



HANCOCK COUNTY UTILITY AUTHORITY

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Monthly Board Meeting May 14, 2013

Call to Order - The meeting was called to order by Chairman Bill Johnson at 10:07 AM.

Attendees:

Mr. Bill Johnson Mrs. Lili Stahler
Mr. Mike Collard Mr. Les Fillingame
Mr. Jimmy Lamy Mr. David Yarborough
Mr. Al Smith

Not In Attendance:

Pledge of Allegiance and Silent Prayer – lead by Director David Yarborough

Request to Address the Board

Board Action Items

Motion was made by Director Yarborough to approve the minutes of April 9, 2013 Monthly Board Meeting, Director Smith seconded the motion; it was voted on and carried with a majority vote, with Director Collard abstaining from the vote.

Motion was made by Director Fillingame to approve the April 2013 Check Summaries as presented, Director Stahler seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

	<u>Expenses</u>	<u>Monthly Budget</u>	<u>Revenues</u>	<u>Difference</u>
O & MWastewater	\$ 144,797.28	\$ 139,946.08	\$ 147,275.90	\$ 7,329.82
O & M Water	\$ 3,052.81	\$ 29,315.00	\$ 6,740.21	\$ -22,574.79
Land Acquisition	\$ 51,420.35			
CDBG Projects	\$ 715,067.48			

Motion was made by Director Yarborough to approve Budget Modification HANCUA-01 #20 as presented, Director Lamy seconded the motion; it was voted on and carried with a majority vote, with Director Collard abstaining from the vote.

Motion was made by Director Lamy to approve Budget Modification HANCUA-02 #38 as presented, Director Stahler seconded the motion; it was voted on and carried with a majority vote with Director Collard abstaining from the vote.

Motion was made by Director Stahler to approve Budget Modification HANCUA-03 #30 as presented, Director Yarborough seconded the motion; it was voted on and carried with a majority vote with Director Collard abstaining from the vote.

Motion was made by Director Yarborough to approve the CDBG Request for Cash in the amount of \$858,263.25 as presented, Director Lamy seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Motion was made by Director Yarborough to approve the Consent Agenda consisting of 10 items, Director Lamy seconded the motion; it was voted on and it carried with a majority vote with Director Collard abstaining from the vote.

- Approval of Contract Modification SCADA-06 to the Term Bid construction contract with Water Tech Corp. for the Hancock County Regional SCADA System, in the additive amount of \$14,990.00 contingent on final approval of MDEQ and Board Attorney Artigues. This change provides necessary relays to monitor the moisture and temperature in the lift station pumps as well as the fuel level in the Pearlington water well auxiliary generator.
- Approval of Contract Modification 2011-13/05 (W7) to the Term Bid 2011-13 construction contract with SH Anthony, Inc. for the W7 - Eastern Hancock County Regional Water Supply System, in the additive amount of \$9,954.16 contingent on final approval of MDEQ and Board Attorney Artigues. This change provides necessary hot tap installation to connect the Master Meter to the regional water main on Dubuc Lane.
- Approval of Certificate of Substantial Completion for Work Order SCADA-01 for the Hancock County Utility Authority Regional SCADA System as of March 7, 2013 contingent on final approval of MDEQ and Board Attorney Artigues. This work order covers all the required work on projects S3, S4, W3, W5 & W5E along with the Arena and Stennis Airport Lift Stations as part of project S6. This date will begin the one year warranty period.
- Approval of Certificate of Substantial Completion for Work Order 2011-15/S6-01 for the Kiln Waste Water Sewer Collection System as of March 15, 2013 contingent on final approval of MDEQ and Board Attorney Artigues. This work order covers the long service connections grinder station installations. This date will begin the one year warranty period.
- Approval of Amendments to the professional services agreement with Brown, Mitchell & Alexander, Inc. for continued construction management services in the additive hourly not to exceed amount of \$92,000.00, contingent on the approval of MDEQ, Board Attorney Artigues and the appropriate budget amendment. These amendments are necessary to continue construction management services on the Gulf Region Projects through construction and project closeout. These funds are anticipated to fund construction management services through June 2014. The amendments and subtotals are as follows:

- a. Amendment No. 8 to HANCUA/02 S6 \$32,200.00
- b. Amendment No. 8 to HANCUA/02 W7 \$41,400.00
- c. Amendment No. 7 to HANCUA/03 W8 \$18,400.00

