

I - Call to Order Tray Hawkins, Chairman

II - Invocation Tray Hawkins, Chairman

III - Pledge of Allegiance

Authority Chairman Tray Hawkins (Washington County); Jeff Good (Holmes County)
Ryan Martin (City of Bonifay) – All members were present

I - Citizens to Be Heard -None

II - Public Hearing

Public Hearing for the Fiscal Year 2023 Proposed Operating Budget – Presentation

Public Hearing - PH 1 – Mickey Joseph, GSG, addressed the board regarding the proposed operating budget for FY 2023.

PH 1 Approval of Resolution 2022-03: The Fiscal Year 2022-2023 Highway 79 Corridor Authority Operating Budget

Moved by Chairman Hawkins/Jeff Good Seconded by Ryan Martin- Motion Carried

Minutes

M 1 Approval of the August 8, 2022, Board Meeting Minutes

Moved by Chairman Hawkins/Jeff Good Seconded by Ryan Martin- Motion Carried

III - Consent Agenda

CA 1 List of Invoices to be Paid

CA 2 Other

Moved by Chairman Hawkins/Jeff Good Seconded by Ryan Martin- Motion Carried

VIII - Finance and Administration

FA 1 Finance Report: YTD Budget vs. Actuals through 08/31/2022

- This was discussed in detail in the operating budget for FY23. No significant changes from July to August. Current year actuals are projected right around \$148,000 for expenses for FY 2022.
- The projected fiscal year and 2022 operating expenditures total \$158,677, with a net decrease of \$37,485 for the year.
- Mikey Joseph, GSG, said this is all within the budget projection.

FA 2 Other

Moved by Chairman Hawkins/Jeff Good Seconded by Ryan Martin- Motion Carried

IX - Operations

OP 1 Engineering Cost Estimate for Completing the Laterals

- Robert Sheets, GSG - Mr. Chairman, we have preliminary cost estimates from two different sources. They gave us a range of \$60,00-\$70,000. My suggestion would be for the board to have the 79 Corridor Authority issue an invitation to bid. With the board's approval, I ask

Melvin Engineering to help with the bid documents. Chairman Hawkins - Sounds like a great idea.

- Jeff Good, is this the lateral for the Doctor's Office, and what was the other?
- Chairman Hawkins – lateral water and sewer are in the exact location.
- Robert Sheets – This way, we have a good idea of what this may cost, and we may need to sit down and negotiate with the developer.
- Chairman Hawkins – asked if we have any money in the current budget. Mr. Sheets stated that we have some money but may negotiate with the developers to help make up the cost. They get credits back when new connections come on board, but I'd rather wait until after we meet with Melvin Engineering to get the exact engineering cost to complete the laterals.
- Evan Rosenthal, NGN – asked Mr. Sheets if we want to include a proposal from Melvin Engineering to do the CEI. Yes
- Robert Sheets –Mr. Chairman, you asked for a Scope of Work and price at the August workshop to recast the capacity projections. We have not received anything from Dewberry. I can't give you the scope. We can certainly contact Melvin Engineering to get the Scope of Work for the laterals' cost. What would it take to update the capacity forecast for the new number we received? Keep in mind that all our growth projections are based on numbers that are over five years old.
- Chairman Hawkins – My question is to this grant that we will try to pursue up the capacity; it's not going to be on state roads 79's infrastructure. Do we have the authority to apply for that grant?
- Mr. Sheets - NO
- Chairman Hawkins – There's no reason for us to apply for this grant. Do we need to get with the City of Bonifay and assist them in applying for this grant? They would be the applicant.
- Robert Sheets- YES, I think it would be helpful for the city and counties to be involved. We could all meet to discuss this because several components are needed to apply for this grant. This will have to be highly participated in by the City. Anything that comes out of this study will impact the capacity changes for the City of Bonifay to serve future customers of the 79 Corridor. I don't want to do it automatically. Chairman asked if there could be a joint grant submittal.
- Chairman Hawkins - I will support whatever the 79 Corridor can do to assist, but I don't want to overstep our bounds.
- Robert Sheets- You are right, Mr. Chairman. The biggest beneficiary of this study will be the City of Bonifay. As the project gets far in the years, some investments in the lateral lift station and treatment facilities will be needed.
- Chairman Hawkins – asked if the city of Bonifay, does Amir have this information together. I'm trying to prevent duplications of efforts if Amir's already got this information.
- Ryan Martin –What specific upgrades do we want to apply for?
- Robert Sheets – I'm trying to determine the best way for everybody to benefit. There is a long lead time for infrastructure investment for any utility system. We have projections regarding how fast customers would come on the 79 Corridor System at least five years or older. We know we have one pending customer. The new customer will get the system, and we will grow quicker than we originally anticipated. At the last board meeting, we were told that potential developers also want to hook on to the system.

