

**MINUTES  
HARRISON COUNTY DEVELOPMENT COMMISSION  
May 19, 2020**

A regularly scheduled meeting of the Harrison County Development Commission was called to order at 8:26 am on Tuesday, May 19<sup>th</sup>, 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, Rip Daniels, Windy Swetman and Mark Schloegel and Brian Gollott.

Commissioners Absent: Sharon Bentz.

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

Consultants present: Legal Counsel Jim Simpson 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:

The Motion was made by Commissioner Jimmy Levens to amend the agenda and go into executive session regarding land deals and contracts, it was seconded by Commissioner Frank Bordeaux. There was no discussion. The Motion received the affirmative vote of the Commissioner as follows:

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

Nays: 0

**III. GUESTS / COMMENTS**

Will Morgan from Site Zeus, John Felsher on behalf the Innovation Center Purchase and, Len Blackwell his representing attorney.

**IV. MEETING MINUTES**

The Motion was made by Commissioner Frank Bordeaux to approve the April 14<sup>th</sup>, 2020 meeting minutes. Commissioner Mike Leonard seconded the Motion. There was no discussion, and the Motion received the affirmative vote of the Commissioners as follows:

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

Nays: 0

#### **INTRODUCTION OF GUESTS**

Will Morgan gave a Site Zeus Webinar presentation on a Geo Fencing Services, explaining how it works, the cost and how we could use it as a benefit for the Harrison County Economic Development Commission. Discussion took place on the cost, the number of reports allowed and the resell of the information reported. After all questions were answered no further discussion took place.

The Motion was a motion made by Jimmy Levens to enter into an agreement with Site Zeus and it was seconded by Commissioner Mike Leonard. No further discussion took place and all in favor of aye and the motion carried.

Yeas: 7 - Jimmy Levens, Brian Gollott, Mike Leonard, Frankie Castiglia, Jennifer Burke, Mark Schloegel and Frank Bordeaux.

Nays: 4 - Warren Conway, Rip Daniels, Windy Swetman and John "Shorty" Sneed.

#### **V. *Vote Items***

**Jeck Quality Homes Land Sale Resolution** – President Frank Castiglia presented the details of the purchase agreement for 3 acres in Long Beach for \$75,000.00 for the purpose of storage. An appraisal was provided and the recommendation by the Marketing Committee is to approve the resolution.

The Motion was made by Commissioner Jimmy Levens to approve the sale and it was seconded by Commissioner Mike Leonard.

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, Windy Swetman, John "Shorty" Sneed, Warren Conway, Rip Daniels, Mark Schloegel and Frank Bordeaux.

Nays: 0

**TNJ Enterprises Land Sale Resolution** – President Frank Castiglia presented the details of the purchase agreement for 1.52 acres in Gulfport for \$140,000.00 for the

purpose of a bookkeeping office and light maintenance facility. An appraisal was provided and the recommendation by the Marketing Committee is to approve the resolution.

The Motion was made by Commissioner Mark Schloegel to approve the sale and it was seconded by Commissioner Frank Bordeaux.

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, Windy Swetman, John "Shorty" Sneed, Warren Conway, Rip Daniels, Mark Schloegel and Frank Bordeaux.

Nays: 0

**Pan Isle Lease Renewal Resolution** – Executive Director Bill Lavers explained this lease has been in effect for the past 10 years and it needs to be renewed and updated. The only thing that is changing is Exhibit A to the lease defining a larger area of leased property. The Marketing Committee has reviewed the change and recommends to approve the resolution.

A brief discussion took place on the expanded leased area to answer any questions and explain in more detail exhibit A.

The Motion was made by Commissioner Mark Schloegel to approve the new lease and it was seconded by Commissioner Frank Bordeaux.

There was no further 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, Windy Swetman, John "Shorty" Sneed, Warren Conway, Rip Daniels, Mark Schloegel and Frank Bordeaux.

Nays: 0

**GTS Lease Addendum for discussion** – President Frank Castiglia presented the details of the current lease and stated the tenant wants permission to clean the inside of the rail cars. Bill Lavers explained by code if they are on our tracks zoning allows cleaning of the inside of the cars with certain measures in place. The lease will need to be amended and rent possibly raised in order to allow the cleaning since it only allows storage of the cars at this time. Discussion took place and this addendum was tabled till more information can be provided.

The Motion was made by Commissioner Frank Bordeaux to table the addendum and it was seconded by Commissioner Jimmy Levens. All in favor of aye and the Motion carried unanimously.

**Warranty Deed Revision for Watercourse Acquisition Group** – Legal Counsel Jim Simpson stated this is some clean up items to facilitate the closing of the Innovation

center. All the changes in the deed were good things and didn't apply to this particular sale. The Resolution we passed and the Order the Board of Supervisors signed stated we do not need to go back in front of the board to make the necessary changes to the deed.

