HANCOCK COUNTY UTILITY AUTHORITY

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

Monthly Board Meeting
December 09, 2014

Call to Order – Meeting was called to order by Chairman G. W. Graham 4:30 p.m.

Attendees
Mrs. Patricia Cuevas
Mr. Les Fillingame
Mr. G. W. Graham
Mr. Charles Johnson
Mr. Jimmy Lamy
Mr. Steve Seymour
Mr. Shane Lafontaine (non-voting, as he has not been sworn in or bonded)

Absent

Pledge of Allegiance and Silent Prayer – Lead by Director Les Fillingame

Request to Address the Board
None

Board Action Items
Motion made by Director Fillingame to accept the minutes of November 10, 2014 Monthly Board Meeting, Director Cuevas seconded the motion; it was voted on and carried with an unanimous vote. A copy of the November 10, 2014 minutes is attached hereto as **Exhibit A**.

Motion made by Director Fillingame to approve the November 2014 Check Summaries as presented, Director Seymour seconded the motion; it was voted on and carried with an unanimous vote.

	Expenses	Monthly Budget	Revenues	Difference
O & M Wastewater	$124,102.39	$139,907.42	$ 42,016.04	$ -80,086.35
O & M Water	$ 19,091.25	$ 21,512.00	$ 5,828.04	$ -13,263.21
2010 Bond	$ 41,685.63			
CIAP-Kiln	$ 2,785.40			

Motion made by Director Fillingame to approve the CDBG Request for Cash, as presented, in the amount of $354,911.97; Director Cuevas seconded the motion; it was voted on and carried with an unanimous vote.

Motion was made by Director Fillingame to approve Contract Modification No. 5 under the W6 Kiln Water Distribution System Phase 2 and S6 Kiln Sewer Collection System Phase 4 Construction Contract with SH Anthony Construction in the deductive amount $254,597.27($186,779.11 for S6 and $67,818.16 for W6) contingent upon approval by MDEQ and the Board Attorney Ladner. This change order summarizes the quantities used during the construction, Director Seymour seconded the motion; it was voted on and carried with an unanimous vote.
Discussion: Director Seymour asked for clarification as to what lift station this change pertained to, Executive Director Pitalo explained that this was the Jourdan River Shores lift station.

Motion was made by Director Cuevas to approve the request for payment from The Creel Company, Pay App. #4, in the amount of $217,960.59. The Disinfection Systems Modifications are 89.33% complete, Director Lamy seconded the motion; it was voted on and carried with an unanimous vote.

Motion was made by Director Seymour to approve Budget Modification HANCUA-02 #45 – this modification is to cover all needed budgetary transfers due to previous board actions taken regarding grant contracts, Director Fillingame seconded the motion; it was voted on and carried with an unanimous vote.
Note: The agenda identified the budget modification as #44, but actual number is #45.

Motion was made by Director Fillingame to approve Budget Modification HANCUA-03 #36 - this modification is to cover all needed budgetary transfers due to previous board actions taken regarding grant contracts, Director Lamy seconded the motion; it was voted on and carried with an unanimous vote.

Executive Director
Update on chlorine disinfection project construction – Executive Director Pitalo gave an over-head presentation of the progress of the project, which is 89.33% complete.
Discussion: Director Fillingame asked when the project would be 100%. Executive Director Pitalo explained he expects the process to be on line January 2015.

Director Fillingame informed the Board that the City of Bay St. Louis has been working with Rural Water Association to determine their actual cost to produce and sell water. At this point, the number has not been finalized, but that if the City of BSL does convert and buy all their water from the Authority, it would need to be in the $.35 to $.40/1000 range, which would be approximately 32,000,000 gallons per month and would generate approximately $11,200 of revenue, this is all the city could afford, and he feels this would also benefit the Authority water budget.
Director Lamy inquired if the City of Waveland has reconsidered their decision to not participate in a study to determine their actual cost to produce water, Alderman Lafontaine explained that in the beginning they had so many meters which were out of operation and that very few meters were actually being monitored, that it wouldn't

have been possible to provide accurate information for a study. He said that there was a number of $.07/1000 presented to the Waveland board, but they are going to have to take another look at that, and especially, since there have been major improvements done to the system. He expressed concern about the regulating of chlorine and fluoride if they were to go on the regional system. Executive Director Pitalo assured him whatever their levels needed to be, the Authority could meet their requirements.

Executive Director Pitalo informed the Board that MDEQ plans to be at the January or February meeting to discuss the issue of entity participation in the water system. He explained they are very concerned that the system is not or may not be utilized to its fullest capacity.

Director Cuevas informed the Board that the KUFD will begin, in January, to bill all the residents of the Jourdan Rivers Shores area.

Director Johnson informed the Board that Diamondhead Water and Sewer has provided a copy of the FEMA law suit settlement to Attorney Ladner. Attorney Ladner explained that she received the document at the beginning of the meeting, and she could better inform the Board at the January 2015 meeting.
Also, Director Johnson reiterated that there are some DWSD members still opposed to the idea of participating in the Authority. They do not want to return any of the settlement monies to FEMA.
After a lengthy discussion of the options for Diamondhead residents, the Authority and all the entities of the Authority, no action was taken.

New Business
N/A

Old Business
N/A

Closed Session
Motion was made by Director Fillingame to consider going into Closed Session for the purpose of determining the need for an Executive Session to discuss land acquisitions and potential litigation concerning S.H. Anthony, Inc., at approximately 5:16p.m., Director Seymour seconded the motion; it was voted on and carried with an unanimous vote. During Closed Session it was determined that there is a need for Executive Session to discuss land acquisitions and potential litigation.

Executive Session
Motion was made by Director Fillingame to go into Executive Session for the purpose of land acquisition and potential litigation concerning S.H. Anthony, Inc., Director Seymour seconded the motion; it was voted on and carried with an unanimous vote.

Motion was made by Director Seymour to leave Executive Session, with no action taken, at approximately 5:45p.m., Director Cuevas seconded the motion; it was voted on and carried with an unanimous vote.

Other Business

After a full discussion, a motion was made by Director Seymour to authorize Attorney Ladner to proceed with seven fair market value offers for Project S6-Kiln Wastewater Collection System, contingent upon CDBG funding availability and approval by MDEQ, based on said information, in the amounts indicated in each file on the parcels shown on the ***attached Exhibit B*** and to allow Attorney Ladner and Executive Director Pitalo to review, recommend and proceed with FMVOs as needed to avoid delays in the project, Director Fillingame seconded the motion; it was voted on an it carried with an unanimous vote.

Motion was made by Director Seymour to approve Amendment #8 – Project S6 to the Legal Contract with Butler Snow in the not to exceed amount of $50,000, contingent upon approval of MDEQ and funding from appropriate budget modifications, Director Fillingame seconded the motion; it was voted on and it carried with an unanimous vote.

Adjourn or Recess

Motion was made by Director Fillingame to adjourn the meeting at 5:59p.m., Director Seymour seconded the motion; it was voted on and carried by an unanimous vote.

Guy Graber

Chairman/Vice Chairman

David C Pitalo

Executive Director