



HANCOCK COUNTY UTILITY AUTHORITY

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Monthly Board Meeting November 13, 2012

Call to Order - The meeting was called to order by Chairman Les Fillingame at 10:08 A.M.

Attendees:

Mr. Tom Busenlener	Mr. Al Smith
Mr. Les Fillingame	Mr. Bill Johnson
Mrs. Lili Stahler	Mr. David Yarborough
Mr. Mike Collard	

Pledge of Allegiance and Silent Prayer – lead by Director Les Fillingame

Request to Address the Board

Ms. Pansy Maddox of the MSDOH informed the Board of the "Federal Safe Drinking Water Act", and the impact it will have some rural businesses. She explained that the Act states all businesses that allow the general public to have access to drinking water through whatever means i.e. water fountain, faucets, must have a well that meets all the FSDWA standards. This would mean that the current wells that the businesses have, probably would not meet the requirement and the business would then have to drill a new well or retrofit the current well and either of these options could cost thousands of dollars and a non-compliance fine could be as much as \$25,000 per day per violation. She asked that the Board keep this issue in mind as new funds become available. Director Fillingame recommended that the MSDOH begin notifying the businesses of the new regulation and upcoming enforcement of the regulation.

Board Action Items

Let the record show that Director David Yarborough will not be voting on any issues until such time a bond has been secured.

Motion was made by Director Stahler to approve the minutes of October 9, 2012, Monthly Board Meeting, Director Johnson 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 Johnson to approve the September 2012 Dockets as presented, Director Smith seconded the motion; it was voted on and carried with a majority vote with Director Collard abstaining from the vote.

- O & M Wastewater \$ 183,018.87
- Land Acquisition \$ 27,285.00
- CDBG Projects \$ 447,076.81
- O & M Water \$ 4,102.05
- CIAP – Kiln \$ 85,338.28

Motion was made by Director Stahler to approve the CDBG Request for Cash in the amount of \$1,237,420.36 as presented, Director Busenlener 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-02 #35, Director Fillingame 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 #27, Director Busenlener 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 Johnson to approve the Consent Agenda consisting of 12 items as presented, Director Stahler seconded the motion; it was voted on and carried with a majority vote with Director Collard abstaining from the vote.

- Approval of Certificate of Substantial Completion for Work Order 2008-04/W4-01, as of 04-18-12, for the Pearlington Water Distribution System connection project. This certificate covers the service line installation for the low-moderate income residents in Pearlington. This date will start the 1-year warranty for this work.
- Approval of Certificate of Substantial Completion for Work Order 2011-14/S6-02, as of 09-07-12, for the Kiln Sewer Wastewater Collection System, Phase 2 (CDBG & CIAP) connection project. This certificate covers the installation of the gravity sewer connections and associated electrical equipment installed as part of this work order. This date will start the 1-year warranty for this work.
- Approval of Contract Modification 2011-14/05 (S6) to the Term Bid 2011-14 construction contract with Jay Bearden Construction for the Kiln Wastewater Collection System, Phase 2 (CDBG & CIAP) in the deductive amount of \$56,892.00 (\$54,002.90 CDBG and \$2,889.10 CIAP), contingent on final approval of MDEQ, MS Dept. of Marine Resources and Board Attorney

Artigues. This change adjusts quantities to those experienced in the field. No additional funding is required for this change.

- Approval of Revision 4 to Work Order 2011-14/S6-03 for the Kiln Sewer Collection System, Phase 2 (CDBG & CIAP) Project increasing the approved work order amount by \$163,069.17 (\$126,436.94 CDBG and \$36,631.23 CIAP) and adding an additional 30 calendar days' time contingent on final approval of MDEQ, MS Dept. of Marine Resources and Board Attorney Artigues. This change to the 2011-14/S6-03 Work Order adjusts the work order quantities and the number of calendar days in order for the contractor to connect and additional 93 homes that right-of-entry was obtained after the issuance of the work order. No additional funding is required for this change.
- Approval of Certificate of Substantial Completion for Work Order 2008-02/S6-07, as of 08-20-12, for the Kiln Sewer Wastewater Collection System. This certificate covers the installation of force mains and appurtenances installed as part of this work order. This date will start the 1-year warranty for this work.
- Approval of Contract Modification 2011-15/02 (S6) to the Term Bid 2011-15 construction contract with Plaas, Inc. for the Kiln Wastewater Collection System in the additive amount of \$112,221.30, contingent on final approval of MDEQ and Board Attorney Artigues. This change increases quantities of certain bid items to those experienced in the field to those experienced in the field as well as adds new line items for conditions encountered that were unforeseen when bid. No additional funding is required for this change.
- Approval of Contract Modification 2008-02/41 (S6) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C Construction/ Joint Venture for the Kiln Wastewater Collection System in the deductive amount of \$112,391.10, contingent on final approval of MDEQ and Board Attorney Artigues. This change adjusts quantities to those experienced in the field. No additional funding is required for this change.
- Approval of Payment Request No. 12, S6 CIAP Kiln Sewer Connection Project, MSCIAP Project No. MS.R.771-2, in the amount of \$58,872.82, 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 \$12,202.36, Brown, Mitchell & Alexander, Inc. in the amount of \$1,679.50 and an invoice from Jay Bearden Construction in the total amount of \$44,990.96.
- Approval of Contract Modification 2008-09/09 (W7) to the Term Bid 2008-09 construction contract with Layne Central for the Eastern Regional Water Supply System in the additive amount of \$10,014.11, contingent on final approval of MDEQ and Board Attorney Artigues. This change allows for

