

HARRISON COUNTY UTILITY AUTHORITY
BOARD MEETING
April 7, 2022

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on April 7, 2022, 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:

Mr. Jeremy Harrison, representing City of Gulfport
Mayor Jimmy Rafferty, City of Pass Christian, Director
Mayor Andrew "Fofu" Gilich, City of Biloxi, Director
Bernie Parker, representing City of Long Beach
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 Breau, Chief Financial Officer, HCUA
Mr. Alan Lane, Solid Waste Coordinator, HCUA
Ms. Sheila Marsh, Office Manager, HCUA

ABSENT:

Mr. James Simpson, Wise Carter, Attorneys and Esquire

AUDIENCE:

Shea Magee, Waste Management
Adam Stevenson, Waste Management
Derrel Wilson, H2O
Jamie Barhanavich, Cypress F&I
Charles Roberts, Pelican
Cara Wagner, Pickering Firm, Inc.
Bruce Newton, DE
Jason Overstreet, DA

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

There being a quorum sufficient to transact business of the Authority, Mayor Andrew "Fofu" Gilich, representing City of Biloxi, 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

Mayor Andrew "Fofo" Gilich opened the floor for public comments.

There were no public comments.

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C. Approval of the Claims Docket dated April 7, 2022

Mr. Al Gombos made a motion to approve the Claims Docket dated April 7, 2022, seconded by Mr. Bernie Parker. 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 17, 2022

Mr. Al Gombos made a motion to approve the Board Meeting Minutes dated March 17, 2022, seconded by Supervisor Marlin Ladner.

Supervisor Marlin Ladner requested a correction. Mr. Ladner did not second Mr. Wilson but Mr. Gombos for discussion. The Board Meeting Minutes approved based on the revision.

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 17, 2022, is attached hereto as exhibit "C".

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E. Acceptance of the Technical Committee Meeting Minutes dated March 30, 2022

Mr. Bernie Parker made a motion to accept the Technical Committee Meeting Minutes dated March 30, 2022, 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 Technical Committee Meeting Minutes dated March 30, 2022, is attached hereto as exhibit "D".

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F. Action Items

F1. Old Business

None

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F2. New Business

F2a. Cart Management by Waste Management - Discussion

Mr. John Wilson provided a handout for Cart Management discussion and explained that at the last Board Meeting there were questions from Board Members regarding solid waste cart management. Mr. Alan Lane contacted Waste Management following the Board Meeting to review the current cart management program. Findings included, with the close out of the Waste Management Contract, carts will be transferred to HCUA. House count and where carts are located will be determined which will be during the period of the annual house count.

Mayor Andrew "Fofu" Gilich requested a digital spreadsheet that will include the route with RFI dates, to reconcile with the City of Biloxi's utility billing.

No action required.

A copy of Cart Management by Waste Management and the handout Solid Waste Collection – Garbage, Yard Debris & Recycling, is attached hereto as exhibit "E".

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F2b. SW RFP – Review & Discussion

Mr. John Wilson explained that the review on the new Solid Waste RFP is a year out prior to final RFP request. Early preparation of SW RFP is required due to the contractor's ability to obtain equipment, with covid, taking as long as twelve months to receive. Mr. Wilson or Mr. Lane can be contacted if there are any comments or changes to the SW RFP being reviewed

during this period. Mr. James Simpson, Council for HCUA is also reviewing SW RFP. Changes to the SW RFP include add wording to include the maximum pick up of eight cubic yards per residence for large piles of debris per service route scheduled. Added are maintenance requirements for carts and the CPI adjustments is capped to 2.5 percent.

Supervisor Marlin Ladner requested clarification on the process, cost and time associated with the elimination of the 35-gallon recycling carts and replacing the recycling carts with 65-gallon carts and clarification on the "new purchase" of collection equipment listed on page 22.

Mr. John Wilson explained that Mr. Lane is reviewing a grant program through South Eastern Recycling, that may allow for the funding for the costs to replace the carts. A plan is being determined for the process of cart delivery. There is a condition of the eligibility of the grant, a contract has to be in place to apply for the grant. Every contract requires new equipment but the possibility of using existing equipment is being reviewed.

