

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

May 8, 2012

The meeting was called to order by Chairman Les Fillingame at 2:07 P.M.

Pledge of Allegiance and Silent Prayer – Lead by Director Fillingame

Attendees:

Mr. Tom Busenlener	Mr. Tony W. Ladner
Mr. Mike Collard	Mr. Al Smith
Mr. Les Fillingame	Mr. Bill Johnson
Mrs. Lili Stahler	

Request to Address the Board

None

Board Action Items

Motion was made by Director Ladner to approve the minutes of the April 10, 2012 Monthly Board Meeting, Director Busenlener seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Stahler to approve the April 2012 Dockets as presented, Director Ladner seconded the motion; it was voted on and it carried unanimously.

- O & M \$ 151,914.20
- Land Acquisition \$ 43,558.00
- CDBG Projects \$ 3,461,057.17
- CIAP-Kiln \$ 51,118.83
- CIAP-Pearlington \$ 9,208.91
- O & M Water \$ 6,915.59

Motion was made by Director Stahler to approve Budget Modification HANCUA-03 #25, HANCUA-02 #32 and HANCUA-01 #17, Director Johnson seconded the motion; it was voted on and it carried unanimously.

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HCUA Monthly Board Meeting
May 8, 2012

Motion was made by Director Smith to approve the CDBG Request for Cash in the amount of \$1,255,827.41. Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Johnson to approve the Consent Agenda with a total of 14 items with the exception of Item Number 1 and Item Number 9. Director Smith seconded the motion; it was voted on and it carried unanimously. Discussion: Director Fillingame asked about CA Item #1, and Director Pitalo explained the last list of Reoccurring Expenses had omitted some vendors HCUA pays on a monthly basis. Director Fillingame requested the vendors "At Last Services" and the "HCUA Petty Cash" be removed from the Reoccurring Expenses List.

Motion was made by Director Ladner to approve the removal of the "At Last Services and HCUA Petty Cash" from the Monthly Reoccurring List and approve all others listed, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Discussion: Director Fillingame inquired if the document for the Memorandum of Understanding was just a formal letter or would signatures be required? Executive Director explained that signatures will be required and by error, was not included when the document was printed.

Motion was made by Ladner to approve the Memorandum of Understanding with the Kiln Utility and Fire District, Director Smith Seconded the motion; it was voted on and it carried unanimously.

- Approval of Revised Reoccurring Expenses – items with an asterisk were left off list presented to Board at the April 2012 meeting.
- Approval of Payment Request No. 6, S6 CIAP Kiln Sewer Connection Project, MSCIAF Project No. MS.R.771-2, in the amount of \$39,819.85, 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 total amount of \$8,093.53, Brown, Mitchell & Alexander in the amount of \$687.40 and an invoice from Jay Bearden Construction in the amount of \$31,038.92.
- Approval of Payment Application No. 13, S4 CIAP project, in the amount of \$7,081.63, to be paid by the Hancock County Board of Supervisors under the Pearlinton CIAP grant program.
- Approval of Amendment No. 2 to the professional services agreement with Professional Services, Inc. (PSI) for projects

S3, S4, S5, S6, S7, W3, W4, W5, W5E, W6, W7, W8 & W9, in the deductive amount of \$491,925.90 (Grant HANCUA-01 (\$24,429.00); HANCUA-02 (\$403,003.30); HANCUA-03 (\$64,493.60) contingent on final approval of Board Attorney Artigues and MDEQ. This amendment removes funds from this contract that are not anticipated to be used for material testing purposes.

