

HARRISON COUNTY UTILITY AUTHORITY

June 4, 2015

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on June 4, 2015, at 9:00 a.m. at the Harrison County Utility Authority Board Room, at 10271 Express Drive in Gulfport, Mississippi. In attendance were:

BOARD AND STAFF:

Supervisor Joe Meadows, Harrison County (2), Director
Mayor Billy Hewes, City of Gulfport, Director
Mr. Dan Gaillet, representing the City of Biloxi
Mr. Al Gombos, representing the City of D'Iberville
Mayor Billy Skellie, City of Long Beach, Director
Mayor Chipper McDermott, City of Pass Christian, Director
Supervisor Marlin Ladner, Harrison County (1), Director
Mr. Donald Scharr, Executive Director, HCUA
Ms. Merri Ann Testa, Procurement Specialist, HCUA
Ms. Patra Roberts, Office Manager, HCUA
Mr. Michael VanCourt, Comptroller, HCUA
Mr. Bart Clover, Wastewater/IT Coordinator, HCUA
Mr. David Perkins, Water Coordinator, HCUA
Mr. Seren Ainsworth, Solid Waste Coordinator, HCUA
Mr. Reed Bryant, Staff Engineer, HCUA
Mr. James Simpson, Wise Carter Attorneys, Esquire

ABSENT:

Mayor Andrew Gilich, City of Biloxi, Director

AUDIENCE:

Mr. Bruce Newton, Vice President, Digital Engineering
Mr. Jeff Riopelle, Vice-President, Knesal Engineering
Mr. Dax Alexander, President, BMA Consulting Engineers
Ms. Lisa Verhovshek, Paralegal, Wise Carter Attorneys
Ms. Christy LeBatard, Engineer, City of Biloxi
Mr. Derrel Wilson, Utility Partners
Mr. Bobby Knesal, Utility Partners
Mr. Rick Chancey, Waste Pro
Mr. Ruppert Jemmott, Waste Pro
Mr. Hunter Dawkins, State House of Rep. Candidate, District 121

Letters of designation are attached hereto as exhibit "A".

There being a quorum sufficient to transact business of the Authority, Mayor Hewes called the meeting to order. The following proceedings were had and done.

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A. Public Comments – Mayor Hewes opened the floor for public comments. Rick Chancey of Waste Pro asked if the Solid Waste update could be presented at this time. He stated he needed to leave the meeting shortly.

Mr. Chancey stated that there have been some concerns regarding solid waste collection in the past few weeks, such as litter blowing off of the trucks, dirty trash can exteriors, and missed pick-ups. Mr. Chancey stated that several steps have been taken to remedy these matters. Drivers have been provided re-training on their responsibilities for picking up loose debris and repairs have been made to the spillage guard on one truck. Mr. Chancey stated that he and other Waste Pro staff have begun and will continue to perform drive-thru on collection routes.

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B. Approval of Board Meeting Minutes dated May 7, 2015

Mayor McDermott highlighted typos on pages 2 and 10 of the Board Meeting Minutes. The corrections were made prior to the Board adoption of the minutes.

Mayor McDermott made a motion to approve the Corrected Board Meeting minutes dated May 7, 2015, seconded by Mr. Gombos. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed.

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C. Approval of Board Meeting Minutes dated May 21, 2015

Mr. Gombos made a motion to approve the Board Meeting minutes dated May 21, 2015, seconded by Supervisor Meadows. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed.



D. Approval of Wastewater Claims Docket dated June 4, 2015

Mr. Gombos made a motion to approve the June 4, 2015 Wastewater Claims Docket, seconded by Supervisor Meadows. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed.



E. Approval of Solid Waste Claims Docket dated June 4, 2015

Mr. Gombos made a motion to approve the June 4, 2015 Solid Waste Claims Docket, seconded by Supervisor Meadows. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed. A copy of the Claims Docket is attached hereto as exhibit "B".

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F. Technical Committee Minutes

Mr. Gombos made a motion to approve the Technical Committee Minutes dated May 27, 2015, seconded by Mayor Skellie. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed. A copy of the Technical Committee minutes is attached hereto as exhibit "C".

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G. a — Financial Reports – Non-CDBG

Mr. VanCourt provided a brief overview of the financial report for the month of May. He stated the City of D'Iberville's the remaining carry-over has been applied. Mr. Gombos requested to meeting HCUA staff to discuss the current status of the D'Iberville budget.

Mr. VanCourt circulated the new signature forms for the bank accounts. He asked all Board Members to sign in the appropriate place. He will coordinate with Mayor Gilich and Mayor Quave to obtain their signatures.

G. b – Financial Reports – CDBG

Mr. Newton stated the CDBG is moving along. Bid openings were held for the re-bids of S14 and W19/S21 projects on May 29, 2015. The bids are currently being evaluated for Section 3 compliance. Once that is complete the budget will be updated with current numbers.

Supervisor Ladner stated that the work being done on the W13 project at Bells Ferry Rd and McDonald Road needs to be addressed. He stated that there is a large hole near the fire hydrant and the ditch is uneven. Mr. Newton stated that he will address that with the contractor.

A copy of the Financial Report is attached hereto as exhibit "E".

