



**STATE OF MISSISSIPPI**

Tate Reeves  
Governor

**MISSISSIPPI DEPARTMENT OF MARINE RESOURCES**

Joe Spraggins, Executive Director

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE MISSISSIPPI DEPARTMENT OF MARINE RESOURCES  
AND  
CITY OF DIAMONDHEAD**

This Memorandum of Understanding (the "MOU") is entered into between the Mississippi Department of Marine Resources (hereinafter "MDMR") and the City of Diamondhead (hereinafter "COD") for the purpose of establishing the agreed upon conditions under which MDMR may allocate funds to COD for Diamondhead Drainage, Flood Prevention and Water Quality Improvement Project Phase 3 ("the Project") pursuant to the Gulf of Mexico Energy Security Act of 2006, Public Law 109-432 (hereinafter "GOMESA"). This MOU is entered into pursuant to and subject to the terms of GOMESA and relates to MDMR funds obtained through GOMESA, in the amount of Two Million Dollars and No Cents (\$2,000,000.00). The COD will use some or all of the funds, which will be provided on a reimbursement basis, to advance the Project.

**RECITALS**

**WHEREAS**, GOMESA authorizes the disbursement of funds for projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, infrastructure directly affected by coastal wetland losses, as well as mitigation of damage to fish, wildlife, or natural resources; and,

**WHEREAS**, funding for GOMESA is directed to the State of Mississippi through the Bureau of Ocean Energy Management within the Department of Interior; and,

**WHEREAS**, the Governor of the State of Mississippi has directed that MDMR will administer GOMESA funding for the State; and,

**WHEREAS**, MDMR is authorized to allocate and disburse GOMESA funds in

accordance with GOMESA in a manner as determined by the MDMR; and,

**WHEREAS**, GOMESA funds are federal funds and cannot be used to match any other federal funds unless those programs specifically state that such funds can be used for matching; and,

**WHEREAS**, this project consists of three subprojects which will provide drainage infrastructure improvements, wetland restoration, and improved detention facilities to reduce flooding, improve water quality and preserve downstream wetland and estuarine habitats; and,

**WHEREAS**, COD's goals for the three subprojects are as follows: for Diamondhead Drive West - to improve flow characteristics, reduce possibility of flooding of roadway and homes in the area, increase runoff times, and increase water quality downstream; for Alakoko Drive - to improve flow characteristics, reduce possibility of flooding of roadways and homes in the area, improve water quality downstream, and extend runoff times; and, for Bank Stabilization - to reduce the erosion issues on the large natural streams throughout the city (generally located between Kome Drive and Apelehamma Circle/Road); and,

**WHEREAS**, the MDMR requests COD maintain on file all documentation related to the receipt, investment and expenditure of the funds provided for the Project, and furnish any such documentation to the MDMR upon request; and,

**WHEREAS**, COD agrees to expend the funds in accordance with the purposes as outlined in GOMESA; and,

**WHEREAS**, COD agrees to provide quarterly and final reports to MDMR that summarize the expenditure of the funds reimbursed by MDMR and the status of the Project until such time as the final expenditure of these funds has been made; and,

**WHEREAS**, MDMR finds, consistent with GOMESA, that it is in the best interest of the State of Mississippi that funds made available from GOMESA should be allocated to COD, on a reimbursement basis, for the Project.

**NOW THEREFORE, IT IS MUTUALLY AGREED BY THE MISSISSIPPI DEPARTMENT OF MARINE RESOURCES AND THE CITY OF DIAMONDHEAD, AS FOLLOWS:**

**SECTION 1.** Each and all of the facts and findings set forth in the preamble clauses of this memorandum are hereby found and determined to be true and accurate and are incorporated herein by this reference thereto as though set forth again in words and figures.

**SECTION 2.** This MOU shall be effective from July 1, 2026 to June 30, 2031 for a total of five (5) years, unless terminated earlier. The term may be extended prior to expiration upon the written agreement of both parties.

**SECTION 3.** MDMR, pursuant to GOMESA, shall provide funds received from Mississippi's allocation of GOMESA funding in an amount up to Two Million Dollars and No Cents (\$2,000,000.00) to COD, on a reimbursement basis, for the purpose of providing funds to

accomplish the Project as described herein.

