



# HANCOCK COUNTY UTILITY AUTHORITY

401 Gulfside Street • P.O. Box 110 • Waveland, MS 39576  
Telephone 228-467-3702 • Fax 228-467-6206 • E-mail: hcua@bellsouth.net

## Recess Board Meeting

July 21, 2009

The meeting was called to order by Director Pullman at 9:07 A. M.

Director Larry Ladner led the attendees in the Pledge of Allegiance and a moment of silent prayer.

### Attendees:

Mr. Al Smith

Mr. Jack Cleveland

Mr. Rocky Pullman

Mr. Larry Ladner

Mr. Kevin Hill

Mayor Les Fillingame

### Election of New Board Officers - Left on Agenda in Error

### Approval of Minutes

Motion was made by Director Ladner to approve the minutes from the July 8, 2009 Monthly Board Meeting, Director Hill seconded the motion; it was voted on and it carried unanimously.

### Board Action – Discussion Items

*Allocation of costs by flow versus flow and biological oxygen demand* – Mr. Bill Mitchell presented to the Board, for their consideration, a comparison of entity billings calculations, using the current over/under formula vs. using actual flow numbers. He explained that with the new formula the calculations would be based on actual flows, with any adjustments being done on a monthly basis, rather than at year end. As each entity improves their system, to eliminate infiltration of outside storm water, the new formula would work in the favor of each entity. (See handout from Mr. Mitchell)

Motion was made by Director Cleveland to change to the new flow formula.

Director Fillingame expressed concern about using the new formula, as it indicates it would increase the City of Bay St. Louis to some degree and lower the HCWSD, he wanted to know from Director Smith if the HCWSD would decrease their rates to their customers based on any savings, Director Smith indicated that they would have to look closely at their expenses and determine what if any decrease could be passed along to the customers. Director Cleveland explained that if the HCWSD lowered their rates it would create a hardship on them and their ability to pay their commitment to the Authority; this is mainly due to the many HCWSD customers not paying their monthly invoices.

Attorney Artigues requested that before any action is taken on the motion, that it be discussed in Executive Session, due to possible legal complications with the existing contracts with each entity.

Motion was made by Director Cleveland rescinded his original motion until after the discussion during Executive Session, Director Ladner seconded the motion, it was voted on and it carried unanimously.

*Change order for Project S6 – Kiln Wastewater Collection System –* The original change indicated an increase to the project of approximately \$3 million dollars, the new proposal will indicate an increase of approximately \$1.1 million dollars and will still be able to complete all the originally proposed work, the change will also include reduction of unnecessary fill for the pipe lines, the reduction of unneeded pipe due to rerouting, and reduces the number of pump stations from six to four, and eliminates the connection expenses of all the commercial property, but still includes the connection of county owned property, i.e. East Hancock Elementary School, the Sheriff's office, etc., Mr. Bill Powell will have the new change order prepared for the review of the Board for the August 2009 meeting. Attorney Artigues pointed out that MDEQ has signed off on this \$1.1 million dollar change and will get the approval in writing and this letter will be spread on the minutes. He recommended that approval by the Board not be made until funding for the change order has been determined and a budget modification is completed and approved.

*Discussion of data collection services and other potential projects to fund with monies after CDBG projects are complete –* Executive Director Pitalo explained to the Board that Mr. Scott Walker of Geospatial Corporation, who made a presentation to the Board at the July 8, 2009 meeting about their digital mapping for infrastructures, has requested a letter from the Authority approving them to go forward with the Hancock County portion of the program.

Motion was made by Director Cleveland to send a letter to Mr. Walker explaining at this time the Authority will not move forward with the project due to funding issues, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Mr. Bill Mitchell asked the Board to review the Budget Summary Analysis prepared by Mr. Bill Powell which shows all the monies available and all known expenses for the CDBG projects.

*Substantial completion/warranty for Project W3 water mains when not pressured tested –* Executive Director Pitalo has recommended that the Board approve the Substantial Completion/Warranty for Project W3, the contractor has issued a letter indicating that there will be sufficient time for the contractor to test all lines and make any necessary improvements before the warranty period has expired.

