



JACKSON COUNTY UTILITY AUTHORITY

Serving the People...Protecting the Environment

Directors

Kevin Coggin • Jackson County
Thomas Eldridge • Jackson County
Andrew J. Elly • Moss Point
Kevin Miller • Jackson County
Michael R. Murphy • Pascagoula
Jerry Munro • Ocean Springs
Marshall Smith • Gautier

Jackson County Utility Authority

Regular Meeting

Board of Directors

August 13, 2018

MINUTES

1. Call to Order

The Regular meeting of the Board of Directors convened at 4:00 P.M., August 13, 2018, at 1225 Jackson Avenue, Pascagoula, MS. Board members present were: Kevin Coggin, President; Tommy Eldridge, Vice President; Kevin Miller, Secretary-Treasurer; Directors Jerry Munro, Michael Murphy and Marshall Smith. Director Elly was not able to attend. It was determined there was a quorum.

Also present were: Tommy Fairfield, Executive Director; Johnny Groue, Deputy Director; Scott McElroy, Finance/Admin Director; Linda Gasaway, Administrative Assistant; Lynette Hardin, Accounting Assistant; Chase Glisson, Engineering Manager; Derek Bullock, Project Manager; James Heidelberg and April McDonald, Authority Counsel; Greg Brown, Pickering; Chuck Starling, Kimley-Horn; Pete McMaster, Arcadis; Eric Page, Neel-Schaffer; Eric Bland and Kristin Pickich, Piltz, Williams, LeRose & Co., and J. D. Locke, Southern Pipe & Supply.

2. Devotion

Tommy Fairfield, Executive Director, presented the invocation.

3. Pledge of Allegiance

Director Eldridge led the Pledge of Allegiance.

4. Changes to Agenda, If Any

Director Coggin asked if there were any changes to the Agenda. Executive Director Fairfield requested the following: Add-on to Item 7.A. – Expenditures; Handout for Item 7.F. – FY2019 Budget Draft; Add Item 7.H. – SAM Resolution, and Add Item 7.I. – MDEQ Revolving Loan Fund (WPCRLF) Program Draft FY-18 WPCRLF Intended Use Plan (IUP)

5. Public Recognition

Director Coggin asked if there were any public to be recognized. There were none.

6. Consent Agenda

A. Minutes for July 7, 2018, **Exhibit “A”**

B. Minutes for July 23, 2018, **Exhibit “B”**

- C. Approve – Appropriate and Acceptable Use of IT Facilities and Resources Policy. (Update), **Exhibit “C”**
- D. Approve – SCADA Network Security Policy. (Update), **Exhibit “D”**
- E. Approve – Information Network Security Policy. (Update), **Exhibit “E”**
- F. Report – Pretreatment Permit Status, **Exhibit “F”**
- G. Report and Approve – Purchase Order (NTE) \$11,740.00 to Address Annual Safety Inspection Discoveries, **Exhibit “G”**
- H. Approve – Staff Requested 60 Day Extension to Water Supply Bid, **Exhibit “H”**
Director Smith made a motion to Approve Items 6.A. – 6.H. as presented. Director Miller seconded the motion. Director Coggin asked if there were any questions or comments, there were none. The motion carried with a unanimous vote by the Board Members present.

Director Munro entered the meeting at 4:03 P.M.

7. Discussion Agenda

A. Expenditures, **Exhibit “I”**

Director Murphy made a motion to Approve the Expenditures as presented. Director Smith seconded the motion. Director Coggin asked if there were any questions or comments. Director Coggin inquired about the SUEZ Treatment Solutions UV Lamps purchased for the Escatawpa Treatment Plant, Executive Director Fairfield explained that these UV Lamps are used for disinfectant as an alternative to chlorination. The U.V. process can be less expensive and safer than chlorine.

Director Coggin asked if there were any other questions or comments, there were none. The motion carried with a unanimous vote by the Board Members present.

B. Approve – Money Transfer from Reserve Account

Executive Director Fairfield requested Approval of Money Transfer from the Reserve Account to the Expense Account in the amount of \$1,441,741.38 to fund the interest and matured bonds due. The funds are held in the Reserve Account until due and are refunded each month.

Director Smith made a motion to Approve the Transfer as requested. Director Miller seconded the motion. Director Coggin asked if there were any other questions or comments, there were none. The motion carried with a unanimous vote by the Board Members present.