- They will exceed our initial plan projection, but we have most of the information. What we want to be able to do is run several different scenarios using different growth projections. Does that say yes, we're good for the next five years, or are we good for three years with this scenario? Are we good for two years under this scenario? So, what has to be done because the City of Bonifay has several challenges? Most of which are at that lift station getting whatever we are sending from that lift station to your treatment facility. You're not as pressed for capacity at the treatment sight. This will require the involvement of the City of Bonifay and Amir.
- Ryan Martin - I'm specifically asking if we apply for this grant; what scope should be included in the grant?
- Robert Sheets - We don't know that, but we are trying to find out if this analysis would help us.
- Trey Barbee, City of Bonifay, it would be very beneficial for the board to speak to Amir Zafar directly about all of this. I don't want to say yes if he has worked on it or has not and be incorrect.
- Chairman Hawkins - That is my question. Before we task David (Melvin Engineering) with this, I think David and Amir have a close relationship. They can get together and determine what needs to go into this grant.
- Robert Sheets - I want to remind the board that at the August 29th workshop, Trey was specific in that this effort had to include Amir. There is no way this would ever launch without Amir being involved because he has so much information.
- Chairman Hawkins asked if we voted to issue an RFP for the laterals.
- Evan Rosenthal - that's what's on the table now.
- Robert Sheets - the first task was to authorize the issuance of an RFP for the laterals.
- Evan Rosenthal - Robert, if I can ask for clarification, you mentioned bringing on Melvin to help with the bid. What did you want them to do specifically on this bid?
- Robert Sheets - Some information with the laterals.
- Evan Rosenthal - NGN has standard form bid documents. Are you envisioning this as a lump sum bid? Is that what they want to help with?
- Robert Sheets - I think that's what they help advise. The second question was to ask Melvin to help put together the scope for the capacity assessment analysis.
- Evan Rosenthal - They will be brought on to help compare the bid documents to show work authorization if needed.
- Chairman Hawkins - Do I have the motion to move forward with the estimated cost for an RFP to be placed/issued by David Melvin (Melvin Engineering) for the laterals?

Moved by Chairman Hawkins/Jeff Good Seconded by Ryan Martin- Motion Carried

OP 2 Other

- Chairman Hawkins - I think it would be wise for me, Trey Barbee, Amir Zafar (Mott MacDonald), and a representative from Melvin Engineering to have a meeting to see how to move forward. And I can bring it back to the Board? Mr. Hawkins asked Trey Barbee with the City of Bonifay to help facilitate the meeting with Amir and City Attorney Michelle Jordan.
- Trey Barbee - I will call Amir after the meeting and let you know the date and time.

- Chairman Hawkins – I think if we have this meeting, maybe we won't duplicate efforts or misconceive. What we're doing, and you will be able to report back to your council, is how we will move forward. We can bring it back to the next board meeting on October 10th.

X. - System Manager

SM 1 Update on the Highway 79 Corridor Authority Celebration

- Mr. Sheets asked that we review the invitee lists and make changes if needed. I would like to include past Washington and Holmes Counties members, the City of Bonifay, Ted Everett, and Joe Rone. Chairman Hawkins will be the speaker. We need to make sure we recognize everybody that was involved in the creation of Highway 79. This should be something to celebrate. Roger Brooks asked me whether we invited the television stations to the celebration.
- Tammy Peters - YES

SM 2 Discussion of a Grant Consultant

- Robert Sheets – I think now that the board is through construction, we need to find other opportunities and money we may need before system revenue is sufficient to pay. I would ask for board approval to issue an RFP for Grant Consulting.
- The firms that specialize in the summary on both grant and mainstream firms, strictly grant firms and grant lobby firms. The money the Corridor will need isn't going to be 4-5 million. It will be \$100,000 -\$50,000 there. These Firms will work at risk for their fees to be covered by the grant application. You usually allow three weeks to 30 days for a response to be mailed. I hope we can return to the board at the next meeting with a list of candidates to be considered.
- Jeff Good – asked Mr. Sheets If he had an estimate or a price guess on what this may cost.
- Chairman Hawkins. – they will be operating at risk.
- Robert Sheets, GSG, we have worked with several of these firms across the state.
- Chairman Hawkins – I know of several here in Washington County, Holmes County, and the City of Bonifay. Their work is about 90% of grants work.
- Jeff Good – will they work strictly off the grant percentage if approved?
- Robert Sheets – the grant consulting work will be reimbursed for the application itself, and they would be paid to be the Grants Administrator. Their fee would be paid out of the grant.
- Chairman Hawkins - this would be a very lucrative firm. Do I have a motion to put an RFP out for Grants Consultant?

