



# HANCOCK COUNTY UTILITY AUTHORITY

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## Monthly Board Meeting February 8, 2011

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

### **Pledge of Allegiance and Silent Prayer** – Lead by Director Pullman

#### Attendees:

Mr. Al Smith

Mr. Jack Cleveland

Mr. Rocky Pullman

Ms. Lillian Stahler

Mr. Bill Johnson

Ms. Betty Baxter

Mayor Les Fillingame

### **Approval of Minutes**

Motion was made by Director Smith to approve the minutes from the January 11, 2011 Monthly Board Meeting, Director Johnson 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 January 2011 Docket w/additions as presented to the Board, Director Stahler seconded the motion; it was voted on and it carried unanimously.

### **Request to Address the Board**

*Mr. Bobby Gill – Control Systems, Inc. – Mr. Gill distributed a letter to each Board member concerning Project HANCUA-02 #2008-9 W7 and attached was a letter from Executive Director Pitalo concerning the subcontractor request from Layne Central requesting approval to use Control Systems, Inc. as a subcontractor; Mr. Gill informed the Board that his letter chronicles the progression of the work by Control Systems, Inc. on the above referenced project. His position is that the action taken on the letter from Executive Director Pitalo is unfounded and improper; also, he stated that his attorney could not find any reference to this action; he wanted to know if the Board actually did take action on this issue.*

*Board Attorney Ronnie Artigues explained that this is the first time he has seen the letter from Mr. Gill and that he would need some time to review the letter and he recommended that the Board not respond to Mr. Gill's concerns, until such time, and then it will be in writing.*

Motion was made by Director Johnson to accept the recommendation of Attorney Artigues and authorized him to respond in writing to Mr. Gill addressing his concerns, Director Smith seconded the motion; it was voted on it carried unanimously.

### **Board Action Items**

Motion was made by Director Pullman to approve the Request for Cash in the amount of \$5,076,074.16 as presented to the Board, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve the request by Necaise Brothers Construction Co, Inc., concerning Project W7, to utilize the subcontractor services of:

- Flatirons Drilling, Inc. – Windsor, CO

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

Motion was made by Director Baxter to approve the Substantial Completion Certificate for Work Order No. 2 for the S4 Pearlington Wastewater Collection System project, Term Bid 2008-01, as of 01-18-11. This begins the one-year warranty period for the majority of the sewer transmission main in the Pearlington public rights-of-way, Director Pullman seconded the motion; it was voted on and it carried unanimously.

*Discussion: Director Pullman reiterated the fact that the Pearlington Water & Sewer District is drastically low on operating funds, due in part to the slow pace of getting sewer customers connected to the system, he inquired of the Board is there was way to speed the connection along?*

*Mr. Bill Powell of Brown and Mitchell, Inc., explained that they had met with the contractor – Hudson Contracting – and conveyed the same concerns to them.*

*Mr. Nick Mignone responded by explaining that some of the delay is due to a leak in the line that runs along Hwy604 and to date have not been able to locate and correct the leak. As far as the CIAP funds he explained that the CIAP Agreement is lacking one signature, which Jenell Tompkins has informed him that she should have by the end of the month. He feels that when the CIAP Agreement is confirmed, he should be able to get another crew out to assist in the connection process.*

Motion was made by Director Pullman to approve Contract Modification 2008-02/20(\$6) to the Term Bid 2008-02 contract with Jay Bearden/G&C JV, in the additive amount of \$2,300.84, contingent on final approval of MDEQ and Board Attorney Artigues. This change order to the term bid provides for the required fuel and material adjustment for Work Order No. 2. The current budget amendment indicates that project contingency funds are available for this change, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Stahler to approve Contract Modification 2008-02/21(\$6) to the Term Bid 2008-02 contract with Jay Bearden/G&C JV, in the additive amount of \$17,754.86, contingent on final approval of MDEQ and Board Attorney

Artigues. This change order to the term bid provides for the required fuel and material adjustment for Work Order No. 3. The current budget amendment indicates that project contingency funds are available for this change, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve Budget Modification HANCUA-03 - #16, as presented to the Board, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve Contract Modification 2008-04/11(S4) to the Term Bid 2008-04 contract with Hudson Contracting, in the additive amount of \$1,246.18, contingent on final approval of MDEQ and Board Attorney Artigues. This change order to the term bid provides for the required fuel and material adjustment for Work Order No. 1, as revised. The current budget amendment indicates that project contingency funds are available for this change, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to approve Revision 2 to work order 2008-07/W7-01 from the Term Bid 2008-07 contract with Necaise Bros. Construction, in the deductive amount of \$12,082.67 and add 323 calendar days time, contingent on final approval of MDEQ and Board Attorney Artigues. This revision to the work order provides final quantities as constructed in the field as well as extends the construction time do to delays in scheduling the CSX Railroad bore at Wood Street. No additional funding is required for this change, Director Johnson seconded to motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to approve Revision 2 to work order 2008-07/W7-03 from the Term Bid 2008-07 contract with Necaise Bros. Construction, in the additive amount of \$2,617.52 and add 30 calendar days time, contingent on final approval of MDEQ and Board Attorney Artigues. This revision to the work order moves quantities from the existing Term Bid Contract into work order W7-03 to adjust final quantities as constructed in the field as well as extends the construction time do to changes in the design and permitting of the bore under US Highway 90 at Kiln-Waveland Cutoff Rd. No additional funding is required for this change, Director Smith seconded the motion; it was voted on and it carried unanimously.

*Discussion:* Director Johnson inquired if there were any issues that the County needed to deal with on the utilities; Attorney Artigues explained that he wasn't aware of any.

