

HARRISON COUNTY UTILITY AUTHORITY

January 8, 2015

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on January 8, 2015, 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 Joe Meadows, Harrison County (2), Director  
Supervisor Marlin Ladner, Harrison County (1), Director  
Mayor Billy Hewes, City of Gulfport, Director  
Mayor A.J. Holloway, City of Biloxi, Director  
Mr. Al Gombos, representing the City of D'Iberville  
Mayor Billy Skellie, City of Long Beach, Director  
Mayor Chipper McDermott, City of Pass Christian, Director  
Mr. Donald Scharr, Executive Director, HCUA  
Mr. John Wilson, O&M Manager, HCUA  
Ms. Merri Ann Testa, Procurement Specialist, HCUA  
Mr. Michael VanCourt, Comptroller, HCUA  
Mr. Bart Clover, Water/WW/IT Coordinator, HCUA  
Mr. David Perkins, Solid Waste Coordinator, HCUA  
Ms. Patra Roberts, Office Manager, HCUA  
Mr. James Simpson, Wise Carter Attorneys, Esquire

AUDIENCE:

Mr. Bruce Newton, Vice President, Digital Engineering  
Mr. Jeff Riopelle, Vice-President, Knesal Engineering  
Mr. Tom Schachle, Volkert Inc.  
Mr. Derrel Wilson, Utility Partners  
Mr. Tim Callahan, Waste Pro

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

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. Public Comments** – Mayor Hewes opened the floor for public comments. There were none.

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**Non-Agenda Discussion**

Supervisor Ladner asked if Mr. Simpson could provide the Board with an update on the status of the agreement between the HCUA and the Harrison County School District for the water tower lease.

Mr. Simpson stated that the attorney for the school district has prepared an amendment to the lease agreement that has been presented to the HCUA and the school district. The school district has yet to approve the amendment.

Mr. Simpson stated that the amendment should go before the school board at their next Board meeting. Once the amendment has been approved, Mr. Simpson will present it to the HCUA Board.

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**Authorization to Amend Agenda**

Mr. Scharr requested that the agenda be amended to include additional agenda items. The items being added to the agenda are:

- Item F. 2 a 1 – Approval of Amendment No. 2 to Grant Administrator Services Contract with Gouras & Associates, Inc.
  
- Item F. 2 b 3 b – Lorraine Road Emergency Repairs

Mayor McDermott made a motion to approve the amendments to the agenda, 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.

**B. Approval of Board Meeting Minutes dated December 4, 2014**

Mr. Gombos made a motion to approve the Board Meeting minutes dated December 4, 2014, 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 passed.

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**C. Approval of Board Meeting Minutes dated December 18, 2014**

There was a correction to the minutes. Mr. Simpson stated that Mayor McDermott's votes for Items E. 2 a 9 and E. 2 a 10 on page 9 were blank. It was determined to be a typo. The minutes were corrected to reflect an affirmative vote from Mayor McDermott on both items.

Mr. Gombos made a motion to approve the corrected Board Meeting minutes dated December 18, 2014 as amended, 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 passed.

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**D. Approval of Wastewater Claims Docket dated January 9, 2015**

Supervisor Ladner inquired about a payment request for C. C. Lynch that was listed in the claims docket. Mr. Wilson stated that the invoice was needed to replace meters at various facilities.

Mr. Gombos made a motion to approve the January 9, 2015 Wastewater Claims Docket, 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 "B".

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#### **F. a — Financial Reports – Non-CDBG**

Mr. VanCourt stated that currently the Authority is operating under budget. Some facilities may be over their threshold.

Mr. Gombos stated that the overall budgeting performance status is somewhat misleading, with regards to each member agency's individual budgets.

Mayor Hewes requested that, in future reports, Mr. VanCourt include information that will provide broader view of financial performance with regards to each member agencies.

#### **F. b – Financial Reports – CDBG**

Mr. Newton is working with Mr. Scharr to secure approval from MDEQ to utilize any potential remaining grant funds to bring in additional customers within the county.

Mr. Scharr stated he is requesting that some of these funds be used to cover the remaining costs for grant administrator services. This will lessen the direct cost to the HCUA.

A copy of the Financial Report is attached hereto as exhibit "C".

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#### **F. 1 a - S14 Project Award to Most Responsive Bidder (*contingent upon*)**

**Section III Review by MDA legal counsel and MDEQ approval)**

Mr. Newton stated that the decision to award the S14 project bid was based on MDA's review of the Section III regulations. Mr. Newton stated that the lowest overall bidder did not meet Section III qualifications. Mr. Newton recommended that the S14 project bid be awarded to the lowest qualified bidder, Hemphill Construction.

