

HARRISON COUNTY UTILITY AUTHORITY

May 7, 2015

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on May 7, 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
Mayor Billy Hewes, City of Gulfport, Director
Mr. Damon Torricelli, representing the City of Biloxi
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
Supervisor Marlin Ladner, Harrison County (1), Director
Mr. Donald Scharr, Executive Director, HCUA
Ms. Merri Ann Testa, Procurement Specialist, HCUA
Ms. Patra Roberts, Office Manager, HCUA
Mr. Michael VanCourt, Comptroller, HCUA
Mr. Bart Clover, Water/WW/IT Coordinator, HCUA
Mr. David Perkins, Solid Waste Coordinator, HCUA
Mr. Reed Bryant, Staff Engineer, HCUA
Mr. James Simpson, Wise Carter Attorneys, Esquire

ABSENT:

Acting Mayor Robert Demming III, City of Biloxi, Director

AUDIENCE:

Mr. Bruce Newton, Vice President, Digital Engineering
Mr. Jeff Riopelle, Vice-President, Knesal Engineering
Mr. Dax Alexander, President, BMA Consulting Engineers
Ms. Lisa Verhovshek, Paralegal, Wise Carter Attorneys
Jason Overstreet, A. Garner Russell & Associates
Mr. John Harris, MDEQ
Mr. Derrel Wilson, Utility Partners
Mr. Bobby Knesal, Utility Partners
Mr. Jim Bozek, Utility Partners
Mr. Tim Callahan, Waste Pro
Ms. Christiana Suggs, Gouras & Associates

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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Corrections to Agenda

Item E – Approval of Wastewater Claims Docket dated April 3, 2015 should read dated May 8, 2015.

The correction has been made to the agenda.

Mr. Scharr is requesting the agenda be amended to add an item as item I. 2 b 2 – Bid Proposal Recommendation for Belt Filter Press Rebuild – West Biloxi Treatment Facility. All subsequent Non-CDBG items will be re-numbered accordingly.

Mayor Skellie made a motion to adopt the proposed changes to the agenda, 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.

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

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B. Approval of Board Meeting Minutes dated April 2, 2015

Mr. Gombos made a motion to approve the Board Meeting minutes dated April 2, 2015, 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 Special Board Meeting Minutes dated April 9, 2015

Mr. Gombos made a motion to approve the Board Meeting minutes dated April 9, 2015, 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.

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D. Approval of Board Meeting Minutes dated April 16, 2015

Mr. Gombos made a motion to approve the Board Meeting minutes dated April 16, 2015, 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.

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E. Approval of Wastewater Claims Docket dated May 8, 2015

Mr. Gombos made a motion to approve the April 8, 2015 Wastewater Claims Docket, 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. A copy of the Claims Docket is attached hereto as exhibit "B".

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F. CDBG - Requests for Cash

Ms. Christiana Sugg of Gouras & Associates recommended the approval of two Requests for Cash: RFC #118 in the amount of \$7,629.23 and RFC #104 in the amount of \$34,472.33. These RFCs are contingent upon approval of the budget modification and Wise Carter Legal Services Amendments.

Mayor McDermott made a motion to approve both Requests for Cash, based on the recommendation of the Grant Administrator, seconded by Supervisor Meadows. 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 RFC summary is attached hereto as exhibit "C".

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G. Technical Committee Minutes

Mr. Gombos made a motion to approve the Technical Committee Minutes dated April 29, 2015, seconded by Mr. Torricelli. 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 Technical Committee minutes is attached hereto as exhibit "D".

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H. a — Financial Reports – Non-CDBG

Mr. VanCourt provided a brief overview of the financial report for the month of April. He stated East Biloxi, West Biloxi, and South Gulfport facilities had carry over budgeted costs for the belt filter presses. The amounts have been included in the budget line items. Mr. VanCourt stated that there was carryover related to the Master Planning budget that has also been included into the budget line item.

