

HARRISON COUNTY UTILITY AUTHORITY
BOARD MEETING
August 4, 2016

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on August 4, 2016, 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:

Mayor Andrew "Fofa" Gilich, City of Biloxi, Director
Mr. Jody Spires, representing Harrison County (2)
Mayor Billy Skellie, City of Long Beach, Director
Mr. Kris Riemann, representing the City of Gulfport
Mr. Al Gombos, representing the City of D'Iberville
Mr. Danny Boudreaux, representing Harrison County (1)
Mayor Chipper McDermott, City of Pass Christian, Director
Mr. James Simpson, Wise Carter Attorneys, Esquire
Mr. Donald Scharr, Executive Director, HCUA
Ms. Patra Roberts, Office Manager, HCUA
Mr. Michael VanCourt, Comptroller, HCUA
Mr. John Wilson, O & M Manager, HCUA
Mr. Seren Ainsworth, Solid Waste Coordinator, HCUA

ABSENT:

Supervisor Angel Kibler-Middleton, Harrison County (2), Director
Supervisor Marlin Ladner, Harrison County (1), Director
Mayor Billy Hewes, City of Gulfport, Director

AUDIENCE:

Mr. Bruce Newton, Vice President, Digital Engineering
Mr. Jeff Riopelle, Vice-President, Knesal Engineering
Ms. Linda Elias, City of Gulfport
Mr. Bernie Parker, City of Long Beach
Mr. Derrel Wilson, Utility Partners
Mr. Bobby Knesal, Utility Partners
Ms. Cindy Lamb, Pickering Engineering Firm
Ms. Jenna Bennett, Team Waste

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

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

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A. Opening Prayer and Pledge of Allegiance

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B. Public Comments – Mr. Boudreaux opened the floor for public comments. There were no public comments.

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C. Approval of Board Meeting Minutes dated July 7, 2016

Mr. Gombos made a motion to approve the Board Meeting minutes dated July 7, 2016, 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 Board Meeting Minutes dated July 21, 2016

Mr. Gombos made a motion to approve the Board Meeting minutes dated July 21, 2016, 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 August 5, 2016

Mayor Gilich made a motion to approve the August 5, 2016 HCUA Claims Docket, 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 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 meeting minutes dated July 27, 2016, 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.

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G. a — Financial Reports – Non-CDBG

Mr. VanCourt provided a brief overview of the current budget status.

G. b – Financial Reports – CDBG

Mr. Newton stated there were no new developments to report. The remaining construction projects are expected to be completed within the next 30-45 days.

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

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Old Business

H. 1 a – Revised Draft FY-2017 Budget

The Board was provided with a revised draft of the FY 2017 Budget. Mr. Scharr reviewed the major changes that were made:

- Removed in-house operations of pump stations, replaced with cost of contract operations by Utility Partners
- Connection of the W18 system
- Master Planning Projects for Water and Wastewater
- City of Gulfport increase of Applied Over/Under Funds
- City of Gulfport Applied Renewal & Replacement

Mr. Gombos made a motion to table the Revised Draft Fiscal Year 2017 Budget for further review, seconded by Mr. Riemann. 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 Revised Draft FY 2017 Budget is attached hereto as exhibit "D".

The Board of Directors will hold a Special Board Meeting on August 11, 2016 at 9:00 AM, for a final work session regarding the budget.

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New Business - CDBG

H. 2 a 1 – S21 Revision No. 5 (Summary) to Work Order No. 1 – Yates & Sons Construction

Mr. Newton stated the revision represents an increase of 33 days and an overall decrease of \$11,879.30 to the contract. The revised completion date is May 3, 2016.

Mayor McDermott made a motion to approve S21 Revision No. 5 (Summary) to Work Order No. 1 – Yates & Sons Construction based on the

recommendation of Mr. Newton, 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 revision is attached hereto as exhibit "E".

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H. 2 a 2 – S21 Certificate of Substantial Completion of Work Order No. 1 – Yates & Sons Construction

Mayor McDermott made a motion to approve S21 Certificate of Substantial Completion of Work Order No. 1 – Yates & Sons Construction based on the recommendation of Mr. Newton, seconded by Mayor Gilich. 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 substantial completion certificate is attached hereto as exhibit "F".

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H. 2 a 3 – S21 Certificate of Substantial Completion of Work Order No. 2 – Yates & Sons Construction

Mayor Gilich made a motion to approve S21 Certificate of Substantial Completion of Work Order No. 2 – Yates & Sons Construction based on the recommendation of Mr. Newton, seconded by Mr. Riemann. 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 certificate is attached hereto as exhibit "G".

