

HARRISON COUNTY UTILITY AUTHORITY
BOARD MEETING
March 16, 2023 - **Revised**

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on March 16, 2023, 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 Billy Hewes, City of Gulfport, Director
- Mayor Jimmy Rafferty, City of Pass Christian, Director
- Mr. Michael Leonard, representing City of Biloxi
- Mayor George Bass, City of Long Beach, Director
- Mr. Al Gombos, representing the City of D'Iberville
- Supervisor Marlin Ladner, Harrison County (1), Director
- Supervisor Connie Rockco, Harrison County (2), Director
- Mr. John Wilson, Executive Director, HCUA
- Ms. Cindy Breaux, Chief Financial Officer, HCUA
- Mr. Alan Lane, Solid Waste Manager, HCUA
- Ms. Sheila Marsh, Office Manager, HCUA
- Mr. James Simpson, Wise Carter, Attorneys and Esquire

ABSENT:

AUDIENCE:

- Shea Magee, Waste Management
- Andy Phelan, GCDD
- Kevin McCumby, H2O Innovation
- Cara Wagner, Pickering Firm, Inc.
- Tami Blackwell, The Focus Group
- Jaclyn Turner, HARCO
- Chelsea Payne, The Focus Group
- Wayne Miller, The City of Gulfport

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

There being a quorum sufficient to transact business of the Authority, Supervisor Connie Rockco, representing Harrison County, called the meeting to order. The following proceedings were had and done.



A. Opening Prayer and Pledge of Allegiance

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B. Public Comments

Supervisor Connie Rockco opened the floor for public comments.

There were no public comments.

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C. Approval of the Claims Docket dated March 16, 2023

Mr. Al Gombos made a motion to approve the Claims Docket dated March 16, 2023, seconded by Mayor George Bass. A vote resulted in the following:

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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D. Approval of Board Meeting Minutes dated March 2, 2023

Mayor George Bass made a motion to approve the Board Meeting Minutes dated March 2, 2023, seconded by Mr. Al Gombos. A vote resulted in the following:

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 Board Meeting Minutes dated March 2, 2023, is attached hereto as exhibit "C".

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E. Financial Report

Ms. Cindy Breaux explained that she is reviewing the final audit draft for FY22. A draft of the final audit will be presented to the Board at the next Board Meeting. Supervisor Connie Rockco requested clarification on whether or not retaining auditors was difficult and whether or not auditors completed audits in the office.

Mr. John Wilson and Cindy Breaux explained that the audit process was through electronic processing and current auditors have one more year on contract.

No action required. The Board accepted the Financial Report for February 2023 as presented. A copy of the report is attached hereto as exhibit "D".

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F. Marketing Report

Ms. Tami Blackwell with The Focus Group explained that The Focus Group continues efforts to increase website traffic by promoting recycle participation. February 2023 concluded that there was an increase in users on the website by 29%, compared to February 2022. The top page viewed was the recycling page and engagement has increased on organic (free) ads. The top post and comments were on the recognition of Mr. John Brown. There was an increase in clicks (3,080) to Facebook paid ads compared to February 2022 clicks. The average cost per click totals \$.27 per click with the industry average of \$1.72 cost per click. All public comments on Facebook were positive comments.

No action taken. The Board accepted the Marketing Report as submitted by The Focus Group. A copy of the Marketing Report is attached hereto as exhibit "E".

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G. Action Items

G1. Old Business

None

G2. New Business

G2a. Canal Road Subdivision

Mr. John Wilson recommended water and sewer services in Dara Hills Subdivision to be provided by HCUA. Mr. Wilson explained that a decision needs to be made on which agency will be the retail provider of services. Last year, the 1-mile service jurisdiction was deleted from the HCUA Water and Sewer Policy.

Mayor Billy Hewes explained that in his opinion, Mr. Wilson's recommendation for HCUA to provide water and sewer services to Dara Hills Subdivision is a good recommendation, based on the line location. Mayor Hewes added that after the 1-mile service jurisdiction was deleted from the HCUA Water and Sewer Policy in October 2022, the Board planned to discuss an agreement on the service definition, but the topic was never discussed or defined. The 1-mile jurisdiction was only mentioned in statute and that leaves decisions based on practice and precedence. In the past, member agencies have had the opportunity to provide water and/or sewer service with HCUA managing discussion, but if HCUA Water and Sewer Policy is adopted as stands, a new precedence is set for the Board, where cities are not consulted in the discussion on how to best provide water and sewer services to residents within the 1-mile jurisdiction. Mayor Billy Hewes made a motion to table Canal Road Subdivision, seconded by Mr. Al Gombos, with discussion from Supervisor Marlin Ladner.

