



HANCOCK COUNTY UTILITY AUTHORITY

401 Gulfside Street • P.O. Box 110 • Waveland, MS 39576
Telephone 228-467-3702 • Fax 228-467-6206 • E-mail: hcua@bellsouth.net

Monthly Board Meeting

July 12, 2011

The meeting was called to order by Vice-Chairman Al Smith at 2:00 P.M.

Pledge of Allegiance and Silent Prayer – Lead by Director Pullman

Attendees:

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

Mr. Bill Johnson
Mr. David Kolf – City of Bay St. Louis
Mr. Tom Busenlener – Pearlington Water & Sewer District

Request to Address the Board

Ms. Leslie Royals informed the Board that the MS Board of Health is very supportive of the regionalization concept of water systems. She explained that within the state there are numerous small independent water systems that will have difficulty meeting the new federal ground water rules that require all public water systems to meet some very strict regulations and the solution for many of these systems is to tie into the regional systems in their area. She anticipates that at some point in the next two years some of the local systems will be contacting the Authority concerning these new regulations, as the MDOH will be requiring the systems to meet the new ground water requirements.

Board Action Items

Motion was made by Director Johnson to approve the Minutes from Monthly Board Meeting June 14, 2011, 2011, Director Busenlener seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve June 2011 Dockets as presented to the board with the amounts as shown below:

- O & M \$ 130,526.22
- 2004 Bond \$ 8,921.26
- Land Acquisition \$ 75,886.22
- CDBG Projects \$2,366,640.04
- O & M Water \$ 2,881.11

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

Motion was made by Director Pullman to approve the Consent Agenda as presented to the Board, Director Johnson seconded the motion; it was voted on and it carried unanimously.

- Approval of Request for Cash – CDBG projects in the amount of \$1,844,237.84.
- Approval to spread on the minutes the results of the telephone poll concerning the C.I.A.P. Agreement for sewer connections in Kiln, MS.

- 1 -

HCUA Monthly Board Meeting
July 12, 2011

- Approval to allow the W7 Regional waterline to continue from section in question on Lower Bay Road to Lakeshore Road on back side of county right of way. From Lakeshore Road to Hancock Drive – easements will need to be purchased.
- Approval of Certificate of Partial Substantial Completion for CIAP Work Order 211-015(01), for the Pearlinton S4 CIAP work. This certificate covers the delivery to the designated storage location of 75 spare STEP tank pumps, pump vaults and control panels, with the one-year warranty to begin 06-02-11.
- Approval of Contract Modification No. S3-12 to the S3 (Western Regional WWTF) construction contract with The Creel Company, in the additive amount of \$38,251.87 and 200 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 additional costs incurred as a result of the unanticipated delay in obtaining sufficient sewer flow for plant startup.
- Approval of Contract Modification No. S5-03 to the S5 (Northern Regional WWTF) construction contract with The P.F. Moon Company, in the additive amount of \$167,053.00 and 45 calendar days contract time, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for some 26 miscellaneous changes, both adds and deducts, as described in the modification document, and as required for a complete project. The current budget modification indicates that sufficient contingency funds are available for this change.
- Approval of Payment Application No. 2, S4 CIAP project, in the amount of \$161,468.20, to be paid by the Hancock County Board of Supervisors under the Pearlinton CIAP grant program.
- Approval of Payment Application No.3, S4 CIAP project, in the amount of \$32,277.85, to be paid by the Hancock County Board of Supervisors under the Pearlinton CIAP grant program.

This ends the Consent Agenda with a total of 10 items, with notes in italics.

Motion was made by Director Pullman to approve Contract Modification 2008-02/25(S6) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C Construction, in the additive amount of \$17,307.64, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for various additions and deductions to the work to provide for a complete project and to meet the coordination requirements of the accelerated schedule program, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Stahler to approve Contract Modification 2008-07/18(W7) to the Term Bid 2008-07 contract with Necaise brothers Construction, in the additive amount of \$72,297.82, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget modification. This change order to the term bid provides for the required fuel and material adjustment for Work Order W7-04 under the W7 Eastern Regional

Water Supply System project. A budget modification is required for this change, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to approve Contract Modification 2008-07/17(W7) to the Term Bid 2008-07 contract with Necaise brothers Construction, in the additive amount of \$567,982.34, contingent on final approval of MDEQ, Miss. Dept. of Health (for approval of change in DR rating only) and Board Attorney Artigues, and the appropriate budget modification. This change order to the term bid provides for an increase in estimated quantities for ductile iron fittings, directional boring, fire hydrants and other existing bid items under the W7 Eastern Regional Water Supply System project, as well as the change in the DR rating for the remainder of the 16-inch PVC water pipe from DR 18 to DR 25. The change in the DR rating is calculated to save approximately \$138,000 in pipe material costs. This modification will increase the current contract amount by 5.32%. A budget modification is required for this change, Director Busenlener seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve Contract Modification 2008-07/16(S5) to the Term Bid 2008-07 contract with Necaise brothers Construction, in the deductive amount of \$4,381.05, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget modification. This change order to the term bid adjusts various bid items under the S5 Force Main project, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Not on the Agenda – Mr. Michael Moore-Neel Schaffer, informed the Board that the Harbour Drive well and tank site project is on schedule and that there should be not problem meeting the September 1, 2011 deadline to provide water to the new jail site.

