

**MINUTES**  
**HARRISON COUNTY DEVELOPMENT COMMISSION**  
**October 15, 2019**

A regular scheduled meeting of the Harrison County Development Commission was called to order at 8:16 am on Tuesday, Oct 15<sup>th</sup>, 2019 at Harrison County Development Commission, Gulfport, Mississippi.

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

Staff members present: Executive Director Bill Lavers, Marcia Crawford, Lori Frazier, Brandi Hough, Gia Blackwell 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 via the Sun Herald and our <http://mscoast.org> website.

**I. CALL TO ORDER**

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

**II. AGENDA ADJUSTMENTS**

President Jimmy Levens announced the following adjustments:

- John Fayard Self Storage LLC Land Sale was added to the items for a vote.
- Executive Session to be held at the end.

The motion was made by Frankie Castiglia to accept the adjustments and it was seconded by Jennifer Burke. No further discussion took place, all in favor Ayed and the motion carried.

**III. GUESTS / COMMENTS**

Mike Holmes, Steve Brooks, Dax Alexander, and Cindy Lamb were present.

**IV. MEETING MINUTES**

The motion was made by Commissioner Cliff Kirkland to approve the Sept 17, 2019 meeting minutes. Commissioner Frankie Castiglia seconded the motion. No further discussion took place, all in favor Ayed and the motion carried unanimously.

**INTRODUCTION OF GUESTS**

Mike Holmes, Steve Brooks, Dax Alexander, and Cindy Lamb were introduced.

**V. *Vote Items***

- **Jeff Register Land Sale – Exhibit B** – President Jimmy Lavers stated the Marketing Committee approved this and we need to officially make a motion on it today. Commissioner Cliff Kirkland made the motion to approve the sale and it was seconded by John (Shorty) Sneed. No other discussion took place, all in favor Ayed.

A Roll call vote took place. 10 Affirmative votes and the motion passed.

Commissioner Jimmy Levens, Brian Gollott, John (Shorty) Sneed, Cliff Kirkland, Frankie Castiglia, Jennifer Burke, Frank Bordeaux, Sharon Bentz, and Mark Schloegel, Warren Conway voted Aye.

- **John Fayard Self Storage LLC Land Sale – Exhibit B-1** – President Jimmy Levens stated the HCDC does own the land so this is back up for a vote. Commissioner Mark Schloegel made a motion to approve the sale and it was seconded by Commissioner John (Shorty) Sneed. Bill Lavers explained the appraisal was originally done on the full parcel of 1.4 acres and the actual sale is only 0.6 acres. No other discussion took place, all in favor Ayed and motion carried unanimously.

A Roll call vote took place. 10 Affirmative votes and the motion passed.

Commissioner Jimmy Levens, Brian Gollott, John (Shorty) Sneed, Cliff Kirkland, Frankie Castiglia, Jennifer Burke, Frank Bordeaux, Sharon Bentz, and Mark Schloegel, Warren Conway voted Aye.

- **Nomination Committee elections.** The nominating committee recommended the following appointees:
  - President – Cliff Kirkland
  - Vice President – Jimmy Levens
  - Treasurer – Jennifer Burke
  - Secretary – Frank Bordeaux

Commissioner Frankie Castiglia made the motion to accept the following nominees and it was seconded by Commissioner John (Shorty) Sneed. All in favor Ayed and the motion carried unanimously. President Jimmy Levens congratulated the newly elected officers. New officers will take positions in January 2020.

A. **Finance** (Sneed, Chairman)

- **Financial Statements for Sept 2019 Exhibit C**

Commissioner John (Shorty) Sneed reviewed the breakdown of financials for September and the end of the year. He didn't see anything out of the ordinary and pointed out a few items which included the surveys, appraisals for the land we approved to sell and the pre-planned travel expenses (we no longer use a credit card for travel) and explained what they were for. He suggested we accept the financials together in one motion.
- **Financial Claims for Sept 2019 Exhibit D**

Commissioner John (Shorty) Sneed reviewed the financial claims and pointed out the cost of the maintenance repairs needed, the Innovation Center electric bill of \$25,000 and the paving of the road of \$60,000. The total paving cost was \$260,000 and the City of Gulfport is to pay \$100,000 and the County is to pay the remaining \$100,000. Commissioner John (Shorty) Sneed made a motion to accept the Sept 2019 financial statements

and financial claims together (**exhibits C and D**) and Commissioner Jennifer Burke seconded the motion. Everyone in favored Ayed. After no further discussion, the motion was carried unanimously.

