



# HANCOCK COUNTY UTILITY AUTHORITY

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## Monthly Board Meeting

October 11, 2011

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

**Pledge of Allegiance and Silent Prayer** – Lead by Director Baxter

### **Attendees:**

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

Mr. Bill Johnson  
Mayor Les Fillingame  
Mrs. Betty Baxter

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

None

### **Board Action Items**

Motion was made by Director Pullman to approve the Minutes from Monthly Board Meeting September 13 2011, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve the August 2011 Dockets as presented to the Board, Director Fillingame seconded the motion; it was voted on and it carried unanimously.

- O & M \$ 163,542.31
- 2004 Bond-Capital \$ 2,983.50
- Land Acquisition \$ 983,372.00
- CDBG Projects \$5,714,634.76
- O & M Water \$ 3,137.50

Motion was made by Director Johnson to approve the Request for Cash in the amount of \$2,536,954.92, Director Stahler seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Johnson to approve the following Budget Modifications as presented to the Board, Director Stahler seconded the motion; it was voted on and it carried unanimously.

- HANCUA-01 #14
- HANCUA-02 #27

- 1 -

HCUA Monthly Board Meeting  
October 11, 2011

- HANCUA-03 #21

Motion was made by Director Johnson to approve the Consent Agenda with a total of thirteen items as presented to the Board, Director Pullman seconded the motion; it was

- Approval of Revision 7 to Work Order 2008-02/S6-03 for the Term Bid 2008-02 construction contract with Jay Bearden/G&C Construction for the Kiln Wastewater Collection System, adding 97 calendar days at no change in contract price, contingent on final approval of MDEQ and Board Attorney Artigues. This change provides for additional contract time for this work order caused by direction to the contractor to delay installation of grinder pumps until after January 1, 2011.
- Approval of Payment Application No. 6, S4 CIAP project, in the amount of \$33,929.93, to be paid by the Hancock County Board of Supervisors under the Pearlinton CIAP grant program.
- Approval of Contract Modification 2008-02/30(S6) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C Construction for the Kiln Wastewater Collection System, in the additive amount of \$5,678.33, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change provides the required fuel and material adjustment for Work Order S6-05.
- Approval of Contract Modification 2008-02/31(S6) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C Construction for the Kiln Wastewater Collection System, in the additive amount of \$12,086.08, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change provides the required fuel and material adjustment for Work Order S6-06.
- Approval of Contract Modification 2008-02/32(S6) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C Construction for the Kiln Wastewater Collection System, in the additive amount of \$76,858.22, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change provides the required fuel and material adjustment for Work Order S6-07.
- Approval of Contract Modification 2008-02/33(S6) to the Term Bid 2008-02 construction contract with Jay Bearden/G&C Construction for the Kiln Wastewater Collection System, in the deductive amount of \$1,006,849.46, contingent on final approval of MDEQ and Board Attorney Artigues. This change is the result of a field and office review by the engineers of the project status and estimated cost to complete. These funds are to be applied toward completion of the authorized S6 project, which continues to indicate deficit funding. This deduct to the Term Bid 02 contract will assist in funding the required rebid of the remaining 195 long-service grinder pumps.
- Approval of Amendment No. 6 to the engineering agreement with Compton/Digital Engineering for project W9, Waveland US 90 Water System Improvements, in the additive amount of \$461.33, contingent on final

approval of Board Attorney Artigues and MDEQ. This amendment provides for payment of additional reproduction expenses incurred, over and above the amount contemplated by the contract.

- Approval of Contract Modification No. S5-04 to the S5 (Northern Regional WWTF) construction contract with The P.F. Moon Company, in the additive amount of \$136,383.00, contingent on final approval of MDEQ and Board Attorney Artigues, and the appropriate budget amendment. This change provides for some 18 miscellaneous changes, including access and other site improvements to Pump Station No. 1, as described in the modification document, and as required for a complete project.
- Approval of Amendment No. 13 to the engineering agreement with Neel-Schaffer for project W7, in the additive not-to-exceed amount of \$60,000.00 for continued construction engineering services required for the Eastern Hancock County Regional Water System project, contingent on final approval of Board Attorney Artigues and MDEQ, and the appropriate budget amendment.
- Approval of Contract Modification 2008-04/17(S4) to the Term Bid 2008-04 contract with Hudson Contracting, in the additive amount of \$95.00, contingent on final approval of MDEQ and Board Attorney Artigues. This change order to the term bid adjusts various quantities of existing bid items due to field conditions encountered.
- Approval of Amendment No. 8 to the engineering agreement with Compton/Digital Engineering for project S6, Kiln Wastewater Collection System, in the additive not-to-exceed amount of \$18,000.00, contingent on final approval of Board Attorney Artigues and MDEQ, and the appropriate budget amendment. This amendment provides for the design of the rebid package for approximately 195 long-service grinder pumps. Bid documents are expected to be available for review and approval in 30 days.
- Approval of Contract Modification 2008-07/21(S5) to the Term Bid 2008-07 contract with Necaise brothers Construction, in the deductive amount of \$249,569.90, contingent on final approval of MDEQ and Board Attorney Artigues. This change order to the term bid adjusts quantities of various bid items as actually constructed under the S5 Force Main project.
- Approval of Contract Modification 2008-07/22(S5) to the Term Bid 2008-07 contract with Necaise brothers Construction, in the additive amount of \$60,540.38, 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 S5-02 for the force main project.

*This ends the consent agenda with a total of thirteen items*

#### **Executive Director**

Quote from Gerald W. Rigby, C.P.A., P.C. for 2011 Financial/Single Audit – Quote \$23,807.00

Motion was made by Director Pullman to approve the quote of \$23,807.00 from Gerald W. Rigby, C.P.A., P.C., for services to perform the 2011 Financial/Single Audit, Director Smith seconded the motion; it was voted on and it carried unanimously.

