

MINUTES
FORMAL MEETING OF CITY COUNCIL
Diamondhead, Mississippi
Council Chambers, City Hall
February 5, 2019
6:00 pm CST

I. Call to Order – Mayor Schafer called the meeting to order at 6:00 p.m. CST

1. Invocation – Councilmember Koenenn
2. Pledge of Allegiance – Mayor Schafer

3. Roll Call –
Present: Mayor Schafer, Councilmembers Depreo, Moran, Morgan, Koenenn and L’Ecuier. Absent: None.

4. Confirmation or Adjustment of the Agenda Order.

Councilmember Depreo moved, seconded by Councilmember L’Ecuier, to accept and approve the agenda as presented.

Ayes: Depreo, Moran, Morgan, Koenenn, L’Ecuier and Mayor Schafer. Nays: None.
Absent: None.

MOTION CARRIED UNANIMOUSLY

II. Presentation Agenda

1. Council Comment
 - a. The next regularly scheduled Council Meeting will be held Tuesday, February 19, 2019 at 6:00 p.m. CST in Council Chambers located at 5000 Diamondhead Circle.
 - b. City Hall will be closed February 18, 2019 in observance of President’s Day.
 - c. Presentation by Building Official Ronald Jones – FEMA Compliance Audit.
 - d. Parks and Recreation Parcel Assessment Presentation – City Manager Reso presented to the Council the following:

Parks and Recreation Parcel Assessment Concept

- The City of Diamondhead is actively planning for future leisure and recreation activities for our residents, and we are developing a master plan for our community as we seek grant funds for these new projects.
- The city has recently added 2 kayak launches, and we have applied for grants to add a public boat launch and fishing pier at the end of Noma Drive.

- We also plan to add two more kayak launches to the Rotten Bayou Blueways. We received a grant for a nature trail along Montjoy Creek, and we are interested in developing a city park with more athletic fields, dog parks, biking and hiking trails, playground equipment, an amphitheater with green space and more outdoor activities off Noma Drive.
- The Parks and Recreations Parcel Assessment is one option for the city to consider paying for a new department to support and maintain these new leisure and recreation activities for our residents.
- All parcels located within the city limits of Diamondhead would be assessed the parks and recreation assessment as part of the annual property tax billing with the Hancock County Tax Collectors office. Since the parcel assessment is part of the property tax bill, it will also be tax deductible.
- The parcel assessment would be a flat fee per parcel.
- The residents of Diamondhead would have to vote to approve this new assessment.
- The City of Diamondhead would request local-private legislation from the State of Mississippi to have the authority to create a parcel assessment to fund a parks and recreation department.
- The city would set up an enterprise fund in the city accounting system for the parks and recreation department. The funds collected from this parcel assessment would be restricted and only used for this purpose. These funds cannot be co-mingled with city general funds.
- If the parks and recreation parcel assessment is created, the city would be able to accept some or all of the POA amenities if their board of directors requested this in the future. We all know there is uncertainty for the future collection of POA dues, and we all want to protect our property values and maintain these amenities.
- This plan would provide a “safety net” if the POA needs and chooses to use it, and this is in keeping with the original intent of incorporation. It is also in keeping with our 25-year comprehensive plan. Furthermore, this is recommended by the State Auditors Office in the City’s 2017 Performance Audit.
- All information and meetings related to the parks and recreation parcel assessment or this department would be subject to all open meeting laws and public records request. This includes rules for executive session and disclosure of any conflict of interest. All budgets and expenditures are public records.
- The next step for the City Council will be to pass a unanimous resolution in support of the local private legislation.
- By doing this, there is no tax increase for our resident. This just starts the process with the State Legislature to seek the authorization for the City to be able to have the parcel assessment option to pay for a parks and recreation department.
- This could not be implemented until we hold a municipal election and receive a favorable vote from the residents. This is simply putting a tool in our tool, box so we have an option for a city in the future.

