

DESOTO COUNTY REGIONAL UTILITY AUTHORITY
Board of Directors
February 18, 2026
9:00 A.M.

- A. OPENING PRAYER – Pete Scott

- B. CALL TO ORDER – Andy Swims

The Directors present at the meeting were:

Director Andy Swims
Director Barry Bridgforth
Director Tim Tucker
Director Rodney Nash
Director Joe Frank Lauderdale
Director Pete Scott
Director Chris Wilson was absent.

- 1. Swearing in of Board Members Andy Swims and Pete Scott -
Mary Jane Thaxton, Chief Deputy Clerk, administered the oath of office to Andy Swims, board member for the City of Olive Branch, and to Pete Scott, board member appointee of the Board of Supervisors.
Exhibits B1 and B2

C. APPROVAL OF MINUTES

Director Rodney Nash made a motion to approve the minutes of January 21, 2026.
Director Barry Bridgforth 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

Exhibit C1

Nick Manley stated that a motion will need to be made to ratify all actions prior to the appointment of Andy Swims. Director Rodney Nash made a motion to ratify all actions that occurred during the January 21, 2026, meeting. 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

D. APPROVAL OF INVOICES

1. Current Payables

Director Joe Frank Lauderdale made a motion to approve the invoices for payment. 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

Exhibit D1

E. OLD BUSINESS

1. Employee Handbook – Nick Manley

Manley reported that a few minor revisions had been made to the handbook presented at last month's meeting. He noted that the handbook is short and simple and can be updated as new employees are added. Director Andy Swims made a motion to approve the employee handbook as drafted. Director Barry Bidgforth 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

Exhibit E1

2. Walls Interceptor Manhole Repair Proposal – Ross Horton

Horton presented a proposal to repair manholes #22 and #24 with an estimated cost of \$2,735.00. After reviewing the accompanying photos, Pete Scott recommended that both manholes be properly flagged with a T-post and signage to ensure they are clearly visible and to prevent potential damage from bush hog operations. The board discussed the need to repair several manholes throughout the county and emphasized the importance of prioritizing the repairs.

Horton also presented the Lake Forest Interceptor Manholes Proposal (Exhibit F5) to repair manholes #34, with an estimated cost of \$3,105.00, and #35, with an estimated cost of \$4,515.00. Director Barry Bridgforth made a motion to approve the repairs for all four manholes. 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

Exhibit E2 and Exhibit F5

3. Nolehoe Interceptor Manhole Modification Proposal – Ross Horton

Horton presented the Nolehoe Interceptor Manhole Modification proposal with an estimated cost of \$2,195.00.

4. Nolehoe Creek Pipeline Analysis – Ross Horton

Horton presented the Nolehoe Creek Pipeline Analysis, reviewing in detail the recommendations outlined on page fourteen of the report. He proposed conducting a survey at an estimated cost of \$10,000 and performing a CCTV inspection and cleanout at a cost of \$30,000. He also recommended raising the manhole rims, as detailed in Exhibit E3 of the Nolehoe Manhole Modification Proposal. Director Andy Swims made a motion to proceed with the survey, CCTV inspection and cleanout, and the Nolehoe Interceptor manhole rim modification (Exhibit E3), with all associated costs to be funded from the System Development Fund budget, including \$2,195.00 for the manhole rim modification discussed above. Director Barry Bridgforth 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

Exhibits E3 and E4

F. NEW BUSINESS

1. Executive Director Updates – Wayne Spell

Wayne Spell met with Mark Carroll, engineer for xAI. The meeting was cut short due to winter storm preparations.

Wayne Spell participated in a call with the Cornerstone Team to discuss meetings for the upcoming trip to Washington DC, February 23rd to the 25th.

Wayne Spell attended Capitol Day with fellow DeSoto Countians coordinated by the Desoto County Economic Development Council. The group visited with local and state representatives and senators and handed out fried apple pies. Spell visited with Mayors Musselwhite and Johnson about DCRUA concerns.

Kristi Bowling has included the minutes of the Hernando board of aldermen meeting confirming their agreement to a four-year fixed rate on water for the Short Fork WWTF. This is for DCRUA’s record of the discussion Wayne Spell and Jon McLeod had with the board of aldermen. Mayor Johnson confirmed with Spell that the new rate would take effect on our next full month’s bill (account #04-1754100). These

discussions were in lieu of DCRUA installing its own well and greatly reducing the water purchased from the city.

Exhibit F1 – City of Hernando Minutes

Wayne Spell and Joe Frank Lauderdale attended the City of Hernando board meeting on the evening of Tuesday, February 17, 2026, to discuss the DCRUA budget and how it is approved. This is in response to the city's discussions about increasing the water/sewer rate it charges its users.

Wayne Spell received a call from Zachery Cook, USACE requesting a meeting with the USACE's Commanding General of Mississippi Valley Division, Major General Kimberly Peebles and her team. The group will attend a reception hosted by DCRUA in the DeSoto County board room on February 18th at 1:00 PM and tour the JCWWTF at 2:15 PM. DCRUA's board and the county supervisors have been invited to attend.

Wayne Spell and Kristi Bowling participated in an online training session on the changes to PERS program related to PERS class 5. The training was highly recommended by the PES administration.

