



# HANCOCK COUNTY UTILITY AUTHORITY

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## Monthly Board Meeting September 8, 2010

The meeting was called to order by Director Rocky Pullman at 2:00 P.M.

### Attendees:

Mr. Al Smith

Mr. Jack Cleveland

Mr. Rocky Pullman

Mayor Tommy Longo

Mr. Larry Ladner

Ms Betty Baxter – Director Pro Tempe

Mayor Les Fillingame

**Pledge of Allegiance and silent Prayer** – Lead by Director Larry Ladner

### Approval of Minutes

Motion was made by Director Ladner to approve the minutes from the August 10, 2010 Monthly Board Meeting, Director Smith seconded the motion; it was voted on and it carried unanimously.

### Approval of Claims Docket w/Additions

Motion was made by Director Ladner to approve the August 2010 Docket w/additions as presented to the Board, Director Smith seconded the motion; it was voted on and it carried unanimously.

### Request to Address the Board

Mr. P. J. Waldrop of Senator Cochran's office gave the Board an update on the progress of securing legislation concerning the SRF loan. Mr. Waldrop informed the Board that a bill, S1005 Water Infrastructure Financing Act, has been prepared for submission to Congress, in the legislation the language would allow the State more oversight of the SRF loan, in this it would allow the State to either forgive the loan or allow partial forgiveness and restructure of the balance or total restructure of the loan.

*Discussion: Attorney Artigues informed the Board that the Authority has received another year of forbearance on the SRF payments, this coming from Ms Trudy Fisher of MDEQ. Attorney Artigues also requested a copy of the Bill S1005, as to date he hasn't received any information concerning this.*

Director Pullman explained that the Board is available to come to Washington, if necessary, to help stress the necessity of some type of assistance on resolving this debt.

Mr. Kevin Haas of River Trace Subdivision request a variance from the Board concerning his subdivision, he explained to the Board that the plans for the subdivision had been

approved by the county prior to Hurricane Katrina and the plans has specified eight inch water lines, but he is requesting to use four inch. He stated that he was verbally told by a representative of the Kiln Water and Fire Protection District that he could use the smaller size water line.

It was the opinion of Mr. Bill Powell of Brown and Mitchell, Inc., that the Rules and Regulations of the HCUA specify that an eight inch line is required and it is his opinion that the rules should be adhered to.

Ms Pansy Maddox of the Ms Department of Health explained to the Board and Mr. Haas that if the MDOH had previously approved an eight inch line, those plans can't be changed without additional approval of the MDOH.

Attorney Artigues explained that the Board could defer the decision to the Kiln Water and Fire Protection District, but the Board would have to be sure that any other subdivision in the county that was started prior to Hurricane Katrina and prior to the adoptions of the HCUA Rules and Regulations, would have the same considerations with the size of the water lines.

Director Rocky Pullman wanted to know if the subdivision would have sewer services, it was determined that community sewer is available.

Motion was made by Director Ladner to state on record that it is the finding of the HCUA's Board that the River Trace Subdivision was started prior to Hurricane Katrina and therefore the newly adopted HCUA Rules and Regulations, in this case, do not apply, and it is the decision of the HCUA Board to defer the decision to the Kiln Water and Fire Protection District, as the Board was not in favor of impeding development in the rural areas of the county, Director Pullman seconded the motion; it was voted on and it carried unanimously.

#### **Board Action Items**

Motion was made by Director Fillingame to approve the Request for Cash in the amount of \$4,026,968.42 as presented to the Board, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve issuance of the contract with A. Garner Russell and Associates for consultant services for the Kiln Sewer Connection Project, in accordance with the recommendation of the CIAP Consultant Selection Committee, contingent on agreement on contract price, and further contingent on receipt of a proposed contract approvable by the State Department of Marine Resources and Board Attorney Artigues. Funding for this project is by the Coastal Impact Assistance Program (CIAP), as administered by the Department of Marine Resources, application pending, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve the Substantial Completion Certificate for Work Order No.2 for the S7 Bay St. Louis Wastewater Improvements project, Term Bid 2008-03, as of 08-20-10. This begins the one-year warranty period for

the majority of the force main north of US Hwy 90, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve the Contract Modification No. S3-09 to the S3 (Western Regional WWTF) construction contract with The Creel Company, in the additive amount of \$29,116.00 and 63 calendar days additional contract time to both Phase 1 and Phase 2, 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 lack of site access, due to impassable conditions on White's Road caused by a haul contractor on another project. Included in the package is a timeline, cost breakdown and justification provided by Carollo Engineers, Director Longo seconded to motion; it was voted on and it carried with a majority vote, with Director Pullman voting NO.

