



# 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

July 13, 2010

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

### Attendees:

Mr. Al Smith  
Mr. Jack Cleveland  
Mr. Rocky Pullman  
Mayor Tommy Longo

Mr. Larry Ladner  
Ms Betty Baxter  
Mayor Les Fillingame

*Let the record show that Ms Betty Baxter will be Director Pro Tempe for the Pearlington Water and Sewer District.*

**Pledge of Allegiance and silent Prayer** – Lead by Director Tommy Longo

### Approval of Minutes

Motion was made by Director Ladner to approve the minutes from the July 8, 2010 Special 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 Longo to approve the June 2010 Docket w/additions as presented to the Board, Director Smith seconded the motion; it was voted on and it carried unanimously.

### Request to Address the Board

None

### Board Action Items

Motion was made by Director Fillingame to approve the Request for Cash in the amount of \$3,635,194.70 as presented to the Board, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to authorize Executive Director Pitalo to sign Budget Modifications – for removal of grant funds approximately \$1.9 million dollars, as presented to the Board and shown below:

- HANCUA-01Modification #9
- HANCUA-02Modification #14

- HANCUA-03Modification #9

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

Motion was made by Director Ladner to spread on the minutes the results of the Telephone poll concerning the combination of the Katrina Loans and Pool Loan, Director Smith seconded the motion; it was voted on and it carried unanimously.

Letter from Pearlinton Water and Sewer District to MDEQ concerning reimbursement of \$9,138.03

- MDEQ Letter of Response to Request

*Note: It was explained that these costs were incurred prior to Hurricane Katrina, and therefore ineligible for reimbursement by MDEQ.*

Motion was made by Director Pullman requested Attorney Artigues to send a letter to the Army Corps of Engineers requesting that they forgive the charge of \$9,138.03 due to the circumstances of Hurricane Katrina, the funds were exhausted before Katrina and all the pertinent information was lost and MSEG and MDEQ deciding to take another course of action for sewer in Pearlinton the previous monies were reassigned, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to spread on the minutes the results of the Telephone poll for approval to advertise for RFPs for the CIAP funds to connect customers to sewer collection system in the Kiln area

- RFPs will be received by July 21, 2010

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

Motion was made by Director Fillingame to approve the Final Design Engineering Agreement with A. Garner Russell and Associates engineers in the not-to-exceed amounts of \$110,650.00 for Basic Services and \$20,800.00 for Additional Services, for the design of the S6 Sewer Connection Contract, contingent on final approval of MDEQ and Board Attorney Artigues. This agreement provides for the engineering design of the project to provide sewer service connections to the CDBG-eligible (low-to-moderate-income) residences served by the S6 Kiln Wastewater Collection System, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve the request by American Fire Protection, Inc., a previously approved subcontractor for P.F. Moon, to utilize the services of the following subcontractor:

- Fire Pro, LLC

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

Motion was made by Director Fillingame to approve the Substantial Completion Certificate for Work Order 2008-06/W3-02 for Term Bid 2008-06, the Pearlinton Water Well, as of 06-02-10. This begins the one-year warranty period for this project, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve the Substantial Completion Certificate for Work Order 2008-02/W6-02 for Term Bid 2008-02, the Kiln Water Distribution System, as of 03-30-10. This begins the one-year warranty period for this project, Director Longo seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Contract Modification 2008-04/04(W4) to the Term Bid 2008-04 construction contract with Hudson Contracting, in the deductive amount of \$208,525.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change eliminates the water service connections for the non-lo-mod (ineligible) residents, which were originally included in the bid quantities, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pro Tempe Baxter to Approval of Substantial Completion Certificate for Work Order 2008-05/W3-01 for Term Bid 2008-05, the Pearlinton Elevated Water Tank, as of 06-02-10. This begins the one-year warranty period for this project, Director Longo seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Contract Modification 2008-02/10(S6) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C JV, in the additive amount of \$242,180.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change revises quantities of grinder pumps, silt fencing and other bid items based on field conditions, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approved Contract Modification 2008-01/15(S4) to the Term Bid 2008-01 construction contract with Necaise Brothers Construction, and the corresponding Revision 1 to Work Order S4-03, both in the additive amount of \$939.36, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for the required fuel and material adjustment for Work Order S4-03, and adds 62 calendar days contract time to the work order for unforeseen delays in obtaining permanent electrical power to the S4 pump station, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Contract Modification W5-A No. 3 to the W5-A construction contract with Griner Drilling, in the deductive amount of \$1,366.85, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for reimbursement of the contractor's share of electrical power previously billed to, and paid by, the Utility Authority, Director Longo seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Contract Modification W5E-A No. 4 to the W5E-A construction contract with Griner Drilling, in the additive amount of \$2,452.64, contingent on final approval of MDEQ and Board Attorney Artigues. This