Motion was made by Director Cleveland to approve the request of the Substantial Completion/Warranty for Project W3 based on all in the information provided, Director Hill seconded the motion; it was voted on and it carried unanimously.

*Discussion: Director Pullman* inquired as to how the situation would be handled when the lines are filled with water and the weight makes the lines and hydrants possibly begin to sink in the poor soil in the Pearlinton area. Mr. Bill Mitchell explained that the soil in the base of the trenches is minimally disturbed and is still compacted, but if an area shows "gumbo" soil, then the necessary base fill will be used to reinforce the base. Also, that in his experience there will be some settling, maybe a half to one inch, anything greater than that, the contractor will have to come back and reinforce the base with the necessary base fill and make any necessary repairs.

*Director Cleveland* inquired about if the contract called for a certain number of cubic feet of base fill and it is not used does the contract issue a credit, Mr. Ron Plouffe of PBS&J explained that a credit will be and has been issued. (See Contract Modification 2008-01/05(W3) this mod. includes a credit for unused base fill)

*Director Hill* expressed concern to the quality of the joint welds in the piping, he would like for the inspectors to examine them more closely, and also he is concerned that when the pressure test is done that a leak may not be detected in the twenty-four hour test period. Mr. Bill Mitchell felt that with the 120psi applied to the lines any leaks should be detected.

He also expressed concern about the pumping station at the corner of Seventh Avenue and Road 220, he feels the property owners will have an issue with the location due to any gaseous odors that may be emitted from the station and also there is a greater chance for vandalism, Mr. Nick Mignone assured Director Hill that any odors can be taken care of, also the area will be well landscaped, lighted, fenced and locked.

*Water and sewer service to jail* - Executive Director Pitalo explained to the Board that a meeting was held on July 20, 2009 between himself, representatives from CDM and the Hancock County Water and Sewer District to discuss the options for supplying water and sewer to the new jail facility. He explained the best option would be to tee off from the sixteen inch water line, from the W7 Project, with a twelve inch line running toward the jail facility and this should also be able to provide water to the Springwood Park area and any future development in the area. As for sewer, a pump station will be installed by the jail to pump to the lift station at the front Bayside Park. Ms Jenell Tompkins will be asked to look into county CIAP funds to help fund the difference in the project. After completion of the work, the lines will be turned over to the HCWSD. Director Pullman indicated that there may be some funds available from the criminal justice complex project to off set some of the expenses of the water and sewer connections.

*Status of chlorination/dechlorination improvements for Waveland WWTP* – Executive Director Pitalo informed the Board that one quote and been received and a second has been requested, also Brown and Mitchell, Inc., is working on the design for slab and overhead hoist systems. No action is required at this time.

*Pearlington Public Meeting* – The public meeting that was requested by the Pearlington Water and Sewer District has tentatively been scheduled for August 4, 2009, 5:30 p.m. until 7:30 p.m., at the Pearlington Community Center. Also, Mr. Walt Denton of Denton Advertising is compiling a news release to be run in the local paper and Attorney Jack Pittman will be sending a letter out to the Pearlington residents concerning other issues, but will include information about the meeting. The HCUA will be discussing mainly land acquisition, and any other questions concerning monthly costs, etc., will be the responsibility of the Pearlington Water and Sewer District.

Motion was made by Director Ladner to spread on the minutes the signed Agreed Order to MDEQ concerning compliance issues at the WWTP, Director Cleveland seconded the motion; the motion was voted on and it carried unanimously.

