

HARRISON COUNTY UTILITY AUTHORITY
BOARD MEETING
July 20, 2023

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on July 20, 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
Mayor Andrew "Fofu" Gilich, City of Biloxi, Director
Mr. Bernie Parker, representing City of Long Beach
Mr. Al Gombos, representing the City of D'Iberville
Supervisor Marlin Ladner, Harrison County (1), Director
Ms. Jaclyn Turner, representing Harrison County (2)
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
Ms. Valerie Cuevas, Administrative Assistant
Mr. James Simpson, Wise Carter, Attorneys and Esquire - via Telecom

ABSENT:

AUDIENCE:

Shea Magee, Waste Management
Jolene Johnson, Waste Pro
John Geboy, Waste Pro
Tami Blackwell, The Focus Group
Roddie Matherne, Pelican Waste
Andrea Lett, Pelican Waste
Chec White, Pelican Waste
Chris Lockwood, Waste Pro
Kevin McCumby, H2O Innovation
Chelsea Payne, The Focus Group
Amanda Fenger, The Focus Group
Ben Benvuitte, Covington
Jamie Bahanovich, Cypress
Damon Torricelli, Neel-Schaffer

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

There being a quorum sufficient to transact business of the Authority, Mayor James "Jimmy" Rafferty, representing The City of Pass Christian, 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 James "Jimmy" Rafferty opened the floor for public comments.

There were no public comments.

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C. Approval of the Claims Docket dated July 20, 2023

Mr. Al Gombos made a motion to approve the Claims Docket dated July 20, 2023, seconded by Mayor Andrew "Fofo" Gilich. 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 July 6, 2023

Mr. Al Gombos made a motion to approve the Board Meeting Minutes dated July 6, 2023, seconded by Mayor Andrew "Fofo" Gilich. 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 July 6, 2023, is attached hereto as exhibit "C".

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E. Financial Report

Ms. Cindy Breaux explained that there are two meetings scheduled for the remaining member agencies' Budget Meetings regarding the FY24 Budget. A final FY24 Budget Draft will be presented at the next Board Meeting.

Supervisor Marlin Ladner requested clarification on some expenditures and line items that were noted as 100%(+) and whether or not items get transferred from one item to another. Supervisor Ladner noted that he had never seen a budget amendment to cover items. Mr. John Wilson explained that a line item maybe 100%, but the facility number may be less, example being chemicals that may result in a surge and then the number will fall back.

Mayor Jimmy Rafferty noted that Mr. Wilson and Ms. Breaux met with Mayor Rafferty at The City of Pass Christian City Hall to explain the FY24 Budget and it was presented well.

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

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F. Marketing Report

Ms. Tami Blackwell, The Focus Group, explained that The Focus Group continues to increase traffic to the HCUA website in efforts to increase recycling participation from the public. HCUA's June 2023 recycling participation rate was over the national average, with a participation rate over 42%. Stats include website usage up 70%, with 2,700 new users, page views increased by 64%, click rate increased 286% with an average cost per click of \$.16 per click, with the standard industry average cost per click of \$1.72. Public comments were included in the Marketing Report.

Mr. Al Gombos requested clarification on, whether or not anyone at HCUA has monitored newspaper articles for wastewater topics and whether or not The Focus Group could assist with wastewater topics and topics involving cleaning the environment. Mr. Wilson explained that newspaper articles have not been reviewed but the local news has been monitored for wastewater issues including the local beach and/or notifications from MDEQ.

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

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G2. New Business

G2a. Line of Credit Renewal

Mr. John Wilson explained that the Line of Credit Renewal is for the Long Beach Project. HCUA is seeking reimbursement from MDEQ for funding from the Restore Act and SRF Funds.

Mr. Bernie Parker made motion to approve Line of Credit Renewal, seconded by Mr. Al Gombos. A roll call 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 Line of Credit Renewal is attached hereto as exhibit "F".

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G2b. Biloxi Land Lease – Mercy Cross Property

Mr. John Wilson explained that the Biloxi Land Lease – Mercy Cross Property is the property adjacent to Keegan Bayou Wastewater Treatment Plant. The property was purchased by HCUA on behalf of The City of Biloxi and The City of Biloxi is requesting to lease the property.

Mr. Al Gombos made motion to approve Biloxi Land Lease – Mercy Cross Property, seconded by Supervisor Marlin Ladner. A roll call 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 Biloxi Land Lease – Mercy Cross Property is attached hereto as exhibit "G".

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G2c. Lamey Brothers Expansion – Approval

Mr. John Wilson explained that a Public Meeting was held (June 15, 2023) for public concerns, comments or objections to Lamey Brothers Expansion and there were no comments from the public. Board Approval is required for the Lamey Brothers Expansion and the Minutes of the Board Meeting will be submitted to MDEQ.

Mr. Al Gombos made motion to approve Lamey Brothers Expansion – Approval, seconded by Supervisor Marlin Ladner. 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 Lamey Brothers Expansion – Approval is attached hereto as exhibit “H”.