## **COMMITTEE ACTIVITIES**

### **A. Marketing & Industrial**

Executive Director Bill Lavers gave the update. Water and Sewer Services are now payable online thanks to Michelle McGraw and Lori Frazier. Jacoby is still working on the app so our customers can access their accounts via cell and pay through mobile, the new IOS 13 update has us reconfiguring the app. The water and sewer department implemented the rate increase of 5% as of October 1<sup>st</sup>. All customers were notified in advance with a letter and reminder on their last bill before the rate went into effect.

The Innovation Center was discussed and the committee came up with a list of items we think should be presented to them in writing. Bill stated our budget only approved \$24,000 for the Innovation Center. Jimmy Levens stated he thinks we should have a 3<sup>rd</sup> party audit on the Innovation Center at our expense to see exactly where they stand. Jimmy also mentioned we still get no responses back from the Innovation Center. After speaking with Connie and Beverly, we all understand we need to do something. The building is old and tired and need to quit kicking the can and play ball. Jimmy asked the board if someone would like to make the recommendation to order a 3<sup>rd</sup> party audit and if so, how far back did should we go. The Innovation Center has been using the same individual to do their audits for many years which could be persuaded by Steven. Bill Lavers suggested we make an amendment to the motion to require an audit and also include all the items we have asked for in writing. Commissioner Warren Conway made the motion to have a 3<sup>rd</sup> party audit done on the Innovation Center. Frankie Castiglia seconded the motion and opened it for discussion. He asked if we could include any of the bullet points asked for previously by the HCDC along with the audit. Commissioner Cliff Kirkland suggested we find out what all is already included in an independent audit and use that in the RFP. Mark Schloegel said the audit would not include the current leases, amounts paid, terms of leases and that is something we need to know. Jimmy Levens suggested we put a scope on the audit to include them. Frank Bordeaux asked legal counsel Jim Simpson if the Innovation Center had to respond to this audit request. Jim stated no, we are just in contract with them and we do not have a right to their books but if they cooperate with us and we work together they should not have any issues with it. If they denied the request, they could count on cancellation of the contract from us very quickly.

Jimmy Levens closed the discussion by confirming the motion made by Warren Conway and seconded by Frankie Castiglia to have a 3<sup>rd</sup> party audit done on the Innovation Center. No further discussion took place, all in favor Ayed and the motion carried.

Executive Bill Lavers brought up before we leave the subject, Lori Frazier Director of Finance needs to know how we justify the payments made for the

Innovation Center since our budget only approved \$24,000 annually for the management fee. Do we write the normal amount till the \$24,000 is exhausted which is \$6,666.66 per month, or do we pay \$2,000 a month which is budgeted for the next 12 months or pay the entire amount upfront of \$24,000? Jimmy said to divide it up monthly like we have been doing it and pay the \$2000 a month.

Bill Lavers gave an update on the Alliance Lobbyist Proposal. He said it has been tabled due to a conflict with Manning and other contracts he has in place but he will be available to work with us on Jan 2020.

Bill also stated we received a grant for \$57,900 from the State Workforce Investment Board and in the process of getting signatures. It is designed to create an internship program for 40 students. We are hoping to increase that to 60 kids in the apprentice program and helping to orchestrate it. On Friday we will be doing a new application to the department of education for a grant. Bill introduced our new Project Manager, Gia Blackwell who will be handling compliance and writing grants.

## **B. Administrative, Engineering & Maintenance**

Jimmy Levens stated we have made improvements in the water-sewer department and handed it over to Bill to give the update. Bill stated we have corrected the water meter read issues and Michelle McGraw and Lori Frazier have put in a lot of work to place controls over water and sewer services. We now have controls put in place and a process that must be followed before services can be turned on or off. We are also in the process of securing our vacant meters with locks so no more turning water on without permission. Our customers now have the ability to pay and manage their accounts online. Water and sewer services will be provided by the HCDC to our Saucier Industrial Park thanks to Don Clark for working out a deal with HCUA. Frankie Castiglia asked what the problem was with reading the meters. Bill simply stated human intervention and he would tell him later.

## **Team Reports**

- Executive Director Bill Lavers gave a report he has a contract in the works and received a letter of intent to purchase the 72 acres next door with very little wetlands litigation. There is still a lot of work to do but he just got the letter of intent last Friday and will keep us posted.

Frank Bordeaux asked where we were on the CRISI Grant, Bill stated we didn't have a budget in place in time for it. We were advised by John Elliot to not submit since we do not own the railroad.

