

# 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

June 14, 2011

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

### **Pledge of Allegiance and Silent Prayer – Lead by Chairman Stahler**

#### Attendees:

Mr. Al Smith  
Mayor Les Fillingame  
Ms. Lillian Stahler

Mr. Bill Johnson  
Mr. Jack Cleveland

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

Ms. Marsha Parker – MS Department of Health – requested a motion from the Board to approve the participation of the HCUA in the fluoridation program being implemented by the MDOH. She explained the first year would be at no expense to the Authority as the equipment, installation and supplies would be provided by the MDOH based on the terms of the grant.

*Discussion: Executive Director Pitalo explained to the Board that after the first year, there may be a 2¢ per thousand gallons added to each entity water bills.*

*Director Johnson again expressed concern about the equipment being used, he is concerned about the maintenance of the equipment.*

*Mr. Bill Mitchell of BMA, Inc. recommended doing a survey of surrounding cities and communities that already have fluoridation in place.*

Motion was made by Director Cleveland to proceed with the application process of the fluoridation project, with a final decision on HCUA participation being determined once the application process has been completed, Director Stahler seconded the motion; it was voted on and it carried unanimously.

### **Board Action Items**

Motion was made by Director Smith to approve the Minutes from Monthly Board Meeting May 10, 2011, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

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

* O & M District	\$ 119,250.76
* 2004 Bond	\$ 16,598.75
* 2010 Bond	\$ 40,908.13

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- \* CDBG Funds     \$ 2,795,204.69
- \* CDBG Land     \$ 1,033,771.29
- \* O & M Water   \$     2,114.52

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

Motion was made by Director Cleveland to approve RFC #38 W5 in the amount of \$3,135.25, Director Stahler seconded the motion; it was voted on and it carried unanimously.

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

- Request for Cash – CDBG projects in the amount of \$2,860,620.73  
*Note: The cover letter indicated that the above RFC was to appear on the "May 10, 2011" agenda, but should have indicated the "June 14, 2011" agenda.*
- Spread on the minutes the results of the telephone poll concerning the land acquisition line of credit, *contingent upon approval of Board Attorney Ronnie Artigues.*
- Spread on the minutes the letter to the MS Public Service Commission requesting an evaluation of HCUA water system
- Pay Application No.1 to Work Order No.1 for the Pearlinton CIAP Project to Hudson Contracting in the amount of \$8,630.75
- Substantial Completion Certificate for Work Order No. S4-01 for the S4 Pearlinton Wastewater Collection System project, Term Bid 2008-04. This begins the one-year warranty period for the STEP tank systems connected and placed into service for lo-mod residences in Pearlinton under this work order. The warranty period for each STEP system begins on the last day of the month the system was placed into service, as itemized on the listing attached to the certificate.  
*Note: Executive Director Pitalo informed the Board that he would be getting a small insurance policy to cover the one year period, in case of possible lightning strikes, etc.*
- Amendment No.7 to the engineering agreement with Compton/Digital Engineering for project S6, Kiln Wastewater Collection System, at no change in contract price, contingent on final approval of Board Attorney Artigues and MDEQ. This amendment moves surplus funds from the surveying and post-construction categories within the agreement to the Resident Project Representative Category to provide for continuing engineering inspection of the construction

- Advertisement for Bids for Term Bid HANCUA 2011-14, Project S6 - Kiln Wastewater Collection System, Phase 2, Sewer Service Connections (CDBG and CIAP). This project provides for sewer service connections from the grinder pumps installed under the Term Bid 2008-02 S6 project to residences and not-for-profit organizations within the service area. Funding is by the Gulf Region CDBG program and the Coastal Impact Assistance Program (CIAP). Bids are scheduled to be received at 10:00 AM on July 21, 2011
- Amendment No. 3 to the engineering agreement with Neel-Schaffer for project W8, in the additive not-to-exceed amount of \$68,000.00 for construction phase services beyond the original accelerated schedule dates, contingent on final approval of Board Attorney Artigues and MDEQ. This work will provide for continuing resident project representative and construction administration services for the Term Bid 2008-04 portion (CDBG-eligible residence water service connections) of the W8 Bayside Park Water Distribution System project. The current budget modification indicates that there are sufficient W8 contingency funds for this amendment
- Substantial Completion Certificate for Work Order No. S6-02 for the S6 Kiln Wastewater Collection System project, Term Bid 2008-02. This work order covers two sewage pump stations, one at the Hancock County Arena and the other at the Stennis Airport, and approximately 7,500 linear feet of sewer force main. The one-year warranty period begins on April 18, 2011
- Contract Modification 2008-04/13(S4) to the Term Bid 2008-04 contract with Hudson Contracting, in the additive amount of \$59,622.00, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change order to the term bid adjusts various quantities of existing bid items due to field conditions encountered and revises the STEP tank configuration at White's RV Trailer Park in accordance with the final easement agreement

