

# HANCOCK COUNTY UTILITY AUTHORITY

401 Gulfside Street • Waveland, MS 39576  
Telephone 228-467-3702 • Fax 228-467-6206 • E-mail: hcua@bellsouth.net

## *Monthly Board Meeting March 11, 2014*

**Call to Order** – Meeting was called to order by Chairman David Yarborough 4:33 p.m.

### ***Attendees.***

Mr. G. W. Graham  
Mr. David Yarborough  
Mr. James Lamy  
Mr. Les Fillingame  
Mrs. Lili Stahler

### ***Absent***

Mrs. Patricia Cuevas  
Mr. Charles Johnson

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

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

None

### ***Board Action Items***

Motion was made by Director Lamy to approve the minutes of February 11, 2014 Monthly Board Meeting, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Stahler to approve the February 2014 Check Summaries as presented, Director Lamy 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	\$156,400.95	\$139,403.50	\$190,538.86	\$ 34,137.91
O & M Water	\$ 40,133.81	\$ 20,044.08	\$ 7,167.27	\$-32,966.54
Land Acquisition	\$ 8,460.00			
CDBG Project	\$617,070.30			
CIAP – Kiln	\$236,333.51			

Motion was made by Director Lamy to approve the CDBG Request for Cash in the amount of \$81,364.59, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Stahler to approve the disposal of one HP Monitor #1706, asset number 1005, Director Lamy seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Stahler to approve the Payment Request No. 26, S6 CIAP Kiln Sewer Connection Project, MSCIAF Project No. MS.R.771-2, in the amount of \$44,783.15, 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 \$3,534.20 and Jay Bearden Construction for \$41,248.95, Director Lamy seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Stahler to approve the Certificate of Substantial Completion for work order 2008-07/W7-04 as part of the Term Bid 2008-07 Construction Contract with Necaise Bros. Construction as of September 16, 2013, contingent upon approval by MDEQ and Board Attorney Kirby, Director Lamy seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Lamy to approve the Partial Certificate of Substantial Completion for work order SCADA02 as part of the Regional SCADA Construction Contract with Water Tech Corp as of November 14, 2013, contingent upon approval by MDEQ and Board Attorney Kirby. Only the locations listed on the document are being accepted at this time. The remaining work will be accepted when in operation, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Lamy to approve the disposal of one HP computer s/n MXL6510K94, asset number 1085, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

### ***Executive Director***

Agreement for reduced water rates - Executive Director Pitalo gave each entity representative present a copy of the amended Exhibit A, which was approved that the November 2013 Monthly Board meeting, for the water rates and asked that they take the information to their respective board for a decision.

Discussion: Director Fillingame explained that he will do whatever he can to get the City of BSL councilman to agree to purchasing water from the Authority, but he feels it will be a very hard sell at this point in time. He recommends if the Authority can continue until fiscal year end, the hopefully, have something permanent in place for the new fiscal year.

Director Graham inquired as to how much the monthly water service deficit is each month? Executive Director Pitalo explained that it is approximately \$14,000 per month, and that the deficit is paid from the O & M wastewater monies, which in turn depletes the cash on hand for wastewater.

Water tower usage for antennas - Executive Director Pitalo informed the Board of a request by DSLbyAir, LLC, to use the McLaurin Street tank to put an antenna to provide service to McLeod Park.

Motion was made by Director Fillingame to authorize the use of tower space by DSLbyAir, Director Stahler seconded the motion; it was voted on and carried by unanimous vote.

Update on chlorine project – Executive Director Pitalo informed the Board that the plans for the chlorine project have been sent in to MDEQ for review. Mr. Jason Chiniche has been following up with the progress of the review, and has been informed that MDEQ has hired a contractor to review all the plans, which has resulted in a delay. Also, there is concern that the price will come in higher than originally anticipated. The thought is that the cost may be approximately \$250,000 to \$300,000.

Discussion on influent repair at the Northern Plant – Executive Director Pitalo explained to the Board of the repair that is needed at the influent area of the NRWTP, and the cost of the repair is approximately \$18,000 to repair the worst of the damage. Executive Director Pitalo is trying to obtain a second quote and will update the Board at the next meeting.