Moved by Chairman Hawkins/Jeff Good Seconded by Ryan Martin- Motion Carried

SM 3 Other

XI. General Counsel

GC 1 Discussion of the Interlocal Agreement Between the Highway79 Corridor Authority, Holmes County, and Washington County Regarding Funding of the Authority in FY 24 and Beyond

- Evan Rosenthal – Mr. Rosenthal briefly discussed the Interlocal Agreement between the Highway79 Corridor Authority, Holmes County, and Washington County regarding the funding of the Authority in FY 24 and beyond. This is an Interlocal Agreement that you all have seen several times. This future concerns funding of the Authority and future revenue sharing, including the TIF component and the other prioritization schedule for funding the Authority

that was discussed at the last board meeting, the April workshop, and several prior meetings. This was a topic of discussion at the August workshop. And I wanted to bring it back to the board for further discussion and information on how you want to proceed.

- Chairman Hawkins – I will bring it before my board at the next meeting.
- Jeff Good - do you have the latest copy of the agreement? I missed a meeting due to the canvassing board. You were working on getting the latest documents.
- Evan Rosenthal – YES, we discussed that change with the refund being made at the end of each Fiscal Year. If any funds are left over, the Authorities will issue a refund to the counties for the portions of what they pay. That change has been made in the agreement. There have been no other substant changes.
- Chairman Hawkins – that's what we discussed at the workshop.
- Chairman Hawkins – Trey, do you have a future projection for FY2024 for Washington County?
- Trey Barbee – as far as budget?
- Chairman Hawkins – NO, the Interlocal Agreement with Washington County and what the county would be adding.
- Trey Barbee - I have no clue about Washington County, nor does Holmes County know the future projection for FY 2024.
- Jeff Good – I met with Brian Bell, and we have much work to do. He doesn't even have the land designated now.
- Chairman Hawkins - TIF would only kick when it starts producing growth. Have to continue the contribution as is until the TIF grows. Whatever gift is made for next year, the TIF will only cover up to X, and if there were still Y left, that would be an equal contribution to both counties. Does that make sense to you? They were refunded this year.
- Jeff Good – right, we were funded this year.
- Chairman Hawkins – but it would be the exact funding mechanism you will make for next year, other than the TIF.
- Jeff Good - The TIF to kick in till 24?
- Chairman Hawkins – Yes, the TIF kicked in today, but the boards have not approved it. Your TIF is still going to work the same.
- Jeff Good – so we aren't even looking at anything with this newest company we're moving into in 2026?
- Chairman Hawkins – In 2026, the funding mechanism will stay the same until the TIF starts to kick in. You will fund it just as you are funding it now.
- Jeff Good – can future funds be obligated?
- Chairman Hawkins – It's been obligated for the last seven years.
- Jeff Good still would have to be voted on each year.
- Chairman Hawkins - I think we are getting confused. This agreement is not saying that you're pledging anything this year. This is just how the funding mechanism would work for 2024. If it's not approved, it can continue as it is now. The City of Bonifay has an agreement in place. This agreement is through Washington, Holmes, and the City of Bonifay. This is the original agreement set up to be funded through the TIF.

- Jeff Good – ok, I'll bring it before my board.
- Chairman Hawkins – all right, is there anything else?