Mr. Gombos inquired about any carry over funds for the City of D'Iberville. Mr. VanCourt stated D'Iberville may have some funds remaining. Mr. Gombos asked that the overages be noted properly in the reports.

Mayor McDermott made a motion to receive the Non-CDBG Financial Report, 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.

F. b – Financial Reports – CDBG

Mr. Newton stated that there have been no major changes. He stated three additional projects have been approved by MDEQ.

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

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Old Business

I. 1 a 1 - Utility Partners O & M Contract Amendment

Mr. Scharr presented the Board with Utility Partners O & M Contract Amendment along with three adjustments that have been made to the original contract amendment.

Mr. Scharr recommended the Board authorize him to execute the contract amendment with the proposed changes. The contract amendment authorizes HCUA to assume in-house operations and maintenance of the water systems.

Mr. Gombos made a motion to approve the revised Utility Partners O & M Contract Amendment, seconded by Supervisor Meadows. 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 Contract Amendment is attached hereto as exhibit "F".

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New Business

CDBG

I. 2 a 1 - Legal Services Agreement – Amendment No. 2 – Wise Carter – Increase of \$27,710.02

Mr. Simpson stated that the Legal Services Amendments No. 2 and No. 4 are necessary to increase the funding available for legal services for the remaining

CDBG grant schedule through program close out. The funds are already available in the CDBG grant budget.

Supervisor Ladner made a motion to approve Legal Services Agreement – Amendment No. 2 – Wise Carter – Increase of \$27,710.02, 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 Amendment is attached hereto as exhibit "G".

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I. 2 a 2 - W15 – Legal Services Agreement – Amendment No. 4 – Wise Carter – Increase of \$172,289.98

Mayor Skellie made a motion to approve Legal Services Agreement – Amendment No. 4 – Wise Carter – Increase of \$172,289.98, 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 "H".

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I. 2 a 3 - HARCUA-01 Budget Modification Number 40 – Decrease of \$111,047.26

Ms. Sugg recommended the Board approve Budget Modification No. 40 for a decrease of \$111,047.26. These budget modifications are necessary to move funds for project close out.

Mayor Skellie made a motion to approve HARCUA-01 Budget Modification Number 40 – Decrease of \$111,047.26 based on the recommendation of the Grant Administrator, 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. A copy of the Budget Modification is attached hereto as exhibit "I".

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I. 2 a 4 – HARCUA-02 Budget Modification Number 56 – Increase of \$111,047.26

Ms. Sugg recommended the Board approve Budget Modification No. 56 for an increase of \$111,047.26. These budget modifications are necessary to move funds for project close out.

Mayor Skellie made a motion to approve HARCUA-01 Budget Modification Number 40 – Increase of \$111,047.26 based on the recommendation of the Grant Administrator, 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 Budget Modification is attached hereto as exhibit "J".

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I. 2 a 5 - Approval of Section 3 Corrective Action Plan

Mr. Simpson stated this Corrective Action Plan must be adopted to ensure compliance of enhanced Section 3 requirements. Mr. Simpson stated that this is not an acknowledgement of any Section 3 deficiencies.

Mayor Skellie made a motion to approve Section 3 Corrective Action Plan, 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. A copy of the Corrective Action Plan is attached hereto as exhibit "K".

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I. 2 a 6 - S11 – East Central Harrison County Wastewater Treatment – Engineering Amendment No. 4 – Brown, Mitchell, & Alexander, Inc.

Mr. Newton stated this amendment is needed for administrative close out of the project. The project was completed four years ago. The project had been left open to complete SCADA work.

Mr. Gombos made a motion to approve East Central Harrison County Wastewater Treatment – Engineering Amendment No. 4 – Brown, Mitchell, & Alexander, Inc., seconded by Mr. Torricelli. 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 "L".

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I. 2 a 7 - S14 – West Gulfport Regional Interceptor – Modification No. 8 to Professional Services Agreement - Knesal Engineering Services, Inc.

Mr. Newton stated this is a modification to the Knesal Engineering Contract for an increase of \$7,575.00 for preparation of revised contract documents and specifications and for the re-bidding and qualifying the new contractor.

