

HANCOCK COUNTY UTILITY AUTHORITY

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Monthly Board Meeting

January 11, 2011

The meeting was called to order by Vice Chairman Jack Cleveland at 2:00 P.M.

Attendees:

Mr. Al Smith
Mr. Jack Cleveland
Mr. Rocky Pullman
Ms Lillian Stahler

Mr. Bill Johnson
Mr. Kevin Hill
Mayor Les Fillingame

Approval of Minutes

Motion was made by Director Fillingame to approve the minutes from the December 14, 2010 Monthly Board Meeting, Director Cleveland seconded the motion; it was voted on and it carried by majority vote with Director Stahler abstaining from the vote.

Approval of Claims Docket w/Additions

Motion was made by Director Smith to approve the December 2010 Docket w/additions as presented to the Board, Director Johnson 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 \$2,646,007.67 as presented to the Board, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Hill to approve the Advertisement for Bids for Water System Mains and Appurtenances for Projects W7 - Eastern Hancock County Regional Water Supply System, Phase 2 and W8 - Hancock County Water and Sewer District Water Distribution System, Phase 2. This project will provide the Crump Road water main to the new tank and well, all master meters for the W7 system, and the chlorination of the W8 distribution system following the completion of the W7 permanent water supply to Bayside Park. Bids are scheduled to be received on February 17, 2011, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Approval of Amendment No. 6 to the engineering agreement with Compton/Digital Engineering for project S6, in the deductive amount of \$30,027.50 for construction phase services, contingent on final approval of Board Attorney Artigues and MDEQ. This amendment provides a credit for work previously added by Amendment 5, but rendered unnecessary by the Term Bid 2008-02 time extension, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Hill to approve Contract Modification No. S3-11 to the S3 (Western Regional WWTF) construction contract with The Creel Company, in the additive amount of \$22,710.28 and 89 calendar days additional contract time to both Phase 2 and the final completion date, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget modification. This change provides for costs incurred as a result of the unanticipated delay in obtaining sufficient sewer flow for plant startup. A budget modification is required for this change, Director Johnson seconded the motion; it was voted on and it carried unanimously

Motion was made by Director Fillingame to approve Contract Modification No. S5-02 to the S5 (Northern Regional WWTF) construction contract with The P.F. Moon Company, in the additive amount of \$43,523.00 and no contract time, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for miscellaneous electrical and other changes as described in the modification document, and as required for a complete project. The current budget modification indicates sufficient funds are available for this change, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Johnson to approve Contract Modification 2008-01/23(S4) to the Term Bid 2008-01 contract with Necaise Brothers Construction, in the additive amount of \$30,000.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change order to the term bid provides for the increase in bid item quantities necessary for continued hauling of S4 sewage to the Waveland Treatment Plant until flow sufficient for S3 plant startup is obtained. The S4 construction account indicates that sufficient funds are available for this change, Director Smith seconded the motion; it was voted on it carried unanimously.

Motion was made by Director Hill to approve the Budget Modifications for the following as presented:

- HANCUA-02 #21

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

Motion was made by Director Fillingame to approval of Consultant Agreement with Brown and Mitchell, Inc. in the not-to-exceed amount of \$18,000.00 for project management services relative to "CIAP MS.R.771 Kiln Community Sewer Connections

Project", contingent on final approval of Board Attorney Artigues and the Department of Marine Resources. This agreement provides for project management assistance to the Authority for the project to provide sewer service connections to the non-CDBG-eligible customers served by the S6 Kiln Wastewater Collection System. Funding for this project is by the Coastal Impact Assistance Program (CIAP), as administered by the Department of Marine Resources, application pending, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Johnson to approve Contract Modification 2008-07/11(S5) to the Term Bid 2008-07 contract with Necaise Brothers Construction, in the additive amount of \$31,828.00 and 90 calendar day's contract time, contingent on final approval of MDEQ and Board Attorney Artigues. This change order to the term bid provides for the addition of pipe bollards for protection of the air release valves, a sewer connection for McLeod Park and a few other changes as described in the change order document. The S5 construction account indicates that sufficient funds are available for this change, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve Contract Modification 2008-02/19(W6) to the Term Bid 2008-02 contract with Jay Bearden/G&C Construction JV, in the additive amount of \$29,977.00 and 90 calendar days contract time, contingent on final approval of MDEQ and Board Attorney Artigues. This change order to the term bid provides for the 24-inch steel casing with water main installed by jack and bore under SR 603 to provide for future fire water service to Texas Flat Road. The W6 construction account indicates that sufficient funds are available for this change, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Hill to approve Revision 1 to Work Order 2008-07/S5-01 for the Term Bid 2008-07 contract with Necaise Brothers Construction, contingent on final approval of MDEQ and Board Attorney Artigues. This change adds 70 calendar days time for delays beyond the control of the contractor and moves available contract funds from the term bid contract into the work order to provide for overruns in existing bid items, primarily the 18-inch diameter force main. A budget amendment is not required for this change, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

Discussion: Director Fillingame inquired as to who had approved the 70 calendar days, Mr. Steve Frost explained to the Board that the initial work order was initially set up to run the majority of the 18-inch force main on Texas Flat Road, but didn't include some areas that the correct easements were not in place at the time, once the easements were acquired, the seventy days will allow the contractor time to purchase necessary materials and install the balance of the force main.