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

Motion was made by Director Johnson to approve Amendment #1 to the unit price repair and replacement contract with a consumer price index adjustment, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Smith to approve the Cross Connection Control Ordinance as presented and required by the MS Department of Health, contingent upon approved the Attorney Artigues, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to approve Amendment No.9 to the engineering agreement with Carollo Engineers for project S5, in the additive not-to-exceed amount of \$94,083.00 for additional engineering services to provide for necessary upgrades for the Stennis Tech Park pump station, and to provide for sewer flow to S5 Pump Station No. 1, contingent on final approval of Board Attorney Artigues and MDEQ. The current budget modification indicates that there are sufficient S5 contingency funds for this amendment, Director Smith seconded the motion; it was voted on and it carried unanimously.

*Discussion: Director Cleveland inquired if there would be any engineering design cost on this item. Steve Frost of Carollo explained that there would be engineering design and construction service cost related to this change, and it would include six new drawings, some related to the Northern Regional WWTP and force main contracts and the construction oversight.*

Motion was made by Director Johnson to approve the following budget modifications:

- HANCUA-01 #13
- HANCUA-02 #25
- HANCUA-03 #19

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

Motion was made by Director Johnson to approve Contract Modification 2008-04/14(S4) to the Term Bid 2008-04 contract with Hudson Contracting, in the additive amount of \$122,881.58, contingent on final approval of MDEQ and Board Attorney Artigues. This change order to the term bid provides the required fuel and material adjustment for Work Order S4-03. **The CDBG portion of this change is \$112,097.83, and the CIAP portion is \$10,783.75.** The current budget modification indicates that sufficient contingency funds are available for this change, Director Smith seconded the motion; it was voted on and it carried unanimously.

#### **Executive Director**

Schedule work shop for possible changes and resolution of HCUA Legislation – Workshop is scheduled for June 29, 2011 at 2:00pm at the City of BSL City Hall Conference Room

Resignation of Director Kevin Hill – Information only, no action required

Energy efficiency discussion – Executive Director Pitalo explained to the Board that he is investigating other sources of energy for some of the infrastructure items, such as the pump stations, well/tank sites, etc. He also, explained that may be some grant monies available to pursue this project.

TESI Request – Information only – No action required

Lagoon Dredging and Dewatering Budgetary Estimate – Was not discussed at the meeting

**Not on the Agenda**

Executive Director Pitalo requested permission from the Board to attend the WEFTEC Conference to be held in Los Angeles, CA on October 16, 2011 thru October 19, 2011. The approximate cost would be \$1200.00.

Motion was made by Director Johnson to approve Executive Director Pitalo to attend the WEFTEC Conference as requested, Director Smith seconded the motion; it was voted on and it carried unanimously.

Mr. Bill Mitchell explained that the cost of PVC pipe has risen dramatically, and Necaise Brothers Construction has informed him that the cost is prohibitive to them completing the project. Necaise Brothers Construction has requested that they be allowed to replace the project specified DR18 PVC pipe with DR25 PVC pipe. Mr. Mitchell explained that there would not be any project compliance violations if the contractor was allowed to use the DR25.

Motion was made by Director Johnson, based on the recommendation of Mr. Bill Mitchell, to allow the contractor to use the DR25, and approve the \$3.22LF price increase, which would result in a \$150,000 project savings, contingent upon approval of the MS Department of Health, MS Department of Environmental Quality, and Attorney Artigues, Director Stahler seconded the motion; it was voted on and it carried unanimously. (Copy of Necaise Brothers Construction in minute's packet)

Mr. Michael Moore of Neel Schaffer informed the Board that the water lines to the new jail site are still on schedule, with no anticipated delays.

**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 Smith seconded the motion; it was voted on and it carried by majority vote.

Motion was made Director Cleveland 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 Cleveland to leave Executive Session with no action taken at 3:30 PM, Director Stahler 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 four 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 leaving executive session and 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 Smith seconded the motion; it was voted on and it carried by unanimously.

**Butler Snow**

During executive session Attorney Artigues presented the Board with an opportunity to review, on a per parcel basis, a total of twenty-five 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 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 Stahler 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 Smith seconded the motion; it was voted on and it carried unanimously.

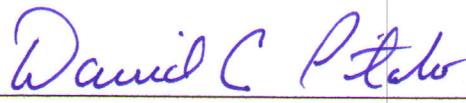
**Adjourn**

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.



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HCUA Chairman/Vice Chairman



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HCUA Executive Director