Mr. Alan Lane explained that he is seeking information regarding a lump sum grant that is based on number of homes, through the Recycling Foundation. A lump sum grant may allow for the exchange of all carts. Mr. Alan noted that waste companies normally depreciate equipment over ten-years. Mr. Lane noted that MDEQ is 12.5% no pay.

Supervisor Connie Rockco questioned if there has been a cost analysis to determine if renting carts is more feasible than purchasing carts.

Mr. Alan Lane explained that replacing new carts with a new service provider and using their carts would cost seven million dollars and HCUA is already in middle of purchasing current carts. The warranty on the current carts includes a ten-year warranty on the body of the carts. Replacement costs would be for wheels and lids on the carts.

Mr. John Wilson handed out a memo to the Board Members that listed pricing numbers from a recent bid for collection services, in March 2022, the pricing included garbage, recycling and yard services. The pricing is only for collection services not disposal services. The memo was for informational purposes.

Supervisor Marlin Ladner explained that the cost of solid waste services will be determined by the number of member agencies participation in the services.

Board Members agreed that prior the RFP for solid waste services, the number of member agencies that will participate in waste services needs to be determined and included in proposals, along with information regarding life cycles of equipment and number of days per week for pick up services. Cost analysis for new vehicles versus allowing the use of used vehicles should be reviewed. There should be criteria and regulations for allowing the operation of used vehicles.

Mr. Jeremy Harrison noted that he was not speaking on behalf of Mayor Billy Hewes, but that there is a desire for services for two days a week and direct control with the contractor.

Mr. John Wilson explained, that in his opinion, there should be one point of contact, HCUA, who is responsible to the members. Most customers adjusted to the change in twice a week pick up to once a week pick up. Pricing could include twice a week pick up if Gulfport, or in other member agencies areas if requested.

Mr. Al Gombos explained that pricing some member agencies for twice a week pick up and pricing some member agencies for once a week pick up was not in the best interest of the all the member agencies.

Mr. John Wilson responded to Mr. Jeremy Harrison's question, as to whether or not, The City of Gulfport would be required to purchase carts for residents if the City of Gulfport decided to enter into the new solid waste contract. Mr. Wilson responded, "yes" and will provide a cost analysis for new carts to The City of Gulfport as requested by Mr. Harrison.

No action required.

A copy of SW RFP – Review & Discussion, is attached hereto as exhibit "F".

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F2c. 2022 Facility Plan – Engineer RFP - Award

Mr. John Wilson provided a handout of scoring and grades for 2022 Facility Plan – Engineer RFP – Award and requested proceeding with contract negotiations with Neil Schaffer, the highest scored engineering services and, at a later date, will return and present a contract to the Board for award and approval.

Mr. Al Gombos made motion to award 2022 Facility Plan – Engineer RFP - Award, seconded by Mayor Jimmy Rafferty. 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 2022 Facility Plan – Engineer RFP – Award, is attached hereto as exhibit "G".

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F2d. FY22 Budget – Personnel & Salary

Mr. John Wilson explained that Alex Farris is retiring from HCUA. Mr. Wilson handed out a spreadsheet that included changes due to filling Mr. Farris's position with a current staff member from the water department and shifting two staff members from sewer department to the water department. HCUA has grown in all departments including sewer, water and locates. The staff transferring from the sewer department would train for water operator certification, gain more duties and responsibilities with the change in departments. One staff member would be designated as Wastewater Coordinator of the proposed wastewater contract and the staff member would also keep the duties as locator. Options to consider for HCUA growth and Mr. Farris's departure include shifting of responsibilities of current staff and add a contract for grinder systems field staff or add additional staff to HCUA payroll.

Supervisor Marlin Ladner requested clarification of the recommendation of shifting of responsibilities of current staff and adding a contract for grinder systems field staff. Requested also was clarification and whether Mr. Farris's duties were being split among current staff, and whether or not the contract would include any of Mr. Farris' duties.

