

MINUTES
HARRISON COUNTY DEVELOPMENT COMMISSION
June 18, 2019

A regular scheduled meeting of the Harrison County Development Commission was called to order at 8:17 am on Tuesday, June 18, 2019 at Harrison County Development Commission, Gulfport, Mississippi.

Commissioners present: President Jimmy Levens, Brian Gollott, John "Shorty" Sneed, Cliff Kirkland, Mark Schloegel, Sam LaRosa, Frank Bordeaux, Sharon Bentz-Mustered, Jennifer Burke, and Rip Daniels. Commissioners absent: Frankie Castiglia, and Warren Conway.

Staff members present: Executive Director Bill Lavers, Marcia Crawford, Lori Frazier, Brandi Hough, Jayden McGee, Derek Duckworth, Ellie Herndon, Jacoby Broandnax, and Michelle McGraw as recording secretary.

Consultants present: Legal Counsel Jim Simpson and Don Clark with DCC Consultants.

The media was notified of this meeting.

I. CALL TO ORDER

President Jim Levens called the meeting to order at this time.

II. Agenda Adjustment

President Jimmy Levens announced the agenda adjustments which were the following:

- Executive Director Bill Lavers presented Exhibit D Clause to the Land sale for LNJ Services was added.
- President Jimmy Levens announced the scheduled meeting for June 18th was posted online via our website and in the SunHerald for public announcement. We will start announcing this at every meeting.

III. INTRODUCTION OF GUESTS

Cindy Lamb, Charlene Kerkow, Mike Guel of Wright, Ward, Hatten and Guel PLLC

IV. MEETING MINUTES

Motion was made by Commissioner Cliff Kirkland to approve the May 21, 2019 meeting minutes and seconded by Commissioner Rip Daniel. After discussion, the clarification was made the minutes from the 21st meeting was to count as official minutes. And correction was requested by Commissioner Sam LaRosa to edit the minutes that verified the expenses for the innovation center, were previously put under utilities and have been corrected. No further discussion was made and the motion carried unanimously.

GUESTS / COMMENTS

Charlene Kerkow presented the Audit results.

V. Vote Items

- **Audit Results** – A presentation was given by Charlene Kerkow explaining the audit results. After the presentation the discussion took place questioning page 7 of the Land Inventory approximate sales price per acre, the audit showed \$50,000 -

\$175,000, Commissioner Sam LaRosa stated this info was based on previous data going back several years. Commissioner Sam LaRosa stated we do not have the infrastructure expenses figured into the cost per acre and the actual sale price per acre is between \$27,000 to \$30,000 not \$12,750. Charlene stated the price per acre did not include costs associated with infrastructure and the net value of just land over the years has depreciated and that is how the price was figured.

Commissioner Jennifer Burke questioned what the \$9.3 Million represented in the report. Charlene explained this was not land inventory it was capitol assets with infrastructure figured in. Commissioner Sam LaRosa questioned one last part of the audit. Where was the cost of land sold, Charlene stated it was listed as net land and the report did not include much more detail on it. After no further discussion Commissioner Jennifer Burke motioned to approve the Audit and it was seconded by Commissioner John "Shorty" Sneed. No other discussion took place, the motion carried unanimously.

- **Land Sale LNJ Services Inc. 10 Acres** – Executive Director Bill Laver presented the land sale and description of location with an added clause to the agreement of a performance bond. Commissioner Mark Schloegel motioned for discussion and it was seconded by Commissioner John "Shorty" Sneed. After discussion it was decided a 2nd appraisal should be obtained to justify the true value of the land before sale. It was decided to table the land sale subject to the bond that wasn't attached to the clause and a 2nd appraisal to be done without the contract details. The sell price of the property would be determined by the greater appraisal value. Executive Director Bill Lavers asked to add the option to lease the property on a month to month basis till the sale was finalized. Commissioner Mark Schloegel made a motion to table it and Commissioner John "Shorty" Sneed seconded the motion. No other discussion took place, the motion carried unanimously.

- **Land Sale John Fayard Storage 1.8 Acres** – Executive Director Bill Lavers presented the details for the sale and Attorney Jim Simpson explained how to prepare the Warranty Deed to the property since it is in question of who it belongs to. Commissioner John "Shorty" Sneed made a motion to approve and Commissioner Frank Bordeaux seconded the motion. After discussion, Sam LaRosa stated it was \$12,800 per acre and the auditor states our property is worth \$50,000 per acre, Commissioner Jennifer Burke questioned who is doing the appraisals. Executive Director Bill Lavers stated Jason Gardner does all the appraisals for HCDC. Commissioner Sam LaRosa stated we needed to get an appraisal that does not include the contract price. After further discussion it was decided to table this until an additional appraisal was obtained. Commissioner John "Shorty" Sneed changed his motion table it. Commissioner Frank Bordeaux seconded the motion. Motion carried unanimously.

- **Land Sale Pipefitters and Plumbers Local 568 4.2 acres** – Commissioner Sam LaRosa motioned to get a second appraisal that did not involve the contract sale price. Commissioner Mark Schloegel seconded the motion. Executive Director Bill Lavers questioned the sudden change to how we do land sales. We are now wanting a 2nd appraisal and who would be responsible for paying for it. After further discussion Commissioner Cliff Kirkland stated this was an issue that needed to be on the agenda for subject of discussion for the next committee meeting as a recommendation to the board that we consider a new policy. Commissioner Sam LaRosa motioned to table and Commissioner Mark Schloegel seconded it, the motion carried unanimously.

- **Auto Lease Agreement** - Commissioner Sam LaRosa motioned to approve, Commissioner John "Shorty" Sneed seconded it. No other discussion took place, all in favor Aye. A Roll call vote took place. 9 Affirmative votes motion passed.