Supervisor Ladner made a motion to approve S14 Project Award to the Most Responsive Bidder, Hemphill Construction, contingent upon MDEQ approval, 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. Copies of the bid tabulation and recommendations are attached hereto as exhibit "D".

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**F. 1 b – 2015 Note Resolution**

Mr. Simpson stated the available balance of the note with Peoples Bank has been gradually reduced based on the projected activity of the HCUA. He stated that this note is used solely for land acquisition purposes. Based on the current outstanding balance and the remaining parcels left for property acquisition, Mr. Simpson recommended that the line of credit be reduced to \$500,000.

Supervisor Ladner made a motion to approve the following Resolution, seconded by Mayor McDermott:

**RESOLUTION TO APPROVE AND RENEW A REVOLVING LINE OF CREDIT SECURED BY A GRANT ANTICIPATION NOTE (REVOLVING LINE OF CREDIT), SERIES 2015A (THE 2015A NOTE), OF SAID AUTHORITY IN THE MAXIMUM PRINCIPAL AMOUNT OF NOT TO EXCEED FIVE HUNDRED THOUSAND DOLLARS (\$500,000) TO RAISE MONEY FOR THE PURPOSE OF PROVIDING INTERIM FINANCING TO DEFRAY THE COST OF (I) THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, REPAIR OR EXTENSION OF ITS TREATMENT SYSTEMS, OR ANY PART THEREOF; INCLUDING BUT NOT ALL INCLUSIVE, THE CONNECTION THEREWITH WITH AND FOR RELATED PURPOSES, AND (II) THE PAYMENT OF EXPENSES INCIDENTAL TO**

**THE ISSUANCE OF THE 2015A NOTE; AND (2) APPROVING A REVOLVING LINE OF CREDIT SECURED BY THE 2015A NOTE OF THE AUTHORITY, TO BE DATED THE DATE OF DELIVERY THEREOF, IN THE PRINCIPAL AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000); AND OTHER RELATED MATTERS**

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 Resolution is attached hereto as exhibit "E".

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**F. 2 a 1 - Approval of Amendment No. 2 to Grant Administrator Consulting Agreement With Gouras & Associates, Inc. (contingent upon MDEQ approval)**

Mr. Simpson stated that Amendment No. 2 is to amend the contract amount to include the remaining funding needed to cover the costs of the CDBG grant administrator contract. The remaining contract costs total \$235,143.84. Mr. Scharr noted that this amendment does not change the original contract amount of \$300,000, which was previously approved by the Board.

Mayor McDermott made a motion to approve Amendment No. 2 to Grant Administrator Consulting Agreement with Gouras & Associates, Inc., contingent upon MDEQ approval, 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 amendment is attached hereto as

exhibit "F".

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**F. 2 b 1 - Approval of Volkert Invoice #01411084 (Pay Request #14) for MDOT SR601-008 (\$1,458.37) (contingent upon MDOT approval)**

Mayor McDermott made a motion to approve Volkert Invoice #01411084 (Pay Request #14) for MDOT SR60-008 (\$1,458.37) contingent upon MDOT approval, 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 invoice is attached hereto as exhibit "G".

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**F. 2 b 2 - Approval of Pineville CIAP Project (Pay Request #23) for \$14,005.17**

Supervisor Ladner made a motion to approve Pineville CIAP Project (Pay Request #23) for legal services related to site acquisition, in the amount of \$14,005.17, seconded by Mayor Skellie. 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 pay request is attached hereto as exhibit "H".

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**F. 2 b 3 a - Emergency Repair to 16 inch Water Line - Joe Husley Well**

Mr. Wilson stated that emergency repairs were performed to the water line at the Joe Husley well, near Woolmarket Road. The damage to the line was a result of a lightning strike. The repair was completed on Sunday, December 28, 2014. The cost of the repair was approximately \$17,000.

Supervisor Ladner made a motion to authorize Emergency Repairs to the 16-inch Water Line at the Joe Husley Well, seconded by Mayor Skellie. 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 recommendation is attached hereto as exhibit "I".

#### **F. 2 b 3 b - Emergency Repair to Sewer Line – Lorraine Road (Biloxi)**

Mr. Wilson stated that the sewer line has been crushed. This section of the line had been repaired previously during the construction of the S19 line. Mr. Wilson stated that the damage was a result of a truck coming off the road and crushing that previously repaired area of the S19 sewer line. The damage has caused a sinkhole and is causing sewage to back-up at the nearby mobile home park.

Mr. Scharr stated that the HCUA is working with the city of Biloxi to attempt to get the mobile home park tied-in to the HCUA sewer system.