2. City Manager's Report –

Recycling – I am seeking authorization from the council to cancel the contract for curbside recycling since they did not approve the rate increase at our last meeting. In addition, I am recommending an annual rate increase of \$11.52 for solid waste fees paid by residents. This is the amount needed to keep the fund positive since we have had annual CPI increases and added bulky waste. It is my understanding our council would want to return to the recycling dumpsters that were used before curbside recycling started in Diamondhead. The city will not have to pay for the recycling dumpster just like other cities. This will be covered through the county millage for recycling.

Police Offices – The police officers have moved into their new offices. Phones, furniture and computers have been installed. We have closed out this project with the engineer and contractor. All punch list items were completed.

Projects

- a. New Road behind Library – They are placing rock this Wednesday, which will bring it nearly to grade, and they should pave within the next couple of weeks. The contractor is still within time allotted on contract.
- a. I-10 Lighting Project – Light poles have started to be delivered. With good weather, lights should be on by middle of March. Contractor is expected to be completed prior to contract deadline.
- b. Diamondhead Drive East Drainage – We are still waiting on permit from Army Corp of Engineers.
- c. Turnberry Drainage Project – I met with POA representatives today and had positive conversations about working together to implement the recommendations by the engineer. We have some issues to work through, but they want to help. They are concerned about the city enforcing the storm water management ordinance to prevent sediment runoff from construction sites. To that end, our legal counsel and the building official have created a new letter to notify contractors when there is a storm water violation. This includes silt fencing and other measures to prevent such runoff.
- d. Devil's Elbow Permitting - Additional information requested by COE has been submitted and project is currently out for public notice. This expires on February 22, 2019. At that time, we will evaluate any comments received and prepare a response accordingly. Also, a request to extend the MS DMR authorization for 2 years was submitted last week to Jennifer Wilder via email. The current authorization expires in March of 2019.
- e. Keleki and Ieke Drainage – We signed a new work assignment with the engineer as instructed by council. He has started working in this expanded area. Images from the last rain event suggests some of the drainage issues are related to recent construction activities in the areas. The building official is working with the residential contractor to address these issues.

- f. East Aloha Widening – The office review took place last week with MDOT, and we are currently working on addressing comments received during the review. Once all comments are received from MDOT divisions, we will submit the Final PSE package (plans, spec and estimates) and request authorization to advertise for bids.
- g. East Aloha Improvements Study – our engineer is still searching for proper documentation regarding current ownership of the road from Rouses extending west to Kalini Drive. It appears that Rouses still maintains ownership, but this cannot be confirmed until a title examination is completed. Casano Law firm has been contacted to assist in the title examination. I contacted Rouses Real Estate division, and their survey appears to indicate that they still own the road. Their VP of Real Estate told me that Rouses would transfer the road to the city if requested. They are willing to help in any way.
- h. Diamondhead Drive West Drainage Project – Design plans are complete, and Rick is gathering quotes from several contractors. We hope to bring this to the council for consideration soon, but this has been put on hold until Rick returns to work.

III. Public Comments on Agenda Items – None.

IV. Policy Agenda.

1. Approval of Minutes:

a. January 15, 2019 Regular Meeting.

Councilmember Depreo moved, seconded by Councilmember Morgan, to approve the Minutes of the January 15, 2019 Regular Meeting.

Ayes: Depreo, Moran, Morgan, Koenenn, L'Ecuyer and Mayor Schafer. Nays: None. Absent: None.

MOTION CARRIED

UNANIMOUSLY

2. Resolutions:

- a. **2019-019**: Motion to adopt Resolution 2019-006 thereby discontinuing recycling curbside, directing the administration to implement dumpster/roll recycling program, declaring intent to increase solid waste fees, setting a public hearing for March 5, 2019 and authorizing the advertisement for same.

Councilmember Depreo moved, seconded by Councilmember L'Ecuyer to amend Resolution 2019-006 to declare intent to increase solid waste fees by an amount not to exceed \$48.00 annually, setting a public hearing for March 5, 2019 and authorizing the advertisement for same.

