

**DIAMONDHEAD WATER AND SEWER DISTRICT
REGULAR MEETING MINUTES**

February 11, 2016 – 6:00 p.m. (Central Time)

Held at City Hall, Diamondhead, MS 39525

PRESENT: Chairman Mr. Scott Thomas, Vice-Chairman Mayor Thomas Schafer, Secretary/Treasurer Mr. Tink L'Ecuyer, Commissioner Mr. David Malley, and Commissioner Mr. Dick Nolan.

ABSENT: None

ALSO PRESENT: District Counsel Jim Simpson, Interim General Manager Nancy Depreo with Seymour Engineering, Comptroller Toni Wilson, Director of Operations Joe Higginbotham, Project Director John Cumberland, and Utility Superintendent David Carden.

The presence of a quorum was noted and the meeting was called to order at 6:00 p.m., noting also that the public was duly notified in compliance with the District's open meeting policy.

4. Approve Agenda – Motion by Commissioner Schafer, seconded by Commissioner Malley to approve agenda. Motion carried unanimously.

5. Public Comments

District Counsel, Jim Simpson – Bond Discussion. Updated board on examples and definitions of bond series debt, how the bonds were done, and how the bonds work. Review of bond terms, with full term reached in 2032. Bond summary document provided to commissioners. Regions Bank is bond administrator. Pre-payment of debt is not available until after the first ten years have been paid. Attorney has CD of all bond documents. Working with City of Diamondhead Attorney, on different alternatives; however, law states no dissolution of District as long as there is outstanding debt to be paid. Commissioner Schafer requested to state for the record that the bond debt was issued in bad faith.

6. Interim GM's Report – WWTP construction project on schedule. First meeting held 2/2/16 and second progress meeting will be on 3/1/16 @ 10am. Advanced funds of \$1.2M on WWTP received from FEMA today. First Max Foote pay request will be on the first board meeting in March. Next MEMA meeting will be 2/18/16 @ 9am. Future MEMA meetings will be 2nd & 4th Thursdays at 9am. Base for the Outfall to Lift Station is complete, the sides are going up, test piles for 1 & 2 are complete, tests 3 & 4 on Friday, and test 5 on Saturday. Contractor has started excavating on #2 sludge tank. On 1st & 15th Volkert will give the District an update and what is to be expected in the upcoming two weeks with photos. Well#1 project notice to proceed issued 2/1/16 with pre-construction meeting held the same day. Monthly meetings held the 1st Monday @ 2pm through May when construction is expected to be complete. Construction should begin within two weeks. Continuing to work with MEMA on Lift Station projects. City drainage relocation project had various district lines broken or needing to be relocated. DWSD assisted contractor on Iona, Kapalama, Ahekol, Apua, & Kiko and all utility work is now complete. Great job to our crew for all of their hard work. Continuing work with the Public Service Commission on Mr. Floyd's request. A Board Resolution will be on the

2/25/16 board meeting agenda to proceed and all documentation required to request the certification from the MSPSC, to serve his parcel. Wellington Insurance has submitted proposal to renew the business insurance policies at a decrease in premium and will present their proposal on 2/25/16. Copies are available for viewing. Insurance expires 3/1/16.

Commissioner Malley informed board he was considering a seven-acre development outside of our service area as a residential area. He will recuse himself from any future discussions and/or voting as it relates to adjacent property.

7. Minutes

7.1 Motion by Commissioner L'Ecuyer, seconded by Commissioner Malley to approve the Minutes for Regular Meeting held on January 28, 2016. Motion carried unanimously. (Attachment A)

8. Construction Projects

A. **WWTP Construction Project** -- update in GM's report

8A.1 Motion by Commissioner Schafer, seconded by Commissioner L'Ecuyer to approve Invoice No. 14 from Volkert, Inc. for professional services in the amount of \$49,000.00 for the period November 21, 2015 through January 22, 2016. Motion carried unanimously. (Attachment B)

8A.2 Motion by Commissioner Malley, seconded by Commissioner Schafer to approve Invoice LHJ 15597 from Linfield, Hunter & Junius, Inc. for Project Management Services in the amount of \$9,148.50 for period November 29, 2015 to December 26, 2015. Motion carried unanimously. (Attachment C)

B. **Property adjacent to District's office** - update in GM's report

C. **Water Well 1** - update in GM's report

D. **Lift Station Repair and Mitigation PW8429, PW11280 and PW11247**- update in GM's report

9. Financial Motions:

9.1. Motion by Commissioner L'Ecuyer, seconded by Commissioner Malley to approve the Docket of Claims. Motion carried unanimously. (Attachment D)

9.2 Treasurer's Report 1/31/2016 – Commissioner L'Ecuyer updated board on budget status, revenues exceeded budget, expenses in line with budget, capital is under budget, cash on hand @ 1/31/16 was \$10,413,993.71, debt balance is \$12,490,000.00, and auditors will have their audit report at the 2/18/16 meeting. (Attachment E)

9.3 Revenue & Expense Summary Report (Attachment F)

10. Old Business

11. New Business / Discussion Item

11.1 Motion by Commissioner Nolan, seconded by Commissioner Schafer to request from MEMA that \$92,000 be reallocated from the under cap funding construction cost for the new wastewater treatment plant to the demolition cost of the existing treatment plant for Project Worksheet 11240. Motion carried unanimously. (Attachment G)

11.2 Motion by Commissioner Malley, seconded by Commissioner Schafer to enter into a discussion with Seymour Engineering to enter into a twenty four month General Manager Contract. Motion carried unanimously.

11.3 The District will be closed Monday, February 15, 2016 in observance of President's Day and Washington's Birthday.

12. Executive Session - None

13. Next meeting:

Special Workshop scheduled for February 18, 2016 at 6:00PM at Diamondhead City Hall, 5000 Diamondhead Circle, Diamondhead, MS

The next meeting of the Board of Commissioners is scheduled for February 25, 2016 at 6:00PM at Diamondhead City Hall, 5000 Diamondhead Circle, Diamondhead, MS.

14. Adjournment @ 6:54pm. Motion by Commissioner Schafer, seconded by Commissioner L'Ecuyer. Motion carried unanimously.




Chairman

2/25/2016
Date