Final decision on arena pump station – Executive Director Pitalo informed the Board that the previous improvements made to the lines into and the arena lift station seems to have corrected the problem and at this time we have determined that there is no need for another lift station, BMA, Inc. agrees.

Update on BLS water connection – Executive Director Pitalo informed the Board that the piping connection at the master meter station on Washington Street has been completed. The contractor will be completing the electrical connections within the next week.

*Discussion: Director Yarborough expressed concern about the current condition of the area, and requests that the area get much needed dress work once the area has had an opportunity to dry up. Executive Director Pitalo explained that the contractor is currently working at the Lowes' site and will dress up both areas as weather permits.*

Draft of 2013 Financial Audit – Information Only – No Action Needed

Not on Agenda – Update on CDBG projects from Brown, Mitchell and Alexander – Information only – No Action Needed

Mr. Bill Mitchell of Brown, Mitchell and Alexander requested that the Board consider having a special meeting to approve the recommended successful bidder for the W8 Bayside Park/Pearlington projects.

A Special Meeting is scheduled for Tuesday March 25, 2014 at 4:30 P.M. (After meeting the date needed to be changed to Wednesday, March 26, 2014 at 4:30 P.M.)

### ***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.

3/11/2014 - Executive Director informed the Board that he is trying to communicate with Tony Caldwell of MDEQ to see if MDEQ is going to extend the forbearance of the SRF loan, but to date he hasn't received a return call.

~~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.~~

03-11-2014 - Motion was made by Director Stahler to remove this item from future agenda, Director Fillingame seconded the motion; it was voted on and carried with a unanimous vote.

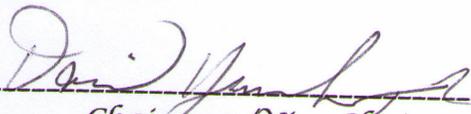
### *Executive Session*

Attorney Patrick Kirby - None Needed

### *Other Business*

### *Adjourn or Recess*

Motion was made by Director Fillingame to adjourn the meeting at 5:15 P.M., Director Stahler seconded the motion; it was voted on and carried by a unanimous vote.

  
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Chairman/Vice Chairman

  
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Executive Director



# HANCOCK COUNTY UTILITY AUTHORITY

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## *Special Board Meeting March 26, 2014*

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

### **Attendees**

Mr. Josh DeSalvo (representing HCWSD – non-voting)  
Mr. David Yarborough  
Mr. James Lamy  
Mr. Les Fillingame  
Mrs. Lili Stahler

### **Absent**

Mr. Charles Johnson  
Mr. G. W. Graham

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

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

None

### **Board Action Items**

Motion was made by Director Stahler to approve the minutes of March 11, 2014 Monthly Board Meeting, Director Lamy seconded the motion; it was voted on and carried with a majority vote.

Motion was made by Director Fillingame to accept the recommendation by Brown, Mitchell & Alexander, Inc. to award the W8-Bayside Park Water Distribution System Phase 3 and Pearlinton Water & Sewer Services Project S4 & W4 project to the low bidder, Hudson Contracting, Inc., for the base bid amount of \$1,356,058.10, contingent on concurrence and approval by Board Attorney Kirby, Mississippi Department of Marine Resources, Mississippi Department of Environmental Quality, and approval and execution of deductive Change Order No. 1 (Item #7 on agenda), Director Lamy seconded the motion; it was voted on and carried with a majority vote.

Discussion: Mr. Bill Mitchell of BMA, Inc. explained to the Board that by combining the Bayside Park and Pearlinton projects it was much more economically feasible, as compared to bidding the project separate. Also, he explained that the bid came in over the budgeted amount and Change Order No. 1 (Item #7 on agenda) was issued. In Change Order #1 two streets would be taken out of the W8 project, and if funds were available at the end of the projects, then the contractor, Hudson Contracting, Inc., has agreed to do the work on the two streets using the Consumer Price Index should there be a big gap in time as the projects are completed.