- Approval of Contract Modification 2008-02/38 (S6) to the Term Bid HANCUA 2008-02 construction contract with Jay Bearden Construction/ G&C Construction a Joint Venture, for the S6 Kiln Sewer Collection System, in the deductive amount of \$7,733.80, contingent on final approval of MDEQ, and Board Attorney Artigues. This change adjusts quantities as constructed in the field and adds a line to construct a property line fence near the Nicola Lift Station.
- Approval of Revision 5 to Work Order 2008-02/S6-05 for Jay Bearden/G&C Construction, for the S6 Kiln Sewer Collection System, in the additive amount of \$5,598.90 and 116 additional calendar days, contingent on final approval of MDEQ and Board Attorney Artigues. This revisions to the work order adjust the quantities to the final quantities used in the field as well adds calendar days to the existing work order to allow for lead time items to be received and installed. No additional funds are needed for this change.
- Approval of Certificate of Substantial Completion for Work Order 2011-14/S6(01) to the Term Bid 2011-14 Construction Contract with Jay Bearden Construction, as of March 16, 2012, for the Kiln Wastewater Collection System, Phase 2 (CDBG & CIAP). This date begins the one-year warranty period for the sewer connections completed under this work order.
- Approval of consulting engineering agreement with A. Garner Russell and Associates for project S6, Phase 4, in the not-to-exceed amount of \$75,000.00 for design and construction administration services of the Jourdan River Shores Lift Station and Force Main, contingent on final approval of Board Attorney Artigues, MDEQ and the final purchase of the franchise certificate from TESI by the Kiln Utility and Fire District.
- Approval of the Memorandum of Understanding for the Interim Operations & Maintenance of the Kiln Water Distribution System & Sewer Collection System installed with CDBG Funds.

- Approval of Contract Modification 2008-04/29 (S4) to the Term Bid HANCUA 2008-04 construction contract with Hudson Contracting, Inc., for the S4 Pearlinton Sewer Collection System, in the additive amount of \$9,428.51, contingent on final approval of MDEQ, and Board Attorney Artigues. This modification corrects mathematical errors made in a previous contract mod in order to close out work order 2008-04/S4-03.
- Approval of Contract Modification 2008-04/30 (S4) to the Term Bid HANCUA 2008-04 construction contract with Hudson Contracting, Inc., for the S4 Pearlinton Sewer Collection System, in the deductive amount of \$11,238.00, contingent on final approval of MDEQ, and Board Attorney Artigues. This modification adjusts the quantities of certain line items to allow work order 2008-04/S4-04 to be issued.
- Approval of consulting engineering agreement with A. Garner Russell and Associates for project W6, in the not-to-exceed amount of \$33,000.00 for design and construction administration services of the Jourdan River Shores water connection and Master Meter, contingent on final approval of Board Attorney Artigues, MDEQ and the final purchase of the franchise certificate from TESI by the Kiln Utility and Fire District.
- Approval of Certificate of Substantial Completion for Work Order 2008-07/W7-06 to the Term Bid 2008-07 Construction Contract with Necaise Bros. Construction, as of March 23, 2012, for the W7-Eastern Hancock County Water Supply System. This date begins the one-year warranty period for the water main along US Hwy 90 from Kiln Waveland Cutoff to Hancock Drive.
- Approval of Certificate of Substantial Completion for Work Order 2008-07/W7-07 to the Term Bid 2008-07 Construction Contract with Necaise Bros. Construction, as of April 10, 2012, for the W7-Eastern Hancock County Water Supply System. This date begins the one-year warranty period for the water main along the west side of Hwy 603 south of Kiln Waveland Cutoff.

This ends the Consent Agenda Portion of the Agenda

Motion was made by Director Ladner to approve the Certificate of Substantial Completion for Work Order 2008-04/S6-01 to the Term Bid 2008-04 Construction Contract with Hudson Contracting, Inc., as of March 16, 2012, for the S6- Kiln Sewer Collection System. This date begins the contractor's one-year warranty

period for the grinder station and appurtenances as installed under this work order, Director Stahler seconded the motion and it was voted on and it carried unanimously.

