



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

Monthly Board Meeting

May 11, 2010

The meeting was called to order by Director Rocky Pullman at 2:00 P.M.

Attendees:

Mr. Al Smith

Mr. Larry Ladner

Mr. Jack Cleveland

Mr. Kevin Hill

Mr. Rocky Pullman

Mayor Les Fillingame

Motion was made by Director Ladner to show on the record that Director Tommy Longo was absent, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

Approval of Minutes

Motion was made by Director Ladner to approve the minutes from the April 29, 2010 Recess Board Meeting, Director Smith seconded the motion; it was voted on and it carried unanimously.

Approval of Claims Docket w/Additions

Motion was made by Director Pullman to approve the April 2010 Docket w/additions as presented to the Board, Director Hill seconded the motion; it was voted on and it carried unanimously.

Request to Address the Board

Board Action Items

Motion was made by Director Hill to approve the Request for Cash in the amount of \$4,619,998.34 as presented to the Board, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Discussion: Director Cleveland inquired as to what the Request for Cash was for, it was explained to him that this is the general monthly submissions by the contractors, engineers, etc.

Motion was made by Director Hill to approve Contract Modification 2008-06/03(W3) to the Term Bid 2008-06 construction contract, in the additive amount of \$121,778.09, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for a closed-loop chlorine analyzer, per Dept of Health requirements, and addresses corrective measures for unsuitable material encountered at the Pearlington Water Well site. The current budget modification indicates that contingency funds are available for this change, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to approve of ownership of water and sewer facilities to be maintained by HCUA, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Discussion: Executive Director Pitalo explained that in reference to the ownership of the fire hydrants the recommendation of BMI is that the Authority would own everything up to and including the valve and the from back of the valve through the fire hydrants would be the responsibility of the respective District to maintain.

Further, motion was made by Director Smith that the ownership of the fire hydrants will be that the Authority will own everything up to and including the valve and the respective Districts will own everything from the back of the valve, and each District will determine who will maintain the hydrants, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve the request by The Creel Company to utilize the sub contractor services of:

Necaise Well Service – Gulfport

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

Motion was made by Director Ladner to approve Contract Modification 2008-02/08(W5E) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C Construction, in the additive amount of \$132,989.67, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change provides for additional boring length for the directional drilling of the 16-inch water main under the Jordan River and under Bayou Talla, due to utility conflicts and differing conditions encountered. The requirement for this change was one of the items discussed with MDEQ during

our May 4 meeting in Jackson, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to award the unit price repair/replacement contract to Necaise Brothers Construction, their bid amount was \$1,292,129.70, contingent upon review/recommendation by BMI and Board Attorney Artigues, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to approve Contract Modification 2008-07/06(W7) to the Term Bid 2008-07 construction contract with Necaise Brothers, in the additive amount of \$662,650.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for overrun quantities of driveway repair, roadway repair and other existing bid items. The current budget modification indicates that funds are available for this change, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Executive Director

Treatment Plant Assessment Summary – No Action Required – Information Only
Discussion: Executive Director Pitalo explained that a energy assessment was done at the Waveland WWTP by Mississippi Power Company and Global Energy Partners to determine if anything could be done to reduce the power bills, it was determined that there was little that could be done, but it was recommended timers be put in certain areas and those areas not run on a continual basis.

SCADA advertisements and bid dates – No Action Required – Information Only

- First Advertisement – Wednesday June 23, 2010
- Second Advertisement – Wednesday June 30, 2010
- Pre-Bid Conference – Thursday July 8, 2010
- Open Bids – Thursday July 22, 1010

Grant extension request letter sent to Ray Eaton to extend the HANCUA-01 from December 31, 2009 to June 30, 2011 – No Action Required – Information Only

Motion was made by Director Smith to accept the proposal from the independent insurance consultant, Elam Consulting, Inc., in a not to exceed amount of \$12,000.00, the firm will do a complete review of the Authority's

insurance policies to determine if there are any risk exposures, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Trip to MDEQ on May 4, 2010 requesting \$2.8 million dollars, approved on May 6, 2010

Discussion: Executive Director Pitalo and Mr. Bill Mitchell met with MDEQ to discuss the financial needs of the Authority's CDBG projects and asked that \$2.8 million dollars be reinstated to the projects, this has been approved by MDEQ, the shortfall will be approximately \$1.2 million – Not Action Required – Information Only

TESI meeting on discussion of serving them with waste water treatment – No

Discussion: David Pitalo and Mr. Bill Mitchell had a meeting with TESI to discuss the Jordan Rivers Shores Treatment site and the Oak Harbor Treatment site, they discussed the possibility of the TESI donating the Jordan River Shores site to the Authority and then the Authority to install a lift station for the process, TESI indicated that they were willing to discuss all alternatives and options for both sites

Director Pullman expressed a concern about the properties that will be participating in the "buy out" program, he felt that the Authority should not purchase easements or install utilities on the approved homes. Attorney Jack Pittman asked that the County send he a list of the addresses - No Action Required – Information only

Pearlington discussion on payment to the HCUA for water and waste water services

Discussion: Executive Director Pitalo informed the Board that within the next two months water service will be made available to approximately forty homes in the Pearlington area.