Mayor Skellie made a motion to authorize Emergency Repairs to the Sewer Line at Lorraine Road (Biloxi), seconded by Mayor Holloway. 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 recommendation is attached hereto as exhibit "J".

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**F. 2 b 4 - Proposed Amendment No. 1 to Volkert Contract for SR601-008 Sewers (\$26,000) (contingent upon MDOT approval)**

Mr. Clover stated that this amendment is to change the scope of work to the MDOT SR601-008 project.

There was a discussion regarding the additional cost for the project extension when Volkert had already included the closeout in the cost of the original contract.

Supervisor Ladner stated that he would like Volkert to offer further justification for the increase to the contract for project management costs.

Mr. Scharr recommended that the item be tabled until the next board meeting, allowing Volkert to provide further justification for the increase in cost to the contract.

Mayor McDermott made a motion to table item F. 2 b 4 – Proposed Amendment No. 1 to Volkert Contract for SR601-008 Sewers (\$26,000) contingent upon MDOT approval, 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. The item is tabled. A copy of the amendment is attached hereto as exhibit "K".

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**F. 2 b 5 - Proposed Contract Modification to Knesal Engineering Contract For SR601-008 Sewers (\$14,840.75) (contingent on MDOT Approval)**

Supervisor Ladner made a motion to approve the Proposed Contract Modification to Knesal Engineering Contract for SR601-008 Sewers (\$14,840.75) contingent upon MDOT approval, seconded by Mayor Holloway. 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 recommendation is attached hereto as exhibit "L".



**F. 2 b 6 - Recommendation for Construction Contract Award for SR601-008 Sewers to Miller Enterprises, LLC (\$1,204,415.01) (contingent upon MDOT approval)**

Mr. Riopelle recommended that the construction contract award for the MDOT SR601-008 Sewers be awarded to the lowest qualified bidder, Miller Enterprises, LLC. Miller Enterprises had the lowest bid of \$1,204,415.01.

Supervisor Ladner made a motion to approve the Construction Contract Award for SR601-008 Sewers to Miller Enterprises, LLC. (\$1,204,415.01) contingent upon MDOT approval, 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 passed. Copies of the recommendation and bid tabulation are attached hereto as exhibit "M".



**F. 2 b 7 - Authorization for Executive Director to Sign Letters to MDOT Requesting Supplemental Agreements**

Mr. Scharr stated that these letters are the formal request for funding from MDOT to cover the cost of the contract amendments to the engineering and program management cost.

Supervisor Ladner made a motion to authorize the Executive Director to execute the letters to MDOT requesting Supplemental Agreements to the MDOT SR601-008 Sewers Project, seconded by Mayor Skellie. 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. Copies of the letters are attached hereto as exhibit "N".



**F. 2 b 8 - Approval of Third-Party Inspection Testing Services Contract with Action Testing Services for the North D'Iberville Interceptor Project**

Mr. Scharr recommended that this item be tabled until the next meeting, as contract negotiations are still ongoing.

Mayor McDermott made a motion to table item F. 2 b 8 – Approval of Third-Party Inspection Testing Services Contract with Action Testing Services for the North D'Iberville Interceptor Project, 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. The item is tabled.



**H. Executive Director's Report**

Mr. Scharr stated the HCUA has approved the Office of Pollution Control form that will allow the connection of the Love's Truck Stop on County Farm Road. This will allow the HCUA to connect the truck stop directly to our system without using West Harrison County High School as a temporary connection, once the Red Creek Pump Station is completed. The anticipated completion date for the pump station is October 2015. The truck stop will not be ready to connect until November or December of 2015.

Mr. Scharr stated that the masking agents have been increased at the Long Beach/Pass Christian facility to improve odor control. For a more permanent solution, the HCUA is considering installing little john digesters at critical points in the line. Mr. Scharr stated that the digesters may be able to be installed for less than the current budgeted cost for masking agents.

Mr. Scharr stated that the HCUA is making progress with connecting River Bend and Robinwood Forrest facilities to our system. MDEQ has approved the plans for the River Bend connection to the HCUA system. Mr. Simpson has prepared deeds for Robinwood Forrest. Robinwood Forrest is providing the HCUA with land for our pump station and easements.

There was a separate discussion regarding the HCUA responsibility for maintenance and upkeep of the grinder pumps within the newly acquired systems, such as Palmer Creek, Henderson Point, and Tuxachanie. Mr. Simpson stated that they are seeking clarification from MDEQ to clearly define the Authority's responsibilities.

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**I. Executive Session**

Mr. Simpson stated that there was no need for an Executive Session.

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

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Harrison County Utility Authority  
  
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Harrison County Utility Authority