Mr. John Wilson explained that the overall budget would be decreased. The field hands on work would be included in the H2O contract proposal. Assessments would remain with HCUA staff. One staff member would handle locates, water and some wastewater. Staff count would reduce from 17 full time staff to 16 full time staff. The FY22 salaries budget was approved for \$939,000 and with the proposal of shifting staff and a contract for sewer field operations, FY22 revised salaries would be reduced to \$922,000.

Supervisor Marlin Ladner noted that \$28,000 would be saved in salary budget for year but there would be an increase of \$91,000 in contract obligations. Clarification was requested as to whether or not a budget amendment would be required on the increase of \$63,000 and if no amendment required, why would the budget allow for such a large adjustment. Clarification on whether or not an amendment is required for salary raises. Supervisor Ladner noted that in previous years there were salary increases without approval.

Ms. Cynthia Breau, CFO addressed Supervisor Marlin Ladner and explained that \$91,000 is an annual increase and there are only five months to complete the fiscal year.

Mr. John Wilson explained that the overall budget would be under budget. The increase would reflect in the O&M contract of \$7,500 a month for the next four to five months. The HCUA salaries are being reduced, the plant O&M costs are being increased but within facilities. Budget is estimated based on normal costs, an average projection based on normal costs. Unforeseen costs are also included when preparing budget. Spreadsheet is provided for transparency, the yellow column on the spreadsheet is the proposed for approval requested today for the FY22 revision raises that are in red.

Mr. Al Gombos requested clarification that the proposal would create a decrease of \$28,000 a month in the budget for an exchange of an increase of \$7,500.00 a month in the budget.

Mr. John Wilson explained that the budget salary would be decreased by \$42,000 a year associated with the retirement of a staff member and the change would trade for \$91,000 to outsource the work that would include labor, vehicles, and tools.

Mayor Jimmy Rafferty suggested that Mr. Wilson provide an assessment at next meeting on how much over is included in the estimated budget and where the salary budget is trending relative to budget.

Mr. Wilson noted that following audits, determination is based if HCUA is over or under budget. The current year should allow for funds to be returned or rolled into projects.

Supervisor Marlin Ladner requested clarification on the salary increases, that involved specific staff noted on spreadsheet, and if the requested increases in salary were due to the staff assuming additional responsibilities as result of the termination of one staff member and if the one staff member's duties would be split part in contract and part with other staff members. Clarification was requested as to if the salary increases were approved, that the condition included no additional staff members would be hired, even within the next year.

Mr. John Wilson confirmed that the approval requested was to begin May 1, 2022, with understanding there was no intent to hire additional staff members. The gray column in the spreadsheet was FY23 estimates for salary but approval was not being sought at this time. Mr. Wilson's recommendation at this time includes approval for the position changes in staff, increase in wages to staff members associated with position changes and the increase in duties associated with the position changes.

Mayor Andrew "Fofu" Gilich explained that debit and credit entries for the categories affected, should be entered as such and show in the budget's bottom line.

Mr. John Wilson explained that he would prepare and provide to the Board, to date the numbers as to where HCUA was in the budget and included will be the reflections of the proposed changes in the O&M Plant Management Contract and Salaries. Mr. Wilson noted the 3% increase on the spreadsheet is for FY23. The increase for approval at this time is in the yellow column of the spreadsheet.

Mr. Al Gombos made motion to approve FY22 Revised Budget – Personnel & Salary, seconded by Mayor Jimmy Rafferty. 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 FY22 Budget – Personnel & Salary is attached hereto as exhibit “H”.

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F2e. Amend #2 H2O Contract – Grinder Pump Service Approval

Mr. John Wilson recommended approval of Amend #2 H2O Contract – Grinder Pump Service Approval, which is the second part of the previously discussed topic, FY22 Budget – Personnel & Salary.

Mr. Al Gombos made motion to approve Amend #2 H2O Contract – Grinder Pump Service Approval, seconded by Supervisor Connie Rockco. 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 Amend #2 H2O Contract – Grinder Pump Service Approval is attached hereto as exhibit “I”.

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G. Executive Director’s Report

None

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H. Executive Session

There was no need for Executive Session.

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I. Adjourn – At this time Mr. Al Gombos made a motion to adjourn, seconded by Supervisor Connie Rockco. 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.



Harrison County Utility Authority



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