**SECTION 4.** COD shall request payment of funds hereunder for Project costs on a reimbursement basis (such requests, “Reimbursement Requests”), unless otherwise directed by MDMR. COD shall submit written Reimbursement Requests no more frequently than monthly and no less frequently than quarterly. Each Reimbursement Request must be accompanied by detailed supporting documentation of costs incurred as required by MDMR. All Reimbursement Requests for time periods ending June 30 of any year during the term of this MOU shall be submitted no later than July 31 of that same year. MDMR will pay all properly documented Reimbursement Requests within forty-five (45) days after MDMR’s receipt of same, except for any amounts disputed by MDMR in good faith. Reimbursement Requests shall be sent to Russell Weatherly, GOMESA Project Manager, Mississippi Department of Marine Resources, 1141 Bayview Avenue, Biloxi, MS 39530, [russell.weatherly@dmr.ms.gov](mailto:russell.weatherly@dmr.ms.gov).

**SECTION 5.** COD agrees to use all funds received from MDMR as allocated from GOMESA funding **solely** for the purposes set forth herein and authorized by GOMESA and upon the terms and provisions of this MOU; and further, by execution of this MOU, COD does hereby certify that all GOMESA funds it receives from the MDMR shall be used exclusively for the Project. COD understands that failure on its part to adhere to any provision within this MOU may result in termination of this MOU by the MDMR and in immediate action by the State to recover any improperly expended funds.

**SECTION 6.** COD agrees to comply with all applicable provisions of 2 C.F.R. § 200, *et seq.*, including § 200.501 which states that a non-Federal entity that expends One Million Dollars and No/100 (\$1,000,000.00) or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year.

**SECTION 7.** COD agrees to comply with all applicable provisions of Section 70914 of the Infrastructure Investment and Jobs Act (Pub. L. 117-58), also known as the Build America, Buy America Act.

**SECTION 8.** COD agrees to maintain on file all documentation in accordance with the recitals of this MOU and to submit such documentation to MDMR upon request.

**SECTION 9.** COD agrees to provide MDMR quarterly reports summarizing expenditure of GOMESA funds received from MDMR for the Project and the status of the Project until such time as the final expenditure or final investment of the funds has been made. The first quarterly report shall be provided within ninety (90) days of the effective date of this MOU, and thereafter within thirty (30) days of each calendar quarter end. COD shall also provide MDMR with a final report summarizing the expenditures and use of the funds upon completion of the Project and final expenditure. Failure to timely submit reports may result in delay of payment of Reimbursement Requests. Reports shall be sent to Russell Weatherly, GOMESA Project Manager, Mississippi Department of Marine Resources, 1141 Bayview Avenue, Biloxi, MS 39530, [russell.weatherly@dmr.ms.gov](mailto:russell.weatherly@dmr.ms.gov).

**SECTION 10.** COD agrees to maintain copies of all invoices and documentation related to the funds allocated by MDMR for the Project sufficient to satisfy and confirm, to MDMR's satisfaction, that such funds have been expended **solely** for the purposes provided in GOMESA.

**SECTION 11.** COD shall comply with and all activities under this MOU shall be subject to all applicable Federal, State, and local laws and regulations, as now existing and as may be amended or modified.

**SECTION 12.** COD understands and acknowledges that if the Mississippi State Legislature fails to pass an appropriation bill for the MDMR and the prior year's appropriation bill expires, or if the Legislature fails to give MDMR the authority to expend funds, or if funds are otherwise unavailable, then the MDMR may, in its sole discretion, terminate this agreement or issue a Stop Work Order to COD in lieu of termination. If a Stop Work Order is issued, COD agrees to adhere to its terms.

**SECTION 13.** This MOU shall be governed by and construed in accordance with the laws of the State of Mississippi, excluding its conflict of laws provisions, and any litigation with respect thereto shall be brought in the state courts of Harrison County, Mississippi.

**SECTION 14.** Attached hereto as Attachment A and incorporated herein by reference is the document supporting the request for GOMESA funding submitted by COD. This document outlines the scope of work to be completed for the Project. Any change in the scope of work is subject to approval by the MDMR in writing and may require an amendment to this MOU and written approval of the GOMESA Committee and others.

**SECTION 15.** Attached hereto as Attachment B and incorporated herein by reference is the budget for the Project submitted by COD.

**SECTION 16.** Attached hereto as Attachment C and incorporated herein by reference is the Project Selection Form approved and executed by the GOMESA Committee. In the event of a discrepancy between Attachment A and Attachment C, Attachment C will govern.

