

HARRISON COUNTY UTILITY AUTHORITY
BOARD MEETING
September 7, 2017

Be it remembered that a meeting of the Harrison County Utility Authority Board of Directors was held on September 7, 2017, 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 Marlin Ladner, Harrison County (1), Director
Dr. John Kelly, representing the City of Gulfport
Mayor Andrew "Fofa" Gilich, City of Biloxi, Director
Mayor George Bass, City of Long Beach, Director
Mr. Al Gombos, representing the City of D'Iberville
Mr. Danny Boudreaux, representing Harrison County (2)
Mayor Chipper McDermott, City of Pass Christian, Director
Mr. James Simpson, Wise Carter Attorneys, Esquire
Mr. Donald Scharr, Executive Director, HCUA
Ms. Patra Roberts, Office Manager, HCUA
Ms. Julie Christian, Chief Financial Officer, HCUA
Mr. John Wilson, O & M Manager, HCUA
Mr. Alan Lane, Solid Waste Coordinator, HCUA
Mr. David Perkins, Water Coordinator, HCUA

ABSENT:

Mayor Billy Hewes, City of Gulfport, Director
Supervisor Angel Kibler-Middleton, Harrison County (2), Director

AUDIENCE:

Mr. Tim Holleman, Boyce Holleman & Associates
Mr. Peter Abide, City of Biloxi
Mr. Bernie Parker, City of Long Beach
Mr. Wayne Miller, City of Gulfport
Mr. Kris Riemann, City of Gulfport
Mr. Hugh Keating, City of Gulfport
Mr. Derrel Wilson, Utility Partners
Mr. Bobby Knesal, Utility Partners
Ms. Cindy Lamb, Pickering Engineering
Ms. Jenna Bennett, Team Waste
Mr. Andrew Densing, Team Waste
Mr. Cody Waters, Team Waste
Mr. Tim Callahan, Team Waste
Ms. Darlene Gaubert, Team Waste
Ms. Pamela Ducas, Waste Management
Mr. Steve Buber, Waste Pro
Mr. Jon Bierd, Waste Pro

Ms. Brynn Joachim, The Focus Group
Mr. Roddie Matherne, Pelican Waste
Mr. Tommy Thibodeaux, Pelican Waste

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

There being a quorum sufficient to transact business of the Authority, Mayor McDermott 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 McDermott opened the floor for public comments. Mayor Gilich requested to have the old logo on the wall replaced with the new HCUA logo immediately.

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C. Public Hearing on the Proposed FY-2018 Budget and Proposed Water and Wastewater Rates

Mr. Gombos made a motion to open the Public Hearing on the Proposed FY 2018 Budget and Proposed Water and Wastewater Rates, 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.

The public hearing was opened for comments and feedback.

Mr. Scharr advised the board of the recommended water and wastewater rates:

1. Wastewater: Current Rate - \$2.97 per 1,000 gallons. Proposed Rate: No change
2. Retail Water: Current Rate - \$2.65 per 1,000 gallons. Proposed Rate: \$2.52 per 1,000 gallons.
3. Wholesale Water: Current Rate - \$2.42 per 1,000 gallons. Proposed Rate: \$2.30 per 1,000 gallons.

No presentation was made on the proposed FY-2018 budget nor were there any comments/questions from the general public regarding the proposed budget or the proposed water and wastewater rates.

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Non-Agenda Discussion

Mayor McDermott and Mayor Bass advised that the Board agenda packages cannot continue to be distributed late. Board members need adequate time to review the information.

Mr. Gombos re-stated his request to have a draft of the board meeting minutes distributed within two days after the meeting.

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Mr. Gombos made a motion to close the Public Hearing on the Proposed FY 2018 Budget and Proposed Water and Wastewater Rates, 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.

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D. Approval of Board Meeting Minutes dated August 3, 2017

Mr. Gombos made a motion to approve the Board Meeting Minutes dated August 3, 2017, 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.

E. Approval of Special Board Meeting Minutes dated August 10, 2017

Dr. Kelly requested to review Exhibit B as referenced in the meeting minutes.

Mayor Bass made a motion to table the Special Board Meeting Minutes dated August 10, 2017 until Dr. Kelly has been provided with a copy of Exhibit B., 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.

Dr. Kelly was provided with a copy of Exhibit B for his review.

Mr. Gombos made a motion to approve the Special Board Meeting Minutes dated August 10, 2017, seconded by Mayor Bass. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	nay
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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F. Approval of the Corrected Board Meeting Minutes dated August 17, 2017

Dr. Kelly noted a correction to the roll call vote for item E. 2 b – Hiring Third Party Legal Counsel. Gulfport's vote was mistakenly recorded as an aye vote when it was a nay vote.

Mr. Simpson noted that the minutes should reflect that no action was taken during Executive Session.

Mayor Gilich made a motion to approve the Corrected Board Meeting Minutes dated August 17, 2017, 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.

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G. Approval of Special Board Meeting Minutes dated August 24, 2017

Mayor Gilich made a motion to approve the Special Board Meeting Minutes dated August 24, 2017, seconded by Mr. Gombos. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	nay
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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H. Approval of HCUA Claims Docket dated September 8, 2017

Mr. Scharr advised the City of Biloxi has requested the release of \$500,000 of their over/under money and requested the inclusion of this payment on the record of the Board minutes.

