



HANCOCK COUNTY UTILITY AUTHORITY

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Monthly Board Meeting April 10, 2012

The meeting was called to order by Chairman Les Fillingame at 2:00 P.M.

Pledge of Allegiance and Silent Prayer – Lead by Director Ladner

Attendees:

Mr. Tom Busenlener	Mr. Tony W. Ladner
Mr. Mike Collard	Mr. Al Smith
Mr. Les Fillingame	Mr. Bill Johnson
Mrs. Lili Stahler	

Request to Address the Board

None

Board Action Items

Motion was made by Director Stahler to approve the minutes of the March 13, 2012 Monthly Board Meeting, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve the March 2012 Dockets as presented, Director Stahler seconded the motion; it was voted on and it carried unanimously.

- O & M \$ 162,048.74
- Land Acquisition \$ 48,416.02
- CDBG Projects \$1,905,813.48
- CIAP-Kiln \$ 50,766.62
- CIAP-Pearlington \$ 517,294.54
- O & M Water \$ 2,863.47

Motion was made by Director Johnson to approve Budget Modification HANCUA-02 #31, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Budget Modification HANCUA-03 #24, Director Busenlener seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Johnson to approve the CDBG Request for Cash in the amount of \$1,712,628.76, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Stahler to approve the Consent Agenda with a total of 13 items, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Discussion: Director Ladner asked about CA Item #1, if that was a contract increase. Mr. Bill Mitchell explained that the yearly increase was built into the contract that on an annual basis a rate increase can be requested.

- Amendment 4 to Brown Mitchell and Alexander, Inc. – Annual rate increase of five percent.
- Approval of Utility Subordination Agreement – Hancock County
- Approval of Payment Application No. 12, S4 CIAP project, in the amount of \$9,522.83, to be paid by the Hancock County Board of Supervisors under the Pearlinton CIAP grant program.
- Approval of Substantial Completion Certificate for Work Order 2008-04/S4-03 for the S4 Pearlinton Sewer Collection System as of the date on the attached list of residences. The date stated on the attached list will begin the one-year warranty on the STEP tanks and appurtenances.
- Approval of Contract Modification 2008-04/28 (S4) to the Term Bid HANCUA 2008-04 construction contract with Hudson Contracting, Inc., for the S4 Pearlinton Waste Water Collection System, in the deductive amount of \$4,700.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change revises quantities to those constructed in the field. No additional funds are needed for this change.
- Approval of Contract Modification 2008-04/27 (S6) to the Term Bid HANCUA 2008-04 construction contract with Hudson Contracting, Inc., for the S6 Kiln Waste Water Collection System, in the additive amount of \$8,212.21, contingent on final approval of MDEQ and Board Attorney Artigues. This change revises quantities to those constructed in the field and raises the alarm light at the request of the East Hancock Elementary School. There are sufficient contingency funds to cover this change.
- Approval of Contract Modification 2008-01/26 (W4) to the Term Bid HANCUA 2008-01 construction contract with Necaise Bros. Construction., for the W4 Pearlinton Water Distribution System, in the deductive amount of \$176,890.50, contingent on final approval of MDEQ and Board Attorney Artigues. This change revises quantities to those constructed in the field. No additional funds are needed for this change.
- Approval of Revision 3 to Work Order 2008-01/W4-01 for Necaise Bros. Construction, for the W4 Pearlinton Water Distribution System, in the deductive amount of \$93,201.90 and 30 additional calendar days, contingent on final approval of MDEQ and Board Attorney Artigues. This

change adjust the quantities in Work Order 2008-01/W4-01 to the finished quantity used in the field as well as adds 30 calendar days as recommended by Digital Engineering for the contractor to complete additional work added to the existing work order. No additional funds are needed for this change.