Total \$92,000.00

- Approval of Modification No. 4 to Work Order SCADA-02 to the Term Bid construction contract with Water Tech Corp. for the Hancock County Regional SCADA System that adds 122 calendar days to the work order, contingent on final approval of MDEQ and Board Attorney Artigues. The manufacturers of the SCADA panels have delayed shipment of certain panels because of internal programming changes. Contractor has completed all work available waiting on these panels.
- Approval of Payment Request No. 17, S6 CIAP Kiln Sewer Connection Project, MSCIA Project No. MS.R.771-2, in the amount of \$37,279.74, 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 amount of \$4,882.17, Brown, Mitchell & Alexander, Inc. in the amount of \$11,386.00 and an invoice from Jay Bearden Construction in the total amount of \$21,011.57.
- Approval of Certificate of Substantial Completion for project S5- Northern Regional Waste Water Treatment Facility as of December 02, 2011 contingent on final approval of MDEQ and Board Attorney Artigues. This project covers the treatment plant and the lift station located south of the I-10 along Hwy 603. This date will begin the one year warranty period.
- Approval of Amendment No. 6 to the legal service contract with Butler, Snow, O'Mara, Stevens & Cannada, PLLC (Butler Snow) for project W8- Hancock County Water and Sewer District Water Distribution System in the deductive amount of \$75,000.00, contingent on final approval of MDEQ. This amendment is necessary to fund the additional fund request by Butler Snow for project S6.
- Approval of Amendment No. 6 to the legal service contract with Butler, Snow, O'Mara, Stevens & Cannada, PLLC (Butler Snow) for project S6- Kiln Sewer Collection System in the additive hourly not to exceed amount of \$340,000.00, contingent on final approval of MDEQ. This amendment is necessary to continue property acquisition activities associated with connecting individuals to the sewer collection system.

This ends the consent agenda item(s).

Motion was made by Director Fillingame to approve Revision 6 to Work Order 2008-02/S6-06 (Final) to the Term Bid 2008-02/S6-06 Work Order with Jay Bearden/G&C Construction, a joint venture, for the Kiln Sewer Collection System in the deductive amount of \$2,794.40 and adds 90 calendar days to the work order, contingent on final approval of MDEQ and Board Attorney Artigues. The additional days are being requested due to delays in receiving MDOT approval to install certain sections of line and for additional work being added to the work order from the term bid contract. There are no additional funds needed for this change, Director Yarborough seconded the motion; it carried with a majority vote with Director Collards abstaining from the vote.

Executive Director

MSDOH Public Water Supply Capacity Assessment – Information only – no action required

- 0230069 – District – 5.0
- 0230070 – Pearlington – 4.7

Renewal of Line of Credit - \$250,000 – Executive Director Pitalo informed the Board of the need to renew the Line of Credit at The First Bank. This credit is used for the purpose of land acquisition for the various CDBG projects.

Motion was made by Director Yarborough to approve the renewal of the line of credit in the amount of \$250,000.000, Director Fillingame seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Environmental insurance – last 3-year period was approximately \$30,000.00 – Executive Director Pitalo explained to the Board that this insurance is held primarily for the coverage of possible issues with sludge removal.

Discussion: Director Fillingame requested a copy of the current policy.

Motion was made by Director Yarborough to approve the renewal of the environmental insurance policy, Director Smith seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

WEFTEC Conference and Training approval - \$1,162.00 – Executive Director Pitalo requested approval to attend the upcoming WEFTC conference in October 2013.

Motion was made by Director Yarborough to approve Executive Director Pitalo attending the conference, with the expenses to be approximately \$1,162.00, Director Fillingame seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Workshop – Executive Director Pitalo requested a workshop to be held on Tuesday May 28, 2013 to discuss the items listed below:

- a. Water Rate Discussion
- b. Dewberry (Bryon Griffith – to discuss issues concerning HCUA)
- c. Master Plan Review

The Workshop is scheduled as per Executive Director Pitalo's request.

Monthly Construction Update – Information only – Kevin Mullen with Brown, Mitchell and Alexander gave each Board member a handout of information - no action required.

Discussion: Director Lamy expressed concern about the amount of time twelve residents in the Pearlinton area have had to wait for their sewer connections. Mr. Mullen explained that it would be extremely expensive to bring a contractor in for the twelve connections, it would cost \$7,000 per connection for the contractor to do the connections with them using the extra supplies i.e. tanks, piping, etc., that Pearlinton now has.

Mr. Nick Mignone of Compton Engineering asked the Board about the possibility of Pearlinton doing the installations and getting reimbursed from CDBG. Mr. Chris Gouras felt it could be done, but he would get with MSEG to be sure and get back with the Board.

Attorney Artigues cautioned that if Pearlinton is able to do the installation, they must follow the State Purchasing Laws.

Master Plan Update – Executive Director Pitalo explained that there was an error in the first set of information given to the Board, but in the next couple of weeks, the correct information will be available and will be forwarded to each Board member.

Draft of annual budget to be issued next month – Executive Director Pitalo informed the Board that he will be presenting a preliminary 2013-2014 Budget at the June 2013 meeting.

Jordan River Shores WWTP issues – Moved to Executive Session

Not on the Agenda – Monies from BP – Executive Pitalo explained to the Board that the Regional Board will be sending a resolution to MSDEQ concerning any BP monies that the Gulf Coast region may receive. They asked that each county submit an amount of monies/expenses that each county would like to receive. He explained that the amount that he has developed is approximately \$175 million, and this would include all the projects in the Master Plan, water and sewer and all the debt service for each HCUA entity.