**SECTION 17.** All notices or information required or permitted to be given pursuant to this MOU shall be in writing and personally delivered or sent by Certified United States mail, postage prepaid, return receipt requested, to the party to whom the notice should be given at the address set forth below. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

**For COD:**

City of Diamondhead  
Attention: Jon McGraw  
5000 Diamondhead Circle  
Diamondhead, MS 39525  
[jmccraw@diamondhead.ms.gov](mailto:jmccraw@diamondhead.ms.gov)

**For MDMR:**  
Mississippi Department of Marine Resources  
Attention: Joe Spraggins, Executive Director  
1141 Bayview Ave.  
Biloxi, Mississippi 39530  
Email: [crystal.matta@dmr.ms.gov](mailto:crystal.matta@dmr.ms.gov)

**IN WITNESS WHEREOF**, the parties have affixed their signatures on the dates indicated below.

**MISSISSIPPI DEPARTMENT OF MARINE RESOURCES**

**By:** \_\_\_\_\_

**Joe Spraggins, Executive Director**

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

**CITY OF DIAMONDHEAD**

**By:** \_\_\_\_\_

**Anna Liese, Mayor**

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

# GOMESA PHASE II PROJECT FUNDING

## Request for Funding FY2026

Submission ID: #202507301336



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### PROJECT SUMMARY

#### 1. Title of Project

Diamondhead Drainage, Flood Prevention & Water Quality Improvement Project Phase III

#### 2. Location of Project

Diamondhead Drive West Project coordinates: 30°23'40"N, 89°22'22"W Alakoko Drive Project coordinates: 30°23'18"N, 89°22'15"W Bank Stabilization Project coordinates: various

#### 3. Requesting Organization:

City of Diamondhead

#### 4. Requesting Agency Representative

- a. Name: Jon McCraw
- b. Phone: 228-222-4626
- d. Email: jmccraw@diamondhead.ms.gov
- c. Address: 5000 Diamondhead Circle  
Diamondhead Mississippi

#### 5. Funding Requested:

\$2000000

#### 6. Have any other State or Federal funding sources been identified for the project?

No

#### 7. If yes, enter amount and source of additional funds:

\$

#### Source of Additional Funds:

#### 8. Total Project Funds

\$2000000



# GOMESA PHASE II PROJECT FUNDING

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### 9. Provide Brief Project Description/Overview:

The City of Diamondhead is seeking GOMESA funding from the Mississippi Department of Marine Resources for the Diamondhead Drainage, Flood Prevention & Water Quality Improvement Project Phase III. Phase I & II of the project were funded during the 2022 and 2023 cycles. Additionally, three subprojects have been identified as critical components to Diamondhead's drainage and water quality program specific to Watershed A (the largest watershed in the City of Diamondhead). The project consists of three subprojects that will provide drainage infrastructure improvements, wetland restoration and improve detention facilities to reduce flooding, improve water quality and preserve downstream wetland and estuarine habitats. The subprojects that are associated will improve water flow characteristics, reduce the future possibility of flooding of roadways and homes in the area, improve water quality downstream and extend runoff times. As part of a county-wide effort, Waggoner Engineering produced the Hancock County Watershed-Based Stormwater Assessment and Management Plan in December 2019 that included a step-by-step plan for implementation. The plan created by Waggoner Engineering provided Hancock County a storm management plan for the long-term future of the County that was realistic and manageable. The county-wide effort by Waggoner Engineering resulted in a detailed project description for two of the three subprojects of the Diamondhead Drainage, Flood Prevention & Water Quality Improvement Project. The following pages contain the full project descriptions from the Waggoner Engineering produced plan for Diamondhead Drive West and Alakoko Drive.

### 10. LIST Project Goals/Objectives:

**Diamondhead Drive West:** Goals and objectives of this subproject are to improve flow characteristics, reduce possibility of flooding of roadway and homes in the area, increase runoff times, and increase water quality downstream. Shallow roadway ditches in the Northwest quadrant may result in water over Diamondhead Drive West. Large Development has been approved North of this area and existing ongoing development in the area is resulting in lost forested areas that will be impervious thus grossly increasing runoff through the branch. Water is frequently reported over the golf cart between fairways just South of the area. The branch is well defined thru this area but grades become flatter as it traverses between fairways causing silt and debris to be deposited thereby causing ponding. Development in this area is particularly sensitive as runoff contributes to problem areas along the branch downstream.

