

HARRISON COUNTY UTILITY AUTHORITY
BOARD MEETING
October 15, 2015

Be it remembered that a special meeting of the Harrison County Utility Authority Board of Directors was held on October 15, 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 Andrew Gilich, City of Biloxi, Director
Mr. Wayne Miller, representing the City of Gulfport
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
Mr. John Wilson, O&M Manager, HCUA
Mr. Michael VanCourt, Comptroller, HCUA
Mr. James Simpson, Wise Carter Attorneys, Esquire

ABSENT:

Mayor Billy Hewes, City of Gulfport, Director

AUDIENCE:

Mr. Jeff Riopelle, Vice-President, Knesal Engineers
Ms. Lisa Verhovshek, Paralegal, Wise Carter Attorneys
Mr. Dan Gaillet, Public Works Director, City of Biloxi
Mr. Chris Williams, BMA Consulting Engineers
Mr. Derrel Wilson, Utility Partners
Mr. Bobby Knesal, Utility Partners
Mr. Jerry Levins, Partner, AVL CPA Firm
Ms. Cindy Lamb, Pickering Engineering

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

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

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A. Public Comments – Mayor Gilich asked for public comments. There were none.

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B. Approval of HCUA Claims Docket dated October 16, 2015

Mr. Gombos made a motion to approve the HCUA Claims Docket dated October 16, 2015, 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 Claims Docket is attached hereto as exhibit "B".

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C. CDBG Requests for Cash

Mr. Scharr recommended the approval of the Request for Cash in the amount of \$727,603.75 based on the recommendation of the Grant Administrator, Gouras & Associates.

Mayor McDermott made a motion to approve the Requests for Cash in the amount of \$727,603.75, 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 Request for Cash is attached hereto as exhibit "C".

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D.1 a – Old Business

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There was none.

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New Business
CDBG

D. 2 a 1 – MDEQ Required Resolution for Grant Administrator Cost Eligibility

Mr. Simpson stated the resolution to file suit against Urban Planning is being required by MDEQ/MDA as a condition of the award for additional funds for grant administrator services.

Mayor McDermott made a motion to approve the following Resolution, seconded by Supervisor Ladner:

A RESOLUTION OF THE HARRISON COUNTY UTILITY, (the Authority) REQUIRED BY THE MDEQ/MDA AS A CONDITION OF FUNDING ELIGIBILITY, AUTHORIZING AND DIRECTING THE LAW FIRM OF WISE CARTER CHILD AND CARAWAY, P. A. TO CONTINUE TO PURSUE COLLECTIONS OF ANY SUMS DUE TO THE AUTHORITY IN THE LAWSUIT *HARRISON COUNTY UTILITY AUTHORITY VERSUS URBAN PLANNING CONSULTANTS, INC.*, CIVIL ACTION NO. A2401-15-139, AND FURTHER DIRECTING THAT ANY FUNDS RECOVERED BEYOND THE COSTS OF LITIGATION BE RETURNED TO MISSISSIPPI DEVELOPMENT AUTHORITY IN ACCORDANCE WITH 24 CFR §570.504, AND FOR OTHER REASONS.

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 resolution is attached hereto as exhibit "D".

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D. 2 b 1 – 2016 Bond Refinancing Status Update

Mr. Scharr stated that he, Mr. Simpson, and Mr. VanCourt have met with

Demery Grubbs of Government Consultants to initiate the bond refinancing process. He anticipates having an outline of key actions from Mr. Grubbs by the end of the month.

Mr. Simpson advised the Board that HCUA is not required to refinance the bonds in 2018, but the guaranteed rate lock will expire in 2018. The bonds would then be subject to a variable rate.

No action required.

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D. 2 b 2 – Inter-local Agreement with Harrison County Board of Supervisors

Mr. Simpson requested this item be tabled.

