

HARRISON COUNTY UTILITY AUTHORITY  
SPECIAL BOARD MEETING  
August 24, 2017

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on August 24, 2017, 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 Marlin Ladner, Harrison County (1), Director  
Mayor Billy Hewes, City of Gulfport, Director  
Mayor Andrew "Fofa" Gilich, City of Biloxi, Director  
Mayor George Bass, City of Long Beach, Director  
Supervisor Angel Kibler-Middleton, Harrison County (2), Director  
Mr. Al Gombos, representing the City of D'Iberville  
Mayor Chipper McDermott, City of Pass Christian, Director  
Mr. James Simpson, Wise Carter Attorneys, Esquire  
Mr. Donald Scharr, Executive Director, HCUA  
Mr. John Wilson, O & M Manager, HCUA  
Ms. Julie Christian, Chief Financial Officer, HCUA  
Ms. Cynthia Lewis, Office Clerk, HCUA  
Mr. Alan Lane, Solid Waste Coordinator, HCUA

ABSENT:

AUDIENCE:

Mr. Dax Alexander, BMA Engineering  
Mr. Tim Holleman, Boyce Holleman & Associates  
Mr. Russ Nobile, Wise Carter  
Mr. Bernie Parker, City of Long Beach  
Mr. Billie Skellie, Long Beach Resident  
Mr. Wayne Miller, City of Gulfport  
Councilwoman, Ella Holmes-Hines, City of Gulfport  
Dr. John Kelly, City of Gulfport  
Mr. Hugh Keating, City of Gulfport  
Ms. Tricia Tisdale, Harrison County  
Mr. Derrel Wilson, Utility Partners  
Mr. Bobby Knesal, Utility Partners  
Mr. Ron Robertson, City of Long Beach  
Mr. Roddie Matherne, Pelican Waste  
Mr. Tommy Thibodeaux, Pelican Waste  
Mr. Tom Sawyer, Pelican Waste

Mr. Jon Bierd, Waste Pro  
Mr. Steve Bubert, Waste Pro  
Mr. Wally Carter, Team Waste  
Ms. Paige Carter, Team Waste  
Mr. Cody Waters, Team Waste  
Ms. Jenna Bennett, Team Waste  
Mr. Andrew Densing, Team Waste  
Mr. Tim Callahan, Team Waste  
Mr. Michael Yarbrough, Waste Management

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

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

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**A. Invocation and Pledge of Allegiance**  
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**B. Public Comments**

Mayor McDermott opened the floor for public comments. There were no public comments.

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**New Business**

**C. 1 – Approval of Board Meeting Minutes dated August 17, 2017**

Mr. Scharr advised the Board of a correction to page 5 of the Board meeting minutes.

There was discussion regarding E. 1 d – Budget Considerations specific to allocation of water costs.

Mayor Hewes stated he has not had an opportunity to review the minutes as they were delivered late. He recommended tabling the approval of the minutes until everyone has had adequate time to review.

Mr. Gombos recommended approving the minutes with the exclusion of the water allocation section.

Mayor Hewes made a substitute motion to table the Board Meeting Minutes dated August 17, 2017. A roll call vote resulted in the following votes:

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

The motion passed. The item was tabled. A copy of the minutes is attached hereto as exhibit "B".

## **C. 2 – Proposed Water and Wastewater Rates**

Mr. Scharr presented the Board with the proposed water and wastewater rates for presentation at the public hearing tentatively scheduled for September 7, 2017.

There was discussion regarding connecting West Harrison High School to the HCUA Wastewater system. Mr. Scharr advised he will meet with Mr. Benefield today and provide the Board with a recommendation at the next board meeting.

Mayor Bass made a motion to approve the proposed water and wastewater rates for presentation at the public hearing, 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 memorandum is attached hereto as exhibit "C".

## **C. 3 – Member Agency Water User Fees and Pro Rata Shares**

Mr. Scharr presented the Board with the proposed water allocation percentages, the proposed water rate for member agencies, and the proposed water usage credits for FY 2018.



There was discussion on the allocation of costs based on capacity instead of actual usage.

Mayor Bass made a motion to accept the Proposed Member Agency Water User Fees and Pro Rata Shares, 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 memorandum is attached hereto as exhibit "D".

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#### **C. 4 - Proposed FY 2018 Budget**

Mayor Bass made a motion to accept the Proposed FY 2018 Budget to present for public hearing, seconded by Mr. Gombos.