Commissioner Brian Gollott, Cliff Kirkland, Frank Bordeaux, Sam LaRosa, Sharon Mustered-Bentz, Mark Schloegel, John Sneed (Shorty), Jennifer Burke, and Jim Levens voted Aye.

- **Resolution for HCDC Site Development Grant Signature** – Commissioner Frank Bordeaux made the motion to approve, Commissioner Jennifer Burke seconded. Commissioner Sam LaRosa confirmed with Executive Bill Lavers all the bills have been submitted already to get reimbursement for the \$50,000. After no further discussion, a roll call vote took place. 9 Affirmative votes motion passed.

Commissioner Brian Gollott, Cliff Kirkland, Frank Bordeaux, Sam LaRosa, Sharon Mustered-Bentz, Mark Schloegel, John Sneed (Shorty), Jennifer Burke, and Jim Levens voted Aye.

- **Resolution for Authorized Signature for Grant Reimbursement** – Attorney Jim Simpson stated Exhibits G & I were merged into the same resolution for the **Sub Award Agreement between the Mississippi Department of Environmental Quality** and the HCDC. Executive Director Bill Lavers opened discussions and gave details involving this grant and funding reimbursement time frames that may not be in the best interest of the HCDC. Commissioner Frank Bordeaux motioned to table this and request a financial outlay from MDEQ and a time frame. Cliff Kirkland seconded the motion. After further discussion President Jimmy Levens suggested moving the grant project to an adjacent property that would be better for HCDC. Commissioner Cliff Kirkland suggested we amend and update the portal requesting the change. More discussion took place, issues on how we would fund the project, the reimbursement time frames, ability to back out of the project if it ran over budgets, and if anyone discussed these issues with the Governor's office. No other discussion took place, all in favor to table this item aye, the motion carried unanimously.

A. Finance (Sneed, Chairman)

- **Financial Statements for May 2019**
Commissioner John "Shorty" Sneed gave a detailed breakdown of financials and made a motion to approve the May 2019 Operation financial statements and seconded by Commissioner Jennifer Burke. After no further discussion, the motion carried unanimously.
- **Financial Claims for May 2019**
Commissioner John "Shorty" Sneed gave a detailed breakdown of financial claims and made a motion to approve the May 2019 Financial Claims, Commissioner Sam LaRosa seconded the motion. After no further discussion, motion was approved unanimously.

COMMITTEE ACTIVITIES

A. Marketing & Industrial

B. Administrative, Engineering & Maintenance

Schedule a meeting to discuss new way to handle land sales and appraisals. President Jimmy Levens said to be sure to invite Attorney Jim Simpson to attend.

Discussion took place about wetland permits, the estimate bid amount to clear and grub the 20 acres of land. Commissioner Sam LaRosa said we should not commit to the wetland permits we should put it on hold. President Jimmy Levens said we needed to call the Corp and see how long we can put this off till we have to purchase the wetland permits. Decision was made to take this under the committee.

Team Reports

Team Reports was provided.

VI. Directors Report

Bill Lavers provided a Directors Report.

VII. Old/New Business

- **Trust Balance/Lori**

Attorney Jim Simpson provided Lori with copy of earnest money check reimbursement before the meeting.

- **Auto Policy**

Attorney Jim Simpson explained the general automobile policy was for everyone and also included a specific policy for the Executive Director's use as a commuter vehicle. Commissioner Sam LaRosa brought up tax advise and recommended to remove the verbiage of commuter vehicle from the policy and to remove the last paragraph on page 2 concerning taxable treatment of personal use of expedition. Commissioner Sam LaRosa motioned to approve this document as amended and Commissioner Jennifer Burke seconded it. No further discussion, motion was approved unanimously.

- **Existing Credit Card use for travel and small misc. items**
Executive Director Bill Lavers clarified the use of this credit card for Commissioner Sam LaRosa and Commissioner John “Shorty” Sneed. This credit card was originally approved for travel only but the HCDC needs to update the use for travel and meals and small misc. items. Attorney Jim Simpson stated the strict rules we needed to look into for travel purposes to make sure we are legal. Lori Frazier will follow up with the auditor on what we need to comply with.
- **New Credit Card for HCDC Auto Leased vehicle for gas and maintenance only with Charter Bank limit \$5000.00**
Executive Director Bill Lavers clarified this credit card was for fuel and maintenance only on company vehicles. Commissioner Sam LaRosa motioned to approve the credit card and use. Commission Frank Bordeaux seconded it. No further discussion, motion was approved unanimously.
- **Internal Policy Update**
Attorney Jim Simpson explained our policies needed to be updated and added to the policy manual and part of the minutes. We do not require resolution votes on internal policies since they are not law. Commissioner Jennifer Burke motioned to approve the policy, seconded by Commissioner John “Shorty” Sneed. No further discussion, motion was approved unanimously.
- **Antifraud Policy Update**
Commissioner Jennifer Burke motioned to approve and Commissioner Frank Bordeaux seconded it. No further discussion, motion was approved unanimously.
- **Open Records Policy Update**
Attorney Jim Simpson recommended the current changes and matched our new policy to the Harrison County’s policy as much as possible. Commissioner Jennifer Burke made a motion to approve, Commissioner John “Shorty” Sneed seconded it. No further discussion, motion was approved unanimously.

VIII. Legal

IX. **Announcements/Notices**

X. ADJOURN

There being no further business to come before the Commission, Commissioner Jennifer Burke made a motion to adjourn and seconded by Commissioner Brian Gollott.



Jimmy Levens, President



Mark Schloegel, Secretary