sound attenuation to be added to the stand by generator on the water well sites in an effort to reduce the noise level when in operation.

- Approval of Contract Modification SCADA-04 to the Term Bid construction contract with Watertech Corp. for the HANCUA Regional SCADA System in the additive amount of \$23,728.76, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides the fuel & material adjustment per the contract documents.
- Approval of MOU for connection of City of Waveland to the HCUA Regional Water System through City of BSL's certificated area.
- Approval of Contract Modification 2008-09/10 (W7) to the Term Bid 2008-09 construction contract with Layne Central for the Eastern Regional Water Supply System in the additive amount of \$7,251.50, contingent on final approval of MDEQ and Board Attorney Artigues. This change increases the design flow of the Crump Rd. Well from 1,000 gpm to 1,500 gpm.

Motion was made by Director Stahler to accept and spread on the minutes the 2010-2011 Financial Audit as presented, Director Busenlener seconded the motion; it was voted on and carried with a majority vote with Director Collard abstaining from the vote.

Executive Director

Discussion of 2011 Over/Under Payment Options – Executive Director Pitalo gave each entity a breakdown of several pay back options for the O/U and asked that each entity try to have a decision by the next meeting.

Director Fillingame asked that a fixed rate be determined, based on actual flow. Executive Director Pitalo will plan to have a fixed rate to offer the Board by the next meeting.

Director Stahler expressed concern about the City of Waveland first monthly invoice using the "flow only" invoicing process. Executive Director Pitalo explained that the increase to the monthly invoices is due to the increase in the annual budget.

Preliminary Report from OIG Audit – Executive Director Pitalo provided the Board a copy of the preliminary OIG Audit Report for possible comments at the next meeting.

Director Fillingame inquired if a response has been prepared and Attorney Artigues explained that a meeting was held and that this is only a draft and the final report should be out within the month or so.

Surplus RBCs (Rotating Biological Contactors) – Motion was made by Director Johnson to declare the eight RBCs as surplus and advertise for sale, Director Smith seconded the motion it was voted on and carried with a majority vote with Director Collard abstaining from the vote.

Monthly Invoicing Spreadsheets – Executive Director Pitalo provided the Board with a copy of the current invoice spreadsheet for water and wastewater.

Update of Master Utility Plan – Executive Director Pitalo provided the Board with updated information concerning the master utility plan. Mr. Bill Mitchell informed the Board that within the next couple of months they will display the project and ask for input in prioritizing the items.

Director Johnson asked for a copy of the house count referenced in the handout information.

Executive Director Pitalo asked that the Board approve and spread on the minutes Stewart Sneed Hewes Insurance Agency as the Agent of Record for the Hancock County Utility Authority.

Motion was made by Director Smith to approve *Stewart Sneed Hewes Insurance Agency* as the Agent of Record for the Hancock County Utility Authority, Director Johnson seconded the motion; it was voted on and carried with a majority vote with Director Collard abstaining from the vote.

Executive Director Pitalo informed the Board of a paint peeling problem at the Pearlinton water tank. An agent for the tank company will be down in the next few weeks to access the problem and make necessary repairs.

New Business

None

Old Business

Director Fillingame asked that this be removed from the agenda, that the issues will be resolved.

(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.

Executive Session

Motion was made by Director Johnson to consider going into Executive Session to discuss land acquisition and litigation issues, 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 Director Johnson to enter into Executive Session to discuss land acquisition and litigation issues, 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 Johnson to leave Executive Session with no action taken at 10:57 A.M., Director Stahler seconded the motion; 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 nine waiver valuations for Project S6-Kiln Wastewater Collection System and a total of one appraisal/review appraisals for Project W7 Eastern Hancock County Regional Water Supply, 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 Johnson 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 two 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 carried with a majority vote with Director Collard abstaining from the vote.

Pittman

During executive session Attorney Don Hinton presented the Board with an opportunity to review, on a per parcel basis, a total of one appraisal/review appraisals for Project S4 Pearlinton Wastewater Collection System, 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 Stahler to authorize Attorney Jack Pittman to proceed with the fair market value offers, based on said information, subject to property not being a part of the Hancock County buyout program, 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 Johnson 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 Johnson to adjourn the meeting, Director Stahler 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