Motion was made by Director Smith to authorize Executive Director Pitalo to include his projected needs for the BP monies as explained to the Board, Director Stahler seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

New Business

Director Stahler requested that Executive Director Pitalo provide the City of Waveland Board a breakdown of operating cost per plant site.

Executive Director Pitalo will provide the information as requested.

Director Lamy requested an updated copy of the "as built" CAD files for the Pearlington water/sewer systems. The ones that they currently have appear to be incorrect.

Old Business

(1) Director Pitalo explained that 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.

- Executive Director Pitalo met with Mayor Fillingame and BSL Public Works Director and notified them of contractors to take to take most of the excess dirt. Executive Director was informed by public works director of their plans on clearing a wooded area on the east side of the power substation to use as a lay down yard for dirt, gravel, sand, etc. There is a concern for liability issues.
- Director Pitalo explained he had met with a contractor during the week of May 7, 2012 and the contractor would begin hauling debris the week of May 14, 2012. Director Pitalo and Board Attorney Artigues advised the board that the Old Spanish Trail entry to the Lagoon site is not to be used due to liability issues.
- Director Fillingame recommended that the locks on the gates to be changed and only key people from HCUA and the City of Bay St. Louis have keys.

Motion was made by Director Ladner to issue a letter to the City of Bay St. Louis requesting the removal of the dirt, rubble and debris for the lagoon site, Director Johnson seconded the motion; it was voted on and carried by majority vote, with Director Fillingame voting NO.

(2) Director Smith asked that if there are monies left to be used in Bayside Park after all the project are complete, that when the work starts, that it start in the front of Bayside and work to the back.

Executive Director Pitalo asked that the HCWSD issue a letter of request for the work as Director Smith explained to the board.

Mrs. Nancy Depreo of HCWSD informed the Board that by decision of the HCWSD Board, when Phase II of the Bayside Park Water project begins they prefer to connect all streets with the most houses on them, rather than their original request of the houses which are delinquent on their sewer bills.

03/14/2013 - Ms. Depreo of HCWSD asked that a correction be made to Item #2, explaining the above was the original motion by their Board, but was later changed to say "as funds are available for Phase II, when the work begins, they will connect the streets with the most houses as opposed to the "front to back" approach."

Executive Director Pitalo requested a list of the streets the HCWSD would like to begin the work with. Ms. Depreo explained that she had provided Digital Engineering with the list and they have already begun estimating cost per street.

Motion was made by Director Yarborough to approve the change as requested by Ms. Depreo, Director Fillingame seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

04/09/2013 – Motion was made by Director Yarborough to consider this item complete and remove it from the agenda, as it was approved as Bullet #1 under the Consent Agenda items at this meeting, Director Fillingame seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

(3) Discussion and developing a more accurate description of the area the City of Bay St. Louis is requesting to use as a lay down yard.

02/14/2013 - Director Fillingame pointed out for the record that there is not an actual transfer of ownership of the lagoon from the City of Bay St. Louis to Hancock County Utility Authority, but indefinite continuous use of the property for a one-time payment of \$1.00. Also, he presented the Board with a diagram of the area the City of Bay St. Louis will be using as a lay down yard. Also, the area will be fenced and with maintain a green buffer for the benefit of residents in the area.

Motion was made by Director Yarborough to approve the parcel as described in the diagram presented to the Board for the lay down yard, Director Fillingame seconded the motion; it was voted on and it carried with a majority vote, with Director Collard and Director Pro Tempe Baxter abstaining from the vote.

Executive Session

Motion was made by Director Fillingame to consider entering into Executive Session for the purpose of discussing property acquisition and negotiation as well as legal issues, Director Stahler seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Motion was made by Director Yarborough to enter into Executive Session for the purpose of discussion property acquisition and negotiation as well as legal issues, Director Fillingame seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Motion was made by Director Fillingame to leave Executive Session with no action taken at 11:16AM, Director Yarborough seconded the vote; it was voted on and carried with a majority vote, with Director Collard abstaining from the vote.

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 Fillingame 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 Yarborough seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Pittman Law Firm

During executive session Attorney Don Henton presented the Board with an opportunity to review, on a per parcel basis, a total of one appraisals/review appraisals(s) for Project W7-Eastern Hancock County Regional Water Supply, for the purpose of establishing a basis for making a fair market value offer.

After leaving the executive session and a full discussion, a motion was made by Director Fillingame to authorize 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 Pitalo to review, recommend and proceed with FMVOs as needed to avoid delays in the project, Director Stahler seconded the motion; it was voted on and it carried with a majority vote, with Director Collard abstaining from the vote.

Motion was made by Director Fillingame to accept the operations at the Jourdan River Shores WWTP and to authorize Executive Director Pitalo to sign the transfer of permit agreement with TESI and HCUA, Director Yarborough seconded the motion; it was voted on and carried with a majority vote, with Director Collard abstaining from the vote.

Adjourn or Recess

Motion was made by Director Yarborough to adjourn the meeting, Director Fillingame seconded the motion; it was voted on and carried with a majority vote with Director Collard abstaining from the vote.


HCUA Chairman/Vice Chairman


HCUA Executive Director