C. Accept – FY 2017 Financial Statements, **Exhibit “J”**

Eric Bland and Kristin Pickich, with Piltz, Williams, LeRose and Co., addressed the Board regarding changes dealing with the Pension Calculations and explained that this is an adjustment made to catch-up only. Director Coggin asked if there were any questions or comments. Director Smith asked for clarification of the Pension calculations and Director Eldridge asked about Loss, Depreciation, and Restricted/Non-Restricted Assets. Following discussion Director Munro made a motion to Approve the audit as presented. Director Murphy seconded the motion. Director Coggin asked if there were any other questions or comments. Director Miller asked if the Budget Committee should review the Audit again, in more detail, before approval. Per the discussion it was decided that the Board would vote on the motion made and seconded, the Budget Committee will review the Audit against the Budget and report any clarification back to the Board at the next Board Meeting on Monday, August 27, 2018. The motion carried with Five (5) Yea votes from Directors Murphy, Smith, Miller, Coggin, and Munro and One (1) Nay vote from Director Eldridge.

D. SRF Action

1. Approve – Advertisement for Public Hearing on PS 6 Facility Plan, **Exhibit “K”**

Director Miller made a motion to Approve Advertisement as requested. Director Smith seconded the motion. Director Coggin asked if there were any questions or comments. There were none. The motion carried with a unanimous vote by the Board Members present.

2. Accept – Engineer’s Recommendation for Substantial Completion (with item list) for Phase 1 Water System Improvements, **Exhibit “L”**

Director Eldridge made a motion to Accept Engineer’s recommendation as presented. Director Murphy seconded the motion. Director Coggin asked if there were any questions or comments. Director Coggin inquired about the percentage complete and payment. Greg Brown, Pickering Engineer, stated the punch list is 40% complete and should be 100% complete in two (2) weeks. Director Coggin asked if there were any other questions or comments, there were none. Motion carried with a unanimous vote by the Board Members present.

E. Bond Project Action

1. Approve – Change Order 1 for Increased Scope of Work for Grit Removal in Basin 1 at PMP for \$57,162.00, **Exhibit “M”**

Executive Director Fairfield stated that Staff does concur with the change order request and that the request does not include additional time. Director Munro made a motion to Approve the change order as presented. Director Miller seconded the motion. Director Coggin asked if there were any questions or comments. There were none. The motion carried with a unanimous vote by the Board Members present.

2. Approve – Bond Activity Payments for Requisition 50, **Exhibit “N”**

Director Murphy made a motion to Approve payment of Requisition 50 as presented. Director Miller seconded the motion. Director Coggin asked if there were any questions or comments. There were none. The motion carried with a unanimous vote by the Board Members present.

3. Other, If any.

Director Coggin asked if there were any other Bond Project Action Items. There were none.

F. MDOT Projects and Action Items

1. Accept – Engineer’s Recommendation of Lowest and Best Bid for Hwy 57 Phase 2 Relocation, as Subject to Terms of Agreement with Department of Transportation, **Exhibit “O”**

Eric Page, Neel-Schaffer Engineer, presented Engineer’s explanation of recommendation, as well as the reasons two of the four bidders were in non-compliance; therefore, not eligible to bid on the project. Engineer recommends the project be awarded to Frank Turner. Director Smith asked if the project is not awarded to the low bidder will there be problems with payment from MDOT. Executive Director Fairfield stated if Engineer’s recommendation is approved, the approval will be presented to MDOT for approval as well. Director Murphy made a motion to Accept Engineer’s recommendation to award project to Frank Turner and submit recommendation to MDOT for approval. Director Munro seconded the motion. Director Coggin asked if there were any other questions or comments, there were none. The motion carried with a unanimous vote by the Board Members present.

2. Authorize - Staff to Solicit Line of Credit Proposals for a Line of Credit for Hwy 57 Phase 2 of \$1,500,000.00

Executive Director Fairfield presented the need for solicitation of Line of Credit proposals. He also stated that this is just authorization to solicit and obtain information only. Director Murphy made a motion to Authorize Staff to solicit proposals for a line of credit, to fund payment applications during reimbursement. Director Smith seconded the motion. Director Coggin asked if there were any questions or comments. Director Murphy asked if interest was reimbursable. Mr. Fairfield answered no. There were no other questions or comments. Motion carried with a unanimous vote by the Board Members present.