Director Pullman expressed concern that there may not be a water supply for the new community center that is not being constructed. It was explained to him that it should not be a problem to just install a tap, meter and pressure reducer for the community center.

Motion was made by Director Pullman to allow Neel Schaffer to supply a recommendation to insure that the Bayou Phillips Community Center will have a water source when construction is complete.

Executive Director

Fluoridation project – At the last meeting Director Johnson has expressed concern about the maintenance of fluoride systems and had asked that Mr. Bill Mitchell contact other entities that now have a fluoridation system concerning the maintenance expense. Mr. Bill Mitchell explained that he had contacted five entities and of the three that had responded they indicated that maintenance expense is minimal.

Part-time employees – Executive Director Pitalo informed the Board that the Administrative Assistant has requested part-time hours and that request has been granted with the understanding that there are no benefits associated with part-time hour other than PERS which the Authority is required to pay for any hours worked over twenty.

Update on Mixing Zone Study – The Board was informed that the to date the mixing zone study results look very good, and it appears at this time a diffuser will not be needed.

Recommendation for collection system in Ansley/Herron Bay Areas – Information is provided in the packet, and may discuss it at the next meeting.

Quotes as requested by TESI for tie-in into HCUA Regional Water System – Information only – No Action Required

Proposed 2011-2012 Budget – Information only – to be discussed at the next two monthly meetings

Ms. Betsy Tuttle of the White Cypress Lakes community expressed her concern about the quality of water being supplied by TESI to the area.

Executive Director Pitalo explained that because the water service is being supplied by TESI, the Authority can not infringe in the area to make any improvements to the system. Director Pullman also explained that the MSDOH has to step in and force TESI to make the necessary improvements to the system. He also expressed his concern that the MSDOH is not doing what needs to be done to rectify the TESI issues.

Directors Pullman and Johnson explained to the Board that in some of the more rural area the fire hydrants, water valves and sewer valves were installed in the county right of way, and are being damaged when the county does ditch work, such as mowing. They would like to find some way to identify and mark items that are in the right of ways to avoid future damage.

Mr. Bill Mitchell agreed that something needed to be done, and would recommend a solution at the next monthly meeting.

Old Business

None

New Business

None

Executive Session

Attorney Jack Pittman – Pittman, Howdeshell, Hinton and Hightower
Attorney Ronnie Artigues - Butler Snow

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

Motion was made Director Stahler to enter into Executive Session to discuss land acquisition, litigation issues, legal and personnel issues Director Johnson seconded the motion; it was voted on and it carried majority vote.

Motion was made by Director Johnson to leave Executive Session with no action taken at 3:20 PM, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

Brown, Mitchell & Alexander, Inc.

Motion was made by Director Cleveland to approve Amendment No. 10 to the S5-Northern Regional Wastewater Treatment Plant project with Carollo Engineers in the additive amount of

\$10,656.00, contingent upon final approval by Board Attorney Artigues and MDEQ, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Mr. Bill Powell explained to the Board that MDEQ had requested an in depth accounting of the status of the remaining CDBG projects, and expressed concern that ultimately the projects will have a short fall on funds in the amount of \$2.2 million. He explained that they intend to pursue this short fall with MDEQ and request the needed funds.

Pittman

During executive session, Attorney Jack Pittman presented the Board an opportunity to review, on a per parcel basis, a total of three 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. One parcel, Cure Land, was for confirmation based on prior approval of David Pitalo. The property was to be sold, with the closing prior to the HCUA meeting, and having the easement signed was necessary to avoid delays. After leaving executive session and a full discussion, a motion was made by Director Cleveland to authorize Executive Director Pitalo, and Attorney Jack Pittman to proceed with the fair market value offers, based on said appraisal information, and to confirm the offer made to Cure Land 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 and/or acquisitions as needed to avoid delays in the project, Director Stahler seconded the motion; it was voted on and it carried unanimously.

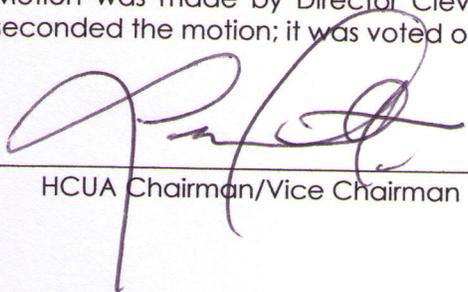
Butler Snow

During executive session Attorney Artigues presented the Board with an opportunity to review, on a per parcel basis, a total of sixteen waiver valuations and one condemnation 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 for the purpose of establishing a basis for making a fair market value offer pursuant to the waiver valuation procedure. After leaving executive session and a full discussion, a motion was made by Director Pullman 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 Johnson seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to authorize Attorney Artigues to proceed with the Order to Condemn requested by the Ethics Commission for parcel CE5099, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Adjourn

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



HCUA Chairman/Vice Chairman



HCUA Executive Director