**Cancellation of the Economic Development Alliance with the city of Biloxi and the assignment of leases Resolution** – Jim Simpson explained this is an interlocal agreement, this is not the Innovation Center. In 2001 there was an expansion made to the Innovation Center and the City of Biloxi borrowed \$500,000.00 on behalf of HCDC and put the money up to do the expansion. The catch is Biloxi did not pay the loan back, Harrison County Development Commission has paid all but 2 payments of the entire loan back, not the City of Biloxi. The interlocal agreement says it lasts 20 years and or till the loan is paid off and we can cancel it by mutual agreement. This is not the same thing as cancelling a management contract, that is something else that will come up separately. Jim Simpson is asking that this board act on this cancellation agreement to make sure the buyers Attorney of the Innovation Center is happy and they can close with no lose ends. Also, the assignment of rents and leases will need to be voted on by this board and the Board of Supervisors. The buyer has an urgent request this be approved and expedite to the Board of Supervisors for approval in order to prevent further damage caused by the bad windows and closing can take place June 1<sup>st</sup> 2020. He has contractors are already in place to begin the repairs.

Commissioner Mike Leonard commented we cannot terminate the agreement till the loan is paid off. Bill Lavers suggested we pay it off in order for the agreement to terminate and we go before the City Council on the 26<sup>th</sup> with a paid receipt showing we paid it off. Bill Lavers asked if this was acceptable by everyone including the buyers that were present.

Commissioner Mike Leonard stated any revenues that exceeded the expenses would go to the HCDC for Economic Development for the City of Biloxi. Jim Simpson responded he is not aware of any revenue the expansion generated. Mike Leonard said it generated \$965,000.00 and Jim said no, it states any revenues generated from the expansion project which is defined as the 965 square foot addon. Frank Castiglia commented that expansion footage is the storage warehouse. Jimmy Levens asked Jim Simpson if we could approve this resolution and move on or does this particular discussion have anything to do with the approving the cancellation agreement. Jim said the key is approving the cancellation agreement and for it to be approved by the Board of Supervisors and then to the City of Biloxi.

The Motion was made by Commissioner Jimmy Levens to pay off the loan in full and approve the resolution and it was seconded by Frank Bordeaux.

There was no further 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, Windy Swetman, John "Shorty" Sneed, Warren Conway, Rip Daniels, Mark Schloegel and Frank Bordeaux.

Nays: 0

**ACT Work Ready Community License Agreement Resolution** – Brandi Hough explained last year the board approved the HCDC to become a work ready community.

We have met the criteria set forth by ACT and are now an ACT certified community and the document attached is asking the board to acknowledge receipt of the award and to allow the use of the trademark license agreement for Harrison County.

The Motion was made by Commissioner Jimmy Levens to pass the resolution and it was seconded by Commissioner Frank Bordeaux.

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

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

Nays: 0

**Seaway Road Fire Hydrant Proposal** – Commissioner Jimmy Levens stated it came before the Engineering Committee and the company he works for is doing the construction. We have talked to our Consultant Ron Jenkins, he has talked to the engineers involved and long story short, the Engineering Committee feels it is not our responsibility. It was a mistake by the engineers involved and they should have brought this to us a long time ago and not at the middle or end of the project. The engineers and the City of Gulfport will need to deal with this.

Jim Simpson said we do not need to vote we can simply decline to do anything.

**Exercise the cancellation clause with the Greater Biloxi Economic Development Foundation** – Bill Lavers requested we give a 60 written notice to cancel the contract with the operator to run the incubator due to the sale of the Innovation Center. Legal Counsel Jim Simpson explained the difference between this contract and the contract HCDC has with the City of Biloxi to do the expansion of the Innovation Center.

The Motion was made by Commissioner Jimmy Levens to have Bill Lavers send the cancellation letter and it was seconded by Commissioner Mike Leonard.

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

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

Nays: 0

- **Financial Statements and Claims for February Exhibit I & J -**

Commissioner Jennifer Burke reviewed the financials and pointed out a few things she would like to change in the accounts to clean up the land deposits and cash reserves. She requested permission to close an account we no longer need.

Commissioner John "Shorty" Sneed made a Motion to approve Exhibits I & J and Commissioner Mark Schloegel seconded the Motion with open for discussion. Jennifer explained she wanted to show the income received is put towards the expense.

There was no discussion, all in favor of Ayed and the Motion carried.

Bill Lavers brought up Exhibit M – This is the Expenditure report we are now sending in to the Board of Supervisors along with the approved minutes. Thanks to Henrietta and Michelle's good working relationship with the county, Michelle was given the heads up we need to start sending this report in monthly along with the minutes.

## **COMMITTEE ACTIVITIES**

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

Nothing at this time.

## **COMMITTEE ACTIVITIES**

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

Bill Lavers reminded everyone the Wastewater Bid Advertisement Bid closes May 28<sup>th</sup> 2020.

## **VI. Directors Report**

Director Reports were reviewed, and no discussion took place.

## **VII. Old/New Business**

Withdrawal Innovation Center Board Appointees – Discussion took place and it was agreed to leave the board members on for now.

## **VIII. Legal**

Bill Lavers gave a status update on rail in Long Beach. Bill stated we need to update the agreement with Yelvington as the rail expands. He asked for the ability to work with John Elliott and Janet who are experts in rail with the approval of Jim Simpson as oversight. Jim Simpson said Yelverton agreement will have to be updated and it may not be willing to take on what we are asking. He said we can use John Elliott's assistance if Bill likes; we do not need "Janet's" legal assistance.

## **EXECUTIVE SESSION**

The Executive Session did not take place.

## **IX. Announcements/Notices**

- Next Board of Commission Meeting: June 16, 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 10:24 am.



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Frankie Castiglia, President



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Frank Bordeaux, Secretary