3. Approve – Payment No. 1 for Black Creek Relocation Effort for \$51,141.71, **Exhibit “P”**

Director Eldridge made a motion to Approve Payment No. 1 as requested. Director Murphy seconded the motion. Director Coggin asked if there were any questions or comments. There were none. The motion carried with a unanimous vote by the Board Members present.

4. Other, If any.

Director Coggin asked if there were any other MDOT Projects and Action Items. There were none.

G. FY – 2019 Budget Work (Handout of First Draft), **Exhibit “Q”**

Director Coggin asked if there were any questions or comments. Executive Director Fairfield presented the Draft FY-2019 Budget Cover Letter, Billing Summary, and the FY-2018 Reconciliation and FY-2019 Projections. Following discussion it was decided the FY-2019 Budget Plan is to include a Rate increase of 1.65% (.05 cents) per 1000 gallons, as well as increase Depreciation Line Items.

H. Update – WIFIA Letter of Interest Submitted. We are 18113MS, **Exhibit “R”**

Information only, no action required.

I. System for Award Management (SAM) Administrator Resolution, **Exhibit “S”**

Executive Director Fairfield explained that this is just to renew his designation as the SAM Administrator for JCUA. Director Miller made a motion to Approve the Resolution. Director Smith seconded the motion. Director Coggin asked if there were any questions or comments, there were none. The motion carried with a unanimous vote by the Board Members present.

J. MDEQ Revolving Loan Fund (WPCRLF) Program Draft FY-18 WPCRLF Intended Use Plan (IUP), **Exhibit “T”**

Information Only, no action required.

K. Other, If Any.

Director Coggin asked if there were any other Discussion Agenda Items, there were none.

8. Board Attorney

A. Discussion and Affirmation of PSC Docket Items, **Exhibit “U”**

Information Only, no action required.

B. Report

Counsel updated the Board on Attorney matters and requested Executive Session to discuss possible litigation. No Board action was taken.

C. Other, If Any

Director Coggin asked if there were any other Attorney Items. There were none.

9. Director Items

A. Coggin - Transmission System Proposals JCUA POTW 1C System.
(Potential Executive Session)

Director Coggin requested this item be moved to Executive Session.

10. Executive Session

At 5:46 P.M., Director Munro made a motion to go into Closed Session to discuss issues regarding Property Acquisition and Potential Litigation matters for possible Executive Session. Director Smith seconded the motion. The motion carried with a unanimous vote by the Board Members present.

The meeting closed to determine reasons for need of Executive Session. In Closed Session it was determined there was a need to go in to Executive Session to discuss Property Acquisition and Potential Litigation matters.

At 5:47 P.M., Director Miller made the motion to come out of Closed Session. Director Munro seconded the motion. The motion carried with a unanimous vote by the Board Members present.

At 5:48 P.M., Director Miller made a motion to go into Executive Session. Director Smith seconded the motion. The motion carried with a unanimous vote by the Board Members present.

In attendance were: Directors Coggin, Miller, Eldridge, Munro, Murphy and Smith; Mr. Fairfield, Mr. Heidelberg and Ms. McDonald.

At 6:15 P.M., Director Miller made a motion that the Board come out of Executive Session and resume Regular Session. Director Munro seconded the motion. The motion carried with a unanimous vote by the Board Members present.

No business was undertaken in Executive Session.

At 6:15 P.M., the meeting was re-opened to the public and regular session resumed.

11. Response to WJCUD Proposal, **Exhibit "V"**

Director Murphy made a motion to Authorize Legal Counsel to respond to the attorney representing WJCUD by declining a sale proposal of assets to JCUA. Director Munro seconded the motion. Director Coggin asked if there were any other questions or comments, there were none. The motion carried with a unanimous vote by the Board Members present.

12. Adjourn

There being no further business to come before the Board, Director Murphy made the motion to adjourn. Director Smith seconded the motion. The motion carried with a unanimous vote by the Board Members present. The meeting was adjourned at 6:18 P.M.

WITNESS OUR SIGNATURES as approval of these Minutes on this 10th day of September, 2018.



KEVIN COGGIN, PRESIDENT



KEVIN MILLER, SECRETARY-TREASURER