Motion was made by Director Ladner to approve the request by Necaise Brothers Construction to use the sub-contractor services, on Project W4, of:

- A and C Industrial, Inc. – Long Beach, MS

Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Amendment No. 2 to the W5 Engineering Agreement with A. Garner Russell & Assoc. adding the new hourly rate schedule, contingent upon approval by Board Attorney Ronnie Artigues and MDEQ, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Amendment No. 3 to the W5E Engineering Agreement with A. Garner Russell & Assoc. adding the new hourly rate schedule, contingent upon approval by Board Attorney Ronnie Artigues and MDEQ, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Amendment No. 2 to the W6 Engineering Agreement with A. Garner Russell & Assoc. adding the new hourly rate schedule, contingent upon approval by Board Attorney Ronnie Artigues and MDEQ, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Contract Modification 2008-01/05(W3) to the Term Bid 2008-01 contract, in the deductive amount of (\$24,384.29), contingent on approval of Board Attorney Ronnie Artigues and MDEQ." This is the change that adjusts the final quantities as actually constructed for Work Order No. 1 for the W3 water main, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

**Executive Director – David Pitalo**

*Increase Board Members Bonds to \$50,000* – Motion was made by Director Ladner to approve raising the bond amounts for each Board member to \$50,000 based on recommendations by Treutel Insurance and Director Pullman indicated that the County is increasing their bonds also, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

*Extension Letter from P F Moon and Company, Inc.* – Information only – No Action Required

*Not on agenda – Hancock County Port and Harbor Commission – sewer plant at Stennis Airport* - Originally the airport had requested the Authority to take over the sewer system at the airport, but has indicated to Executive Director Pitalo, that they will continue as they are now, until the projects are finished, and then their waste will be sent to the Northern Regional WWTP.

Mr. Bill Mitchell expressed concern about the Buy-out plan and any conflicts that there may be between the CDBG projects and any properties that may be sold. He asked that an inquiry be made to MDEQ for guidance. Director Pullman explained that any infrastructure that the CDBG project installs would not be affected by a property owner selling their property. Recommendation was made by Director Hill and Pullman not to take any type action at this time.

**Old Business**

None

**New Business**

None

**Executive Session**

Motion was made by Director Cleveland to consider going into executive session to discuss Project S6 and S5 land acquisition and potential litigation issues, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to go into executive session to discuss Project S6 and Project 5 land acquisition and potential litigation issues, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to leave executive session at 11:21 P.M., with no action taken, Director Ladner seconded the motion; it was voted on and it carried unanimously.

During executive session the Board had the opportunity to review, on a per parcel basis, a total of nine appraisals/review appraisals for Project S5 – Northern Regional WWTP for the purpose of establishing a basis for making a fair market value offer pursuant to the appraisal/review appraisal procedure. After a full discussion, a motion was made by Director Hill to authorize Attorney Ronnie Artigues to proceed with the fair market value offers, based on said information, in the amounts indicated in each file on the parcels shown on the **attached two pages**, and to allow Attorneys Ronnie Artigues and Jack Pittman and Executive Director David Pitalo to review, recommend and proceed with FMVOs as needed to avoid delays in the project, Director Ladner seconded the motion and it carried unanimously. **Attached – Two Pages of FMVOs**

Let the record show that Director Cleveland abstained from the vote.

**Adjourn or Recess**

Motion was made by Director Cleveland to recess the meeting at 11:30 p.m., Director Fillingame seconded the motion; it was voted on and it carried unanimously.

  
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Authority Board Chairman

  
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Executive Director

HCUA Recess Board Meeting  
July 21, 2009, 9:00 A.M.



9 total Parcels  
**HANCOCK COUNTY  
UTILITY AUTHORITY**

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A handwritten signature in black ink, appearing to be 'W. J. ...' with a stylized flourish at the end.

Easement FMVU Project S5

Hancock County Land, LLC  
Parcel 33

Hancock County Land, LLC  
Parcel 31

Munro Limited Partnership  
Parcel 30

Pearl River Basin Development District  
Parcel 4

Kenneth B Allison, LLC  
Parcel 36

Bayou Concrete, LLC  
Parcel 42

AT & T Corp.  
Parcels 39 + 40



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Pg 2820  
*[Signature]*

The Leo Seal Family Limited Partnership  
Parcel 43

Three J's  
Parcel 35