

DESOTO COUNTY REGIONAL UTILITY AUTHORITY

Board of Directors

December 17, 2025

9:00 A.M.

A. OPENING PRAYER – Wayne Spell

Before the opening prayer, Wayne Spell shared with the board that he and his family read the story of the birth of Jesus from Luke 2, emphasizing the true meaning of Christmas. He encouraged everyone to read the story this Christmas.

B. CALL TO ORDER – Andy Swims

The Directors present at the meeting were:

Director Andy Swims

Director Barry Bridgforth

Director Tim Tucker

Director Chris Wilson

Director Rodney Nash

Director Pete Scott

Director Joe Frank Lauderdale was absent.

C. 1. APPROVAL OF MINUTES

Director Rodney Nash made a motion to approve the minutes of November 19, 2025.

Director Chris Wilson seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

\*\*\*Exhibit C1\*\*\*

D. APPROVAL OF INVOICES

1. Current Payables

While reviewing the invoices, Wayne Spell requested approval of the \$10,600 Story Bank LOC bank fee as part of the current payables. He noted that the fee was drafted directly from the account rather than invoiced. Nick Manley explained that the fee was related to the closing costs for the line of credit. Director Tim Tucker made a motion to approve the invoices for payment and include the Story Bank LOC bank fee. Director Rodney Nash seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

\*\*\*Exhibit D1\*\*\*

E. OLD BUSINESS

1. Award of Johnson Creek Effluent Pump Station and Force Main Bids – Audrey Lewis  
 Lewis proposed that DCRUA accept the bid from Hemphill of \$27,522.172 and allow Wayne Spell to sign all the contract documents. Director Barry Bridgforth made a motion to award Hemphill the contract bid of \$27,522,173 as the lowest and best bid and to authorize Wayne Spell to sign the contract documents. Director Chris Wilson seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

- a. JC Effluent PS and FM CEI Task Order – Audrey Lewis  
 Lewis presented the Task Order for the construction phase services. Based on the SRF tables, the cost of the Task Order is \$1,816,463.00, which covers fifteen months of

construction. She noted that core funding has been received and will cover the cost of the Task Order. Tracy Huffman briefly explained that the SRF Tables are standardized for construction phase services. Director Rodney Nash made a motion to approve Task Order 93. Director Tim Tucker seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

\*\*\*Exhibit E1(a)\*\*\*

2. Updates on the Horn Lake Creek Interceptor District for the Western Sewer Project – Tracy Huffman

Huffman provided a schedule outlining the current costs and allocations for the Horn Lake Creek District Project. Cost participation with other parties has been discussed; however, no formal commitments have been made at this time. DCRUA plans to proceed with the project in order to comply with the Federal Court Order.

F. NEW BUSINESS

1. Executive Director Updates – Wayne Spell

- Wayne Spell discussed with Hernando Mayor Chip Johnson the proposed water rate for Short Fork WWTF. Mayor Johnson thanked the board for making the offer and indicated he would present it to the city board for discussion.
- Wayne Spell attended the Board of Supervisor’s meeting where a review of the County’s legislative request for the 2026 session was discussed. Several of our State Representatives and Senators were present to listen and ask questions. You should have a copy of this in your packet. DCRUA’s District Project is the number one priority.
- Wayne Spell received, signed, and returned MDEQ’s Agreed Order for Short Fork WWTF. In addition, a check for the \$7,500 assessment was mailed to MDFEQ. Spell followed up with a phone call to Geoffery Martin and confirmed their receipt of

the signed order. Martin indicated they had received our counteroffer on penalties for the Metro WWTF and would respond through Gary Rikard.

- DCRUA has secured the \$8.5 million Line of Credit with Story bank.
- Wayne Spell received a letter stating the Trustmark Bank Branch at the corner of Highway 51 and Commerce would be closing effective 1/16/26. Spell closed DCRUA's safe deposit box at this location.
- Wayne Spell participated in a strategy session call with the Cornerstone team, Nick Manley, Tracy Huffman, and Audrey Lewis. The group identified the need to visit congressional staff for a technical review of requested funds. The proposed dates are the last week in February or the first week in March 2026.