- Approval of Payment Request No. 5, S6 CIAP Kiln Sewer Connection Project, MSCIAAP Project No. MS.R.771-2, in the amount of \$65,166.73, contingent on approval by the Mississippi Department of Marine Resources and Board Attorney Artigues. This pay request includes invoices from A. Garner Russell & Assoc. in the total amount of \$6,695.33 and invoices from Jay Bearden Construction in the total amount of \$58,471.40.
- Approval of Contract Modification 2008-07/24 (W7) to the Term Bid HANCUA 2008-07 construction contract with Necaise Bros. Construction., for the W7 Eastern Hancock County Water Supply System, in the additive amount of \$24,785.56, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides the required fuel and material adjustment for work order 2008-07/W7-07 as stated in the contract document. There are sufficient funds for this change.
- Approval of Certificate of Substantial Completion for Work Order Rev. 1 2008-02/S6 (08), as of March 23, 2012, for the Kiln Wastewater Collection System. This certificate covers the delivery to the designated storage location of 416 fittings required for the stainless steel service laterals, to be installed as Owner-furnished equipment under Term Bid 2011-15.
- Approval to pay, prior to Board Meeting, invoices from vendors listed on the Reoccurring Expenses list.
- Approval of Contract Modification 2008-09/08 (W7) to the Term Bid HANCUA 2008-09 construction contract with Layne Central, for the W7 Eastern Hancock County Water Supply System, in the additive amount of \$526,036.46, contingent on final approval of MDEQ, Board Attorney Artigues and the appropriate Budget Modification. This change provides the additional site work encountered at the Harbor Drive Site, the changes needed for the Crump Road well and tank site and for the reconstruction of Crump Road.

This ends the Consent Agenda Items

Motion was made by Director Smith to approve Contract Modification 2008-07/25 (W7) to the Term Bid HANCUA 2008-07 construction contract with Necaise Bros. Construction, for the W7 Eastern Hancock County Water Supply System, in the additive amount of \$212,710.28, contingent on final approval of MDEQ, Board Attorney Artigues and the appropriate Budget Modification. This change provides the additional cost of extending the bore under Bayou LaCroix, ductile iron pipe due to sewer conflicts and additional concrete culverts along Hwy 603, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Stahler to approve Amendment No.15 to the engineering agreement with Neel-Schaffer for project W7, in the additive not-to-exceed amount of \$210,000.00 for continued construction engineering services required for the Eastern Hancock County Regional Water System project, contingent on final approval of Board Attorney Artigues and MDEQ, and the appropriate budget amendment. These costs are estimated to fund the construction engineering through the completion of all remaining phases of the W7 project, Director Smith seconded the motion; it was voted on and it carried unanimously.

Discussion: Director Ladner asked if the contractor can complete the project or is this an as needed basis, Attorney Artigues explained that at the beginning of the contract this work was in the scope of work.

Motion was made by Director Johnson to approve Amendment No.16 to the engineering agreement with Neel-Schaffer for project W7, in the additive not-to-exceed amount of \$16,767.50 for continued property acquisition assistance, including surveying and court testimony, required for the Eastern Hancock County Regional Water System project, contingent on final approval of Board Attorney Artigues and MDEQ, and the appropriate budget amendment. These costs are estimated to fund the engineering assistance required to support the taking of the Crump Road well and tank site by eminent domain, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Smith to approve Revision 2 to Work Order 2011-14/S6-02 for Jay Bearden Construction, for the S6 Kiln Waste Water Collection System, Phase 2 (CDBG & CIAP), in the additive amount of \$114,755.53 (\$76,377.90 CDBG and \$38,377.63 CIAP) and 20 additional calendar days, contingent on final approval of MDEQ, Mississippi Department of Marine Resources and Board Attorney Artigues. This change adds quantities to Work Order 2011-14/S6-02 to allow for additional residences to be connected as they are made available along with 20 calendar days as recommended by A. Garner Russell & Assoc. for the contractor to complete additional service connections. No additional funds are needed for this change of 20 extra days, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Stahler to approve Revision 3 to Work Order 2008-07/W7-06 for Necaise Bros. Construction, for the W7 Eastern Hancock County Water Supply System, in the additive amount of \$13,876.04 and 173 additional calendar days, contingent on final approval of MDEQ and Board Attorney Artigues. This change revises the quantities in Work Order 2008-07/W7-06 to the finished quantity used in the field as well as adds 173 calendar days as recommended by Neel-Schaffer for the contractor to complete additional road bores and wait for water to be available from Harbor Drive well to complete required testing. No additional funds are needed for this change of