Supervisor Ladner explained that originally the 1-mile jurisdiction legislation bill was implemented, based on the fact, that counties were not able to provide water and sewer services. Harrison County installed the county pipe with ARPA funds and with the CDBG project, the county is funding the O&M costs on the pipes and wells with no return revenue. The county subsidizes the O&M costs through general funds. Harrison County planned on creating a water and sewer district to cover all unincorporated areas, but the decision was made to allow HCUA to serve as the Water and Sewer Board. Water and sewer revenue from Canal Road Subdivision could apply to the O&M costs that the county is already funding. Voting presently by the Board Members for a retail provider is an option, but there is also future option to go to the Harrison County Board of Supervisors and present recommendation to create a water and sewer district to cover all unincorporated areas which will eliminate future county concerns. The pipe was installed by Harrison County and Harrison County can provide services and should have the opportunity to provide services and collect the revenue to offset O&M costs. HCUA Water and Sewer Policy should assure that if Harrison County citizens in unincorporated areas can be served by Harrison County, then Harrison County should have first option to serve them if Harrison County provides the pipe and/or O&M costs. Supervisor Ladner expressed that he is not agreeable on a HCUA Water and Sewer Policy unless policy assures that the county has first option to service an area that materials and services are funded through Harrison County, avoiding the ability to take away opportunity from the county to collect revenue in areas that the county has installed pipe and/or is paying the O&M costs. Supervisor Ladner expressed that he is not ready to commit to a decision until he has time to review and consider various scenarios and/or unforeseen consequences that could occur. Supervisor Ladner added that he would like the HCUA Water and Sewer Policy to include verbiage that if Harrison County provides pipe in the county that the county would be protected with first option to provide services and receive the revenue for said services.

Mr. Al Gombos explained that anyone receiving water services should also be required to obtain sewer services. The HCUA was created to assure environmental clean-up. Mr. Gombos raised the question whether, or not, a Postage Stamp Rate for O&M costs should be considered. Supervisor Connie Rockco agreed with Mr. Gombos on considering a Postage Stamp Rate. Mr. Gombos noted that language should be considered in the HCUA Water and sewer Policy, keeping in mind that HCUA was founded, on protecting the environment, by collecting and treating sewage. HCUA provides wastewater, water and solid waste services to residents in the county, but HCUA does not provide sewer to all residents in the county.

Mr. John Wilson explained that if a water and sewer package policy is adopted, consider that there are areas in the county allowing for water system services, but the sewer services are in question because of onsite sewer systems.

Mr. Mike Leonard noted that during the process of choosing providers for retail service, a factor to consider should be the timeframe in which the provider can provide service to the resident(s).

Mayor Jimmy Rafferty noted that during the process of choosing providers for retail service, factors to consider include cost effectiveness, standards, timeframes in which services can be provided by each potential provider, and the expenses and revenues associated with each provider consider for retail services.

Mayor George Bass explained in his opinion, Mr. Wilson made a good decision with the Canal Road Subdivision development. Mayor Bass agreed that there should be revisions to the HCUA Water and Sewer Policy with updated resolutions that will work in favor of all member agencies and a discussion should take place within the next few weeks.

Mayor Billy Hewes explained that guidelines with more clarity should be adopted in the HCUA Water & Sewer Policy on decision making on water and sewer services for areas of the 1-mile and buffer of unincorporated areas and moving forward, whether or not there should be a de facto policy requiring any future provided water services would also require tie in for sewer services. A draft of guidelines should be submitted to Board Members for review in two weeks and discussed at the April 20, 2023, Board Meeting.

Mr. James Simpson, Counsel questioned whether or not the Board wanted a Water and Sewer Policy that is outcome determinative or a policy that the Board can make decisions case by case. The current situation involves a service area where more than one provider is able and capable of providing services. Mr. Simpson will submit a couple drafts by the next Board Meeting but suggested action should not be taken prior April 20, 2023.

Mayor Billy Hewes requested, if unanimous consent, to withdraw motion to table Canal Road Subdivision, then Mayor Hewes made motion to adopt Canal Road Subdivision, seconded by Supervisor Marlin Ladner, under condition that a draft of new HCUA Water and Sewer Policy will be presented. A vote resulted in the following:

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 Canal Road Subdivision is attached hereto as exhibit "F".

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G2b. S14 Mediation Settlement (Documents to be provided)

Documents were not handed out.

Mr. Simpson advised that at the last Board Meeting, March 2, 2023, in Executive Session, terms of the S14 Mediation Settlement were discussed. There is a Resolution and Settlement Agreement for signatures. The Resolution and Settlement documents were not included in the board package due to the settlement being confidential. Copies of Resolution and Settlement are available to Board Members if requested.

Mayor George Bass made motion to approve S14 Mediation Settlement seconded by Supervisor Marlin Ladner. A roll call vote resulted in the following votes:

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

The motion passed. A copy of the S14 **Mediation Resolution** is attached hereto as exhibit "G".

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H. Solid Waste Report

Mr. Alan Lane explained that the recycling participation rate was 40.64% for February 2023. Last year Tuesday and Wednesday participation rates averaged 28 - 30%. February 2023 shows a participation rate increase of 39 - 41% on Tuesdays and Wednesdays. The increase in participation rate involves the unincorporated areas of the county and the increase was due to corrective advertisement in unincorporated areas.

No action taken. A copy of the Solid Waste Report is attached hereto as exhibit "H".

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I. Executive Director's Report

Mr. John Wilson explained that the S14 Project is closing out currently waiting on the Corp of Engineer's inspection of the pipeline. There will be an amendment to the Pickering contract in the amount of \$14,000. Pickering Firm is closing out project and submitting documents to the Corp of Engineers. Due to weather conditions, the inspection will be moved from March 17, 2023, to March 30, 2023. After close out of environmental permits, project will be complete.

Supervisor Marlin Ladner requested an update on the Melene Bayou Bridge, concerning the pipe. Mr. John Wilson explained that there was a solicitation for a quote on the pipe and a second contractor responded.

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J. Executive Session

There was no need for Executive Session.

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K. Adjourn – At this time Mayor Billy Hewes made a motion to adjourn, seconded by Mr. Mike Leonard. A vote resulted in the following:

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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Harrison County Utility Authority



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