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H. 1 - Old Business - None

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**New Business
CDBG**

H. 2 a 1 – Agreement for Continuation of S18 Project Construction

Mr. Simpson stated that there has been some progress with litigation on this project. He requested that this be discussed in Executive Session.

No action taken.

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Non – CDBG

H. 2 a 1 - Property and Casualty Insurance Recommendation

Mr. Perkins stated the current program total for all insurance lines is \$240,979.00. The renewal is \$208,111.00, with all terms and conditions being the same. The current property deductible is a 5 percent named storm deductible, subject to a \$250,000 minimum. The insurance carrier has offered to allow HCUA to buy the deductible down to 3 percent, for an additional \$41,290.00.

Mayor Skellie made a motion to approve the Property and Casualty Insurance Recommendation for RSUI, seconded by Mayor McDermott. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed. A copy of the Insurance Premium Summary is attached hereto as exhibit "G".

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H. 2 a 2 – Amendment to BMA, Inc. Contract – Master Planning

Mr. Scharr stated HCUA is continuing to move forward with the Master Planning efforts. Task Order 1 is nearing completion. A draft Master Plan report will be presented to the Technical Committee later this month.

Mr. Scharr made a recommendation to approve the BMA Master Planning Task Order 2 in the amount \$79,786.00.

Mayor Skellie asked what was budgeted and expensed for Task Order 1 (Phase 1) of the Master Planning. Mr. Scharr stated that \$190,000 was budgeted for BMA during the first phase. The final expense amount for BMA on Task Order 1 is anticipated to be \$212,000. He stated the \$22,000 increase is a result of extra work that was requested from BMA for the rate study and preparation for the public hearing.

Mr. Gombos made a motion to approve the Amendment to BMA, Inc. Contract for Master Planning Services - Task Order 2 in the amount of \$79,786.00, based on the recommendation of the Grant Administrator, seconded by Supervisor Ladner. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed. A copy of the Amendment is attached hereto as exhibit "H".

Mayor Hewes requested that Mr. VanCourt provide the Board with a breakdown of the eight types of bank accounts.

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H. 2 a 3 – Amendment to Digital Engineering Contract – Master Planning

Mr. Scharr stated that this amendment increases the scope of work with no increase in the original contract amount.

Mr. Gombos made a motion to approve Digital Engineering Contract for Master Planning Services – Task Order 2 (No price increase) based on the

recommendation of the Executive Director, seconded by Mayor McDermott. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed. A copy of the Amendment is attached hereto as exhibit "I".

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I. Executive Director's Report.

Mr. Scharr recognized Derrel Wilson and Utility Partners for their hard work and efforts. He also congratulated them for having the Long Beach/Pass Christian Wastewater Treatment Facility named as Mississippi's Wastewater Treatment Facility of the Year by the MS Water & Environment Association. The top three finalists were all HCUA plants.

Mr. Scharr would like to schedule a meeting tentatively during the last week of this month to hold a workshop for the discussion of member rates and allocation. The special meeting will be held June 25, 2015 at 9:00AM.

Mr. Scharr stated that he would like to reach out to other resources to help confirm the basis of some of the cost allocation currently being used. This will require historical knowledge and extensive research. Mr. Scharr discussed with Mr. Simpson that he would like to request the Board allow him to enter into agreements with other entities to help perform this research. This could be funded from monies set aside for Master Planning. From a staffing standpoint, HCUA does not have the manpower to delve into all the historical documentation that will be required. Mr. Scharr stated that historical information regarding things such as debt service may be provided by individuals who were involved in the earlier contract developments such as, Demery Grubbs, Gerald Blessey, and Len Blackwell.

Mr. Simpson stated that he would not recommend paying individuals or firms to come in and advise the HCUA as to why these agreements were made.

Mr. Gombos stated that he believes the Executive Director should have the ability to use the money that he has budgeted to provide the Board with the answers that have been requested.

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Mayor Hewes stated the historic context does not change the efforts to move forward. Mayor Hewes recommended that HCUA request necessary information from these other entities. If there is a cost, Mr. Scharr to should bring that back to the Board for consideration.

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I. Executive Session

Mayor Hewes asked if there was a need for Executive Session.

Mr. Simpson stated there was need for Executive Session.

Mayor McDermott made a motion to go into closed session, seconded by Supervisor Ladner.

The Board entered into Closed Session to discuss the need for Executive Session.

Mr. Simpson stated that there are multiple litigation matters that need to be discussed in Executive Session.

Mayor McDermott made a motion to enter into Executive Session to discuss litigation matters, seconded by Supervisor Ladner. A roll call resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed. The Board entered into Executive Session.

Mayor McDermott made a motion to exit the Executive Session and return to normal Open Session, seconded by Mayor Skellie. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion passed. The Board returned to Open Session.

No action taken during Executive Session.

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J. Adjourn - At this time Mayor McDermott made a motion to adjourn, seconded by Mayor Skellie. A roll call vote resulted in the following votes:

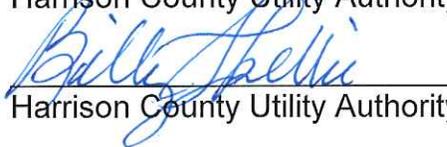
Biloxi	voted	aye
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion to adjourn passed.

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