- Marcia Crawford gave her report, she is helping promote the ACT Work Ready Initiative and asked everyone to help support. She also gave an update on the FL Crane Ground Breaking Ceremony was a huge success and received lots of media attention. She updated how the Coastal Partnership meeting was offsite and hosted by the Marine Mammal Institute.

And how we had a spot with the Coastal Mississippi sharing a table at Cruising the Coast.

- Brandi Hough gave her report on her meetings in Jackson MS and current projects in the works. She was asked about Project Florida and she stated they were 50/50 on the site not happening right now due to the seller having trouble with their company. So now they are looking at greenfield sites, we gave them 4 they seem to be excited about.

## VI. Directors Report

Executive Bill Lavers presented his report with updates throughout the meeting. No physical report was presented.

## VII. Old/New Business

- **Cancellation of Mike Holmes Lease** – Bill has met with Mike Holmes; he was going to trade lease location from Gulfport to Long Beach but now he doesn't want to do either. His recommendation is to let him out of the current lease without the 120-day penalty. Motion made by Frankie Castiglia to approve, then discussion opened up. Jimmy Levens explained the history of his current lease and due to circumstances, he wants out of the lease. Shorty asked about the penalty fee. Asked if we collected any money at all, Bill suggested we make a motion to collect what rent is due till the time of cancellation which was through this month. The motion was made all in favored Ayed and the motion carried.
- Commissioner Castiglia opened it back up for discussion on how much money is Mike Holmes responsible for. Jim stated last month and this month. Frankie suggested we prorate the rent for October and use today as the official day of cancellation. Mike Holmes then asked to speak. He stated he sent in a letter 2 months ago asking to change properties and was doing so as a favor to the HCDC. He said he was asked to move to a new location due to a problem with some other properties. So, he sent in a letter and in that letter asked to receive his rent money back. He stated for the last 2 months he hasn't had a key to get into the property due to us trying to stop someone from dumping on it. He stated he didn't think it was fair to pay rent for 2 months he didn't have a key to access the property. Legal Counsel Jim Simpson asked him why he didn't ask for a key he could have had one if he wanted one, he chose not to get one. Frankie suggested to do a revote and made a motion to make Mike Holmes pay rent through September and not October and to cancel his lease agreement with no penalty. The motion was seconded by Frank Bordeaux; no further discussion took place. Mike Holmes stated he would pay through September. All in favor Ayed.

Warren Conway Nayed and John (Shorty) Sneed Nayed. The motion carried.

- **Pump Station #4 Emergency Repair** – Bill explained we found out it would take 12 weeks to build the pump so it's not an emergency we have a backup plan if it does go out. A brief discussion took place to put it out for bid now instead of waiting for it to be an emergency.

Frankie Castiglia made a motion to put this out for bid when the scope is ready, Frank Bordeaux seconded the motion. No further discussion took place. All in favor Ayed and the motion carried unanimously.

- **BIDS CLOSED** – Bid closed for the Land Clearing and Grubbing on an as need basis with an optional annual contract to be renewable. This is also transferrable to a customer. WC Fore was the low bidder at \$6,100 per acre. Motion made by John (Shorty) Sneed to approve the bid and it was seconded by Frankie Castiglia. Jennifer Burke asked how many bids we received; Jimmy answered her with 2 and made it known we posted this to the newspaper, our website, the magic website, and state websites as well. No further discussion took place. All in favor Ayed and the motion carried unanimously.

Jennifer Burke asked to produce a tabulation sheet for the bid process from this point on.

#### VIII. Legal

RFQ went out for accounting.

#### IX. **Announcements/Notices**

- **Office closed in November for the following holidays:**

- November 11 (Veterans Day)
- November 28-29 (Thanksgiving)

**Next Board of Commission Meeting: Nov. 12, 2019 @ 8:15 a.m.**

- John (Shorty) Sneed made a motion to close the meeting and go into executive session to discuss a specific personnel matter. It was seconded by Jennifer Burke. No further discussion took place, all in favor Ayed and the motion carried unanimously. Executive Session began 9:06 am.
- Executive Session closed with no actions taken. The meeting continued and the motion was made to give Bill Lavers a 7% salary increase by Cliff Kirkland and it was seconded by Warren Conway. No further discussion took place, all in favor Ayed and the motion carried unanimously.

#### X. ADJOURN

There being no further business to come before the Commission, Commissioner Warren Conway made a motion to adjourn and seconded by Commissioner Jennifer Burke. The meeting was adjourned.

  
Jimmy Levens, President

  
Mark Schloegel, Secretary