Mr. Gombos made a motion to approve S14 – West Gulfport Regional Interceptor – Modification No. 8 to Professional Services Agreement - Knesal Engineering Services, Inc., 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 Contract Modification is attached hereto as exhibit "M".

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I. 2 a 8 – W11 – Term Bid 2008-06 Change Order No. 3 (Summary) to Work Order No. 2

Mr. Newton stated the change order represents an increase of 226 days in work order time with a revised work order completion date of December 19, 2013. There is an overall decrease in the amount of \$17,321.05.

Mr. Gombos made a motion to approve W11 – Term Bid 2008-06 Change Order No. 3 (Summary) to Work Order No. 2, seconded by Mr. Torricelli. 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 "N".

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I. 2 a 9 - S15 – West Gulfport Regional Sewer Transmission System Project

Substantial Completion

Mr. Newton stated the project is substantially complete as of May 7, 2015.

Mayor McDermott made a motion to approve West Gulfport Regional Sewer Transmission System Project – Substantial Completion., 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 Amendment is attached hereto as exhibit "O".

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I. 2 a 10 - S10 – Riverbend/Robinwood Project Bid Tentative Recommendation

Mr. Newton stated the bid packages have undergone review by the Program Manager, the Engineer, and the Grant Administrator. Watkins & Eager and Wise Carter have conducted reviews for Section 3 compliance.

Mr. Newton recommended the Board award the bid to the lower bidder, Jay Bearden Construction, in the amount of \$800,282.80, contingent upon MDEQ approval.

Mayor McDermott made a motion to approve S10 – Riverbend/Robinwood Project Bid Tentative Recommendation based on the recommendation by the Program Manager, 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 Bid Recommendation is attached hereto as exhibit "P".

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I. 2 a 11 - Central SCADA System – Contract Modification No. 5

Mr. Newton stated this modification is for additional work requested by HCUA and approved by MDEQ. The revised completion date for all work will be September 30, 2015 and an increase of \$314,565.00.

Mr. Gombos asked about status of the Chlorine Booster Station for the Big John Tank site. Mr. Scharr stated that project will not be able to be implemented under this program and is on-hold. He stated that HCUA wants to continue to monitor to determine if the Booster Station is necessary.

Mr. Gombos asked to be provided with pricing for install of the Booster Station.

Supervisor Ladner made a motion to approve the Central SCADA System – Contract Modification No. 5, 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 Payment Application is attached hereto as exhibit "Q".

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I. 2 a 12 - W13 – Change Order No. 5 to Work Order No. 5

Mr. Newton stated the change order revision is for additional work requested by HCUA to incorporate the chlorine booster station and analyzer. The change order results in an overall increase of \$79,737.24 to the work order amount and an increase of 65 days.

Mr. Scharr stated the amendment is also for additional costs for project management services provided by Digital Engineering related to the additional CDBG projects that were approved by MDEQ.

Supervisor Ladner made a motion to approve W13 – Change Order No. 5 to Work Order No. 5 based on the recommendation of CDBG Program Manager, seconded by Mayor McDermott. A roll call vote resulted in the following votes:

Biloxi	voted	aye
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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 Change Order is attached hereto as exhibit "R".

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I. 2 b 1 - Bid Proposal Recommendation for Belt Filter Press Rebuild – South Gulfport Treatment Facility

Mr. Bryant recommended that the bid be awarded to the single bidder, Alpha Laval Ashbrook Simon Hartley, Inc. in the amount of \$196,670.00.

Mayor McDermott made a motion to approve the Bid Proposal Recommendation for Belt Filter Press Rebuild – South Gulfport Treatment Facility, 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 Bid Recommendation is attached hereto as exhibit "S".

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I. 2 b 2 - Bid Proposal Recommendation for Belt Filter Press Rebuild – West Biloxi Treatment Facility (Added Item)

Mr. Bryant stated that when the project was bid out, it was bid for one belt filter press when it should have included two filter presses.