Motion was made by Director Fillingame to approve Contract Modification 2008-04/10(S4) to the Term Bid 2008-04 contract with Hudson Contracting, in the deductive amount of \$640.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change order to the term bid adjusts various quantities of existing bid items due to field conditions encountered, Director Smith seconded the motion; it was voted on and it carried unanimously.

Executive Director

March meeting falls on Mardi Gras Day – Motion was made by Director Smith to move the March meeting to Thursday March 10, 2010 at 2:00 PM, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

Chlorine Building, Energy Efficiency Projects – Motion was made by Director Smith to allow Executive Director Pitalo to proceed with the construction of the chlorine building at a cost of approximately \$150,000.00, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Smith to allow Executive Director Pitalo to begin the energy efficiency upgrades, as discussed with the Board, the approximate cost of the project is \$150,000.00 or less, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

Old Business

Sewer Use Ordinance – Recommendation of \$1,000 fine, Section 7.2 Page 13 – This item was tabled to allow Director Stahler time to review the ordinance.

Election of Officers

Director Jack Cleveland nominated Director Les Fillingame to serve as Chairman of the Board for a period of one year as stated in Senate Bill 2943 beginning February 1, 2011. Motion was made by Director Cleveland to approve the nomination, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Director Jack Cleveland nominated Director Al Smith to serve as Vice Chairman of the Board for a period of one year as stated in Senate Bill 2943 beginning February 1, 2011. Motion was made by Director Cleveland to approve the nomination, Director Johnson seconded to motion; it was voted on and it carried unanimously.

New Business

Director Hill informed the Board of some issues with a small number of the new water meters, it appears the meter reader unit is not receiving correct information from the meter. Mr. Bruce Newton with Digital Engineering informed the Board that they will address the issue as the project has not yet been turned over to the Authority.

Also, he made the Board aware of issues with the float systems on some of the STEP tanks, it seems that some are not working properly and the tanks appear at time that they will over flow or back up into the property owners' home.

Mr. Newton assured the Board that they are aware of the issues and will follow through until the issues have been resolved.

And Director Hill asked the advice of Ms Pansy Maddox of the MDOH, if a customer does not pay their water bill and the PWSD cuts the water off and the property owner reconnects to their old well, what recourse does the PWSD have?

Ms Maddox explained that according to federal regulations there can not be a cross connection between the well and the community water system, if it is determined that there is an illegal connection the MDOH can and will help with the legalities to resolve that type issue. Her recommendation is, if the customer is not paying their bill, is to cut the water off and if an illegal connection is found then the property owner should be taken to court.

He then asked if the customer is not paying the sewer portion of their bill, what recourse the PWSD has.

Ms Maddox explained that the customer would have to be taken to court and that the MDOH would testify on behalf of the PWSD concerning the existence of the public water and sewer services that the Pearlinton area now has. Ms Maddox assured Director Hill that the MDOH would assist in any way possible to remedy the situations.

Executive Session

Attorney Jack Pittman
Butler Snow

Motion was made by Director Fillingame to consider going into Executive Session to discuss land acquisition legal issues, Director Hill 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 legal issues, Director Johnson 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 2:48 PM, Director Smith seconded the motion; it was voted on and it carried unanimously.

Butler Snow

During executive session Attorney Jack Pittman, of behalf of Butler Snow, presented the Board with an opportunity to review, on a per parcel basis the FMVO, appraisal and review appraisal on a total of one waiver valuation for Project S6 – Kiln Wastewater Collection System and a total of one waiver valuation for Project S5 - Northern Regional

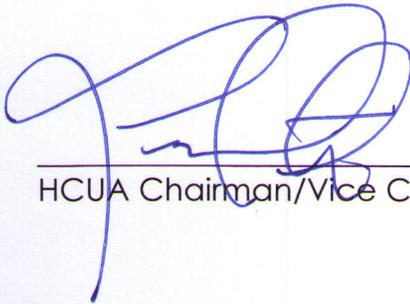
WWTP Project, for the purpose of establishing a basis for making a fair market value offer pursuant to the waiver valuation procedure for the purpose of establishing a basis for making a fair market value offer pursuant to the waiver valuation procedure. After a full discussion, a motion was made by Director 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 two page(s)**, and to allow Attorneys Ronnie Artigues and Jack Pittman and Executive Director Pitolo to review, recommend and proceed with FMVOs as needed to avoid delays in the project, Director Longo seconded the motion; it was voted on and it carried unanimously.

Old Business

None

Adjourn

Motion was made by Director Fillingame to adjourn the meeting, Director Smith seconded the motion; it was voted on and it carried unanimously.



HCUA Chairman/Vice Chairman



HCUA Executive Director