**Alakoko Drive:** Goals and objectives of this subproject are to improve flow characteristics, reduce possibility of flooding of roadways and homes in the area, improved water quality downstream and extended runoff times. As documented by Waggoner Engineering, the reported problems are the site is a bowl where steeper grades from all directions play out into a flatter terrain. Drainage structures in the area appear to be installed at elevations that will not provide drainage for this area. Area 17 of the Master Drainage Plan produced by Seymour Engineering in 2014 drains to this point with no positive outlet until water ponds to a certain elevation. Topographic survey of the immediate area to determine how to drain the area back to the intersection of Mahalo Hui and Alakoko Drive where flow will leave through the ditch section Westward.

**Bank Stabilization:** Goals and objects of this subproject are to reduce the erosion issues on the large natural streams throughout the city. These streams are generally located between Kome Drive and Apelehama Circle/Road. The streams are heavily vegetated which is problematic for inspection and maintenance. These locations have abrupt changes of direction with minimal to no bank protection. Hydraulic analysis at the problem areas indicate that reinforced erosion control products could be used for bank protection.

### 11. Which of the following authorized uses set forth in the GOMESA Act does this project fall under? Explain SPECIFICALLY and in detail how the project meets the required criteria. Check all that apply - At least one must be checked.

(A) Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses

The proposed drainage improvements identified in this project will have a direct positive impact on coastal wetland losses by reducing stream bank and wetland erosion along the major drainageways within Diamondhead. Additionally, the reduction in



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# GOMESA PHASE II PROJECT FUNDING

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Submission ID: #202507301336

sedimentation will improve water quality in receiving streams and estuaries.

**(B) Mitigation of damage to fish, wildlife, or natural resources.**

The City of Diamondhead drains into Rotton Bayou, the Jordan River, and tributaries to St. Louis Bay. These drainage projects will reduce erosion and improve water quality downstream which directly impacts natural resources in our bays and estuaries.

**(C) Implementation of a federally-approved marine, coastal, or conservation management plan**

The proposed project is implementing recommendations made from the Hancock County Watershed-Based Stormwater Assessment and Management Plan, a comprehensive conservation management plan for Hancock County.

**(D) Mitigation of the impact of Outer Continental Shelf activities through funding of onshore infrastructure projects.**

The City of Diamondhead drains into Rotton Bayou, the Jordan River, and tributaries to St. Louis Bay. These drainage projects will reduce erosion and improve water quality downstream which directly impacts natural resources in our bays and



# GOMESA PHASE II PROJECT FUNDING

## Request for Funding FY2026

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estuaries.

### 12. Project Timetable/Milestones:

Diamondhead Drive West  
Implementation Period: One Year  
Study: Completed  
Design and Permitting: Six Months  
Construction: One Year  
Estimated Schedule: July 1, 2026 - December 31, 2027

Alakoko Drive  
Implementation Period: Six Months  
Study: Completed  
Design and Permitting: Six Months  
Construction: One Year  
Estimated Schedule: July 1, 2026 - June 30, 2027

Bank Stabilization  
Implementation Period: Two Years  
Study: One Year  
Design and Permitting: Six Months  
Construction: Two Years  
Estimated Schedule: July 1, 2026 - December 30, 2028

### 13. Project Timing

Short-term (3 year or less)



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# GOMESA PHASE II PROJECT FUNDING

## Request for Funding FY2026

Submission ID: #202507301336

### APPLICATION SUMMARY QUESTIONNAIRE

#### 14. Current status of architectural/engineering plans & specifications for this project (if applicable):

##### Group 1:

H & H Modeling has been completed

##### Group 2:

Funds not budgeted

#### 15. In what way does this project meet the goals and objectives of the Department of Marine Resources, which includes enhancing, protecting and conserving the marine interest of Mississippi for present and future generations.?

Diamondhead Drainage, Flood Prevention & Water Quality Improvement Project Phase III in Hancock County is primarily a drainage infrastructure improvement project that meets the following Mississippi Department of Marine Resources criteria: activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection and infrastructure directly affected by coastal wetland losses; and implementation of a federally-approved marine, coastal or comprehensive conservation management plan. The Diamondhead Drainage, Flood Prevention & Water Quality Improvement Project Phase III will provide significant drainage infrastructure improvements that will provide future hurricane protection and infrastructure directly affected by coastal wetland losses. The project consists of three subprojects that will provide drainage infrastructure improvements, wetland restoration and improve detention facilities for future watershed events. The proposed project is also implementing recommendations made from the Hancock County Watershed-Based Stormwater Assessment and Management Plan, a comprehensive conservation management plan for Hancock County.

