HANCOCK COUNTY UTILITY AUTHORITY

401 Gulfside Street • Waveland, MS 39576
Telephone 228-467-3702 • Fax 228-467-6206

Monthly Board Meeting
April 14, 2015

Call to Order – Meeting was called to order by Chairman Fillingame 4:33 p.m.

Attendees
Mr. Tim Cameron
Mr. Joshua DeSalvo
Mr. Les Fillingame
Mr. Shane Finley
Mr. Shane LaFontaine

Absent
Mr. James Lamy
Mr. Steve Seymour

Pledge of Allegiance and Silent Prayer – Lead by Director Josh DeSalvo

Request to Address the Board
None

Board Action Items
Motion was made by Director DeSalvo to accept the minutes of the March 10, 2015 Monthly Board Meeting, **presented as Exhibit A**, Director LaFontaine seconded the motion; it was voted on and carried by unanimous vote, with voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

Motion was made by Director DeSalvo to accept the minutes of the March 26, 2015 Special Board Meeting, **presented as Exhibit B**, Director Fillingame seconded the motion; it was voted on and carried by unanimous vote, with the voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley
Voting NAY: None
Abstaining: Director Shane LaFontaine
Absent: Director Steve Seymour, Director James Lamy

Motion was made by Director LaFontaine to approve the March 2015 Check Summaries, **presented as Exhibit C**, Director DeSalvo seconded the motion; it was voted on and carried by unanimous vote, with the voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

	Expenses	Monthly Budget	Revenues	Difference
O & M Wastewater	$118,532.35	$137,907.42	$139,088.14	$ 20,555.79
O & M Water	$ 20,657.26	$ 21,512.67	$ 7,197.53	$ -13,459.73
Land Acquisition	$ 4,662.50			
CDBG Projects	$200,692.30			

Motion was made by Director LaFontaine to approve the CDBG Request for Cash, **presented as EXHIBIT D**, in the amount of $23,459.05, Director DeSalvo seconded the motion; it was voted on and carried by unanimous vote, with the voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

Motion was made by Director LaFontaine to approve the Consent Agenda – **presented as EXHIBIT E through EXHIBIT J**, Director DeSalvo seconded the motion; it was voted on and carried by unanimous vote, with the voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

- **EXHIBIT E -** Approval of Pay Request No. 34 to the MS.R. 771-2 Kiln Sewer Connection CIAP Project in the amount of $66,884.97 ($460 Brown, Mitchell & Alexander, $12,506 to A. Garner Russell & $53,918.97 to Jay Bearden Construction) contingent upon approval of board attorney Ladner and MS Department of Marine Resources.

- **EXHIBIT F -** Approval of Pay Application No. 6 FINAL to the S4 Pearlington Completion project with Hudson Contracting in the amount of $14,109.98 contingent upon approval by board attorney Ladner and the Hancock County Board of Supervisors.

- **EXHIBIT G -** Approval of Amendment No. 2 to the professional services agreement with A. Garner Russell & Assoc. for the S6 Kiln Sewer Collection Project for Jourdan River Shores in the additive amount of $31,666.25

contingent upon approval by MDEQ, Board Attorney Ladner and the appropriate Budget Modification. This amendment is required to cover hourly cost incurred do to the additional time required to complete the Jourdan River Shores lift station and connection as well as connecting the existing Hancock County Water & Sewer District force main to the new HANCUA Station on Hwy 603.

- **EXHIBIT H -** Approval of Amendment No. 5 to the professional services agreement with A. Garner Russell & Assoc. for the W6 Kiln Water Distribution Project in the additive amount of $2,677.50 contingent upon approval by MDEQ, Board Attorney Ladner and the appropriate Budget Modification. This amendment is required to cover hourly cost incurred do to the additional time required to complete the Jourdan River Shores water connection and meter station and the 8-inch water main to the Northern Regional WWTF.

- **EXHIBIT I -** Approval of amendment no. 9 to the professional services agreement with Brown, Mitchell & Alexander, Inc. (BMA) for the W8-Bayside Park Water Distribution System in the additive amount of $28,000.00 contingent upon approval from MDEQ, Board Attorney Ladner, and the appropriate budget modification. This amendment will allow BMA to continue to provide construction management services through project closeout anticipated to be complete in December 2015.

- **EXHIBIT J -** Approval of change order no. 6 to the W8, W4, S4 construction contract with Hudson Contracting Inc. in the additive amount of $312,856.80 and 186 calendar days contingent upon approval by MDEQ, Board Attorney Ladner and the appropriate budget modification. This change additional water mains to the project and adds the correct amount of time needed to complete the project.

