



# HANCOCK COUNTY UTILITY AUTHORITY

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## *Monthly Board Meeting February 11, 2014*

**Call to Order** – Meeting was called to order by Chairman David Yarborough @4:30p.m.

### Attendees

Mr. G. W. Graham	Mrs. Patricia Cuevas
Mr. David Yarborough	Mr. James Lamy
Mr. Les Fillingame	Mr. Charles Johnson
Mrs. Lili Stahler	

### Absent

None

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

### Request to Address the Board

None

### Board Action Items

Motion was made by Director Fillingame to approve the minutes of January 14, 2014 Monthly Board Meeting, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Cuevas to approve the January 2014 Check Summaries as presented, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

	<u>Expenses</u>	<u>Monthly Budget</u>	<u>Revenues</u>	<u>Difference</u>
O & M Wastewater	\$120,474.03	\$139,403.50	\$195,281.62	\$ 74,807.59
O & M Water	\$ 21,181.38	\$ 20,044.08	\$ 4,807.00	\$-16,374.38
Land Acquisition	\$ 47,349.60			
CDBG Project	\$603,211.44			
CIAP – Kiln	\$107,608.94			

Motion was made by Director Fillingame to approve the CDBG Request for Cash in the amount of \$313,769.47, Director Lamy seconded the motion; it was voted on and carried with a unanimous vote.

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Motion was made by Director Fillingame to approve Amendment 6 of Engineering Consulting Services for Brown, Mitchell and Alexander, Inc., amendment includes a 2% - 3% increase for professional services, Director Lamy seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Stahler to approve the "Proclamation of Existence of a Local Emergency", Director Fillingame seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Fillingame to approve Payment Request No. 25, S6 CIAP Kiln Sewer Connection Project, MSCAP Project No. MS.R.771-2, in the amount of \$79,747.56, contingent on approval by the Mississippi Department of Marine Resources and Board Attorney Kirby. This pay request only includes invoices from A. Garner Russell & Assoc. for \$6,198.90 and Jay Bearden Construction for \$73,548.66, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

### ***Executive Director***

Mr. Frank Bordeaux of Stewart Sneed Hewes presented to the Board the new insurance renewal proposal for property, auto, general liability, etc., the proposal amount is \$120,766, which is a \$5,000 decrease in premium. He explained that he is waiting on two other quotes, which would result in an even lower premium, providing the terms and conditions remain as is.

Motion was made by Director Cuevas to accept proposal as presented, contingent upon the receipt of the other quotes which could result in a decreased premium, and to authorize Executive Director Pitalo to renew the policy, provided there is no increase in the current proposal, Director Graham seconded the motion; it was voted on and carried with a unanimous vote.

Quote for influent repair – Northern Plant – Executive Director Pitalo informed the board of the estimated repair cost for the NRWTP influent repair – the estimated cost will be \$18,000.

Workshop February 26, 2014 @ 4:30 p.m. – Executive Director Pitalo asked the Board to schedule a work shop with Dewberry Engineering to discuss the future of the Authority. After a short discussion it was decided to have the workshop on March 5, 2014 at 4:30 p.m. at the NRWTP.

- discussion on ideas for HCUA moving forward
- Dewberry Engineering

Update on arena pump station – Executive Director Pitalo explained to the Board of the issues with the arena pump stations, early on there were issues with the pressure in the lines, which would allow the pump to pump at 100% of the speed. Six air relief valves have been installed along the lines and this has improved the operation of the pump station tremendously. We will continue to monitor the operation for another month or so, and will decide at the next meeting if any further action is needed.

Update on Jourdan River Shores pump station – Executive Director Pitalo explained to the board that due to weather and contractor issues, the project is delayed approximately one and a half months. It is expected that the pump station should be online by the end of next week (February 17, 2014).

Update on chlorine project at SRWWTP – Executive Director Pitalo informed the board that the designs and plans have been sent to MDEQ for approval. MDEQ had originally approved the design/plans, but some modifications were done. Approval is expected by the end of the month, and should be out for bid by month end or early March 2014.

Update on Bayside/Pearlington projects – Executive Director Pitalo explained to the board that the plans are out for bid. A pre-bid meeting was held and bids will be opened on March 6, 2014. A recommendation for a contractor will be presented at the March 2014 meeting.

Update on BSL water connection – Executive Director Pitalo updated the board on the progress of the BSL water connection at Washington Street. All the piping and bores are complete; there is still some fencing, electrical and SCADA to complete.

Leaks on Hwy 90 and Hwy 603 – approx. \$25,000 – Executive Director Pitalo informed the board that there have been several leaks on the 16" water main, four on Hwy 90 and one on Longfellow. The repair cost will be approximately \$20,000 and the bulk of that that will have to come out of wastewater funds. He will continue to monitor the budget and if the need arise to amend the budget he will present all the information to board as necessary.

