



HANCOCK COUNTY UTILITY AUTHORITY

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HANCOCK COUNTY UTILITY AUTHORITY

Monthly Board Meeting
October 14, 2008

The meeting was called to order by Director Favre at 2:10 P.M.

Attendees:

Mr. Al Smith
Mr. Rocky Pullman
Mr. Jack Cleveland
Mr. Kevin Hill
Mr. Bryon Griffith

Absent:

Mr. Larry Ladner (Excused)
Mayor Tommy Longo

Approval of Minutes

Motion was made by Director Smith to approve the Corrected minutes from August 12, 2008 Monthly Board Meeting, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Hill to approve the minutes from the September 9, 2008 Monthly Board Meeting, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve the minutes from the September 24, 2008 Special Session Meeting, Director Hill seconded the motion; it was voted on and it carried unanimously.

Approval of Claims Docket with Additions

Motion was made by Director Smith to approve the September 2008 Claims Docket w/additions, Director Hill seconded the motion; it was voted on and it carried unanimously.

Request to Address the Board

Members of the City of Bay St. Louis Council, Mr. Bobby Compretta, Mr. Bill Taylor, Mr. Jim Triffley, and Mr. Joey Boudain, requested to address the Board concerning the water and sewer service agreements, after a lengthy discussion, it was decided that Attorney Ronnie Artigues and Attorney Don Rafferty would meet on Monday 10/20/2008 to finalize the changes to the contracts and would present them to the City of Bay St. Louis Council at their next meeting.

Some the concerns expressed were:

- Ownership of infrastructure once project is complete
- Obligation to purchase water, even though the city has it own wells
- How would billing be executed i.e. actual usage, percentage, etc?
- Future expenses for new infrastructure – would all entities be responsible for sharing the costs?

Public Comment

None

Board Action Items

Motion was made by Director Pullman to approve the following Request for Cash with Percentage Complete Charts as presented on the agenda, Director Hill seconded the motion; it was voted on and it carried unanimously.

- REVISED - Request for Cash – Due to Revision to Neel-Schaffer Conceptual Design Invoices:
 - HANCUA-02 Project W7 Request #8 \$ 15,234.92
 - HANCUA-02 Project W7 Request #9 \$ 245.45
 - HANCUA-02 Project W7 Request #10 \$ 3,329.52
 - HANCUA-03 Project W8 Request #8 \$ 5,087.74
 - HANCUA-03 Project W8 Request #9 \$ 245.45
 - HANCUA-03 Project W8 Request #10 \$ 31,216.60
- HANCUA-01 Project W5E Request # 14 \$ 21,685.75
- HANCUA-02 Project S5 Request #10 \$ 10,974.79

Project S6 Request #10	\$ 2,484.04
Project S7 Request #10	\$ 2,517.54
Project S7 Request #11	\$ 52,695.56
Project W6 Request #10	\$ 847.50
Project W7 Request #11	\$ 3,744.29
Project W9 Request #9	\$ 34,157.25
PD1 Request #10	\$ 2,440.68

- HANCUA-03 Project S3 Request #10 \$ 1,158.54
- Project S4 Request #10 \$ 12,188.29
- Project W3 Request #9 \$ 48,156.74
- Project W4 Request #9 \$ 59,805.59
- Project W8 Request #11 \$ 1,981.54
- Project W8 Request #12 \$ 61,222.60

Motion was made by Director Hill to approve the following CDBG Budget Modifications:

- HANCUA-01 W5E - Modification # 3
- HANCUA-02 S5, S6, S7, SW1, W6, W7, W9, W5 - Modification #7
- HANCUA-03 S3, S4, W3, S4, W8 - Modification # 3

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

Motion was made by Director Pullman to approve the authorization to apply for MEMA State-Local Disaster Assistance due to Hurricane Gustav, Director Hill seconded the motion; it was voted on and it carried unanimously. Executive Director Pitalo will contact the absent Board member for their signature on this application.

Motion was made by Director Pullman to approve the Proposed Amendment #2 for Final Design Agreement for Project W5E-Kiln Regional Distribution System, contingent upon approval by MDEQ and Attorney Ronnie Artigues, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Hill to approve the Proposed Amendment #1 for Construction Phase Services for Project W6-Kiln Water Distribution System, contingent upon approval by MDEQ and Attorney Ronnie Artigues, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Hill to approve the Amendment #2 for Construction Phase Services for Project W3-Pearlington Water Supply System, contingent upon approval by MDEQ and Attorney Ronnie Artigues, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve the Proposed Final Design Agreement for Project W5-Kiln North Regional Water Supply, contingent upon approval by MDEQ and Attorney Ronnie Artigues, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to spread on the minutes the results of the telephone poll and the issued letter concerning the \$60 million re-allocation of CDBG projects funds by MDEQ, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Hill to approve the Final Design Contract for Project S5-Northern Regional Treatment Facility, contingent upon approval by MDEQ and Attorney Ronnie Artigues, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Hill to approve the Amendment #1 to Final Design-Construction Phase for Project W4-Pearlington Water Distribution System, contingent upon approval by MDEQ and Attorney Ronnie Artigues, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to approve the Amendment #2 to Final Design Contract-Construction Phase Services for Project W9-Waveland US90 Water System Improvements, contingent upon approval by MDEQ and Attorney Ronnie Artigues, Director Hill seconded the motion; it was voted on and it carried unanimously.

Approval of the HCUA Employee Handbook - each Board member was given a copy of the new handbook for review and item was tabled until the next meeting on November 11, 2008.

