

MINUTES
HARRISON COUNTY DEVELOPMENT COMMISSION
April 14, 2020

A regularly scheduled meeting of the Harrison County Development Commission was called to order at 8:18 am on Tuesday, April 14th, 2020 at Harrison County Development Commission, Gulfport, Mississippi.

The Commissioners present were: President Frankie Castiglia, Jimmy Levens, via phone conference Mike Leonard, Jennifer Burke, John "Shorty" Sneed, Warren Conway, Sharon Bentz Mustered, Rip Daniels, Windy Swetman and Mark Schloegel and Brian Gollott.

Commissioners Absent: 0.

The staff members present were: Executive Director Bill Lavers and Michelle McGraw as recording secretary.

Consultants present: Legal Counsel Jim Simpson via phone and Ron Jenkins Engineering Consultant.

The media was notified of this meeting via the Sun Herald and our <http://mscoast.org> website.

I. INVOCATION AND PLEDGE – OPEN MEETING & CALL TO ORDER

After the Invocation and pledge, President Frankie Castiglia opened the meeting and called to order at this time, and acknowledged the public notice was given.

II. AGENDA ADJUSTMENTS

President Frankie Castiglia announced the following adjustments:

- Resolution for Leidos Lease to be tabled.
- Request to go into an executive session was made for the purpose of a prospective purchase, sale, or leasing of lands.

The Motion was made by Commissioner Jimmy Levens to amend the agenda and go into executive session, it was seconded by Commissioner Windy Swetman. There was no discussion. The Motion received the affirmative vote of the Commissioner as follows:

Yeas: 12 - Jimmy Levens, Brian Gollott, Mike Leonard, Frankie Castiglia, Jennifer Burke, Rip Daniels, Windy Swetman, John "Shorty" Sneed, Warren Conway, Sharon Bentz Mustered, and Mark Schloegel, and Frank Bordeaux.

Nays: 0

III. GUESTS / COMMENTS

NA.

IV. MEETING MINUTES

The Motion was made by Commissioner Jimmy Levens to approve the March 17th, 2020 meeting minutes. Commissioner Windy Swetman seconded the Motion. There was no discussion, and the Motion received the affirmative vote of the Commissioners as follows:

Yeas: 12 - Jimmy Levens, Brian Gollott, Mike Leonard, Frankie Castiglia, Jennifer Burke, Rip Daniels, Windy Swetman, John "Shorty" Sneed, Warren Conway, Sharon Bentz Mustered, and Mark Schloegel, and Frank Bordeaux.

Nays: 0

INTRODUCTION OF GUESTS

No guests.

V. *Vote Items*

- **Smart Meter Bid Award Resolution** – Executive Bill Lavers stated we received 2 bids, both the bid tabulation and bids are included in agenda packet. The staff's recommendation is to award the bid to RG3 Meter Install Group for the \$95,249.00.

Jimmy Levens had a question if the smart meters were going to be radio read. Consultant Ron Jenkins answered with yes and this type of smart meter was recommended by our water operator.

Warren Conway asked if we included any wording to the bid to include minority participation and discussion took place and it was agreed that minority participation would be included in all future bids.

Jennifer Burke asked if there were any monthly fees involved to do the radio readings. Ron Jenkins and Michelle McGraw answered the only fees are the yearly license and module add-on to our billing software which would not be more than a \$1000 a year.

John Shorty Sneed asked who RG3 was since the bid referred to RG3 Meter Install Group. Ron Jenkins clarified the meter reference is an RG3 meter and the Meter Install Group was the company that gave us the quote.

Windy Swetman had questions on why there was such a huge difference in the bid amounts, he asked if we did reference checks and background checks since they were so much less expensive. Engineering Counsel Ron Jenkins answered yes, we did check into them and they have been around for several years and came highly recommended by our water operator who has worked with this company and meters before.

The Motion was made by Commissioner Jimmy Levens to approve the low bidder and recommendation by the staff to approve the RG3 Meter Install Group for the \$95,249.00 and to ask if there was any kind of minority participation. The motion was seconded by Commissioner Mark Schloegel.

There was no discussion, and the Motion received the affirmative roll call vote of the Commissioners as follows:

Yeas: 11 - Jimmy Levens, Brian Gollott, Mike Leonard, Frankie Castiglia, Jennifer Burke, Rip Daniels, Windy Swetman, John "Shorty" Sneed, Sharon Bentz Mustered, and Mark Schloegel, and Frank Bordeaux.

Nays: 1 - Warren Conway.

- **Financial Statements and Claims for February Exhibit D, E & F -**

Commissioner Jennifer Burke reviewed the Year to Date Budget Analysis and stated she made a few changes which shows us only using about 51% of our expense budget. Capital income we are 24% over budget so that is good. The only thing she wants to look into is the \$50,000.00 we have set aside for marketing and promotions. The board did decide to put more into marketing to get our name out there more, but she does not know what our marketing plan looks like so that is something she will be looking into.

On the Utility side the income portion which is the first line shows \$388,000 which is almost exactly on budget. On the expense side you see we have only spent about 50% of our budget. In the next couple months, we will see the numbers on the expense side come much closer to budget due to the bid awards for the tank painting, pump station 4 and the smart meters.