Mr. Scharr advised the proposed budget includes Gulfport in the solid waste costs at \$13.86.

There was discussion on whether to include Gulfport in the solid waste cost after Gulfport's expressed intent not to participate in the solid waste contract.

Mayor McDermott made a motion to go into closed session to determine the need for Executive Session regarding possible litigation. 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 entered into closed session.

Mayor Bass made a motion to exit closed session and return to open session, seconded by Supervisor Middleton. 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.

It was determined that there was no need for Executive Session. No action was taken.

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The budget discussion resumed.

Mr. Simpson stated this vote is about adopting a budget to discuss and present to the public. He stated that he does not believe this has any legal implications.

Mayor Hewes advised that Gulfport will continue to move forward with their plan for independent solid waste services.

Mayor Bass withdrew his initial motion and made a revised motion.

Mayor Bass made a motion to accept the Proposed FY 2018 Budget with Gulfport in at the rate of \$14.33 to present for public hearing, seconded by Mr. Gombos. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	nay
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 proposed budget is attached hereto as exhibit "E".

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### **C. 5 Gulfport's Memorandum of Understanding**

Mr. Simpson advised that the City of Gulfport voted no on the revised Memorandum of Understanding. He stated there was no response from Gulfport.

Mr. Gombos made a motion to adjourn. He stated there was nothing further to discuss if Gulfport voted no.

Mayor Hewes stated he hoped he provided enough background for Gulfport's position regarding the rejection. He stated Gulfport does not believe there is any basis for a penalty for what is perceived as a harm after the fact of a new contract. Mayor Hewes advised Gulfport took great care to address valid concerns that were raised regarding their departure.

Mayor Hewes requested the Board reconsider the MOU without the \$1.4 million penalty. He stated the City of Gulfport intends to move forward with their solid waste contract.

Mr. Simpson advised that when Gulfport rejected the MOU, the agreement on the amendment to the plan is out and the agreement that Waste Management was going to pay HCUA a \$1 per house is out too. He noted there is no deal on any issues right now.

Supervisor Ladner stated the citizens of Harrison County are going to pay \$1.4 million more over a six-year term based on decisions that the Board members made. Mr. Gombos noted that \$888,000 of the costs will be passed on to the citizens for Gulfport.

Supervisor Ladner stated there is a legal argument. He stated Gulfport cannot just walk off from the agreement that is in place. He stated there are some issues about legality of Gulfport's solid waste contract, based on the fact that Gulfport has not legally withdrawn from the Authority. Supervisor Ladner stated some serious legal issues exist, as well as the costs to the constituents.

Mayor Hewes stated this position would have merit if Gulfport had broken faith in the middle of an existing contract. He stated HCUA had an option to extend the existing contract for \$4.00 less per household for another year. We decided not to exercise that right. He stated HCUA negotiated with Team Waste for their rates and this body accepted the prices that were negotiated.

Mayor Hewes asked if it was never intended for a member to possibly go out on their own for solid waste services, then why is it included in the contract language. He stated Gulfport has followed the strictures and deadlines of the contract.

Mr. Gombos stated the disagreement has nothing to do with the garbage collection contract. He stated that it was time for the Board to engage the third-party counsel to help clarify the matter.



There was discussion regarding the estimated costs of potential litigation and the need for a budget amendment. Mr. Simpson advised the Board that no one member can prevent the Board from having legal counsel.

Mr. Gombos made a motion to authorize the third party legal counsel to pursue the necessary legal action to move on with the matter of Gulfport's withdrawal from the Solid Waste Agreement within the existing budget constraints, seconded by Supervisor Middleton. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	nay
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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#### **Non- Agenda Discussion**

Mayor McDermott asked if Waste Pro would empty the Team Waste cans (brown cans) if residents start using them before October 1<sup>st</sup>.

Mr. Steve Bubert stated he had been authorized by Tim Herman to operate as I saw fit. He stated they would do anything Pass Christian needed or any other board members needed them to do.

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#### **D. Executive Session**

There was no Executive Session.

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**Adjourn** - At this time Mr. Gombos made a motion to adjourn, seconded by Mayor Bass. 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)  
Pass Christian

voted  
voted

aye  
aye

The motion to adjourn passed.

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Harrison County Utility Authority



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