

HARRISON COUNTY UTILITY AUTHORITY
BOARD MEETING
October 1, 2015

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on October 1, 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
Mr. Wayne Miller, representing the City of Gulfport
Mayor Andrew "Fofo" Gilich, City of Biloxi, Director
Mr. Bernie Parker, representing the City of Long Beach
Mr. Al Gombos, representing the City of D'Iberville
Mayor Chipper McDermott, City of Pass Christian, Director
Supervisor Marlin Ladner, Harrison County (1), Director
Mr. Donald Scharr, Executive Director, HCUA
Mr. James Simpson, Wise Carter Attorneys, Esquire
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. John Wilson, O & M Manager, HCUA
Mr. Seren Ainsworth, Solid Waste Coordinator, HCUA
Mr. Reed Bryant, Staff Engineer, HCUA

ABSENT:

Mayor Billy Hewes, City of Gulfport, Director
Mayor Billy Skellie, City of Long Beach, Director

AUDIENCE:

Mr. Bruce Newton, Vice President, Digital Engineering
Mr. Dax Alexander, President, BMA Consulting Engineers
Mr. Dan Gaillet, PW Director, City of Biloxi
Mr. Danny Boudreaux, Engineer, Harrison County
Mr. Jeff Riopelle, Knesal Engineering
Mr. Derrel Wilson, Utility Partners
Mr. Bobby Knesal, Utility Partners
Ms. Cindy Lamb, Pickering Engineering Firm
Mr. Ruppert Jemmott, Waste Pro
Mr. John Biern, Waste Pro
Mr. Jason Overstreet, A. Garner Russell & Associates

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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Supervisor Ladner made a motion to amend the agenda to include the assignment of easements for the Tuxachanie project, 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. The item will be added to the agenda as item G. 1 a – Tuxachanie Project Easements.

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A. Public Comments – Mayor Gilich opened the floor for public comments. There were no public comments.

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B. Approval of Board Meeting Minutes dated September 3, 2015

Supervisor Meadows made a motion to approve the Board Meeting minutes dated September 3, 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.

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C. Approval of Special Board Meeting/Public Hearing Minutes dated September 10, 2015

Supervisor Ladner made a motion to approve the Special Board Meeting/Public Hearing minutes dated September 10, 2015, 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.

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D. Approval of the Board Meeting Minutes dated September 17, 2015

Supervisor Meadows made a motion to approve the Board meeting minutes dated September 17, 2015, 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.

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E. Approval of Wastewater Claims Docket dated October 2, 2015

Mr. Gombos made a motion to approve the October 2, 2015 Wastewater Claims Docket, 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 Claims Docket is attached hereto as exhibit "B".

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F. a — Financial Reports – Non-CDBG

Mr. VanCourt provided a preliminary overview of the financial report for FY 2015. He stated most member agencies are within budget, with the City of D'Iberville being slightly over budget.

There was discussion regarding the credit from Mississippi Power. Mr. VanCourt stated the credit is approximately \$600,000, which has been applied to the FY 2016 budget.

F. b – Financial Reports – CDBG

Mr. Newton stated the CDBG is moving along. He stated that most projects are on schedule for close out by December 31, 2015.

A copy of the Non-CDBG Financial Report is attached hereto as exhibit "C".

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Old Business

G. 1 a – CIAP Tuxachanie Project Easements

Mr. Riopelle stated the easements are for the two lift stations and one for access the force main. He stated that HCUA will be taking over the lift stations only in Tuxachanie. The step systems will be owned and operated by the City of Biloxi.

Supervisor Ladner made a motion to assign the easements for the CIAP – Tuxachanie Project to the HCUA, 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.

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New Business
CDBG

G. 2 a 1 – Grant Administrator CDBG Eligibility – Status Update

Mr. Scharr stated that MDEQ's has proposed to award the HCUA an additional \$121,000 for grant administrator costs. He stated that there are some conditions that MDEQ are required. He and Mr. Simpson will bring those to the Board at the next meeting. The initial contract with Gouras and Associates is for \$300,000 through the end of 2015. If this proposal is unchanged \$180,000 of that cost would be grant eligible, the remaining \$120,000 would be a local cost. There will be an additional cost of approximately \$120,000 as result of the grant extensions through 2016. HCUA will solicit grant funding for these costs also.