change provides for reimbursement of the contractor's share of electrical power previously billed to, and paid by, the Utility Authority, and removal and replacement of unsuitable material encountered, Director Longo seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Contract Modification 2008-02/11(W5E) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C JV, in the additive amount of \$1,129.50, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for adjustment in the quantities of various unit price bid items to conform to measured quantities to date, Director Longo seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Approval of Contract Modification W5E-B No. 2 to the W5E-B construction contract (Kiln Regional Elevated Water Tank) with Phoenix Fabricators and Erectors, in the additive amount of \$8,500.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for removal and replacement of unforeseen unsuitable material encountered, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Amendment No.7 to the S5 (Northern Regional Wastewater Treatment Facility) Engineering Agreement with Carollo Engineers in the not-to-exceed amount of \$9,286.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for surveying services related to the proposed acquisition of the Stennis Technology Park pump station and force main, with services billed on an hourly basis as costs are incurred, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Revision 2 to Work Order 2008-01/S4-01 for the Term Bid 2008-01 contract with Necaise Brothers, in the deductive amount of \$7,348.83, contingent on final approval of MDEQ and Board Attorney Artigues. This change adjusts final quantities as constructed, and adds 256 calendar days time for design changes, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Revision 3 to Work Order 2008-02/W6-02 for the Term Bid 2008-02 contract with Jay Bearden/G&C, in the deductive amount of \$190,379.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change adjusts final quantities as constructed, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Revision 4 to Work Order 2008-02/W6-01 for the Term Bid 2008-02 contract with Jay Bearden/G&C, in the deductive amount of \$192,451.46, contingent on final approval of MDEQ and Board Attorney Artigues. This

change adjusts quantities to conform to actual quantities as constructed to date, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Approval of Revision 3 to Work Order 2008-02/W5E-02 for the Term Bid 2008-02 contract with Jay Bearden/G&C, in the additive amount of \$514,704.03, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change adds to the current work order the work associated with the Jordan River bore, adjusts quantities as currently constructed, and adds 70 calendar days time. Approval of the current Budget Modification HANCUA-01 No. 9, as proposed for the July 13, 2010 agenda, provides sufficient construction funds for this change.

Motion was made by Director Fillingame to approve Contract Modification 2008-01/16(W4) to the Term Bid 2008-01 construction contract with Necaise Brothers, in the additive amount of \$506,882.46, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change primarily addresses overruns in the quantities of existing bid items, including storm drain culverts, directional bore items and restoration items. Approval of the current Budget Modification HANCUA-01 No. 9, as proposed for the July 13, 2010 agenda, provides sufficient construction funds for this change, Director Pullman seconded the motion; it was voted on and it carried unanimously.

**Discussion:** Attorney Artigues has not approved this change, he wants to make sure that this is not a material change, due to the dollar value of the change; Attorney Artigues will advise Executive Director Pitalo of his decision.

Mr. Bill Powell of Brown and Mitchell explained that the change does not add additional cost to the project, that the money had already been allocated to the contract, but the work order didn't contain the items as described above, so now the money is being moved to the work order.

Motion was made by Director Fillingame to approve Revision 1 to Work Order 2008-04/S4-01 for the Term Bid 2008-04 contract with Hudson Contracting, in the additive amount of \$914,627.75, and 187 calendar days time, contingent on final approval of MDEQ and Board Attorney Artigues. No additional funding is required for this work order revision. This revision adds to the current work order the installation of an additional 102 STEP tanks, with associated contract work, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Contract Modification 2008-04/05(S4) to the Term Bid 2008-04 (Pearlington STEP tanks) construction contract with Hudson Contracting, in the additive amount of \$33,699.98, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides the required fuel and material adjustment for the bid items in Work Order 2008-04/S4-01, Director Ladner seconded the motion; it was voted on it carried unanimously.

Motion was made by Director Fillingame to approve of Budget Modifications as follows:

HANCUA-01Modification 10

HANCUA-02Modification 15

HANCUA-03Modification10

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

Motion was made by Director Ladner to consider and approve the proposed realignment of a portion of the W-7 water supply project from Highway 90 to Longfellow Road. Brown and Mitchell and Neel-Schaffer feels this change will reduce the disruption to businesses and traffic, and will result in an estimated savings of at least \$400,000. This approval will be subject to NEPA Clearance and MDEQ approval, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Amendment No. 8 to the engineering agreement with Neel-Schaffer for project W7, in the amount of \$51,335.00 for basic design services, and \$12,100.00 for surveying. This work will provide for the final design of the realigned sections of Project W7 on Longfellow Drive and Hwy 603. The current budget modification indicates that there are sufficient W7 contingency funds for this amendment, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve the request by Hemphill Construction to utilize the subcontractor services of the following for Project S7 Cedar Point:

- o Robbie Robinson – Jackson, MS

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

#### **Executive Director**

Flood policy discussion – Executive Director Pitalo explained to the Board that in order to carry flood insurance on the electrical panels at the Waveland WWTP, each panel must have structure consisting of a slab, roof and two sides in order to be considered a building, so these items will be included as capital expense in the up coming budget.

Discussion of regulations for change over from UV to chlorine – Executive Director Pitalo explained to the Board the need for

- o Authorization to advertise for construction of building, the approximate cost of the building should be \$125,000 – Motion was made by Director Smith to proceed with advertising for the construction of the chlorine building located at the Waveland WWTP and to proceed with construction once the bid is let, Director Ladner seconded the motion; it was voted on and it carried unanimously.

