer (Please Type)

---

Signature

---

Date

# ***NOTICE***

## ***TO SECTION 3 RESIDENTS***

### ***AND***

## ***SECTION 3 BUSINESSES***

*This project is a Section 3 covered project funded with Community Development Block Grant funds.*

*SECTION 3 BUSINESSES that may be interested in employment or business opportunities in connection with the CDBG projects. A Section 3 Business is defined by HUD as any business located within the Section 3 area and is owned at least by fifty-one percent (51%) by persons residing in the Section 3 area. The business must qualify as small under the small business size standards of the Small Business Administration, and the persons owning the business must be considered by the Small Business Administration to be socially or economically disadvantaged.*

*SECTION 3 RESIDENTS that may be interested in employment or training opportunities in connection with the CDBG projects. A Section 3 Resident is defined by HUD as any individual who resides within the project area in which the CDBG project is located and whose income does not exceed ninety percent (90%) of the median income of the metropolitan statistical area in which the project is located.*

*Interested Section 3 Residents or Section 3 Businesses should contact Michele Moore at the following address:*

*953-B Howard Avenue  
Biloxi, MS 39530  
Phone: 228-436-9425  
E-Mail: [gourasplanning@bellsouth.net](mailto:gourasplanning@bellsouth.net)*

\*

\*

Alderman Holder made motion seconded by Alderman Bennett and unanimously carried authorizing the Clerk to publish Public Notice, Section 3 Businesses, Section 3 Residents.

\*\*\*\*\*

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The Mayor opened the floor for public comments and recognized Dave Reed, 125 Markham Drive to discuss "Katrina Cottages" and Michael Wren to discuss the "steering committees". It was noted for the record that the steering committees have been dissolved.

\*\*\*\*\*

There came on for consideration a personnel matter and Alderman Notter made motion seconded by Alderman Holder to meet in closed session to preliminarily determine whether or not to declare an executive session.

The question being put to a roll call vote by the Mayor, the result was as follows:

Alderman Richard Notter	voted	Aye
Alderman Richard Burton	voted	Aye
Alderman Charles Boggs	voted	Absent, Not Voting
Alderman Richard Bennett	voted	Nay
Alderman Allen D. Holder, Jr.	voted	Aye
Alderman Mark Lishen	voted	Absent, Not Voting
Alderman Joseph McNary	voted	Aye

The question having received the affirmative vote of the required 3/5 of all the Aldermen present and voting, the Mayor declared the motion carried, whereupon, the Mayor and Board of Aldermen met in closed session.

\* \* \*

The meeting resumed in open session and based upon discussion held in closed session, Alderman Notter made motion seconded by Alderman Burton to meet in executive session for the transaction of public business, to-wit: to discuss and obtain additional information regarding a personnel matter in the Police Department.

The question being put to a roll call vote by the Mayor, the result was as follows:

Alderman Richard Notter	voted	Aye
Alderman Richard Burton	voted	Aye
Alderman Charles Boggs	voted	Absent, Not Voting
Alderman Richard Bennett	voted	Nay
Alderman Allen D. Holder, Jr.	voted	Aye
Alderman Mark Lishen	voted	Absent, Not Voting
Alderman Joseph McNary	voted	Aye

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The question having received the Affirmative vote of the required 3/5 of all the Aldermen present and voting, the Mayor declared the motion carried, whereupon, the Mayor and Board of Aldermen met in executive session.

\* \* \*

The meeting resumed in open session, and based upon discussion held and information obtained in executive session, no formal action was required or taken.

\*\*\*\*\*

There being no further business to come before the Mayor and Board of Aldermen at this time, Alderman Burton made motion seconded by Alderman Notter and unanimously carried to adjourn until the next regular meeting in due course.

\*\*\*\*\*

APPROVED:

\_\_\_\_\_  
Alderman Allen D. Holder, Jr., At-Large

\_\_\_\_\_  
Alderman Charles A. Boggs, Ward 1

\_\_\_\_\_  
Alderman Richard Notter, Ward 2

\_\_\_\_\_  
Alderman Richard Burton, Ward 3

\_\_\_\_\_  
Alderman Joseph McNary, Ward 4

\_\_\_\_\_  
Alderman Mark Lishen, Ward 5

\_\_\_\_\_  
Alderman Richard Bennett, Ward 6

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

ATTEST:

\_\_\_\_\_  
Rebecca E. Schruoff, City Clerk