Mayor McDermott made a motion to approve the Resolution for Settlement – S14/Plum Creek South Timberlands - \$10,500.00 based on the recommendation of Mr. Simpson, 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 Resolution is attached hereto as exhibit "D".

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Non – CDBG

G. 2 b 1 – Approval of Volkert Invoice #02308088 (Payment Application #23) in the amount of \$4,485.29 for MDOT SR601-008 Sewer Relocation Project (contingent upon MDOT approval)

Mr. Bryant stated this pay request, in the amount of \$4,485.29, is for program management services provided by Volkert, Inc. Payment of the invoice is contingent upon MDOT approval.

Mayor McDermott made a motion to approve the Volkert Invoice #02308088 (Payment Application #23) in the amount of \$4,485.29 for MDOT SR601-008 Sewer Relocation Project (contingent upon MDOT approval) based on the recommendation of the HCUA Staff Engineer,

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 "E".

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G. 2 b 2 – Change Order North D'Iberville Sewer Interceptor Project

Mr. Bryant stated this is the first change order for the project. The change order represents an increase of \$45,047.00 and 28 calendar days. It accommodates the requests of the HCUA to upgrade the pump controls for this project. The change order also includes material changes that reflect deviations in field warranted by the Engineer and RPR.

Mr. Scharr stated a second change order will be presented to the Board for the purchase of a generator.

Mr. Gombos made a motion to approve the Change Order for the North D'Iberville Sewer Interceptor based on the recommendation of the Staff Engineer, 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 change order is attached hereto as exhibit "F".

G. 2 b 3 – Recommendation of Contract Award for Keegan Bayou WWTF Pump Station Wet Well Rehabilitation Project

Bids for the project were opened on September 18, 2015. The low bidder was Gulf Coast Underground, in the amount of \$239,000.00. Mr. Bryant recommended the contract be awarded to Gulf Coast Underground.

Mayor McDermott made a motion to award the Contract for Keegan Bayou WWTF Pump Station Wet Well Rehabilitation Project to Gulf Coast Underground in the amount of \$239,000.00, based on the recommendation of HCUA Staff Engineer, 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 bid results is attached hereto as exhibit "G".

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H. Executive Director's Report.

Mr. Scharr stated the Board needs to formally adopt the FY 2016 Budget that was approved at the last Board meeting.

Mr. Gombos made a motion to incorporate the adopted FY 2016 Budget into the minutes for official record, 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 Fiscal Year 2016 Budget is attached hereto as exhibit "H".

Mr. Scharr stated the loan to fund the O & M reserves has been completed and funds have been deposited into the bank account.

He stated that HCUA now has requested approximately \$325 million in projects through the Mississippi Restore Act portal.

HCUA has executed the contract with Raley & Raley. Ms. Raley will begin working today.

Supervisor Ladner recommended that HCUA begin the process to refinance the bonds. Mr. Simpson stated the first step would be to hire a financial advisor.

Mr. Scharr recommended that the bond refinance be listed as a regular agenda item – 2016 Bond Refinance Status Update.

Supervisor Ladner made a motion to approve the engagement letter for Government Consultants, Inc., 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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I. Executive Session

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

Mr. Simpson stated that there was no need for an Executive Session.

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

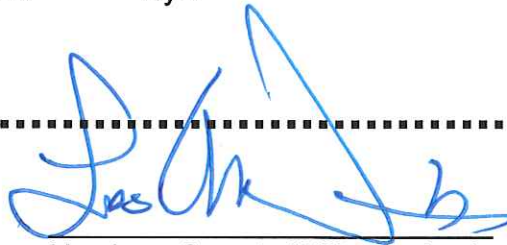
| | | |
|---------------------|-------|-----|
| Biloxi | voted | aye |
| Gulfport | voted | aye |
| D'Iberville | voted | aye |
| Long Beach | voted | aye |
| Harrison County (1) | voted | aye |
| Harrison County (2) | voted | aye |

Pass Christian

voted

aye

The motion to adjourn passed.

A large, stylized handwritten signature in blue ink, likely belonging to a representative of the Harrison County Utility Authority.

Harrison County Utility Authority

A smaller handwritten signature in blue ink, also likely belonging to a representative of the Harrison County Utility Authority.

Harrison County Utility Authority