(End of Consent Agenda Items)

Motion was made by Director LaFontaine to accept the substantial completion of the Southern Regional Disinfection System Modifications as of February 2, 2015 and to approve final payment of Pay App, #6 in the amount of $24,365.85, **presented as EXHIBIT K**. This date will start the one year warranty for this system, Director DeSalvo seconded the motion; it was voted on and carried with a unanimous vote, with voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

Motion was made by Director Lafontaine to approve Amendment No.2, **presented as EXHIBIT L**, to the Engineering Agreement with Digital Engineering &

Imaging, Inc., for project W8-Bayside Park Water Distribution System, Phase 3 at no additional cost, contingent upon approval by MDEQ and board attorney Ladner. This change re-allocates funds inside the existing agreement in order for engineer to continue to provide field services for the remainder of the Bayside Project, Director DeSalvo seconded the motion; it was voted on and carried with a unanimous vote, with the voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

Executive Director
SRF Loan – Executive Director Pitalo informed the Board that efforts to obtain forgiveness for all or a portion of the remaining SRF loan is still on going.

Transfer of $5,000 from O/U account to Water O&M account – Executive Director Pitalo informed the Board of the need to transfer funds from the O/U funds to the Water O & M account, in the amount of $5,000.

Executive Director Pitalo also informed the Board of a situation concerning the three pumps at the Waveland influent pumping station, he explained that over the past weekend a large rubber gasket was pulled up into the motor, which caused severe vibration and ultimately caused the motor to fail, which in turn caused the dry well to fill with water. He explained that the three pumps will need some repair and the estimated cost will be approximately $25,000. He requested to use a portion of the O/U funds to do this repair.

Also, he informed the board of the on-hand cash situation, he explained that due to the O&M District account having to continuously support the water service budget the on-hand cash is regularly reaching critical low balances of $120,000 or less, which is much less than the $137,907monthly budget amount.

Motion was made by Director LaFontaine to transfer $25,000 from the O/U funds to the District O & M account to cover the cost of repairs for the three pumps as discussed above, Director Cameron seconded the motion; it was voted on and carried with a unanimous vote, with the voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

Status update -

- on chlorination project – March 30 startup
- on concrete driveway
- new meter at head works

- bar screen
- clarifier

Outstanding invoices for water services – Executive Director Pitalo informed the Board of the outstanding invoices for the three entities shown below and asked if they wanted to continue to invoice and carry the unpaid balances.

- City of Bay St. Louis - $53,240.00
- City of Waveland - $39,768.00
- Kiln Utility and Fire District - $10,055.88

Motion was made by Director LaFontaine to discontinue invoicing for the minimum required amount needed to support the water service budget and to authorize the Authority Comptroller to remove the outstanding balances from accounts receivable, Director Fillingame seconded the motion; it was voted on and carried with a unanimous vote, with the voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

Authorization to surplus the following equipment – Executive Director Pitalo requested authorization to surplus the items listed below.

- one Echo Weedeater, Asset #1227
- one Stihl Weedeater, Asset #1309
- one Intellafax fax machine, Asset #1079

Motion was made by Director DeSalvo to surplus the above listed items, with the value assumed to be zero dollars, the actual value will be determined at fiscal yearend during the annual audit, Director LaFontaine seconded the motion; it was voted on and carried with a unanimous vote, with the voting as follow:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

Executive Director Pitalo presented the idea of Board touring the Authority facilities i.e. treatment plant, water well sites, major lift station sites, etc. The Board was receptive to the idea and Executive Director Pitalo will setup some tour time to present at the next meeting.

New Business
None

Old Business
Update on Water Service participation

02/10/2015 – Lengthy discussion on Water Service participation with Mayor Fillingame stating that he would like to schedule a workshop after Mardi Gras with the City of Bay St. Louis Council to discuss the options available for the City to accept water services.

03/10/2015 – After a lengthy discussion none of the previous issues or concerns were resolved. A workshop will be scheduled soon to further discuss the water service issues.

04/14/2015 – Director LaFontaine provided the Board with a handout showing how the City of Waveland's wastewater expenses have fluctuated over the past five years and issues concerning the lack of funding for the water service budget.,
After a lengthy discussion, a workshop was scheduled for Thursday April 23, 2015 at 4:30 to continue discussion efforts to resolve the water service issue

Closed Session, determined not needed

Executive Session, determined not needed

Other Business
None

Adjourn or Recess
Motion was made by Director Fillingame to recess the meeting at 6:05 p.m., and to continue the meeting on Thursday April 23, 2015 at 4:30[.m., Director DeSalvo seconded the motion, and it was voted on and carried by unanimous vote, with voting as follows:
Voting YEA: Directors Cameron, DeSalvo, Fillingame, Finley, Lafontaine
Voting NAY: None
Abstaining: None
Absent: Director Steve Seymour, Director James Lamy

Chairman/Vice-Chairman

Executive Director