Motion was made by Director Stahler to approve the Revision 1 to Work Order 2008-09/W7-02 for Layne-Central Construction for the W7 Water Supply System, Harbor Drive Water Supply Well, in the additive amount of \$197,762.85 and 76 additional calendar days, contingent on final approval of MDEQ and Board Attorney Artigues. This change revises the quantities in Work Order 2008-09/W7-02 to field quantities used, as well as adds work order time as recommended by Neel-Schaffer for the contractor to complete additional work necessitated by differing site conditions and as requested by the owner. This work order revision does not change the Term Bid 2008-09 contract amount; therefore no additional funds are needed for this change, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Johnson to approve the Revision 2 to Work Order 2008-09/W7-01 for Layne-Central Construction for the W7 Water Supply System, McLaurin Street Water Supply Well, in the additive amount of \$47,322.24 and 495 additional calendar days, contingent on final approval of MDEQ and Board Attorney Artigues. This change revises the quantities in Work Order 2008-09/W7-01 to field quantities used, as well as adds work order time as recommended by Neel-Schaffer for the contractor to complete additional work necessitated by site conditions and a temporary supply connection to the Hancock County Water and Sewer District system as requested by the owner. This work order revision does not change the Term Bid 2008-09 contract amount; therefore no additional funds are needed for this change. Director Smith seconded the motion; it was voted and it carried unanimously.

Discussion: Mr. Don Lancaster-Engineer with Neel Schaffer explained to the Board the need for the additional days added to the project. The days added have already been worked and Mr. Bill Mitchell with Brown, Mitchell and Alexander explained that it is due to the fact they did not want to put all the additions on several work orders. Rather than putting them together on one work order. Also, he explained that the water is ready for use. Director Ladner questioned the fact that the work has already been completed and now a work order is being issued to add days to the contract.

Motion was made by Director Ladner for the Approval of Substantial Completion Certificate for Work Order No. 2 for the W7 Water Supply System Project, Term Bid 2008-09, Water Supply Wells, as of 09-11-11. On this date the

one-year warranty period for the Harbor Drive Water Supply Well installed under this work order began, Director Johnson seconded the motion; it was voted on and it carried with *Director Ladner opposing* the approval.

Motion was made by Director Ladner for the Approval of Substantial Completion Certificate for Work Order No. 1 for the W7 Water Supply System Project, Term Bid 2008-09, Water Supply Wells, as of 01-23-12. On this date the one-year warranty period for the McLaurin Street water supply well installed under this work order began, Director Smith seconded the motion; it was voted on and it carried unanimously.

Executive Director

Not on Agenda – Amendment to the Wastewater Treatment Agreement - Discussion: Attorney Artigues informed the Board that he has sent the amendment to the Wastewater Treatment Agreement, which changes the existing contracts from the “formula” billing system to a “flow” billing system, to the attorneys for each entity and to date the only response has been from the City of Waveland Attorney Gary Yarborough.

Director Pitalo gave the board and update on diversion of flow from the Hancock County Influent Pumping Station to the head works at the SRWWTP for a total cost of \$23,587.13. Also, he explained that the project for the piping for the chlorine building will begin soon, and will be using the previously approved funds from the overfunding of the 2004 Bond Debt Service Reserve account and the creating of the 2010 Bond Debt Service - Information Only – No Action Needed

Director Pitalo discussed with the board their thoughts on security alarm monitoring at the Northern Regional Wastewater Treatment Plant and the Western Regional Treatment Plant at a cost of approximately \$25.00 to \$30.00 per month/per site.

Motion was made by Director Smith to approve procuring security monitoring of the Northern and Western Regional Wastewater Treatment plant at an estimated cost of \$25.00 to \$25.00 per month per site, Director Johnson; it was voted on and it carried unanimously.

Discussion: Director Ladner asked if the insurance would be reduced. Executive Director will get with insurance company to find out.

Director Pitalo also presented the board with a presentation of the Quarterly Report of CDBG Projects and their status – Information Only – No Action Taken.

Old Business

(1) Director Pitalo discussed with the board the Memorandum of Understanding concerning ownership of sewer force mains coming from Bay St. Louis to HCUA's Southern Regional plant.

Executive Director Pitalo spoke with the BSL City Council on April 17, 2012, and they have decided not to take ownership of the line, and at this moment, the HCUA will have to hire an engineer and contractor to locate and GPS the line coming from the BSL #1 lift station to the SRWWTP. Cost is estimated to be approximately \$11,000.