List of remaining properties from Butler Snow for consideration of connections – Attorney Patrick Kirby of Butler Snow presented the board with a list of remaining properties in the Kiln that need to be connected. Executive Director Pitalo asked the board for direction if we should connect all those that are willing and leave the rest alone, or for those that are object to connection, do we want to take legal action to finish the remaining connection. There is one property owner on Road 546 that has accepted the easement payment, but is now refusing to allow the connection.

Discussion water rate/fire protection rates – Mr. Bill Mitchell presented the board with some options concerning water and fire protection rates. The presentation is included with the minutes file located at the SRWWTP.

Discussion – Director Fillingame expressed concern about the City of BSL paying a third of the cost of the water/fire protection, and feels that it would be a better situation if each entity purchased only what was used respectively. Director Stahler supported Director Fillingame's opinion.

Mr. Josh DiSalvo of HCWSD asked when the City of BSL and City of Waveland will be connected and actually begins purchasing water. Director Stahler explained that the City of Waveland plans to use water in the newly annexed area as soon as it is available.

Director Lamy inquired as to when the City of BSL will be connected to the water system. Executive Director Pitalo explained they should be connected sometime within the next two months.

Mr. Bruce Newton of Digital Engineering inquired if an easement would be needed for the Rainer Street master site, which will connect the City of Waveland to the water system, since the site is already in an existing right of way. Attorney Patrick Kirby explained that if the easement belongs to the City of BSL then they should issue a resolution of perpetual easement. Director Fillingame informed the board that the City of BSL had already approved the easement. Executive Director Pitalo stated he will get a copy of the minutes from the council secretary.

Attorney Mike Haas expressed concern about the City of BSL and the City of Waveland not wanting to participate in the water program. He feels that if all the entities aren't willing to pay their fair share then the water programs is doomed to fail.

Director Fillingame explained that the City of BSL is more than willing to help support the water program, but it needs to be based on usage, rather than a percentage basis.

Mr. Newton also asked if there has been any conversation with the Fire Rating Bureau asking for rating credit on the system the Authority as put in. He explained that if it hasn't it should as it may mean a much better fire rating which could very well be reflected in insurance premiums.

Mr. Bill Mitchell explained that it may be better to wait for all the construction to be complete, and then have the fire rating board come down and have the conversations concerning the rating.

### ***New Business***

### ***Old Business***

1. SRF Forbearance extension status – Information only –  
11/12/2013 - Motion was made by Director Yarborough to table this item until the December 2013 meeting, Director Smith seconded the motion; it was voted on and it carried with a unanimous vote.  
1/14/2014 – Executive Director Pitalo informed the Board he is waiting on a letter of commitment from MDEQ stating they will fund the bridge loan and extend the SRF payments for a twenty year period, until he has this information to present to the bank he can't go forward, but will keep the Board informed.  
2/11/2014 – Executive Director Pitalo explained to the Board that meetings with Ms. Trudy Fisher and Senator Moran have been had, but no decision has been made. Also, the Authority still has not gotten a commitment letter from MDEQ concerning the "bridge" loan.
2. Clarification and motion on billing entities required amount for water beginning with January 2014 usage – Motion was made by Director Smith to move this item to 'Old Business' and discuss it at the next monthly meeting, Director Fillingame seconded the motion, it was voted on and carried with a majority vote, with Mayor Garcia abstaining from the vote.  
1/14/2014 – Executive Director Pitalo informed the Board there have been a few delays in making the City of Bay St. Louis water connection, but expects to begin invoicing in February 2014.  
Director Fillingame requested a workshop to discuss the water rates and commitments for each entity.  
A workshop is scheduled for Monday January 27, 2014 at 4:30 P.M.

***Executive Session***

Attorney Patrick Kirby

Motion was made by Director Lamy to consider going into executive session concerning legal issues, Director Fillingame seconded the motion; it was voted on and carried by unanimous vote.

Motion was made by Director Stahler to go into executive session, Director Fillingame seconded the motion; it was voted on and carried with by unanimous vote.

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

***Other Business***

After leaving the executive session, a motion was made by Director Fillingame to authorize Attorney Patrick Kirby to issue letters to the property owners requesting their cooperation in getting connected to the system, and if they continue to refuse the legal action will be taken, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

***Adjourn or Recess***

Motion was made by Director Fillingame to adjourn the meeting at 5:45 P.M., Director Stahler seconded the motion; it was voted on and carried by a unanimous vote.



*Chairman/Vice Chairman*



*Executive Director*