Mr. Gombos made a motion to approve the HCUA Claims Docket dated September 8, 2017, along with the recommended payment to the City of Biloxi. The motion was 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 Claims Docket is attached hereto as exhibit "B".

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New Business – CDBG

I.1 a – None.

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New Business

I. 2 a – MS State Board of Health Inspection Reports

Mr. Scharr commended Mr. David Perkins, HCUA Water Coordinator, and his staff for their hard work and efforts. He advised HCUA recently completed its annual inspection by MS Board of Health. He reported that all of the HCUA permitted water systems received a perfect score of 5.0.

Mr. Gombos made a motion to accept the MS State Board of Health Inspection Reports, 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. Copies of the reports are attached hereto as exhibit "C".

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I. 2 b – Draft Water Facilities Operations Agreement – Gulfport, Long Beach and Biloxi

Mr. Simpson provided draft uniform operating agreements with member agencies (Gulfport, Long Beach and Biloxi) with regard to certain portions of the HCUA water systems. These draft agreements would provide a consistent agreement to all member agencies, including Gulfport's request to

assume operations and maintenance of the Three Rivers water line and for existing facilities operations in Biloxi and Long Beach. A review of HCUA files indicated that not all HCUA water facilities being operated by a member agency had an operating agreement in place to provide for such services.

Mr. Gombos made a motion to approve the Draft Water Facilities Operations Agreement – Gulfport, Long Beach, and Biloxi and authorize Mr. Scharr to revise all existing O & M agreements to conform to this agreement template and present those back to the Board, 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. Copies of the agreements are attached hereto as exhibit "D".

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I. 2 c – Solid Waste Amendments to Provide Service to Gulfport – Team Waste and Pelican Waste

Mr. Simpson provided the Board with amendments to include the City of Gulfport in the solid waste services contracts provided by Team Waste and Pelican Waste. Mr. Simpson advised Team Waste and Pelican Waste would begin services to Gulfport only if a Notice to Proceed is issued by HCUA. There was discussion of rates for legal fees associated with the third party counsel and proper engagement for moving forward with the lawsuit.

Dr. Kelly requested the Board consider the Memorandum of Understanding that Gulfport sent out on yesterday.

Mr. Holleman advised the Board that a hearing has been set for Monday, September 11, 2017 at 1:30 PM.

Mr. Holleman advised the only change to Gulfport's Memorandum of Understanding was changing the phrase "will suffer these losses" to "allege you will suffer these losses". He stated that change leaves it open for discussion whether or not these are actual losses.

Mr. Holleman advised Waste Pro has filed a Motion to Intervene today. He stated he will talk with Waste Pro's attorney today after the board meeting.

There was a discussion regarding the impact of not having an approved budget for the next fiscal year by October 1, 2017.

Mr. Gombos made a motion to approve the Solid Waste Amendments to Provide Service to Gulfport – Team Waste and Pelican Waste, seconded by Supervisor Ladner. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	nay
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 amendments are attached hereto as exhibit "E".

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I. 2 d 1 – Consideration for Adoption - Proposed FY-2018 Water and Wastewater Rates

Mr. Gombos made a motion to approve the Proposed FY-2018 Water and Wastewater Rates, 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 memorandum is attached hereto as exhibit "F".

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I. 2 d 2 – Consideration for Adoption - Proposed FY-2018 Budget

Mr. Gombos made a motion to approve the Proposed FY-2018 Budget, seconded by Mayor Bass. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	nay
D'Iberville	voted	aye

Long Beach	voted	aye
Harrison County (1)	voted	aye
Harrison County (2)	voted	aye
Pass Christian	voted	aye

The motion failed for lack of a unanimous vote. A copy of the proposed budget is attached hereto as exhibit "G".

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J. Executive Director's Report

Mr. Scharr recommended authorization to notify Team Waste and Pelican Waste of the number of contractual units based on the house count. He recommended using the RFP-established house count number of 69,985.

Mr. Gombos made a motion to provide notification to Team Waste and Pelican Waste of the annual house count number of 69,985, 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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K. Executive Session

Supervisor Ladner made a motion to enter into closed session to determine the need for Executive Session, 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.

Mr. Holleman stated the need to discuss pending litigation involving the City of Gulfport.

Supervisor Ladner made a motion to enter Executive Session, 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. The Board entered into Executive Session.

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Mr. Gombos made a motion to exit Executive Session and return to Open Session, 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. The Board returned to Open Session.

There was no action taken during Executive Session.

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Dr. Kelly stated he was unaware that the house count of 69,985 included the City of Gulfport.

Dr. Kelly made a motion to reconsider the vote to provide notification to Team Waste and Pelican Waste of the annual house count number of 69,985, 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.

Mr. Gombos made a motion to provide notification to Team Waste and Pelican Waste of the annual house count number of 69,985, seconded by Supervisor Ladner. A roll call vote resulted in the following votes:

Biloxi	voted	aye
Gulfport	voted	nay
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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L. Adjourn - At this time Mr. Gombos made a motion to adjourn, 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 to adjourn passed.

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Harrison County Utility Authority



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