Executive Director Bill Lavers added that Lori's report should have shown a 124% over budget in capital showing we have earned more than shown. We did this as a quick snapshot to show where we are month to month and asked Lori to give Jennifer a call to start working on this year's budget.

Jennifer proceeded on with her review of the financials and stated Exhibit C has a land cash deposit. This is where we have been depositing escrow checks, but we have not been moving the payment out and into one of our capital accounts after we close. That is the only change to the balance sheet and will show what we truly have in the escrow and capital spending account.

On statement of earnings, we have a change to make under refunds and reimbursements under income. This account should be used when we have reimbursables or refunds from the previous year. A lot of what is in that account currently is reimbursables from this year's expenses and will get those moved. This will get cleaned up over the next couple of months.

On claims Jennifer Burke did not find anything out of the ordinary.

Commissioner Jennifer Burke made a Motion to approve Exhibits D, E & F and Commissioner Jimmy Levens seconded the Motion. There was no discussion, all in favor of Ayes and the Motion carried.

COMMITTEE ACTIVITIES

A. Marketing & Industrial

Executive Director Bill Lavers stated for marketing he spoke with a company called Chmura Analytics. They do nationwide statistical analysis. He will have a proposal by the end of this week hoping to show the damage that has been done by the pandemic showing both the effects on business. We still have growth on the manufacturing side and would like to get an outside analysis showing a positive message.

We are trying to keep the money moving and stay positive trying to get people back to work.

We will be sending out an impact survey to all existing businesses to help gather data on how this pandemic has affected everyone. The Chamber and the Business Counsel are doing similar surveys, but we are trying to gather all the data to see the impact and affected businesses.

Marcia Crawford has been doing a great job keeping in touch with Coastal Partnership and making phone calls every day.

COMMITTEE ACTIVITIES

B. Administrative, Engineering & Maintenance

Gia Blackwell and Ron Jenkins are working on a bid to paint the ground tanks for wastewater.

Jimmy Levens asked Consultant Ron Jenkins about the fire hydrants on Seaway Rd pertaining to the sidewalk construction by the city of Gulfport. Jimmy stated they designed the sidewalk and we should not be responsible for costs due to change the fire hydrants. Ron Jenkins stated we were at a stand still on that issue.

VI. Directors Report

Director Reports were reviewed, and no discussion took place.

VII. Old/New Business

MS Export Operating Agreement Term Sheet. – This has been signed by all and the only change made was recommended by John Elliott, which was when you change the ownership of a railroad, you must go to the Service Transportation Board. He felt instead of MS Export Rail going we should go instead since we will be the entity / owner and have an agreement with MS Export Rail to operate on it.

John recommended the firm of Fletcher and Sippel to use for the Surface Transportation board Application. They will do all the paperwork and negotiate the contract since they specialize in nothing but railroad. The rate for their services is an hourly rate of \$300 per hour and they said we would not exceed a total bill of \$10,000.00. This will be about a 6 to 8-week process.

John drafted a response for Mississippi Power to KCS telling them to quick claim all the rail from Reichold Rd. back to the switch at Home Depot. That is what they said they were going to do in Jan of 2018. Sharon Turnipseed has forwarded that to counsel at MS Power and waiting to hear back from them. Our deadline to respond is the 29th, they know we are

still working on this and anticipating our response.

Legal Counsel Jim Simpson stated he had gone through the term sheet, but he had to be honest, a lot of it is above his expertise. We need to trust John and Bill with the recommendation to go with Sippel, proceed with the Term Sheet and the Service Transportation Board Application.

John Shorty Sneed stated when the title moves over, we need to remember to put it on our insurance policy for liability. Bill Lavers said he would call Craig and get that ready for when it happens.

Commissioner Frank Bordeaux made a Motion to approve to move forward with rail Commissioner John Shorty Sneed seconded the Motion. There was no discussion, all in favor of Ayed and the Motion carried.

Reschedule the E & M meeting to May 4th, 2020.

VIII. Legal

Bill Lavers asked Jim Simpson if he received the request for John Fayard's Driveway. Jim said yes, the deed was given to the Kansas City Railroad at some point in time and since then they have abandoned it. If we can get a quick claim deed from them, we can sell that property to John Fayard. Jim said he would prepare the quick claim deed and send out to them.

EXECUTIVE SESSION

The Motion was made by Commissioner John Shorty Sneed to go into a closed executive session and it was seconded by Commissioner Jimmy Levens. There was no discussion. The Motion received the affirmative vote of the Commissioners as follows:

Yeas: 12 - Jimmy Levens, Brian Gollott, Mike Leonard, Frankie Castiglia, Jennifer Burke, Rip Daniels, Windy Swetman, John "Shorty" Sneed, Warren Conway, Sharon Bentz Mustered, and Mark Schloegel, and Frank Bordeaux.

Nays: 0

The executive session began at 9:03 am and ended at 9:20 am. No action was taken. President Frankie Castiglia reopened the meeting at 9:21 am.

IX. **Announcements/Notices**

- **Next Board of Commission Meeting: May 19, 2020 @ 8:15 a.m.**

X. ADJOURN

There being no further business to come before the Commission, Commissioner Frankie Castiglia made a Motion to adjourn and it was seconded by Commissioner Jimmy Levens. The meeting was adjourned 9:21 am.



Frankie Castiglia, President



Frank Bordeaux, Secretary