A roll call vote was held as follows:

Ayes: Depreo, Moran, Morgan, Koenenn and L'Ecuyer. Nays: Mayor Schafer. Absent: None.

MOTION CARRIED

b. **2019-020**: Motion to adopt Resolution 2019-007 thereby appointing William Hourin of Ward 1 to service as Planning and Zoning Commissioner to fill an unexpired term ending March 2021.

Councilmember L'Ecuyer moved, seconded by Councilmember Koenenn, to adopt Resolution 2019-007 thereby appointing William Hourin of Ward 1 to service as Planning and Zoning Commissioner to fill an unexpired term ending March 2021.

A roll call vote was held as follows:

Ayes: Depreo, Moran, Morgan, Koenenn, L'Ecuyer and Mayor Schafer. Nays: None. Absent: None.

MOTION CARRIED UNANIMOUSLY

Councilmember Depreo moved, seconded by Councilmember Koenenn, to approve the following agenda items by consent:

3. Consent Agenda:

- a. **2019-021**: Motion to approve and enter into a Memorandum of Understanding with MDOT for the grant funded Commercial Area Connectivity Study and to authorize the City Manager to execute same.
- b. **2019-022**: Motion to authorize selection of and work assignment with Digital Engineering under the Master Services Contract in the amount of \$74,746. for professional services relating to the Commercial Area Connectivity Study and to authorize the City Manager to execute same upon MDOT concurrence.
- c. **2019-023**: Motion to approve Pay Request No. 3 in the amount of \$41,132.13 to Webster Electric for construction for the I-10 Lighting Project.
- d. **2019-024**: Motion to approve Pay Request No. 2 in the amount of \$26,055.89 and Payment No. 3 in the amount of \$2,493.00 for total payment in the amount

of \$28,548.89 for the police department build out and acceptance of close out and substantial completion as of January 18, 2019.

- e. **2019-025:** Motion to approve final payment to Eley Guild Hardy Architects in the amount of \$400.00 for professional services relating to the police department build out.
- f. **2019-026:** Motion to approve payment in the amount of \$2,586.93 to James J. Chiniche for professional services relating the Tidelands 17 Project – Devil’s Elbow and Montjoy Creek Improvements.
- g. **2019-027:** Motion to approve payment in the amount of \$1,869.53 to James J. Chiniche for professional services relating to the East Aloha Drive Improvements Study.
- h. **2019-029:** Motion to concur with the recommendation of the Planning & Zoning Commission in Case File 201800495 to approve a variance to the Zoning Ordinance Article 4.5.5 E iii for the construction of pool lanai within 10’ of the rear property line on parcel 067N-2-35-018.000 (7634 Tahiti Circle) property owner Waltman.
- i. **2019-030:** Motion to authorize travel and related expenses for Mayor, Councilmember (tbd) and City Manager to attend the MML Annual Conference to be held June 24 – 26, 2019 in Biloxi.

Ayes: Depreo, Moran, Morgan, Koenenn, L’Ecuyer and Mayor Schafer. Nays: None.
Absent: None.

MOTION CARRIED

UNANIMOUSLY

V. Routine Agenda.

1. Motion to approve January 16, 2019 Payroll Payables, including benefits and taxes in the amount of \$55,271.35, January 30, 2019 Payroll Payables in the amount of \$47,346.33 and February 1, 2019 Payroll Payables in the amount of \$4,597.67.
2. Motion to approve the Docket of Claims (Claims DKT155583–DKT155642) in the amount of \$130,863.19.

Councilmember Depreo moved, seconded by Councilmember Koenenn, to approve January 16, 2019 Payroll Payables, including benefits and taxes in the amount of \$55,271.35, January 30, 2019 Payroll Payables in the amount of \$47,346.33 and February 1, 2019 Payroll Payables in the amount of \$4,597.67 and Docket of Claims (Claims DKT155583–DKT155642) in the amount of \$130,863.19.

Ayes: Depreo, Moran, Morgan, Koenenn, L'Ecuyer and Mayor Schafer. Nays: None. Absent: None.