Office Professional Certification Program – MsRWA – Office Manager

Motion was made by Director Johnson to approve future travel expenses for Salina M. Perniciaro to attend necessary training sessions for the Office Professional Certification Program sponsored by MsRWA, Director Smith seconded the motion; it was voted on and it carried unanimously.

CDBG Financial Monitoring Audit Results – Information Only – No Action Required

NASA Letter w/Attorney Artigues' response – Information Only – No Action Required

November 2011 Board Meeting – November 8, 2011 Election Day – Do we want to move? – There will be no changes for the November 2011 meeting

Discussion on ownership of force mains and lift stations -

Director Fillingame agreed that some type of decision needed to be made concerning this issue, as there would eventually be jurisdiction issues if it is not determined who owns what. After a short discussion, the Board requested Attorney Artigues to draft an agreement or memorandum of understanding between the H.C.U.A, Bay St. Louis and Hancock County Water and Sewer District to determine ownership and responsibilities.

Letter to Ms. Trudy Fisher concerning BP Wish list – Information Only – No Action Required

Discussion on deadline of sewer connection services – CDBG

Executive Director Pitalo informed the Board that he felt as the water and sewer projects were nearing completion that a deadline for connections should be established; he feels that October 31, 2011 would be a realistic date.

Director Baxter had concerns about setting a deadline, one was, based on her understanding, there have been several low/mod surveys sent to HCUA and she wasn't sure of the status on these. It was explained to her, by Office Mgr. Salina Perniciaro, that any time the surveys were received by HCUA they were promptly scanned and email to the appropriate attorney, and also, Attorney Artigues explained that some of the surveys were for status changes, that originally they were not classed as low/mod and due to various reasons i.e. loss of employment, etc., they now qualify as low/mod. Another issue was a situation with MEMA/FEMA concerning a Katrina cottage that needs to be connected to the system. Executive Director Pitalo explained that MEMA/FEMA had included, in the setup of the cottage, the cost to connect to the system and he felt rather than the Authority or PWSD absorbing that expense it would be better to let MEMA/FEMA pay that cost and use the funds elsewhere in other projects. Director Baxter expressed concern of the technicality of ownership of the system – does the Authority or PWSD actually own the systems at this time and can

MEMA/FEMA legally connect to the system. Attorney Artigues explained that this was no different than any other property owner connecting to the system.

Mr. Nick Mignone explained to the Board that the seventy-five reserve STEP tanks are still technically owned by the County Board of Supervisors and until ownership has been transferred, the tanks can't be used. Director Pullman will get with county CIAP administrator to see if all the necessary documents are available so the ownership transfer can be made.

Also, Director Baxter requested a letter of guidance on the October 31, 2011 connection deadline and permission to proceed with the connection. Executive Director Pitalo explained that the deadline date will be a part of the minutes and he will issue a letter of explanation so the PWSD can go forward with the connection of the Katrina cottages, with the understanding that the project inspector must be included in the tap in process.

It was pointed out by Mr. Bill Mitchell that there may be some legal, contractual, and ownership issues, he recommended no decision be made today, and that a meeting with Attorneys Artigues and Pittman, Mr. Chris Gouras, himself and Executive Director Pitalo be held prior to the next meeting to possible lay out a solution to any issues.

Not on Agenda:

TESI to sell water and sewer services to Jourdan River Shores – Executive Director Pitalo explained to the Board that TESI has issued a resolution to sell the certificated area and system of Jourdan River Shores utilities to the Kiln Utility and Fire Protection District, and needs approval from the Authority board.

Motion was made by Director Cleveland to approve the acquisition of the TESI certificated area and system of Jourdan River Shores utilities by the Kiln Utility and Fire Protection District, Director Smith seconded the motion; it was voted on and it carried unanimously.

Fat, Oil and Grease Ordinance – Executive Director Pitalo explained that he had previously emailed a draft of the ordinance to all the Board members, but had received only one response, and asked that everyone try to review it prior to the next meeting, he will email it again for everyone's convenience.

**New Business**

None

**Old Business**

Director Smith requested permission from the Board to start negotiations with TESI for the Clermont Harbor water certificate.

Executive Director Pitalo explained that he has spoken with TESI concerning the water rights to Clermont Harbor and that TESI explained they had spent \$400,000.00 on the second well in the area and that would be the minimum they would expect for the certificate. Director Smith withdrew his request.

**Executive Session**

Attorney Jack Pittman – Pittman, Howdeshell, Hinton and Hightower

Motion was made by Director Pullman 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 Pullman to enter 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 by Director Johnson to leave Executive Session with no action taken at 2:51 PM, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

**Pittman**

During executive session Attorney Jack Pitman presented the Board with an opportunity to review, on a per parcel basis, a total of one waiver valuations for Project S4-Pearlington Wastewater Collection System and a total of two 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.

After leaving the executive session and a full discussion, a motion was made by Director Johnson to authorize 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 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 Pullman seconded the motion; it was voted on an it carried unanimously.

Executive Director Pitalo gave the Board an update on the water supply to the new jail project, water was connected and being sent, but a water line burst and drained the tank of the 500,000 gallons. The line has since been repaired and the tank is being refilled and water will be sent to the jail possibly on Thursday October 13, 2011.

**Adjourn**

Motion was made by Director Cleveland to adjourn the meeting at 3:05 PM, Director Pullman seconded the motion; it was voted on and it carried unanimously.



HCUA Chairman/Vice Chairman



HCUA Executive Director