173 extra days, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve Contract Modification No. S5-07 to the S5 (Northern Regional WWTF) construction contract with The P.F. Moon Company, in the additive amount of \$108,954.00, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change provides for shading of the UV system and other plant components in order to maintain equipment operating temperatures within specified limits, and as required for a complete project, Director Busenleiner seconded the motion; it was voted on and it carried unanimously with the recommendation by Attorney Artigues to approve with "reservation of rights to recover/collect engineering fees and all or part of construction expenses" due that may be some responsibility of the design engineering firm, that this should have been taken into account at the time of design.

Discussion: Attorney Artigues explained that this shading should have been taken into consideration at the time of original design, due to the project being located in South Mississippi and the daily temperatures could easily exceed the 104° limit most days during the summer months. Mr. Bill Mitchell informed the Board that he had spoken with a Carollo representative and he suggested that this was an engineering oversight on their part and the \$9,000+ of engineering fees and he suggested that they not be paid any engineering fees, and the fees for the construction of shading will be addressed in the future.

Motion was made by Director Johnson to approve Revision 6 to Work Order 2008-07/W7-04 for Necaise Bros. Construction, for the W7 Eastern Hancock County Water Supply System, in the additive amount of \$113,853.72 and 107 additional calendar days, contingent on final approval of MDEQ and Board Attorney Artigues. This change revises the quantities in Work Order 2008-07/W7-04 to complete the Bayou LaCroix Bore as well as adds 107 calendar days as recommended by Neel-Schaffer due to unforeseen utility conflicts and delays in making the Bayou La Croix Bore. No additional funds are needed for this change of 107 additional days, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Stahler to approve Contract Modification 2008-02/37 (W6) to the Term Bid HANCUA 2008-02 construction contract with Jay Bearden Construction/ G&C Construction a Joint Venture, for the W6 Kiln Water Distribution System, in the additive amount of \$5,081.76, contingent on final approval of MDEQ, and Board Attorney Artigues. This change provides for the installation of two additional gate valves in order to isolate portions of the Kiln Water System to help prevent water loss at the Northern Regional Waste Water Facility. There are sufficient construction funds for this change, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Stahler to approve Revision 7 to Work Order 2008-02/W6-03 for Jay Bearden/G&C Construction, for the W6 Kiln Water Distribution System, in the additive amount of \$5,081.76 and 315 additional calendar days, contingent on final approval of MDEQ and Board Attorney Artigues. This change includes quantities added to the term bid by contract modification 2008-02/37 (W6) to Work Order 2008-02/W6-03 and adds calendar days to the existing work order in order for the recently added work to be completed. No additional funds are needed for this change to add 315 additional days, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Discussion: Mr. Bill Powell explained that this is a change to the work order to extend the contract time an extra 315 days to allow a work order to be issued to construct the well, as the project was delayed due to various issues, i.e. land acquisition, site selection, etc.

Motion was made by Director Ladner to approve the request by P.F. Moon and Company, Inc. to utilize the subcontracting services of:

- Samuel B. Day Construction, Inc. – installation of metal canopy over UV system at Northern Regional WWTP

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

Executive Director

Response from MDEQ concerning CDBG-DR (Davis-Bacon) Monitoring Visit – Executive Director Pitalo informed the Board that a successful audit was done at the office of Gouras and Associates concerning the record keeping on the CDBG projects with no violations found.

Update on County influent diversion project – Executive Director Pitalo explained to the Board that the first two phases of the influent project has been completed and to date there are no issues, the third and final phase will be completed by weeks end. The estimated cost will be approximately \$10,000 to \$12,000 once complete. Had the influent station been repaired the cost could have been as much as \$250,000.00

City of Waveland to go to Flow invoicing – Director Stahler informed the Board that the City of Waveland has elected to change from the formula invoicing to the flow invoicing.