MOTION CARRIED UNANIMOUSLY

At 6:37 p.m., Councilmembers Moran and Koenenn exited council chambers and were recused from the meeting proceedings.

3. Motion to approve the Docket of Claims (Claim DKT 155643) in the amount of \$430.00.

Councilmember Depreo moved, seconded by Councilmember Morgan, to approve Docket of Claims (Claim DKT 155643) in the amount of \$430.00.

Ayes: Depreo, Morgan, L'Ecuyer and Mayor Schafer. Nays: None. Absent: None. Recusals: Moran and Koenenn

MOTION CARRIED UNANIMOUSLY

Councilmember Koenenn and Moran 6:37 p.m. re-entered Council Chambers and returned to the meeting proceedings.

VI. Public Comments on Non-Agenda Items:

Mario Feola requested the council considering engaging the services of a professional to assist with the parcel assessment process.

Stewart Nutting expressed is concern that the City was working on a parcel assessment plan without having discussed the matter with Diamondhead Property Owner's Association.

Louis Ertel asked the council if they were aware that Elliott Homes had sent a letter to residents threatening a law suit

Erin Seckso expressed interest into learning more about the City's grant activities as well as the basis for the City's grant applications.

VII. Executive Session.

At 6:47 p.m., Councilmember Depreo moved, seconded by Councilmember Morgan, to enter closed session to determine the necessity for executive session.

Ayes: Depreo, Moran, Morgan, Koenenn, L'Ecuyer and Mayor Schafer. Nays: none.
Absent: None.

MOTION CARRIED UNANIMOUSLY

Councilmember Depreo moved, seconded by Morgan, to enter executive session for matters involving litigation relating to N. Cooke matter, Marthouse matter, and Elliott Homes.

Ayes: Depreo, Moran, Morgan, Koenenn, L'Ecuyer and Mayor Schafer. Nays: none.
Absent: None.

MOTION CARRIED UNANIMOUSLY

LEGAL COUNCIL ANNOUNCED THAT THE COUNCIL HAD VOTED UNANIMOUSLY TO ENTER INTO EXECUTIVE SESSION FOR MATTERS INVOLVING POTENTIAL LITIGATION PURSUANT TO MS CODE §25-41-7, 4 b.

At 7:12 p.m. Councilmember L'Ecuyer moved, seconded by Councilmember Depreo to exit executive session.

Ayes: Depreo, Moran, Morgan, Koenenn, L'Ecuyer and Mayor Schafer. Nays: none.
Absent: None.

MOTION CARRIED UNANIMOUSLY

At 7:12 p.m. Councilmember Depreo, moved seconded by Councilmember Morgan, to exit closed session.

Ayes: Depreo, Moran, Morgan, Koenenn, L'Ecuyer and Mayor Schafer. Nays: none. Absent: None.

MOTION CARRIED UNANIMOUSLY

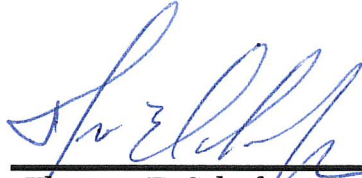
Legal Counsel announced that the council discussed litigation with regard to the N. Cooke matter, Marthouse matter, and Elliott Homes. while in executive session and that no official action was taken.

VI. Adjourn/Recess.

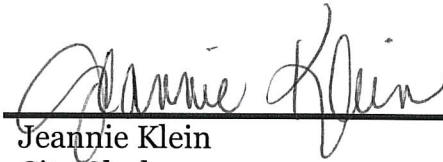
At 7:13 p.m. CST and with no further business to come before the Council, Councilmember Depreo moved, seconded by Councilmember Morgan, to adjourn.

Ayes: Depreo, Moran, Morgan, Koenenn, L'Ecuyer and Mayor Schafer. Nays: None.
Absent: None.

MOTION CARRIED UNANIMOUSLY



Thomas E. Schafer, IV
Mayor



Jeannie Klein
City Clerk