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G2d. Hurricane Creek Expansion - Approval

Mr. John Wilson explained that a Public Meeting was held (June 15, 2023) for public concerns, comments or objections to Hurricane Creek Expansion and there were no comments from the public. Board Approval is required for the Hurricane Creek Expansion and the Minutes of the Board Meeting will be submitted to MDEQ.

Mr. Al Gombos made motion to approve the Hurricane Creek Expansion- Approval, seconded by Supervisor Marlin Ladner. 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 Hurricane Creek Expansion - Approval is attached hereto as exhibit “I”.

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G2e. Waste Pro Assumption of Pelican Contracts, Current and New

Mr. John Wilson explained that Pelican Waste has notified HCUA, that Waste Pro is purchasing Pelican Waste and if there is HCUA Board approval, the purchase will include the current HCUA Solid Waste Contract and the new HCUA Solid Waste Contract (beginning October 2023). The current Solid Waste Contract has two months remaining on a six-year term and the new contract consist of a six-year term with up to ten years with contract extensions. Mr. Wilson added that Mr. Roddie Matherne, CEO with Pelican Waste was in the audience. Mr. Matherne addressed the Board and explained that the decision was made a few months back to sell Pelican Waste and service remaining in the existing contract, for two months, could be completed by Pelican Waste if required.

Supervisor Marlin Ladner questioned Mr. Wilson as to what Mr. Wilson's feelings were regarding the Solid Waste Contract. Mr. Wilson advised he was not inclined to agree to consent of the current contract with only two months left in the contract because there are too many factors to be resolved involving the process.

Mr. James Simpson, Counsel (via teleconference call) explained that the existing contract does contain, in paragraph 27, the option to assign services to another provider with Board approval. Mr. Simpson agreed with Mr. Wilson and explained that with only ten days left to handle a change of a Solid Waste provider, that the process could not be managed in good faith considering the paperwork that would be involved. Mr. Simpson also noted that in the new Solid Waste Contract with Pelican Waste, there are no provisions in the contract with an option to assign or omit the contract, but that does not mean that it's not a possibility. Mr. Simpson also expressed that whether the Board votes "No" or whether the Boards makes no decision at the current Board Meeting, status quo continues. The Board is required to vote on consent to assignment a new Solid Waste contract provider, but a decision is required.

Mr. Gombos requested clarification on whether or not there was protection with a Performance Bond. Mr. Wilson explained that there was a million dollar Performance Bond on the current Solid Waste Contract and a three million dollar Performance Bond on the new Solid Waste Contract.

After Board discussion, the decision was made and agreed by Mr. Roddie Matherne that Pelican Waste would continue and fulfill the current contract and the Board would address the new contract at a future Board Meeting post review of contract by Mr. John Wilson and Mr. James Simpson.

Mr. Al Gombos requested that Mr. John Wilson and Mr. James Simpson, Counsel review Solid Waste Contracts and advise on options to proceed including making a recommendation.

Mr. Al Gombos made motion to table new Solid Waste Pelican Waste Contract, seconded by Mayor Andrew "Fofu" Gilich. 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 Waste Pro Assumption of Pelican Contracts, Current and New is attached hereto as exhibit "J".

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Mr. John Wilson explained the need to amend the Agenda, adding G2f. Emergency Declaration – Sewer Line Nicholson Pump Station.

Mayor Billy Hewes made motion to amend the Agenda, adding G2f. Emergency Declaration – Sewer, for consideration of Emergency Declaration, 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 |

G2f. Emergency Declaration – Nicholson

Mr. Wilson explained that a sink hole has been located at the Nicholson Pump Station and sand and mud are entering the pump station. This is a sewer line repair issue that will require a bypass but there is no release to the environment at this time.

Mr. Al Gombos made motion to approve Emergency Declaration – Nicholson seconded by Mayor Andrew "Fofo" Gilich. 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 Emergency Declaration – Nicholson is attached hereto as exhibit “K”.

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H. Solid Waste

H1. Solid Waste Report

Mr. Alan Lane explained that the recycling participation rate in the month of June 2023 was 42.69% and the unincorporated area recycling participation is increasing.

No action taken. A copy of the Solid Waste Report is attached hereto as exhibit “L”.

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H2. Solid Waste Fines

Waste Management and Pelican Waste had no incidents resulting in fines for the past quarter.

The amounts presented for approval for retainage returned is \$25,992.42 for Waste Management and \$ 7,634.43 for Pelican Waste.

Mr. Al Gombos made motion to approve Solid Waste Fines, seconded by Supervisor Marlin Ladner. 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 and a copy of Solid Waste Fines, is attached hereto as exhibit “M”.

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I. Executive Director’s Report

None

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J. Executive Session

There was no need for Executive Session.

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K. Adjourn – At this time Mr. Al Gombos made a motion to adjourn, 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 to adjourn passed.

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Harrison County Utility Authority



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