# HANCOCK COUNTY UTILITY AUTHORITY

401 Gulfside Street • Waveland, MS 39576
Telephone 228-467-3702 • Fax 228-467-6206 • E-mail: hcua@bellsouth.net


## *Monthly Board Meeting*
## *October 03, 2013*

***Call to Order*** – Meeting was called to order by Director Johnson at 10:05 A.M.

***Attendees***

| | |
|---|---|
| Mr. Les Fillingame | Mr. Jimmy Lamy |
| Mr. Al Smith | Mr. Bill Johnson |
| Mr. Mike Collard | Mr. David Yarborough |

***Absent***
Mrs. Lili Stahler

***Pledge of Allegiance and Silent Prayer*** – Lead by Director Lamy

***Request to Address the Board***
None

***Board Action Items***
Motion was made by Director Smith to approve the minutes of September 10, 2013 Monthly Board Meeting, Director Yarborough seconded the motion; it was voted on an carried with a majority vote, with Director Collard abstaining from the vote.
Note: Director Fillingame was available for this vote.

Motion was made by Director Yarborough to approve the September 2013 Check Summaries as presented, Director Smith seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

| | Expenses | Monthly Budget | Revenues | Difference |
|---|---|---|---|---|
| O & M Wastewater | $ 160,840.23 | $139,946.08 | $ 97,058.95 | $ -63,781.28 |
| O & M Water | $ 4,512.02 | $ 29,315.00 | $ 5,319.67 | $ 807.65 |
| | | | | |
| Land Acquisition | $ 34,459.00 | | | |
| CDBG Projects | $ 60,342.66 | | | |
| CIAP – Kiln | $ 32,900.00 | | | |

Discussion: *Director Johnson asked is the "Difference" amount for O & M Wastewater is in line with previous months, Executive Director Pitalo explained that it is, but also, some of the entities are behind in their payments.*

Let the record show that Director Fillingame entered the meeting at 10:07 a.m.

Motion was made by Director Fillingame to approve the CDBG Request for Cash in the amount of $208,505.33, Director Yarborough seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Motion was made by Director Fillingame to accept the Consent Agenda consisting of **2** items as presented, Director Yarborough seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

- Approval of Contract Modification 2011-14/11 (S6) to construction contract with Jay Bearden Construction, for the S6-Kiln Sewer Collection System Ph. 2 (CDBG & CIAP) in the additive amount of $24,120.00 ($9,990.50 CDBG, $14,129.50 CIAP), contingent on the approval of MDEQ, MS Dept. of Marine Resources, Board Attorney Artigues and the appropriate budget amendment. This change order adds line items needed to complete the connections for the Kiln Sewer Project.
- Approval of Revision 3 to Work Order 2011-14/S6-04, for the S6-Kiln Sewer Collection System Ph. 2 (CDBG & CIAP) in the additive amount of $24,120.00 ($9,990.50 CDBG, $14,129.50 CIAP) and 30 calendar days' time, contingent on the approval of MDEQ, MS Dept. of Marine Resources, Board Attorney Artigues and the appropriate budget amendment. This work order revision moves the items added by change order 2011-14/11 (S6) in to the 2011-S6-04 work order and adds 30 days to complete the new work.

Motion was made by Director Yarborough to accept the recommendation to allow Executive Director Pitalo to send a letter to PSI, Inc. to cancel their contract to perform material testing services for the Gulf Region Program effective immediately, resulting from their notification to Executive Director Pitalo to not continue with their current contract, this is a result of less available work and slow payment of invoices, Director Fillingame seconded the motion; it was voted on and it carried by a majority vote, with Director Collard abstaining from the vote.
*Discussion: Executive Director Pitalo explained to the Board that he had had a discussion with PSI, Inc. and they feel they don't have a contract with HCUA, and don't plan to continue to do the testing work. They also, noted slow payment of invoices as a concern.*

Motion was made by Director Yarborough to accept the recommendation to authorize Executive Director Pitalo to solicit, accept quotes and award a contract for material testing services to complete the Gulf Region Program, contingent upon review and approval by MDEQ and Board Attorney Artigues, Director Fillingame seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Motion was made by Director Fillingame to approve the revised Payment Request No. 21, S6 CIAP Kiln Sewer Connection Project, MSCIAP Project No. MS.R.771-2, in the amount of $28,197.30, contingent on approval by the Mississippi Department of Marine Resources and Board Attorney Artigues. This pay request only includes invoices from A. Garner Russell and Associates for $28,197.30.

Contractor did not submit quantities for a pay estimate, Director Yarborough seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

### *Executive Director*

Letter from the City of Waveland to customers concerning rate increases – Information only – No Action Required

Memo to Board members concerning SRF loan – Information only – No Action Required

Letter from MEMA concerning Status of OIG Report DA-13-09 – Motion was made by Director Fillingame to spread on the minutes the response letter from MEMA concerning the OIG Audit, Director Yarborough seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Information concerning Over/Under monies collected to date – Motion was made by Director Yarborough to leave the over/under monies in the O & M District funds account and once all entities are completely caught up in their payments, then the funds can be transferred to either the Emergency Fund Cd, when it matures, or to the Capital Improvements account, Director Fillingame seconded the motion; it was voted on and carried with a majority vote, with Director Collard abstaining from the vote.

Information concerning Inflow and Infiltration – Information only – No Action Required

Letter from MDEQ concerning SRF forbearance extension for one year – After short discussion on the outstanding SRF loan and possible solutions; the board requested Executive Director Pitalo to collect loan information for the possibility of getting a bridge loan from a local bank, pay off the current SRF loan the secure another SRF loan for an approximate twenty year term.

### *New Business*

### *Old Business*

Motion was made by Director Yarborough to remove item "Water reuse system project- $65,000 - $70,000" from Old Business, Director Fillingame seconded the motion; it was voted on and it carried with a majority vote with Director Collard abstaining from the vote.

~~Water reuse system project - $65,000 - $70,000~~

~~Discussion: Director Baxter expressed concern that unless there is a solution to the metering issue it is money down the drain. Also, she feels with certain adjustments to the 2013/2014 budget the project can be realized. Some suggestions were to use the $25K slated for Capital Improvement, and not fill the current Grounds Maintenance Technician position which is approximately $25K, that would provide much of the estimated cost.~~

~~Director Johnson asked for an update on the chlorine project – Executive Director Pitalo explained that the old RBCs have been removed. With the $25k that is in the new budget the first phase could be started, which would be the foundation work.~~

~~Director Baxter asked if the existing CIAP funds could be used to offset some of the cost for this project. Kevin Mullen with BMA explained that the CIAP funds are committed to the Ansley/Herron Bay project and has to be used in those areas.~~
~~Mrs. Nancy Depree asked about the over/under monies being put in the Capital Improvement account – what the balance was. Executive Director Pitalo explained he wasn't sure, but would get the information for her.~~
~~Executive Director Pitalo asked the Board if they felt it was best to put the O/U money into Capital Improvements or would it be best to bring the Emergency Fund up to a three month reserve. Director Johnson felt with the estimated saving the chlorine project would bring – it may be best to continue putting the monies in the Capital Improvements account.~~
~~Director Baxter suggested the possibility of a short term loan, with the savings paying the monthly note. Executive Director Pitalo explained that it was valid idea, as long as the Board didn't continue to cut the annual budget.~~

***Executive Session***
None

***Other Business***

***Adjourn or Recess***
Motion was made by Director Fillingame to adjourn the meeting, Director Yarborough seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

William A Johnson Jr
*Chairman/Vice Chairman*

David C Pitalo
*Executive Director*