GC 2 Board Direction on Future General Manager Services

- Evan Rosenthal - just a couple of other additional items; the second thing I have for you today was also in the discussion. The topic of discussion at the August workshop is the future direction regarding replacing the General Manager. GSG has informed the board that they intend to terminate their agreement and have given us until October.
- Basically, we need direction from the board on how you all want to proceed for general management services. There are several options; we can send out an RFP for companies to respond or for individuals interested. There was a discussion about potentially one of the member counties' member governments coming to provide someone that may be able to assume those responsibilities. But again, I just wanted to bring this back to the board for discussion at the August workshop and bring it back for further discussion and direction.
- Chairman Hawkins – We should submit a proposal (RFP).
- Ryan Martin - We are going to be talking about it. We still have a few budget sessions, but the council meeting is tonight. I know someone very interested.
- Chairman Hawkins - How would this work? Say, for instance, when the Corridor starts negotiating in three years, and the city hires a system manager, would this be a conflict? I don't want to put the city in an awkward situation.
- Michelle Jordan – what was initially proposed for the City of Bonifay had been discussed several years ago. This was going to include utility billing and their discussion regarding providing office space and equipment. We had a very different council. We had a different clerk; we had some fresh perspectives.
- Chairman Hawkins – I don't want to put anyone in a situation. We have everything going right, and it's moving on one accord, and I don't want to do something as simple as putting someone in a bad situation.
- Chairman Hawkins – let's issue an RFP. The city of Bonifay has the right to respond. The City of Bonifay must discuss this with its board. I asked the board to pass a motion to put an RFP out for a General Manager.
- Robert Sheets – before making the motion, I suggest that when the RFP is issued, it will not preclude the City of Bonifay or Holmes County from responding to RFP. The other issue is how independent the board wants its general manager to be; that's the question. The board wants the manager to be the board's agent, and will a situation ever come up that makes it difficult for that person to be the agent?
- Chairman Hawkins –my question to the City Attorney and the City of Bonifay, I don't want the City to be in an awkward situation. Let's all stay unified and figure out how to make that work. If you don't mind, Robert, will you help? You know the services that are needed.
- Robert Sheets – If I am correct, you hired GSG thru an RFP.
- Evan Rosenthal – YES, we did.
- Robert Sheets – we have an excellent RFP, but I will review it and work with Evan for additional information.
- Evan Rosenthal – YES, that sounds like a good plan. The City of Bonifay is interested. There is a unique relationship between the Authority and the City of Bonifay. The Authority and Bonifay is our wholesale provider. There is the potential for some conflict of interest; some

potential interference of duties that an employee of Bonifay would have tried to perform both roles there. So, to the extent of the city's interest in moving forward with that path, there are workarounds. One would be to carve them out of negotiations or discussions regarding future revenue sharing and future parameters of business deals between the authorities. We can get on the phone with the commissioner on ethics.

- They deal with these types of issues all the time. We can pitch this to them and ask for their opinion. Typically, in this area, you are talking about conflicts regarding someone's private business life, and then there's service in a board's official capacity. You are not dealing with just two public entities. It's a bit of a unique scenario, but they can help us sort through it to see if this is possible.
- Ryan Martin – Hasn't Washington County served as manager of this project before GSG was hired to take over these services?
- Chairman Hawkins – All we did was manage the grant; we never managed a customer or service. The reason we managed the grant/budget is that the 79 Corridor was not in existence at that time. They had to be an applicant to apply for the grant. Washington County used its staff their money to apply for the grant.
- Ryan Martin asked if there is such a way that, perhaps, Bonifay provides office space, and Bonifay provides the salary. Still, we structure it so that this manager reports to this board, not the Mayor. The biggest thing is that 75% of the Corridor is inside the City of Bonifay. When people need to do business, we have office space, and it is in a good location. I think in our budget we might be able to provide the staff. We don't have Ad Valorem Tax to contribute \$65,000 a year, but we have space and some staff flexibility. Could we structure that so that that person doesn't work for our Council but is funded by the city? The city wants to do its part, and we are a positive contributor to the Corridor rather than having a seat on the board and not doing our part.
- Chairman Hawkins – what you described is just how it's supposed to work.
- Ryan Martin – the city would love to do its part.
- Chairman Hawkins – Mr. Martin, you just described how we wanted this to work. Michelle was at the meetings I attended and suggested that. The City of Bonifay would supply office space and utilities, and the Corridor would provide a person. You are right; if business needs to be conducted, the City of Bonifay facilities would be a great location. We discussed holding the meetings in Bonifay because the Corridor person and two members are from Holmes County.
- We never could implement this, but it's refreshing to hear that we may go back to how it was supposed to be from the beginning.
- Roger Brooks, City of Bonifay - the question had to do with the record-keeping; that is what we were concerned about.
- Chairman Hawkins - The Washington County clerk did the board's record-keeping before we hired GSG. The clerical side at the beginning was taken care of by Washington County. We are going in the right direction. The city does not want to be the assistant manager; they want to do their share of providing the items to assist the system manager in being successful.
- Ryan Martin –I think it would be if we had to discuss it tonight. It would be easier for anyone looking to build on the Corridor or doing any business could go up the road and have a point of contact. Somebody can show the potential customer the corridor; we are in Bonifay and could be the point of contact. I know it's not our utility board doing it, but all the connections are right up to the edge with Trey and all of them and some city services. You know we must

still provide fire and police protection for that area. There's a lot there; if you could keep it local, I think it would be beneficial.

