

HARRISON COUNTY UTILITY AUTHORITY
BOARD MEETING
July 16, 2020

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on July 16, 2020 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 Chipper McDermott, City of Pass Christian, Director
- Mayor Andrew "Fofu" Gilich, City of Biloxi, Director
- Mayor George Bass, City of Long Beach, Director
- Mr. Al Gombos, representing the City of D'Iberville (Teleconference)
- 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
- Ms. Sheila Marsh, Office Manager, HCUA
- Mr. Alan Lane, Solid Waste Coordinator, HCUA
- Ms. Marie Ostrander, Financial Assistant, HCUA
- Mr. Jim Simpson, Attorney

ABSENT:

AUDIENCE:

There being a quorum sufficient to transact business of the Authority, Mayor Hewes 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 Hewes opened the floor for public comments.

There were no public comments.

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C. Approval of the Claims Docket dated July 16, 2020

Mayor Gilich made a motion to approve the Claims Docket dated July 16, 2020, 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 claims docket is attached hereto as exhibit "A".

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D. Approval of Board Meeting Minutes dated July 2, 2020

Supervisor Ladner made a motion to approve the Board Meeting Minutes dated July 2, 2020, 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 meeting minutes is attached hereto as exhibit "B".

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E. Financial Report

Cindy Breaux presented and update on the FY 2021 Budget. Mayor Hewes asked for a timeline for a finalized budget, Cindy is still getting questions from the Member Agencies' Financial Departments, so she is hoping for a mid-August date.

Supervisor Ladner found a discrepancy on Page 6 of the Draft FY 2021 Budget regarding Year to Date Budgets. Cindy explained that there was a formula error on the spreadsheet, and she would go back and review all of the formulas.

Mayor Hewes stated that there was no need to formally adopt the Financial Report, that it would instead be spread on the minutes as having been received.

The report was received. A copy of the financial report is attached hereto as exhibit "C".

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F. Marketing Report

Brett not attending due to COVID-19 restrictions. John L. Wilson spoke on behalf of The Focus Group and presented the Marketing Report.

Supervisor Ladner asked how much is budgeted for The Focus Group's activities. Mr. Wilson explained that we approved a budget of \$28,000 for FY 2020.

Mayor Hewes stated that there was no need to formally adopt the Marketing Report, that it would instead be spread on the minutes as having been received.

The report was received. A copy of the marketing report is attached hereto as exhibit "D".

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Old Business

G. 1 – FY 2021 Budget – House Count - Discussion

Mr. John Wilson stated that the House Count as presented has not changed with the exception of the City of D'Iberville, which saw a 1% decrease as of July 10, 2020.

Supervisor Ladner brought up the need for an electronic house count for next year's house count, and if that could not be achieved then asked that an actual, manual house count be done. Mr. Alan Lane assured the Board that a plan for that was in the works.

Mr. John Wilson pointed out that there is a difference in billing between the County and City Members in regard to the "bill per unit numbers" that the Cities abide by verses the "contractual unit" definition that the County abides by. The County does not bill out separately for Solid Waste, so trying to find the contractual unit numbers is difficult. Those properties that have been

abandoned, burned, or otherwise vacated indefinitely need to be cleaned up from the rolls.

There are several different methods by which to do the house count including GPS Mapping, Tax Accessors Office, and a physical drive and count process, which is the most effective.

Mr. Al Gombos stated that the City of D'Iberville did not accept the House Count Numbers from Waste Management. The same discrepancies that he brought up at the first discussion about the House Count have not been addressed and that there are and have been carts delivered to houses that are not being billed by the City of D'Iberville and therefor the City has no record of these people being served.

Mr. Jim Simpson pointed out that there is no way to get an exact number for the House Count as residential situations are always fluid. We take a snapshot of one day and work from there. It is a very difficult number to come up with. Mr. John Wilson added that the hard part comes from reconciling the house count numbers from Waste Management to the billing numbers from the Cities and County.

Mr. John Wilson stated that Alan and he would look at the discrepancies that D'Iberville is reporting and try to have them resolved by the next meeting.

Mayor Bass made a motion to table the Discussion for the FY 2021 Budget – House Count, 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 FY 2021 Budget – House Count is attached hereto as exhibit "E".

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New Business

G. 2a. FY 2021 Budget – Draft – For Discussion

Mr. John Wilson wanted to note that Wastewater costs were down, while Water costs are a little bit higher, and that Water production over all is higher than ever. Water dumping and flushing from the Wells and WWTP plants is way down, meaning that efficiency is up. Mr. Wilson also assured the Board that project costs for these systems, both Water and Wastewater, are included in the budget.

Mr. Wilson will be meeting with each Member Agency to go over their particular pieces of the budget so that everyone has a complete understanding and bring forth any concerns.

Mayor Gilich wanted to inquire about the Debt Service, and the status of the Swap and the Debt Distribution. Asked if this would be a good time to refinance the Bonds. In order to do this the Swap, which is around \$18 million would need to be paid off. Mayor Gilich suggested that the Swap could be deferred until a later time so that we could take advantage of a favorable market to refinance. He wants to look at the Debt Distribution and accompanying factors so he can work it thru and see what can be done.

Discussion of FY 2021 Budget – Draft was tabled until next Board Meeting.

The motion passed. A copy of the FY 2021 Budget - Draft is attached hereto as exhibit "F".

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G. 2b. Acceptance of Magnolia Springs Phase 5 (Part 1 and 2)

Supervisor Ladner asked if this project has been inspected and reviewed by the Authority. Mr. Wilson assured him that it has. Supervisor Ladner also asked about the Project's timeline and how long before construction begins in this are. Mr. Wilson explained that they are ready to build now and homes will be complete with revenue coming in within the year.

Supervisor Ladner made a motion to approve Acceptance of Magnolia Springs Phase 5 (Part 1 & 2), 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)	Voted	Aye

Pass Christian voted aye

The motion passed. A copy of the Acceptance of Magnolia Springs Phase 5 (Part 1 & 2) is attached hereto as exhibit "G".

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H. Executive Director's Report

Mr. John Wilson reported on the final inspection report for West Fritz Creek.

The Biloxi/D'Iberville Water Improvement Project/Booster Station is complete and ready for closeout, likely by the next Board Meeting.

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I. Executive Session

Mr. Jim Simpson indicated that was a litigation matter to discuss in Executive Session.

Mayor McDermott made a motion to close the room for Executive Session
Second by Mayor Bass.

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 close the room for Executive Session passed.

Room was cleared for Executive Session.

Mayor McDermott made a motion to come out of Executive Session, Seconded by Mayor Bass.

Mayor McDermott made a motion to close the room for Executive Session
Second by Mayor Bass.

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 come out of Executive Session passed.

Jim Simpson stated that there was no action taken in Executive Session.

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J. Adjourn - At this time Mayor Bass made a motion to adjourn, 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 to adjourn passed.

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