Wayne asked the board for approval to travel to Washington DC for these meetings in February or March.

Director Tim Tucker made a motion to allow Wayne Spell and others as suggested by Cornerstone to travel to Washington DC for a technical review of requested funds. Director Rodney Nash seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

- Wayne and Vickie Spell attended the Christmas Party sponsored by Butler Snow, Government Consultants, and Waggoner Engineering. Several board members were in attendance as well as elected officials and community leaders.
- Wayne Spell attended the DCEDC's board meeting and he was joined by Rodney Nash and Barry Bridgeforth for the luncheon where Senator Briggs Hopson, Appropriations Chairman addressed the audience on issues facing the State and county. Spell was acknowledged by Jim Flanagan for his three-year term on the DCEDC Board.

Following the luncheon, the Council of Governors met with Senator Hopson to review DCRUA's District project and other issues of concern for each municipality. You will find a 2025 Annual Report and a 2026 Program of Work for the DCEDC.

Wayne Spell has received an invoice for our 2026 DCEDC Membership Dues in the amount of \$3000.00 and requests approval to pay.

Director Andy Swims made a motion to pay \$3000.00 for our DCEDC Membership Dues. Director Rodney Nash seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

- Wayne Spell received a call from Mark Carroll, Sr. Engineer Water/Wastewater xAI where the two discussed xAI's commitment to the District Project. Carroll confirmed that they did not plan to propose any significant changes to the current project design, thus, eliminating the need to postpone awarding the bid for the JC Effluent Project.

Wayne Spell signed letters updating our PCA with the USACE addressed to Colonel John Morrow, and loan amendment request items and clear Site Certification letters with the MDEQ.

DCRUA has created an account with Central Bidding to advertise DCRUA's solids removal request for bids.

- Wayne Spell presented DCRUA's FY 2025 Flow Summary and Budget True Up. Spell explained the budget variance line and the flow adjustment line of the FY 2025 Flow Summary and Budget True Up chart, noting that each member is billed based on their respective flow. The budget variance adjustment represents additional funds billed to each member to cover a \$215,029.63 budget deficit. The variance resulted from several large expenses incurred earlier in the year. At that time, there was discussion about covering these costs using existing bank funds rather than operating expense funds. Two of the unexpected expenses totaled approximately \$210,000.00.

Wayne Spell recommended using contingency funds to cover the cost of these two items instead of billing the members and asked Jamie Steen to explain the source of the funds. She explained that \$23,000.00 is set aside monthly and transferred from the operating account to the contingency fund to cover large, unexpected expenses. These funds can be used for large, unexpected expenses and, while they have not been utilized previously, they are intended for this purpose. Director Pete Scott made a motion to approve using contingency funds totaling approximately \$210,000.00 for expenses of DCRUA. Director Chris Wilson seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

\*\*\*Exhibit F1\*\*\*

Jamie Steen then requested approval of the True Up with the budget variance adjusted to reflect the payment from the contingency funds, changing the budget variance to approximately \$5000.00. Director Tim Tucker made a motion to approve the True Up with the adjustment to reflect the payment from the contingency funds. Director Chris Wilson seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

- Wayne Spell requested an update on the accounts of DCRUA's current Waste Haulers. It was reported that there are currently 11 active waste haulers, all of whom have been notified to submit an updated Certificate of Insurance (COI). It was further reported that American Septic Solutions' account is currently six months delinquent, and

American Septic Solutions has been advised that the account will be suspended if the balance is not paid in full by December 31, 2025.

2. Employee Handbook – Nick Manley

Manley presented an initial draft of the Employee Handbook. He requested that the board members review and provide any suggested additions or revisions. The Employee Handbook will be considered for approval in the coming months.