*Special Board Meeting, March 26, 2014*

Director Fillingame questioned the noted irregularity by Digital Engineering concerning Hudson Contracting, Inc., they stated "1. The bid submitted by Hudson Contracting,; a list of subcontractors and major material suppliers was not submitted." Executive Director Pitalo explained that the bid regulations does not require that the subcontractors and major materials be submitted at the time of the bid, but will have to be submitted and approved by the board prior to the project work begins. Also, Attorney Kirby informed the Board that he had reviewed the publications, and it does stated that the subcontractors and major materials suppliers must be submitted prior to the work beginning.

Motion was made by Director Fillingame to approve HANCUA-02-S6 Amendment 9, HANCUA-02 Amendment 9 and HANCUA-03 Amendment 8 to the Construction Management services for Brown, Mitchell, & Alexander, for a total of \$84,852.00. These amendments allow for funding to provide Construction Management Services to review and close out S-6, W-7, and W-8, as well as aiding with close out of the three Grants through March, 2015. Approval by HANCUA will be contingent upon approval by Mississippi Department of Environmental Quality and Authority Attorney Kirby, Director Stahler seconded the motion; it was voted on and carried with a majority vote.

Motion was made by Director Stahler to approve Contract Modification No. 2011-14/13 (S6) under the Term Bid 2011-14 Construction Contract with Jay Bearden Construction for project S6- Kiln Wastewater Collection System, Phase 2 (CDBG & CIAP) in the additive amount \$2,361.09 (\$0.00 CDBG, \$2,361.09 CIAP), contingent upon approval by MDEQ, MS Department of Marine Resources and Board Attorney Kirby. This change adjusts quantities to those encountered in the field and adds an additional grinder station installation to the project, Director Cuevas seconded the motion; it was voted on and carried with a majority vote.

Motion was made by Director Fillingame to approve Revision 5 to Work Order 2011-14/S6-04 under the Term Bid 2011-14 Construction Contract with Jay Bearden Construction for project S6- Kiln Wastewater Collection System, Phase 2 (CDBG & CIAP) in the additive amount \$250,268.77 (\$0.00 CDBG, \$250,268.77 CIAP) and 90 calendar days' time, contingent upon approval by MDEQ, MS Department of Marine Resources and Board Attorney Kirby. This revision moves quantities from the existing Term Bid contract and items from contract modification 2011-14/13 (S6) into Work Order 2011-14/S6-04. No additional funding is needed for this change, Director Stahler seconded the motion; it was voted on and carried with a majority vote.

Motion was made by Director Stahler to approve the following Budget Modifications, Director Fillingame seconded the motion; it was voted on and carried with a majority vote.

- HANCUA-02 #41
- HANCUA-03 #33

Motion was made by Director Fillingame to approve Contract Modification No. 1 to the pending Construction Contract with Hudson Contracting, Inc., in the deductive amount \$188,699.60, which would bring the contract total to 1,167,358.50, contingent upon approval of contract award by MDEQ, MS Department of Marine Resources and Board Attorney Kirby. This change order removes the associated work for two streets (E. Lafayette & Copiah) in the W8 project and switches the funding source from a joint

CDBG & CIAP project to be entirely funded by CIAP. This change is necessary to meet the budget for each project, Director Lamy seconded the motion; it was voted on and carried with a majority vote.

***Executive Director***

Letter to MDEQ-Mr. Dimitri Asanov concerning the decommission of the Jourdan River Shores WWTP – Information Only – No Action Needed

Water Capacity Assessment – Executive Director Pitalo informed the Board that we had successfully completed the 2014 WCA and received a 5.0 and a 4.7 rating. Also, he explained that the reason we get the 4.7 is because Pearlington does not have a backup well.

***New Business***

None

***Old Business***

None

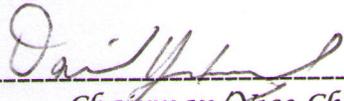
***Executive Session***

Attorney Patrick Kirby – None Needed

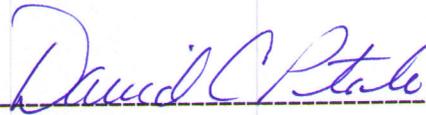
***Other Business***

***Adjourn or Recess***

Motion was made by Director Fillingame to adjourn the meeting at 5:15 P.M., Director Stahler seconded the motion; it was voted on and carried by a unanimous vote.



Chairman/Vice Chairman



Executive Director