Executive Director - David Pitalo

Motion was made by Director Pullman to spread on the following Letters of No Objection

- Mr. William H Kennedy - Oceanographic Support Facility- SSC

- Mr. Dennis Reeves – Fairway Villas Development – Diamondhead
Director Hill seconded the motion; it was voted on and it carried unanimously

Motion was made by Director Pullman to indicate on the minutes that Attorney Ronnie Artigues has now partnered with Butler, Snow, O'Mara, Stevens & Cannada, PLLC and that all invoices submitted to the Authority for general consulting and/or CDBG project work will be on the Butler, Snow, O'Mara, Stevens & Cannada, PLLC letterhead, Director Hill seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to indicate on the minutes that the Large Construction Notice of Intent and Stormwater Prevention Plan for Project W6-Kiln Regional Water Distribution System and the Large Construction Notice of Intent and Stormwater Prevention Plan for Project W5E-Kiln Regional Water Transmission System reports have been received by the Authority and are on file in the office, Director Hill seconded the motion; it was voted on and it carried unanimously.

Letter from Fran & Henry Vosbein – concerning 10 acres land – Kapalama Road – No Action Taken – Director Jack Cleveland will inform the Board of the exact location of the property and if the Diamondhead Water & Sewer District will be able to issue a Will Serve notice, at the next board meeting on November 11, 2008.

Old Business

Motion was made by Director Hill to approve the 2008-2009 Annual Budget as presented to the board on the September 9, 2008 meeting, Director Smith seconded the motion; it was voted on with the following results:

Director Eddie Favre	Yea
Director Rocky Pullman	Yea
Director Kevin Hill	Yea
Director Al Smith	Yea
Director Jack Cleveland	Abstained

Directors Mayor Tommy Longo and Larry Smith were absent.

The motion carried.

Executive Director David Pitalo informed the Board of the current percentages being used by the Authority concerning budgets and entity invoicing, the percentages are as follows:

City of Bay St. Louis	43%
City of Waveland	35%
Hancock County Water & Sewer	22%

New Business

Borrowing Resolution – Motion was made by Director Pullman to approve the Resolution to Establish a Revolving Line of Credit, as presented by Attorney Ronnie Artigues, up to \$2 million dollars, and the money will be used to in the property acquisition process for the CDBG projects. Also, all money advances will require Board approval. Director Hill seconded the motion; it was voted on and it carried unanimously.

Director Al Smith discussed with the Board a sewer line extension on Lower Bay Road and asked permission to proceed with obtaining funding for the project.

Motion was made by Director Al Smith to allow the Hancock County Water & Sewer District to proceed with the project with all expenses – 100% - being the responsibility of the Hancock County Water & Sewer District, Director Pullman seconded the motion; it was voted on and it carried unanimously. Director Smith presented to Mr. Bill Mitchell of Brown & Mitchell a set of plans for review.

Mr. Chris Gouras presented to the Board an amended Urgent Needs Resolution concerning grants HANCUA-01 & HANCUA-02, based on MDEQ requirements.

Director Pullman to spread on the minutes the Urgent Needs Resolution concerning grants HANCUA-02 and HANCUA-02, Director Hill seconded the motion; it was voted on with the following results:

Mayor Eddie Favre	Yea
Mr. Rocky Pullman	Yea
Mr. Kevin Hill	Yea
Mr. Al Smith	Yea
Mr. Jack Cleveland	Abstained

Attorney Ronnie Artigues presented a change to the service agreement for the Hancock County Water and Sewer District that was requested by J. P. Compretta. It was requested that the Hancock County Water and Sewer District be allowed to own a well and tank constructed under the CDBG program that served more than just customers within their jurisdictional boundaries. Ray Eaton (MDEQ) advised that this would not be allowed and the District could not take ownership of improvements constructed under the CDBG program that were regional in nature and served consumers outside their District.

Mr. Ray Eaton of MDEQ informed the Board that the \$15 million of previously temporarily re-allocated money will be reinstated to the District with the next thirty days.

Executive Session

Motion was made by Director Hill to consider going into executive session to discuss legal and personnel issues, Director Pullman seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to go into executive session to discuss legal and personnel issues, Director Smith seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Cleveland to leave executive session with no action taken, Director Cleveland seconded the motion; it was voted on and it carried unanimously.

Motion was made by Director Pullman to acknowledge on the minutes that the Board has reviewed all the information concerning property acquisition for the project W5E Kiln Regional Water Supply, on a parcel by parcel basis, and the Board has established an amount to be considered fair market value and authorizes Attorney Jack Pittman to extend offers to the property owners based on this information and authorized Executive Director David Pitalo to sign said offers, Director Hill seconded the motion; it was voted on and carried unanimously.

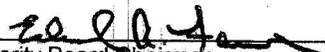
Motion was made by Director Smith to adopt a policy in ordinance form that it will be mandatory for residents to connect to the improvements being installed pursuant to the CDBG Katrina Relief Program, but that a waiver may be considered by the Board for existing wells to remain in use and accessible by the Authority until such wells are no longer operative, Director Hill seconded the motion; it was voted on and it carried unanimously.

Discussion was held concerning the 40 acres for Project S5, the Board was informed that the property appraised at \$2,500 per acres for a total value of \$100,000 with the appraisal being available for review.

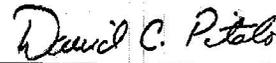
Motion was made by Director Pullman to proceed with an offer for purchase of the property at the appraised value, Director Favre seconded the motion; it was voted on and it carried unanimously.

Adjourn

Motion was made by Director Pullman to recess the meeting at 5:00 P.M., Director Cleveland seconded the motion; it was voted on and it carried unanimously.



Authority Board Chairman



Executive Director