



HANCOCK COUNTY UTILITY AUTHORITY

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Special Board Meeting

November 21, 2011

The meeting was called to order by Chairman Les Fillingame at 2:13 P.M.

Pledge of Allegiance and Silent Prayer – Lead by Director Pro Temp Libby Garcia

Attendees:

Ms. Libby Garcia
Mr. Jack Cleveland
Ms. Lillian Stahler

Mr. Bill Johnson
Mayor Les Fillingame
Ms. Pamela Lonidier

Request to Address the Board

None

Board Action Items

Discussion on Hancock County Water and Sewer District Invoicing Issue –

Chairman Fillingame explained to the audience the purpose of the meeting and read aloud the letter from the Hancock County Water and Sewer District, dated November 7, 2011 concerning the motion by their board to pay future invoices from the Authority by the flow percentage only.

Executive Director Pitolo explained to the Board that with HCWSD paying their invoices as indicated above, the Authority would ultimately experience a shortfall before fiscal year end.

Chairman Fillingame asked Ms. Nancy Depreo of HCWSD to explain their process in billing for sewer treatment. Ms. Depreo explained they charge a flat fee of \$39.00 for sewer. She also explained they had taken drastic cuts in their budget i.e. cut back to thirty-six hour work week, decreased benefits, etc.

Director Pro Temp Garcia expressed concern about the process in which the Over/Under figures are determined. It was explained to her the amounts are a direct result of each annual audit and the formula process of billing. Also, she expressed concern about the increase in the Authority budget for 2011-2012 vs. 2010-2011. Executive Director Pitolo explained the current budget is based on the fact that we now have five water tanks, six wells, two treatment plants and numerous master meter sites, and lift stations that have or will come on line during this year.

Attorney J. P. Compretta informed the Board Rural Development Association had contacted the District and implied their debt should be paid above all others. He also emphasized the need to convert the invoicing to be based on "flow". Attorney

Artigues explained based on the makeup of the Board, the Authority has separate wastewater treatment contracts with each entity, and while each entity could legally amended their contract to be based on the "flow" method, but mathematically, it wouldn't equal out to 100% of the budget, if one entity is still using the "formula" method.

After further discussion, motion was made by Director Johnson to allow a forbearance of six months, beginning November 1, 2011 through April 1, 2012, to the Hancock County Water & Sewer District for the Over/Under Adjustment payment of \$9,270.82, with the following understandings (1) the District will pay the normal monthly wastewater treatment invoices as they are invoiced, (2) the issue will be reevaluated at the end of the six month period and (3) there is no change or amendments to the contract between HCUA and HCWSD at this time, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

Executive Director

None

New Business

Director Cleveland informed the Board he has been requested, by the Diamondhead Water and Sewer District to do a study on rates and tap fees of all the entities along the Mississippi Gulf Coast, and he will present the Board a copy once the study is complete.

Old Business

None

Executive Session

None

Adjourn

Motion was made by Director Cleveland to adjourn the meeting at 3:35 PM, Director Stahler seconded the motion; it was voted on and it carried unanimously.



HCUA Chairman/Vice Chairman



HCUA Executive Director