Attorney Artigues is preparing an addendum to the wastewater contracts and will forward to all the respective attorneys.

Certification of two employees as wastewater operators – one a Class I and one a Class II – salary increase – Information only – no action needed.

Request permission to advertise for bids for "Unit Price Repair & Replacement" contract
- Motion was made by Director Ladner to authorize advertising for bids for the Unit Price

Repair & Replacement contract, Director Smith seconded the motion; it was voted on and it carried unanimously.

New Business

None

Old Business

1. Establish selection committee to review Statements of Qualifications for the Master Plan, will need two or three Directors and Executive Director.
 - Directors Fillingame, Smith and Ladner will serve with Executive Director Pitalo as the selection committee.
2. Memorandum of Understanding concerning ownership of sewer force mains coming from Bay St. Louis to HCUA's Southern Regional plant.
 - Executive Director presented MOU to Mayor Fillingame
 - Director Fillingame requested Executive Director Pitalo to attend the next City of BSL Board meeting.
3. Allocation of wastewater expenses are currently based on formula per the individual entity contracts. Consideration of allocating the wastewater expenses based on flow from each entity to wastewater treatment plants has been discussed and recommended by Executive Director and Engineer. The City of Waveland has not made a decision on changing from formula to flow billing.
 - Director Stahler informed the Board that the City of Waveland has agreed to change from the old formula invoicing method to flow and Attorney Artigues is drafting an amendment to the wastewater agreement and will forward to the respective attorneys.
4. Excess dirt, rubble and debris have been placed around the north perimeter of the equalization lagoon. In discussion with management personnel of the Bay St. Louis Department of Public Works months ago, it was stated this material would be removed. This has not been accomplished.
 - Director Fillingame requested Executive Director Pitalo to meet with him and Mr. Zimmerman at the site and discuss the issued.
5. A leak in the 24" sewer force main from a sewer pump station in Bay St. Louis was repaired on March 8, 2011 and March 11, 2011 by personnel from the HCUA and the HCWSD. This repair cost of \$13,751.97 should be funded by Bay St. Louis. This invoice is still outstanding.
 - No action until after next BSL meeting
6. Six month agreement between HCUA and HCW&SD allowing over/under payments be postponed for six months, as a result of the HCWSD board

adopting a resolution to only pay the flow portion of their invoice, and they would pay their monthly invoice without calculated "flow" payment. This agreement ends March 31, 2012 and they will be billed their monthly bill plus the "over and under" amount in April 2012.

Motion was made by Executive Director Pitalo to extend the agreement between HCUA and HCW&SD to June 1, 2012, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Executive Session

Attorney Ronnie Artigues – Butler Snow

Attorney Jack Pittman – Pittman Law Firm

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

Motion was made Director Ladner to enter into Executive Session to discuss land acquisition and litigation issues, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to leave Executive Session with no action taken at 3:08 PM, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Butler Snow

During executive session Attorney Ronnie 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.

After leaving the executive session and a full discussion, a motion was made by Director Stahler 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 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 unanimously.

Pittman

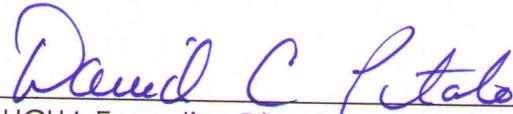
After discussion during Executive Session concerning three bore sites on Highway 603 for Project W7, it was determined, from previous appraisals/review appraisals, the values should be less than \$5,000 per site and based on previous authorization Executive Director Pitalo is authorized to approve necessary FMVOs.

Adjourn

Motion was made by Director Smith to adjourn the meeting at 3:30 PM, Director Stahler seconded the motion; it was voted on and it carried unanimously.



HCUA Chairman/Vice Chairman



HCUA Executive Director