Motion was made by Director Fillingame to approve Contract Modification 2008-02/12(W6) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C Construction, in the additive amount of \$48,274.52, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides the required fuel and material adjustment for Work Order W6-03. The current budget modification indicates that there are sufficient contingency funds for this change, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Longo to approve the Joint Petition of the City of Waveland and Island Utilities for approval of the transfer of the Island Utilities' water system to Waveland, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve the Contract Modification 2008-03/16(S7) to the Term Bid 2008-03 construction contract with Hemphill Construction, in the deductive amount of \$206,135.51, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for reconciliation of as-built quantities for the force main construction, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve the Contract Modification 2008-03/17(S7) to the Term Bid 2008-03 construction contract with Hemphill Construction, in the additive amount of \$62,368.04, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for additional site work and storm drainage costs due to the required relocation of the pump station, Director Ladner seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve the 2010/2011 Annual Budget as presented to the Board on August 10, 2010, and to allow Executive Director Pitalo to an additional \$19,000 to Capital Expenditures for the cost of a new mezzanine and will

bring the total budget to \$1,532,409, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Fillingame to approve the Contract Modification 2008-01/17(W3) to the Term Bid 2008-01 construction contract with Necaise Brothers Construction, in the additive amount of \$6,150.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for relocation of water meters for Hwy 604 properties, made necessary by the results of the recent Hwy 604 right-of-way survey. The current budget modification indicates that contingency funds are sufficient for this change, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to approve the Contract Modification 2008-01/18(S4) to the Term Bid 2008-01 construction contract with Necaise Brothers Construction, in the additive amount of \$380,630.74, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for adjustment of quantities of various bid items, as constructed. The current budget modification indicates that existing project funds are sufficient for this change. This change increases the current term bid contract amount by 3.18%. This is one of the known changes previously funded in advance by MDEQ, Director Baxter seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Smith to approve the Contract Modification 2008-04/06(S4) to the Term Bid 2008-04 construction contract with Hudson Contracting, in the deductive amount of \$2,370.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for adjustment of quantities of certain bid items, as field conditions indicate, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Ladner to RESCIND prior approval (August 10, 2010 Board Meeting) of Contract Modification 2008-01/17(W3) to the Term Bid 2008-01 construction contract with Necaise Brothers Construction, in the deductive amount of \$54,832.08 and 45 calendar days additional contract time. This adjustment in as-built quantities was inadvertently prepared as a contract modification, but should have been a work order revision. Draft work order revision has been prepared and is pending, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

**Executive Director**

*Proposed drawing for Chlorine and Sulfur Dioxide Building – Information Only – No Action Required*

*Recommendations for installations, permits, and inspections of water service for non-low/moderate income residents of Pearlington – Information Only – No Action Required*

*Neel-Schaffer status of 16" water line on Lower Bay Road – Information Only – No Action Required*

*Correspondence between HCUA and KLL concerning SCADA Project – Information Only – No Action Taken*

Attorney, Jack Pittman provided information on fifty parcels, on a per parcel basis, for project S-4, Pearlington Wastewater Collection System for the purpose of establishing a basis for making fair market value offers. In regular meeting on July 13, 2010, attorney Ronnie Artigues and Jack Pittman, and Executive Director, David Pitalo were authorized to review, recommend and proceed with FMVOs as needed to avoid delays in the project, and this list of parcels had been so reviewed and was being recommended for that purpose. The members of the Board and the Attorney discussed any possible conflicts of interest with the parcel owners, and none were found. Thereafter, Attorney, Jack Pittman and Executive Director, David Pitalo were authorized to proceed with the fair market value offers based on the provided information, and in the amounts indicated in each file on the parcels shown on the attached **four** pages. The list includes five parcels that are on the buy-out list and those offers are to be withheld pending outcome of the buy-out program. A majority of Directors were in favor, with no one opposing, and with Director Cleveland abstaining.

Attorney, Ronnie Artigues provided information on thirty-one parcels, on a per parcel basis, for project S-6 Kiln Wastewater Collection System and Project S5 Northern Regional WWTP for the purpose of establishing a basis for making fair market value offers. In regular meeting on July 13, 2010, attorney Ronnie Artigues and Jack Pittman, and Executive Director, David Pitalo were authorized to review, recommend and proceed with FMVOs as needed to avoid delays in the project, and this list of parcels had been so reviewed and was being recommended for that purpose. The members of the Board and the Attorney discussed any possible conflicts of interest with the parcel owners, and none were found. Thereafter, Attorney, Jack Pittman and Executive Director, David Pitalo were authorized to proceed with the fair market value offers based on the provided information, and in the amounts indicated in each file on the parcels shown on the attached **two** pages. A majority of Directors were in favor, with no one opposing, and with Director Cleveland abstaining.

**New Business**

*None*

**Executive Session**

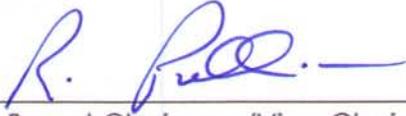
*None*

**Old Business**

*None*

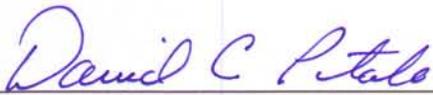
**Adjourn**

Motion was made by Director Longo to recess the meeting, Director Pullman seconded the motion; it was voted on and it carried unanimously.



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HCUA Board Chairman/Vice Chairman



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HCUA Executive Director