2. City of Hernando Invoices – Wayne Spell/Joe Frank Lauderdale
Spell discussed the arrangement that DCRUA made with the City of Hernando, noting that the City is currently delinquent on their January bill as well as its FY25 True-Up payment. Joe Frank Lauderdale stated that the city is taking necessary steps to become current on these outstanding obligations. Wayne Spell added that the Hernando Board of Alderman has made efforts to reduce costs within the utility's budget and has implemented measures to increase the funding in the City of Hernando utility fund.

3. Synagro Contract – Nick Manley
Manley presented the Synagro Contract for sludge removal. The agreement is structured as a five-year contract, with only the first year fully committed. The rates for the first year are fixed. The rates for the second year are also fixed. Beginning in year two (2), there is a 60-day termination-for-convenience clause. After the first year, the contract is renewed on an annual basis without any obligation to continue. Starting in the third year, pricing will be adjusted based on changes in the Consumer Price Index (CPI).
Director Tim Tucker made a motion to approve the Synagro contract as presented. Director Joe Frank Lauderdale 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

Exhibit F3

4. Horn Lake Creek Basin Interceptor Sewer District Assessment – Nick Manley
Manley met with the Horn Lake Creek Sewer District and stated that the District is expending funds to assess the lines in their current condition as part of the transfer process to either Southaven, Horn Lake, or DCRUA. He explained that the cost associated with this assessment will be billed to the Southaven and Horn Lake members, and there will be no cost to DCRUA.

5. Lake Forest Interceptor Manholes Proposal – Ross Horton
Horton presented and discussed the Lake Forest Interceptor Manholes Proposal in conjunction with the Walls Interceptor Manhole Repair Proposal (Exhibit E2)

6. Bean Patch Creek Erosion Proposal – Ross Horton
Director Barry Bridgforth recused himself from the meeting during discussion and vote on this item and rejoined the meeting after the vote.
Horton presented the proposal for repairs to rebuild and reinforce the banks at two Bean Patch locations, the Southern and Northern locations. He noted that the Southern location is in critical need of repair, while the Northern location is less critical. Andy Swims recommended contacting NRCS to determine whether they could repair the drop control structure at the Northern location to address the erosion issues, as NRCS installed the original structure there. It was also suggested to determine whether a drainage district exists and its potential to assist with covering the repair costs. Director Andy Swims made a motion to table the proposal pending the results of the research and findings. Director Rodney Nash 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 Nash Yes	Director Nash Yes
Director Lauderdale Yes	Director Lauderdale Yes
Director Scott Yes	Director Scott Yes
Director Wilson (Absent)	Director Wilson (Absent)

Exhibit F6

G. PERMITS

1. Tim Williams Industrial Park (Hernando) – Audrey Lewis

Lewis presented Tim Williams Industrial Park permit for approval. Director Joe Frank Lauderdale made a motion to approve the permit. Director Barry Bridgforth 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

Exhibit G1

2. Bakersfield West Section H (Olive Branch) – Audrey Lewis

Lewis stated this permit will be tabled for a future date.

H. REPORTS

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

Horton provided an update on the Short Fork and Ross Road rehab project, noting that they are waiting on parts before the project can be finalized and closed out.

2. Johnson Creek Effluent PS/FM – Ross Horton

Horton reported that the Notice to Proceed was issued to Hemphill February 2, 2026.

I. OPERATIONS REPORTS

1. Ross Road, Short Fork & Western Facility (Inframark) Eddy Russell/Scott Cleven
 Scott Cleven presented a proposal for the Short Fork Phase 1 aerators, explaining that high flow events had caused two shafts to break—an inner shaft and an outer shaft. He recommended replacing the inner shaft first since it’s more critical, with the outer shaft to be replaced soon after. Director Tim Tucker made a motion to replace both shafts for \$41,096.25. Director Pete Scott 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

Exhibit I1 – ETEC PO Proposal

Eddy Russell presented an additional proposal from CSI to install a digit control system at the existing Johnson Creek WWTP for a total cost of \$4,198.00. Director Rodney Nash made a motion to approve the Johnson Creek control system proposal. Director Joe Frank Lauderdale 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)

Exhibit I1 – CSI PO Proposal

Cleven reviewed the monthly operating report.
 Exhibit I1

2. Metro WWTF (Mitchell Technical) Jim Mozingo/James Bellew
 Bellew reviewed the monthly report. Jim Mozingo discussed MTS’s ongoing work to

improve compliance issues by identifying sources of contaminants coming into the facility. He explained that they have been working with MDEQ on pre-treatment programs and addressing potential user violations. Jim further noted that the cadmium limits are set so low that even minimal contributions of contaminants can result in compliance issues.

Exhibit I2

J. FLOW SUMMARY REPORT – Audrey Lewis

Lewis present the flow chart for the month of January.

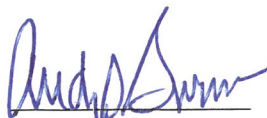
Exhibit J1

K. EXECUTIVE SESSION – None

L. ADJOURN/RECESS

Director Barry Bridgforth made a motion to adjourn the meeting. 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 Nash	Yes	Director Nash	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Scott	Yes	Director Scott	Yes
Director Wilson	(Absent)	Director Wilson	(Absent)


Board President


Board Secretary