Mayor McDermott made a motion to table Inter-local Agreement with Harrison County Board of Supervisors, 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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E. 2 b 3 – MDOT SR601-008 Payment Request – Miller Enterprises, LLC. in the amount of \$112,337.67 (contingent upon MDOT approval)

Mayor Skellie made a motion to approve the MDOT SR601-008 Payment Request – Miller Enterprises, LLC. in the amount of \$112,337.67 based on the recommendation of the HCUA Staff Engineer and the Project Manager, 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 payment request is attached hereto as exhibit "E".

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D. 2 b 4 – MDOT SR601-008 Sewer Relocation Project Payment Request – Volkert, Inc. in the amount of \$2,993.55 (contingent on MDOT approval)

Supervisor Meadows made a motion to approve the MDOT SR601-008 Sewer Relocation Project Payment Request – Volkert, Inc. in the amount of \$2,993.55, 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 payment request is attached hereto as exhibit "F".

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D. 2 b 5 – MDOT SR601-008 Sewer Relocation Project – Change Order No. 2 (\$25,562.43)

Mr. Bryant stated the change order amends the scope of work to include paving overlay, striping, addition of drainage box and pipe, and the removal of the abandoned gravity sewer in the MDOT right-of-way on 16th Street. The change order also includes the addition of a meter to measure the Canal pump stations' flow into the City of Gulfport.

Supervisor Ladner made a motion to approve the MDOT SR601-008 Sewer Relocation Project – Change Order No. 2 in the amount of \$25,562.43, 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 change order is attached hereto as exhibit "G".

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D. 2 b 6 – MDOT SR601-008 Sewer Relocation Project – Contract Modification No. 3 (\$2,178.00)

The contract modification is to accommodate the additional scope of work included in Change Order No. 2.

Mayor McDermott made a motion to approve the MDOT SR601-008 Sewer Relocation Project – Contract Modification No. 3 with Knesal Engineering (\$2,178.00), 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. A copy of the contract modification is attached hereto as exhibit "H".

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D. 2 b 7 – North D'Iberville Interceptor Project – Change Order No. 2

The change order accommodates the requests of HCUA to provide a trailer mounted generator to remain onsite at the lift station for this project. The change order represents an increase of 14 calendar days. The change order amount is \$55,333.74.

Mr. Gombos made a motion to approve the North D'Iberville Interceptor Project – Change Order No. 2, 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 change order is attached hereto as exhibit "I".

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D. 2 b 8 – Final Authorized Reports – AVL

a. Bond Covenant Compliance Worksheet

b. Allocation of Debt Services

HCUA commissioned AVL CPA Firm for two work orders. Work No. 1 – Allocation of Debt Services and Work Order No. 2 Bond Covenant Compliance Worksheet.

Mr. Jerry Levens of AVL presented the final reports for the two work orders. The task for Work Order No. 1 was to determine if the allocation of the debt service was consistently applied in Fiscal Years 2012, 2013, and 2014. AVL's findings indicate that the debt service was applied in a consistent manner for those three years.

Regarding Work Order No. 2 Bond Covenant Compliance, AVL reviewed the 2006 Bond Resolution and reviewed every section that had conditions of performance to ensure HCUA is compliant in those areas. AVL recommends HCUA conduct an internal quarterly pass/fail review of these conditions. This process revealed that HCUA was maintaining the required reserves only on wastewater operations. AVL findings determined HCUA must also maintain an O & M reserve for solid waste operations and water also.

Supervisor Ladner made a motion to accept the Final Authorized Reports from AVL, CPA firm, 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 reports is attached hereto as exhibit "J".

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Executive Director's Report

Mr. Scharr stated HCUA will begin advertising for audit services for next year.

HCUA will also be advertising for a new waste tire disposal contract.

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Executive Session

Mayor Gilich asked if there was a need for an executive session.

Mr. Simpson stated there is no need for an executive session.

Mr. Simpson provided an update on the liability lawsuit with Michael Long.

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I. Adjourn - At this time Mayor McDermott made a motion to adjourn, 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 to adjourn passed.



Harrison County Utility Authority



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