HANCOCK COUNTY UTILITY AUTHORITY

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Monthly Board Meeting
May 13, 2014

Call to Order - Meeting was called to order by Chairman David Yarborough 4:31 p.m.

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

Absent
None

Pledge of Allegiance and Silent Prayer - Lead by Director Cuevas

Request to Address the Board
Attorney Mike Haas concerning Jourdan River Shores WWTP clean out – Unable to attend meeting

Bryon Griffith – Dewberry and Associates – Mr. Bryon Griffith introduced Dewberry and Associated to the new members of the Board. Also, he gave a short overview the services they would provide to the Authority, which included organizing and conducting planning meetings, to more specifically assess the prioritization of HCUA's most pressing issues and to assist in design of objective alternatives for engaging numerous funding possibilities to resolve those matters. Mr. Griffith submitted proposal not to exceed $50,000.
Discussion: Director Fillingame asked if there were any decisions made at the State level to reimburse any pre-planning costs incurred.
Mr. Griffith explained that at this time, to his knowledge, there were no provisions to absorb any pre-planning costs.

Board Action Items
Motion was made by Director Fillingame to approve the minutes of April 8, 2014 Board Meeting, Director Cuevas seconded the motion; it was voted on and carried with a unanimous vote.

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

	Expenses	Monthly Budget	Revenues	Difference
O & M Wastewater	$143,924.59	$139,403.50	$138,152.11	$ -5,782.48
O & M Water	$ 19,463.19	$ 20,044.83	$ 6,654.90	$-12,808.29
Land Acquisition	$ 7,010.00			
CDBG Project	$313,769.47			

Motion was made by Director Fillingame to approve the CDBG Request for Cash in the amount of $352.496.32, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Cuevas to appoint Director Fillingame as a member of the 2014 Audit Committee, Director Graham seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Graham to appoint Director Lamy as a member of the 2014 Audit Committee, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Cuevas to approve the Consent Agenda consisting of 08 items as presented, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

- Approval of the Substantial Completion Certificate for Work Order 2008-09/W7-03 as part of the Term Bid 2008-09 Construction Contract with Layne Central for the Crump Road well site as of September 17, 2013. All items on the attached punch list have been completed. This date started the one (1) year warranty for this site.
- Approval of Certificate of Substantial Completion for work order 2011-13/W7-02 (sites 9&10) as part of the Term Bid 2011-13 Construction Contract with SH Anthony Construction as of March 31, 2014, contingent upon approval by MDEQ and Board Attorney.
- Approval of Contract Modification No. 2011-13/08 (W7) under the Term Bid 2011-13 Construction Contract with SH Anthony Construction for project W7- Regional Water System, in the additive amount $14,016.80 contingent upon approval by MDEQ and the Board Attorney. This change adjusts quantities to reflect construction in the field and adds new items to address an MDOT required drain inlet and Master Meter station No. 9.
- Approval of Revision 6 to work order 2011-13/W7-02 under the Term Bid 2011-13 Construction Contract with SH Anthony Construction for project W7- Regional Water System, in the additive amount $14,016.80 and 17 calendar days' time, contingent upon approval by MDEQ and the Board Attorney. This change adds to the existing W7-02 work order items adjusted by contract modification 2011-13/08 (W7) as well as allows ample time to complete the work.
- Approval of Contract Modification No. 2011-13/09 (W7) under the Term Bid 2011-13 Construction Contract with SH Anthony Construction for project W7-

Regional Water System, in the deductive amount $0.73 and extends the term bid contract by 125 calendar days, contingent upon approval by MDEQ and the Board Attorney. This change adjusts Term Bid quantities to those constructed in the field and addresses the needed bore at Sugar Field Road. The time is added to the Term Bid to allow for issuance and completion of this remaining work.

- Approval of Revision 7 to work order 2011-13/W7-02 under the Term Bid 2011-13 Construction Contract with SH Anthony Construction for project W7- Regional Water System, in the additive amount $132,797.64 and 125 calendar days' time, contingent upon approval by MDEQ and the Board Attorney. This change adds to the existing W7-02 work order items adjusted or added by contract modification 2011-13/09 (W7) as well as allows ample time to complete the work. No additional funds are required for this work.
- Approval of Change Order 2008-07/31 (W7) under the Term Bid 2008-07 Construction Contract with Necaise Bros. Construction for project W7- Regional Water System, in the additive amount $81,188.51, contingent upon approval by MDEQ, Board Attorney and appropriate budget modification. This change adds items for additional stakeout and property rental as well as adjusts unit cost to the remaining work on Lakeshore and Lower Bay due to the long delay because of property acquisitions discovered once construction started. Additionally, this change order revises the 2008-07/W7-02 work order by the same amount and adds an additional 1,278 days due to the project being stopped due to property acquisition issues along Lower Bay Road and Lakeshore.
- Approval of Change Order 2008-07/32 (W7) under the Term Bid 2008-07 Construction Contract with Necaise Bros. Construction for project W7- Regional Water System, in the deductive amount $4,517.03, contingent upon approval by MDEQ and the Board Attorney. This change corrects an error made in a previous contract modification.

Motion was made by Director Fillingame to approve Contract Modification No. 2 under the W6 Kiln Water Distribution System Phase 2 and S6 Kiln Sewer Collection System Phase 4 Construction Contract with S. H. Anthony Construction in the additive amount $22,222.86 contingent upon approval by MDEQ and the Board Attorney. This change order provides a block retaining wall along the south side of the Jourdan River Shores lift station to stabilize the slope and for landscaping along the same wall, Director Stahler seconded the motion; it was voted on and carried with a majority vote, with Director Yarborough voting NO.