Director Ladner asked about ownership of the lines, and Attorney Artigues explained that with the original Board of Mayor Eddie Favre, Mayor Tommy Longo, and Gerald Gex the "agreement" was that everything outside the gates of the SRWWTP belonged to the entities of the City of Bay St. Louis, City of Waveland and Hancock County Water and Sewer District, and the SRWWTP owned everything inside the gates.

Director Fillingame inquired if the cost to locate the incoming lines could be included in the Master Plan. Executive Director reminded the Board that there was only \$50,000 available for the Master Plan. Also, he inquired as to where the metering point is and that ownership should begin at the metering point.

Discussion: Director Fillingame and Director Smith agreed to help in locating this line by providing equipment and/or manpower to try to save money on costs to GPS this line.

(2) Allocation of wastewater expenses are currently based on formula per the individual entity contracts. Consideration of allocating the wastewater expenses based on flow from each entity to wastewater treatment plants has been discussed and recommended by Executive Director and Engineer.

The City of Waveland has made the decision to change from formula to flow billing.

Board Attorney Artigues developed an amendment for the wastewater treatment agreement and will be forwarded to all the districts attorneys for their comments and approval.

(3) 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.

(4) Director Pitalo explained that a leak in the 24" sewer force main from a sewer pump station in Bay St. Louis was repaired on March 8, 2011 and March 11, 2011 by personnel from the HCUA and the HCWSD. This repair cost of \$13,751.97 should be funded by Bay St. Louis. This invoice is still outstanding and after BSL city council determined they would not take ownership it is my assumption they do not plan to pay the invoice. Need direction for outstanding invoice for repairs to broken force main. HCUA will work with HCWD and BSL to try to begin locating this line to save the approximately \$11,000.00 that it would cost to locate this line.

New Business

Executive Director Pitalo informed the Board that the preliminary results of the tally sheets, for the Request for Qualifications for the Master Plan, indicate that Brown, Mitchell and Alexander, Inc., is tentatively the successful engineering firm for the project. The tally sheet calculations will be verified and based on that verification, requested the Board to approve moving forward with negotiations of a contract for the project.

Motion was made by Director Johnson to award and enter into contract negotiations with Brown, Mitchell and Alexander, Inc. for the Master Plan project, Director Smith seconded the motion; it was voted on and it carried unanimously.

Executive Session

Attorney Ronnie Artigues – Butler Snow
Attorney Jack Pittman – Pittman Law Firm

Motion was made by Director Ladner to consider going into Executive Session to discuss land acquisition and litigation issues, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Motion was made Director Ladner to enter into Executive Session to discuss land acquisition and litigation issues, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Smith to leave Executive Session with no action taken at 3:13PM, Director Johnson seconded the motion; it was voted on and it carried unanimously.

Butler Snow

During executive session, Attorney Artigues presented a list of three parcels on Nicola Road for Project W7 for the Board to consider approving Orders to Condemn.

After leaving executive session and a full discussion, motion was made by Director Ladner to approve the request concerning the Orders to Condemn for the three parcels on Nicola Road Project W7, Director Stahler seconded the motion; it was voted on and it carried unanimously.

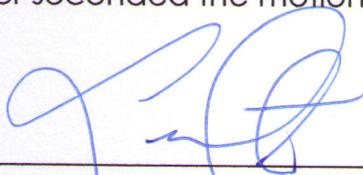
Pittman

During executive session, Attorney Ronnie Artigues presented on behalf of Attorney Jack Pittman, a request to approve Orders to Condemn on six parcels for Project S4.

After leaving executive session and a full discussion, motion was made by Director Ladner to approve the request concerning the Orders to Condemn for the six parcels in Project S4, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Adjourn

Motion was made by Director Smith to adjourn the meeting at 3:20 PM, Director Stahler seconded the motion; it was voted on and it carried unanimously.



HCUA Chairman/Vice Chairman



HCUA Executive Director