2008/2009 Financial Audit – for Board Review and Comments – No Action Needed

- o Start up of Inventory control system

Potential Grants and Loans from different funding sources – Information Only – No Action Needed

Crump Road site issues – Information Only – No Action Needed

Discussion of flow vs. formula billing for entities

*Discussion: The Board agrees that the flow is the best course to take, but the City of Waveland can't afford additional expenses at this time and asked that the Authority allow another year before implementing any changes. Director Fillingame suggests that a review should be done in March 2011, to see if there are any financial changes for the City of Waveland.*

Not on Agenda –

Executive Director Pitalo made the Board aware of the list of property owner that are currently on the County Buyout List, and recommended that no easements be acquired until it is determined if the said property will actually need sewer/water.

Executive Director Pitalo asked for volunteers for Selection Committee for the CIAP Kiln Connection Project, to review the RFP that will be submitted.

- o Directors Larry Ladner and Al Smith will serve as committee members along with Executive Director Pitalo.

#### **New Business**

None

#### **Executive Session**

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

Motion was made Director Fillingame to enter into Executive Session to discuss land acquisition issues and legal issues concerning Projects S4, Director Longo seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to leave Executive Session with no action taken at 3:18pm, Director Longo seconded the motion; it was voted on and it carried unanimously.

#### ***(Pittman, Howdeshell & Hinton)***

Motion was made by Director Longo to authorize Executive Director Pitalo to sign necessary Orders to Condemn, from this point forward, on all easements that the Authority has not received the necessary signed easement paperwork, Director Fillingame seconded the motion; it was voted on; and it carried unanimously.

During executive session, Attorney Jack Pittman presented the Board an opportunity to review, on a per parcel basis, a total of twenty-nine waiver valuations for Project S4 – Pearlinton 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 Ladner 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 two 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 Pullman seconded the motion; it was voted on and it carried by majority vote, with Director Cleveland abstaining from the vote and Director Les Fillingame voted No on parcel #264 and YES on all others. Note: there are two parcels which appear on the BuyOut List, and these offer will be withheld until such time as it is determined if the property owners will participate in the BuyOut Program, these are parcels CE264 & CE296.

Motion was made by Director Fillingame to show as a matter of record that Parcel CE226, previously presented in the name *State of Mississippi*, has been changed to reflect the correct property owner's name as being *Ms Joyce Pullman-Heir to Rita Doyle*, Director Smith seconded the motion; it was voted on and it carried with a majority vote, with Director Jack Cleveland abstaining from the vote; and the Director Pullman voted NO as this is his mother.

**(Butler Snow)**

Motion was made by Director Ladner to approve Amendments 4 and 5 to the Legal Services Contract to allow Butler Snow to continue with the land acquisition process, Director Smith seconded the motion; it was voted on and it carried by majority vote, with Director Jack Cleveland abstaining from the vote.

Motion was made by Director Fillingame to approve the Proposal to Establish Uniform Value for 10' x 10' Vault Easement in Project S6, which identifies approximately 225 parcels, (**see attached three page(s)**), as presented to the Board, Director Ladner seconded the motion; it was voted on and it carried by majority vote, with Director Jack Cleveland abstaining from the vote.

Also, during executive session the Board was presented approximately 157 of the estimated 225 vault easements, for their review on a per parcel basis, (**see attached eight pages**), motion was made by Director Fillingame authorize Butler Snow to proceed with the necessary action to acquire the additional easement area, Director Ladner seconded the motion, it was voted on and it carried with a majority vote, with Director Jack Cleveland abstaining from the vote.

During executive session, Attorney Artigues presented the Board with an opportunity to review, on a per parcel basis, a total of thirty one 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 eight 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, also, let the record show that Director Pro Tempe Baxter has voted NO on all parcels with the last name McGuire, and YES on all others; and Director Ladner has voted NO on all parcels referencing the last name Ladner, and YES on all others.

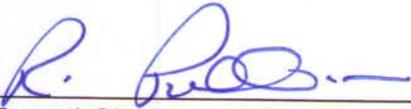
Also, during executive session, Attorney Artigues presented the Board an opportunity to review, a total of one appraisal for parcels CE5032/CE5136 for Project S6 – Kiln Wastewater Collection System for the purpose of establishing a basis for making a fair market value offer pursuant to the waiver valuation procedure. After a full discussion, a motion was made by Director Fillingame to authorize David Pitalo and Attorney Artigues to proceed with the fair market value offer(s), based on said information, in the amounts indicated in the file on the parcel shown 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; it was voted on and it carried by majority vote, with Director Cleveland abstaining from the vote and Director Les Fillingame voted No on parcel #264 and YES on all others.

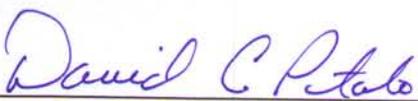
#### **Old Business**

None

#### **Adjourn**

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

  
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HCUA Board Chairman/Vice Chairman

  
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HCUA Executive Director