#### 16. Estimated number of years to completion:

2

#### 17. Estimated Completion Date:

December 2028

#### 18. Prioritize if your agency has submitted multiple projects:

1



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## GOMESA PHASE II PROJECT FUNDING

### Request for Funding FY2026

Submission ID: #202507301336

## BUDGET

Category	Total
Salaries	0
Travel	0
Architecture & Engineering	250000
Legal	0
Consulting	0
Construction	1500000
Site Work	0
Equipment	0
Indirects	0
Other	250000
Total	2000000

### Attachments

1. alakoko-dr\_opc.pdf
2. bank-stabilization-opc.pdf
3. dh-drive-west\_opc.pdf

I hereby certify under penalty of perjury that all information contained in this application packet is true and correct. I have not knowingly or intentionally provided any false information. I understand that a false statement on this application may be grounds for rejection of my application or termination of the award. In addition, a false statement may be punishable under applicable state or federal laws, which may also result in a fine and/or imprisonment.

I certify that the above referenced agency / entity has given me the authority to submit this application.

Name	Phone	Date
Jon McCraw	228-222-4626	07/30/2025



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Attachment C

### GOMESA Phase II Funding Project Selection Form

Applicant: Jon McCraw  
First Name Last Name

Business/Agency: City of Diamondhead

Address: 5000 Diamondhead Circle - Diamondhead, MS

Phone: 228-222-4626 Email: jmccraw@diamondhead.ms.gov

Project Name: Diamondhead Drainage, Flood Prevention & Water Quality Improvement Project Phase III

Anticipated Budget: 2000000 Anticipated Timeline: 7/1/2026 to 6/30/2029

Projects must meet at least one of the GOMESA criteria listed below. Please check all that apply. Additional justification may be requested.

#### Column A

- Coastal protection of natural resources
- Mitigation of natural or marine resources
- Conservation management
- Onshore infrastructure projects resulting from coastal damage

#### Column B


- Coastal restoration and resiliency efforts
- Ecological restoration

### PROPOSED PROJECT NARRATIVE

The City of Diamondhead is seeking GOMESA funding from the Mississippi Department of Marine Resources for the Diamondhead Drainage, Flood Prevention & Water Quality Improvement Project Phase III. Phase I & II of the project were funded during the 2022 and 2023 cycles. Additionally, three subprojects have been identified as critical components to Diamondhead's drainage and water quality program specific to Watershed A (the largest watershed in the City of Diamondhead). The project consists of three subprojects that will provide drainage infrastructure improvements, wetland restoration and improve detention facilities to reduce flooding, improve water quality and preserve downstream wetland and estuarine habitats. The subprojects that are associated will improve water flow characteristics, reduce the future possibility of flooding of roadways and homes in the area, improve water quality downstream and extend runoff times. As part of a county-wide effort, Waggoner Engineering produced the Hancock County Watershed-Based Stormwater Assessment and Management Plan in December 2019 that included a step-by-step plan for implementation. The plan created by Waggoner Engineering provided Hancock County a storm management plan for the long-term future of the County that was realistic and manageable. The county-wide effort by Waggoner Engineering resulted in a detailed project description for two of the three subprojects of the Diamondhead Drainage, Flood Prevention & Water Quality Improvement Project. The following pages contain the full project descriptions from the Waggoner Engineering produced plan for Diamondhead Drive West and Alakoko Drive.

### REQUIRED SIGNATURES

#### GOMESA Committee:

MDMR Committee Representative	<u></u> <small>Joe Prater (Apr 15, 2026 12:33:01 CDT)</small> Signature	Executive Director	<u>April 15, 2026</u> Date
MDA Committee Representative	_____ Signature	Executive Director	<u>April 13, 2026</u> Date
MDEQ Committee Representative	<u>Chris Wells</u> <small>Chris Wells (Apr 15, 2026 15:58:10 CDT)</small> Signature	Executive Director	<u>April 13, 2026</u> Date

**Signature:** Bill Cork  
Bill Cork (Apr 15, 2026 15:26:35 CDT)  
**Email:** bcork@mississippi.org

**Signature:** Chris Wells  
Chris Wells (Apr 15, 2026 15:59:10 CDT)  
**Email:** cwells@mdeq.ms.gov