G. PERMITS – None

H. ENGINEERING REPORTS

1. Short Fork and Ross Road WWTF Rehab – Ross Horton

Horton presented that Hemphill has completed most of the project punch list items. Once the remaining items are completed, the project will be ready for closeout.

2. Center Hill Water Reclamation Facility – Audrey Lewis

Lewis presented a schedule for the Center Hill Water Reclamation Facility project from design through construction.

I. OPERATIONS REPORT

1. Ross Road, Short Fork & Western Facility (Inframark) – Scott Cleven

Cleven presented Inframark’s monthly report. He noted that Braybourne had six violations attributed to mud entering the plant. Eddy Russell investigated the source of the issue and identified several contributing factors, including sewer cleanouts left open, the new lift station being covered in mud, and mud discharging from the wet well, indicating that sewer cleanouts had been left open. A-1 Septic was contacted to pump mud out of the system at a cost of \$4,760.00. The Board initially recommended billing the responsible parties for the expenses incurred. Director Rodney Nash made a motion to send letters to all parties involved explaining the situation and advising that any future occurrences will result in billing for expenses incurred. Director Tim Tucker seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes

Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

- a. Media Replacement for Jaybird Metering Station – Scott Cleven  
 Cleven noted that the media at Jaybird was last replaced the first half of 2023. At the same time, the media at Hernando North was also replaced. He recommended replacing the media on an annual basis instead of every 1.5 years, noting that 1.5-year intervals exceed the life expectancy of the media.
  
- b. Media Replacement Request for Hernando North – Scott Cleven  
 Cleven requested approval for media replacement at Hernando North. It was noted that a purchase order (PO) had previously been approved by Wayne Spell and issued for Jaybird. Director Rodney Nash made a motion to approve the media replacement at Hernando North. Director Tim Tucker seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

\*\*\*Exhibit I1(b)\*\*\*

Director Rodney Nash made a motion to approve the addition of the annual media replacement at the Jaybird Metering Station and Hernando North to the budget, with an estimated total cost of \$8800.00. Director Tim Tucker seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale (Absent)		Director Lauderdale (Absent)	

2. Metro WWTF (Mitchell Technical) – David Karr

Karr presented Mitchell’s monthly report for Metro. He discussed violations related to direct cadmium discharge into sewer lines and asked about steps to notify the offender. It was noted that the company should be provided with a copy of the ordinance and instructed to cease discharge or apply for a pretreatment permit. Nick Manley advised that the issue should be addressed with MDEQ as a pretreatment permit violation, and that MDEQ should be informed of the findings and the actions being taken, including that the company is not currently in compliance with MDEQ regulations.

J. FLOW SUMMARY REPORT – Audrey Lewis

Lewis presented the flow chart for the month of December.

K. EXECUTIVE SESSION

The Board did not enter executive session. Director Barry Bridgforth recused himself from the meeting during discussion and vote on this item and rejoined the meeting after the vote.

1. Nolehoe Easements – Nick Manley

Manley presented four property appraisal reports related to the Nolehoe Project. Director Chris Wilson made a motion to approve the appraisals, as set forth in Exhibit K1 and authorize procuring title for the parcels. Director Pete Scott seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	(Recused)	Director Bridgforth	(Recused)
Director Tucker	Yes	Director Tucker	Yes
Director Wilson	Yes	Director Wilson	Yes
Director Nash	Yes	Director Nash	Yes
Director Scott	Yes	Director Scott	Yes
Director Lauderdale	(Absent)	Director Lauderdale	(Absent)

\*\*\*Exhibit K1\*\*\*

L. ADJOURN/RECESS

Director Tim Tucker made a motion to adjourn the meeting. Director Rodney Nash seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Swims	Yes	Director Swims	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes

Director Tucker      Yes  
Director Wilson      Yes  
Director Nash        Yes  
Director Scott        Yes  
Director Lauderdale (Absent)

Director Tucker      Yes  
Director Wilson      Yes  
Director Nash        Yes  
Director Scott        Yes  
Director Lauderdale (Absent)

  
Board President

  
Board Secretary