Alpha Laval Ashbrook Simon Hartley, Inc is the sole source provider of this equipment. Mr. Bryant recommended that the Board disregard their initial bid for the single belt filter press and accept their quote for two belt filter presses in the amount of \$358,480.00.

Mr. Gombos made a motion to reject the initial bid from Alpha Laval, approve the quote for two belt filter presses for \$358,480.00 and certify Alpha Laval

as a sole source provider based on the recommendation of legal counsel, 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 Quote and Certification is attached hereto as exhibit "T".

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I. 2 b 3 - Pineville CIAP Project – Engineering Services Contract Modification No. 1 – Knesal Engineering

Mr. Bryant stated this is a net zero modification to the Knesal Engineering Services Contract for the Pineville CIAP project. The modification moves funds within the budget to allow for unforeseen costs necessary for project completion.

Supervisor Meadows made a motion to authorize Pineville CIAP Project – Engineering Services Contract Modification No. 1 – Knesal Engineering, 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 Contract Modification is attached hereto as exhibit "U".

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I. 2 b 4 - Revised HCUA Connection Policy Review

Mr. Scharr stated that revisions have been made to the HCUA Connection policy. The revisions include:

- A disconnection provision has been added to satisfy MS. Department of Health requirements. (p.4)
- Amended the rates to be consistent with the proposed rates previously presented to the Board
- Removed the section for grinder pumps and on-site step systems and create a separate policy specifically for these

A revised draft of the Connection Policy will be used at the Public Hearing tonight.

Mayor Hewes asked for a revision to be made to the disconnection provision reducing the delinquent time from 4 months to 60 days maximum, prior to presenting at the public meeting.

Mr. Scharr stated that the policy does not imply that HCUA will perform maintenance or repair on private property. He stated these issues will be addressed in the separate policy for grinder and step systems.

No action required. A copy of the draft Connection Policy is attached hereto as exhibit "V".

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I. 2 b 5 - Robinwood Forrest Agreement/Deed Transfer

Mr. Simpson stated the Deed Transfer Agreement allows Robinwood Forest to transfer ownership of the pump station site at no cost to HCUA. He stated the agreement includes an acknowledgement that the property has value, although it was given to HCUA at no cost.

Mayor McDermott made a motion to approve the Robinwood Forrest Agreement/Deed Transfer based on the recommendation of legal counsel, 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 Deed Transfer is attached hereto as exhibit W".

I. 2 b 6 - Fiscal Year 2014 Audit Presentation

Mr. Scharr provided the Board with the draft Audit Report. He recommended that the Audit Presentation be tabled until the May 21, 2015 Board Meeting to allow adequate time for review of the report.

There was a discussion of unspent bond monies, allocation of the interest costs, and possible re-allocation of unspent bond funds to member agencies. Mr. Gombos has requested that the auditors review and advise if HCUA is in compliance with the bond covenants. Mr. Scharr stated that he and Mr. Simpson will develop a scope and a proposal for the auditors to research the matter and report findings back to the Board.

Mayor McDermott made a motion to table I. 2 b 6 – Fiscal Year 2014 Audit Presentation 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 Draft Audit Report is attached hereto as exhibit "X".

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J. Executive Director's Report.

Mr. Scharr reminded the Board of the Public Hearing tonight from 4PM – 7PM at the Orange Community Center. Board members are welcomed, but not required to attend. The meeting has been well-publicized on radio and TV. Notices were sent to all area utility districts and certificated areas.

HCUA has received the application for wastewater services from West Harrison High School.

Mr. John Harris addressed the Board to thank them for their efforts related to completion of the CDBG projects.

Mr. Simpson stated there is a court order mediation scheduled for later in this month related to litigation on the Racetrack & Pringle Road project.

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I. Executive Session

Mayor Hewes asked if there was a need for Executive Session. Mr. Simpson stated there was no need for Executive Session.


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

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Harrison County Utility Authority



Harrison County Utility Authority