The Pearlington Water and Sewer District has indicated that at this time they are unable to pay the water bill, due to their business office not being set up and revenues are not available and are asking for a grace period.

Director Ladner recommended that the Board not make a decision on this issue at this time.

Executive Director Pitalo recommended that the Authority would begin invoicing the PWSD the following month after water service has begun.

Water quality for McLaurin Street well – Executive Director Pitalo informed the Board of the water quality/clarity for the well – No Action Required – Information Only

GPS work has begun on W5 and W5E – No Action Required – Information Only

Bryan Griffith delayed due to oil spill conflicts – No Action Required – Information Only

New Business

Ms Linda Lacoste addressed the Board concerning the installation of fire hydrants on Sam Favre Road in the Kiln area, she indicated that the contractors stopped the installation approximately 1,100 feet from her home, and was told by the contractors that there were no funds available to run the hydrants to the end of the road, which has approximately four more homes.

Mr. Scott Burge of A. Garner Russell, explained that the conceptual design of the project did in fact stop the hydrants in the area she indicated, and there are no funds available for extension of the lines.

Executive Session

Motion was made by Director Lander to consider going into Executive Session to discuss land acquisition issues and legal issues concerning Projects S4, W7 and S6 and contract issues with W5E, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made Director Cleveland to enter into Executive Session to discuss land acquisition issues and legal issues concerning Projects S4, W7 and S6 and contract issues with W5E, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Smith to leave Executive Session with no action taken at 3:53 pm, Director Ladner seconded the motion; it was voted on and it carried unanimously.

(Butler Snow)

During executive session, Attorney Artigues presented the Board with an opportunity to review, on a per parcel basis, a total of two waiver valuations for Project S6 – Kiln Wastewater Collection System for the purpose of establishing a basis for making a fair market value offer pursuant to the waiver valuation

procedure for the purpose of establishing a basis for making a fair market value offer pursuant to the waiver valuation 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 one page(s)**, 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 Smith seconded the motion; it was voted on and it carried by majority vote, with Director Cleveland abstaining from the vote.

(Pittman, Howdeshell & Hinton)

During executive session, Attorney Jack Pittman presented the Board an opportunity to review, on a per parcel basis, a total of thirteen waiver valuations for Project S4 – Pearlington Wastewater Collection System for the purpose of establishing a basis for making a fair market value offer pursuant to the waiver valuation procedure. After a full discussion, a motion was made by Director Fillingame to authorize David Pitalo and Attorney Jack Pittman 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 one page(s)**, 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 Hill seconded the motion; it was voted on and it carried by majority vote, with Director Cleveland abstaining from the vote.

And, Attorney Jack Pittman presented the Board an opportunity to review a total of one parcel waiver valuation Project W7, which is for the railroad crossing at Central Avenue and Woods Street, for the purpose of establishing a basis for making a fair market value offer pursuant to the waiver valuation procedure. After a full discussion, a motion was made by Director Fillingame to authorize David Pitalo and Attorney Jack Pittman 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 one page(s)**, 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 Hill seconded the motion; it was voted on and it carried by majority vote, with Director Cleveland voting NO.

Also, Attorney Jack Pittman presented to the Board an opportunity to review the revised appraisal/review appraisal for Parcel CE242, Project S4. The original FMVO has been revised due to the new measurement for the additional land needed for an easement, motion was made by Director Fillingame to authorize David Pitalo and Attorney Jack Pittman to proceed with the fair market value offer, based on said information, in the amount as presented to the Board during executive session, Director Hill seconded the motion; it was voted on and it carried by majority vote, with Director Cleveland voting NO.

After discussion during executive session, motion was made by Director Pullman to approve Contract Modification 2008-02/07(W5E) to the Term Bid 2008-02 construction contract, including the corresponding revision to Work Order W5E-02, in the additive amount of \$62,968.13, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change provides the required fuel and material price adjustment for Work Order 2008-02/W5E-02 for the Kiln Regional Water Supply System. This contract modification contains "reservation of rights" language inserted by the contractor, Director Hill seconded the motion; it was voted on and it carried by a majority vote, with Director Cleveland abstaining from the vote.

Old Business

Adjourn or Recess

Motion was made by Director Fillingame to recess the meeting, Director Smith seconded the motion; it was voted on and it carried unanimously.



HCUA Board Chairman



HCUA Executive Director