H. 2 a 4 – De-Obligation of CDBG Funds and Additional Project Request

Mr. Scharr stated MDEQ notified HCUA that they are withholding approval of any additional budget modifications until HCUA de-obligated funds that were not allocated to a particular project. Mr. Scharr recommends against de-obligation of any funds, until a response is received from Governor Bryant.

Mr. Gombos made a motion to table the De-Obligation of CDBG Funds and Additional Project Request, seconded by Mayor Gilich. 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 is tabled.

H. 2 b 1 – Pineville CIAP Sewer Project Engineering Contract Amendment No. 3 – Knesal Engineering

Mayor McDermott made a motion to approve the Pineville CIAP Sewer Project Engineering Amendment No. 3 – Knesal Engineering based on the recommendation of Mr. Wilson, 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 amendment is attached hereto as exhibit "H".

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H. 2 b 2 – Application for MDOT Permit – Wells Ferry CTS

Mr. Gombos made a motion to approve the Application for MDOT Permit – Wells Ferry CTS, seconded by Mayor Gilich. 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 application is attached hereto as exhibit "I".

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H. 2 b 3 – Projects for Inclusion in MDEQ SRF Facilities Plan

Mr. Scharr provided the Board with a list of proposed projects for inclusion in the MDEQ SRF Facilities Plan.

Mr. Gombos made a motion to approve the Projects for Inclusion in MDEQ SRF Facilities Plan, 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 list is attached hereto as exhibit "J".

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H. 2 b 4 – Projects for SRF FY 2017 Funding Request

Mr. Scharr provided the Board with a list of proposed projects to be included in the SRF Fiscal Year 2017 Funding Request.

Mr. Gombos made a motion to approve the Projects for SRF FY 2017 Funding Request, seconded by Mayor Gilich. 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 list is attached hereto as exhibit "K".

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I. Solid Waste Report

Mr. Ainsworth provided the Board with a revised Standard Operating Procedure for Notification of Solid Waste Complaints and the July 2016 Waste Pro Complaint Report.

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J. Executive Director's Report.

Mr. Scharr notified the Board that Utility Partners has been acquired by H2O Innovation. He asked Mr. Simpson to review the Utility Partners contract to determine if the acquisition has any impacts on the contract.

Mr. Bobby Knesal addressed to the Board to offer some background details regarding the acquisition of Utility Partners. He stated the new owners will operate as an inactive shareholder. Mr. Knesal stated that no changes will be made to management.

Mr. Simpson advised the HCUA contract with Utility Partners requires HCUA approval of key personnel. He stated the change in ownership does not violate any contractual obligations.

Mr. Scharr stated HCUA is pursuing establishing payment plans to reduce delinquencies on retail accounts.

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Mayor Gilich exited the meeting.

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Mr. Scharr advised the Board that Utility Partners wants HCUA to continue to pay them for administrative overhead costs on the water system. HCUA agreed to pay this through the end of this year. The remainder of the FY 2017 budget will not include those costs.

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Non – Agenda Discussion

Mr. Riemann provided the Board with a memo and pictures regarding defective private sanitary sewer, which he states is the primary cause of I & I issues within Gulfport's systems.

Mr. Riemann provided a picture showing a manhole under water on a portion of the S14 project.

Mr. Scharr stated he has been working with Knesal Engineering and Digital Engineering on the problems with the S14 project. He stated the contractor has installed an inflatable plug at Manhole No. 1. This is the last manhole before entering the City of Gulfport system. Mr. Scharr has recommended all parties meet at the same time to evaluate the site.

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L. Executive Session

Mayor McDermott made a motion to enter into closed session to determine the need for Executive Session.

Mr. Boudreaux asked if there was a need for Executive Session.

Mr. Simpson stated he needed to discuss two litigation matters in Executive Session.

Mayor McDermott made a motion to enter Executive Session, seconded by Mayor Skellie. A roll call vote resulted in the following votes:

Biloxi	voted	absent
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 Executive Session and return to Open Session, seconded by Mayor Skellie. A roll call vote resulted in the following votes:

Biloxi	voted	absent
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 in Executive Session.


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

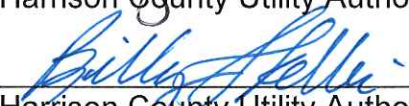
Biloxi	voted	absent
Gulfport	voted	aye
D'Iberville	voted	aye
Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion to adjourn passed.

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