- Chairman Hawkins - I don't see this being a full-time position. I see this as a company that provides minimal staff for whatever number of hours. I don't think we need a GSG at this time. I think we can probably scale back on some of these services. We already have our water and sewer operators with U.S. Water. They will take care of all the customer services, billing, and development. We need someone to ensure we get our developer the correct information and pull specific permits. I know all of that will go back to other counties, but we need a conduit to ensure we are getting the people where they need to be. Is that how the board sees it too?
- Jeff Good, Holmes County – I see exactly what you're talking about. Until a few minutes ago, I was concerned that we would outsource so much of our necessities that it would bypass some of the original intent the Authority was for. I didn't want to use local government where the City of Bonifay has no say or input. Holmes County and Washington County have the same thing. If you put enough outsources into big government, he thinks you will lose control because you can always move them. Still, the original intent was to help Holmes County, Washington county, and the City of Bonifay create jobs.
- Chairman Hawkins, Washington County – can we get an RFP put out with the understanding that we are ready to move forward? Do you feel comfortable with the direction you have, Evan?
- Evan Rosenthal – This has been helpful; we will get an RFP out. I will continue to talk with the city and work with them to see if we can create a solution. We are on the right dual track in issuing an RFP to the public.
- Chairman Hawkins – do I have a motion to approve an RFP to be drafted and advertised for the General Manager of services?

Moved by Chairman Hawkins/Jeff Good Seconded by Ryan Martin- Motion Carried

GC 3 Board Consideration of Amended and Restated Agreement with U.S. Water Services Corporation

- Evan Rosenthal, NGN – Thank you, Mr. Chairman. You all mentioned that U.S. Waters would be doing the customer services, billing, development review, and GSG's functions. In front of you today is an amendment and restated agreement with U.S. Water that previously agreed to be the base operation used for maintenance functions for the system.
- This will add to that customer service and billing functions and the development review fund portion. It will also serve as a notice to start the maintenance system's operation. We need to keep everything operating; once we have customers, it will be ready to go, and we can begin providing water and sewer to them. I can answer any questions.
- Chairman Hawkins – I have none. This is something we worked through. What is the length of this contract?
- Evan Rosenthal – the US Water Agreement is for one year and will automatically renew unless one party notices that it wants to cancel.
- Chairman Hawkins - What is the notification to cancel?
- Evan Rosenthal – A termination of 90-day written notice.

- Chairman Hawkins, currently, we do not have anything in place, but if we want to do it for nine (9) months, we need to track this agreement at eight (8) months to make sure we are satisfied with their services so we will have time to notify them correctly.
- Evan Rosenthal - Yes, we must give U.S Water a written notice in a timely manner.
- Chairman Hawkins - Evan, can you remind us at General Council in 8 months that we will review the U.S. Water agreement again and ensure we are satisfied with the job they are doing and if the board wants to opt out of the contract?
- Evan Rosenthal - Sure.
- Robert Sheets - Mr. Chairman, before you vote, I'm going to introduce Mr. Chris Saliba. U.S. Water is a local company. That was GSG's reason for transitioning to having a company in the county to perform these duties. Mr. Chairman, I would like to introduce Chris Saliba to the board.
- Chris Saliba with U. S. Water, Vice President, as Tray mentioned, we work with Sunny Hills and other local resources right here. I hope to work with you guys and help expand the Corridor.
- Chairman Hawkins - Chris, I appreciate you coming on board. I like that you and your team are coming on with experience.
- Chris Saliba - We look forward to it.

Moved by Chairman Hawkins/Jeff Good Seconded by Ryan Martin- Motion Carried

GC 4 Other Items

- Evan Rosenthal - Mentioned that the board doesn't have a Vice Chair; I was going to ask the board if we could appoint those positions today.
- Chairman Hawkins - The board appointed Jeff Good as the Vice Chair and Ryan Martin as Secretary/Treasurer. - **Motion Carried**
- Evan Rosenthal, NGN - Mr. Chairman, you previously asked about the equivalent of an alternate member to the board. I looked back into the charter and looked at that. It does contemplate alternate members, so if the counties or cities want to designate an alternate member to serve in the event you can't make it to a meeting, that's perfectly fine. We need to have a written notice.
- Chairman Hawkins - I will bring that for a vote at the December meeting.
- Brian Lemieux, Hanson, I'm representing Hanson collateral everything is moving in different directions. My understanding is that U.S. Water is under contract. Will they be reviewing permits, design plans, etc.?
- Robert Sheets - We have been working with your team to have this information transferred to U.S. Water.
- Brian Lemieux - I appreciate the help, and everything is going in the right direction.

XII. -Board Items

BD 1 Other Items

Adjourn Chairman Hawkins offered a motion to adjourn.

November 14, 2022
Date Minutes Approved