#### **Executive Director**

Storm water training – Executive Director Pitalo requested permission from the Board for him and one other Authority employee to attend an up coming Storm Water Training being conducted by Compton Engineering, and he asked the Board if they were still in

agreement to let each municipality and the county handle storm water issues within their areas.

Motion was made by Director Smith to approve Executive Director Pitalo and another employee to attend the storm water training, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

*Discussion:* Director Cleveland expressed concern about the funding of the enforcement for the Authority to take over the storm water issues. He wanted to know if MDEQ would fund the project. Attorney Artigues explained that it was unlikely that MDEQ would support the funding, he likened to the fact that the Authority had to assume all the debt and MDEQ didn't provide any additional funding for that.

Director Pullman stated he thought the storm water program would continue as is, with both the municipalities and the county handling their own issues, and with the Authority eventually becoming the "clearinghouse" for the storm water program.

Director Cleveland asked if a legislation/law change should be implemented to show how the storm water program will be handled. He wants to avoid any type of fines/penalties that may arise from the way things are now being done.

Director Fillingame stated he would like to keep the storm water program as it is.

Attorney Artigues explained that the Authority is not ignoring the statutes and that MDEQ is constantly informed as to how things are being done.

Mixing Zone Study – Mr. Bill Mitchell of Brown and Mitchell, Inc. explained that concerning the mixing zone study that all treatment plants normally discharged into tidally influenced areas and that EPA has said that for the past twelve or so years the coastal counties have been using a formula developed in Florida where you use six parts of the tidal zone mixing to one part of the effluent coming out of the treatment plants, and what happens is the effluents and heavy metals coming out of the treatment plants when put through the formula, it meets the threshold limits. Now EPA says that is now not good enough, and that now one of a couple of things need to be done (1) make a study of the mixing zone or (2) that the treatment plant discharge is going to have to meet it (mixing zone) where the mouth of the discharge comes out. So now whatever is being discharged at the mouth of the pipe is considered the discharge amount and instead of using the one to seven ratio, we will have to tell them exactly what is coming out, and do a study to show the results of how much mixing is actually taking place at where the pipe is discharging in to the tidal zone. He explained that there are several companies that do these type studies and that FTN Associates, Limited is one that he recommends. The study would cost approximately \$31,000 and feels that it would be money well spent, as it would assure that the Waveland WWTP is in compliance with the EPA regulations. These mixing zone studies would need to be done prior to each permit renewal.

*Discussion:* Director Pullman recommended that we request the Gulf of Mexico Program to fund the study for the Authority and possibly the Diamondhead Water and Sewer.

Motion was made by Director Pullman to authorize Executive Director Pitalo pursue funding from the Gulf of Mexico Program to do the study for the Waveland WWTP and another other out flows as required, Director Smith seconded the motion; it was voted on and it carried unanimously.

**Old Business**

*Sewer Use Ordinance* – Motion was made by Director Cleveland to adopt the Sewer Use Ordinance as drafted and presented to the Board on January 11, 2011, Director Stahler seconded the motion; it was voted on and it carried unanimously.

**New Business**

Consent Agenda – Director Johnson presented for the Board's consideration of utilizing a consent agenda format, he explained that there are several agencies i.e. BSL/Waveland School District, City of BSL, in the areas using this type agenda and that it greatly reduces the presentation of the agenda items during a meeting.

*Discussion:* Director Cleveland expressed concern that the items of the consent agenda would not be on the agenda, and he was assured by Directors Johnson and Fillingame and Attorney Artigues, that all consent agenda items would be included in the minutes.

Motion was made by Director Johnson that the Board accept the Consent Agenda concept, and that the agenda and supporting document be emailed to all board members on the Friday prior to the meeting, and that any items added to the agenda after the agenda is emailed will be considered during the meeting, Director Smith seconded the motion; it was voted on and it carried unanimously.

Director Pullman inquired if all the county buildings, i.e. Harbor Drive Community Center and the library, in the Pearlington/Lakeshore area are being connected to the water/sewer systems, Executive Director Pitalo assured him that they were indeed being taken care of.

**Executive Session**

Attorney Jack Pittman  
Butler Snow

Motion was made by Director Pullman to consider going into Executive Session to discuss land acquisition and legal issues, Director Cleveland 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 and legal issues, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to leave Executive Session with no action taken at 3:40 PM, Director Pullman seconded the motion; it was voted on and it carried unanimously.

#### Pittman

During executive session, Attorney Jack Pittman presented the Board an opportunity to review, on a per parcel basis, a total of five 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 Smith to authorize Executive Director 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 Pullman seconded the motion; it was voted on and it carried by majority vote, with Director Cleveland abstaining from the vote.

Also, during executive session, Attorney Jack Pittman presented the Board an opportunity to review, on a per parcel basis, a total of three appraisals for Project W7- Eastern Hancock County Regional Water System for the purpose of establishing a basis for making a fair market value offer on the private road and well and tank site pursuant to each appraisal. After a full discussion, a motion was made by Director Johnson to authorize Executive Director 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 Pullman seconded the motion; it was voted on and it carried by majority vote, with Director Cleveland abstaining from the vote.

#### Butler Snow

Motion was made by Director Cleveland to authorize Attorney Artigues to respond Mr. Bobby Gill with regard to his request for clarification concerning Project W7 which involved his company serving as a subcontractor and to authorize Attorney Artigues to reject his bid protest claim with regard to the SCADA system, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Johnson to retain Butler Snow Governmental Consulting to assist with securing federal legislation necessary to try to have the SRF loan forgiven for the Hancock County Utility Authority and Hancock County Water & Sewer District, the fee will be \$25,000, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

**Adjourn**

Motion was made by Director Pullman to adjourn the meeting at 4:00 PM, Director Cleveland seconded the motion; it was voted on and it carried unanimously.



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HCUA Chairman/Vice Chairman



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HCUA Executive Director