Motion was made by Director Fillingame to approve Contract Modification No. 3 under the W6 Kiln Water Distribution System Phase 2 and S6 Kiln Sewer Collection System Phase 4 Construction Contract with S. H. Anthony Construction in the additive amount $25,124.92 ($19,472.80 for S6 and $5,652.12 for W6) and 46 calendar days' time contingent upon approval by MDEQ and the Board Attorney. This change order quantifies items that were changed or added during the construction process due to differing field conditions or request made by the owner, Director Stahler seconded the motion; it was voted on and carried with a majority vote, with Director Yarborough voting NO.

Motion was made by Director Lamy to rescind approval of previous action item No. 2 " Acceptance of the Recommendation by Brown, Mitchell & Alexander, Inc. to award the W8- Bayside Park Water Distribution System Phase 3 and Pearlington 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" from the March 26, 2014 meeting due to non-concurrence from the Mississippi Department of Environmental Quality, Director Graham seconded the motion; it was voted on and carried with a unanimous vote.

Discussion: Mr. Kevin Mullen with Brown, Mitchell and Alexander, Inc. explained to the Board that MDEQ had reservations about approving the original bid package as submitted, due to concerns about the infringement of the State Bid Law, by submitted the bid package with the deductive change order. MDEQ recommended that the Authority determine that the project could be totally funded by base bid and the resubmit the bid.

Motion was made by Director Stahler to accept the recommendation by Brown, Mitchell & Alexander, Inc. to award the W8- Bayside Park Water Distribution System Phase 3 and Pearlington 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 and Mississippi Department of Environmental Quality. The bids were originally over budget; however Mississippi Department of Marine Resources has allocated funding up to $200,000 to complete the S4 portion of the project in its entirety. This additional funding from DMR now brings the contract award amount to within the allocated funds, Director Lamy seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Fillingame to rescind approval of previous action item No. 7 "Approval of Contract Modification No.1 to the pending Construction Contract with Hudson Contracting, Inc., in the deductive amount of $188,699.60 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 CIAP. This change is necessary to meet the budget for each project" from the March 26, 2014 meeting due to non-concurrence from the Mississippi Department of Environmental, Director Lamy seconded the motion; it was voted on and carried with a unanimous vote.

Discussion: Director Yarborough expressed concern about the elimination of Lafayette and Copiah Street. Executive Director Pitalo explained that the motion was to rescind the change that would have removed the above mentioned streets. Also, Mr. Kevin Mullen explained that the bid package that is being submitted includes the two above mentioned streets.

Executive Director

Letter to Attorney Mike Haas concerning decommissioning of the Jourdan River Shores WWTP – Information only – no action needed. Executive Director Pitalo explained in order to clean out the tank the cost would be appx. $40,000. Also, TESI has said they will not pay for any of the clean out cost. The next step will be going to court with TESI.

MDEQ approval of chlorine project – Information only – no action needed.

Information concerning Trojan UV3000 disinfection system – Executive Director Pitalo explained that Enviro-Tech, after March 2015, will no longer offer support or replacement parts for the current UV system being used at the SRWWTP. Also, he explained that the engineering cost for the new chlorine system has gone up from the original estimated cost of $200,000 to approximately $450,000. The price increase is mostly due to the safety aspects of the chlorine system.

Approval to advertise for new chlorine disinfection system – Executive Director Pitalo asked the Board to allow the advertisement to go forward, and this would give a more definite cost to the system and at that time a decision could be made concerning the loan to pay for the system.
Motion was made by Director Fillingame to authorize the advertisement for bid on the chlorine system, Director Graham seconded the motion; it was voted on and carried with a unanimous vote.

Budget workshop – May 21st or May 22nd – Executive Director Pitalo explained he is in the early planning stage of the 2014-2015 budget and would like to conduct a workshop.
A workshop has been scheduled for Thursday May 22, 2014 at 4:30p.m.

New Business

Old Business

Executive Session
Motion was made by Director Fillingame to consider going in to Executive Session for the purpose of legal issues, Director Cuevas seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Fillingame to go in to Executive Session, Director Lamy seconded the motion; it was voted on and carried with a unanimous vote.

Kirby Law Firm - Attorney Patrick Kirby

Butler Snow – Attorney Heather Ladner

Decision on attorney for remaining easement acquisition

Decision on possible new Board attorney

Motion was made by Director Fillingame to leave Executive Session at 5:38p.m., with no action taken, Director Cuevas seconded the motion; it was voted on and carried with a unanimous vote.

Other Business

Motion was made by Director Fillingame to retain Pittman Law Firm for the purpose of CDBG land acquisition purposes and retain Attorney Heather Ladner as interim Board Attorney until the Authority has received a cost proposal from Butler Snow, at which time a permanent decision will be made, Director Stahler seconded the motion; it was voted on and carried with a unanimous vote.

Motion was made by Director Fillingame to allow Butler Snow to finalize any land acquisitions they are current involved in, but not to open any new acquisitions, also, Pittman Law Firm will handle any new acquisitions pertaining to completion of the Gulf Region Program, Director Stahler seconded 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 Lamy seconded the motion; it was voted on and carried by a unanimous vote.

Chairman/Vice Chairman

Executive Director