

DESOTO COUNTY REGIONAL UTILITY AUTHORITY

Board of Directors

October 15, 2025

9:00 A.M.

A. OPENING PRAYER – Wayne Spell

B. CALL TO ORDER – Andy Swims

The Directors present at the meeting were:

Director Andy Swims

Director Barry Bridgforth

Director Pete Scott

Director Tim Tucker

Director Chris Wilson

Director Joe Frank Lauderdale

Director Rodney Nash

C. 1. APPROVAL OF MINUTES

Director Tim Tucker made a motion to approve the minutes of September 17, 2025. Director Rodney Nash seconded the motion. The motion was passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |

Exhibit C1

D. APPROVAL OF INVOCIES

1. During the review of invoices, Wayne Spell requested that Tim Tucker's reimbursement in the amount of \$1,246.90 for the WEFTEC conference be added to the invoices. Director

Rodney Nash made a motion to approve payment of the invoices to include the addition of Tim Tucker's reimbursement. Director Chris Wilson seconded the motion. The motion was passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |
| ***Exhibit D1*** | | | |

E. OLD BUSINESS

1. Metro Fiber to Lab – David Pino

Pino provided an update on the fiber installation at Metro, Short Fork, Ross Road, and Johnson Creek. Both Johnson Creek and Short Fork have fiber installed, but the connections still need to be hooked up. At the Metro location, fiber is available at the street in front of the building, and the estimated cost to extend it from the street to the building and then to the lab is between \$13,000 and \$15,000. The plan is to have all systems - including internet, security cameras, gate access, and fiber - under a single, unified platform that is not locked down to any specific vendor. Director Tim Tucker made a motion to approve proceeding with the Metro fiber installation and gate upgrade by Horizon, with total costs not to exceed \$15,000. Director Joe Lauderdale seconded the motion. The was passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |

2. MDEQ Compliance – Nick Manley

Manley discussed MDEQ compliance at Short Fork and Metro. Short Fork was fined \$15,000 for violations. DCRUA submitted a settlement offer of \$7,500, which was accepted by MDEQ. During the discussion it was noted that Metro was fined \$98,000, consisting of \$75,000 in new violations and \$23,000 in stipulated penalties. DCRUA initially offered \$20,000 for the new violations and \$23,000 for the stipulated penalties for a total of \$43,000. However, MDEQ did not accept this proposal and countered \$50,000 for the new violations and \$23,000 for the stipulated penalties for a total of \$73,000. It was noted that DCRUA had invested funds at Metro to upgrade the system and through a new agreement with Mitchell, their superintendent, has been actively working to identify the sources of the compliance issues. It was recommended that DCRUA offer \$35,000 for new violations and \$23,000 for stipulated penalties for a total of \$58,000. Director Chris Wilson made a motion to accept the \$7,500 fines for Short Fork and to negotiate with MDEQ \$35,000 for new violations and \$23,000 for stipulated penalties for Metro. Director Tim Tucker seconded the motion. The was passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |

3. Center Hill Water Reclamation Facility Land Acquisition – Nick Manley/Audrey Lewis
- Manley stated that the closing on the land purchase has been rescheduled for 10.27.25. Audrey Lewis discussed the timing of the construction process, noting it will take about 18 months to get a full set of plans and contract documents to proceed to bid. Audrey Lewis also stated that a Task Order with additional components will be presented to the board at the November 19, 2025, meeting. Andy Swims reported that the City of Olive Branch intends to run a high-pressure gas line in front of the new DCRUA facility. Right-of-way (ROW) issues will be addressed as plans evolve.

F. NEW BUSINESS

1. Executive Director Updates – Wayne Spell
- We received a nice thank you note from Andy Swims for the flowers the board sent in memory of his father. “..... It made a difficult week a little better. Andy”

- Wayne Spell visited with Hernando Mayor Chip Johnson at his office to discuss the city's true-up payment of \$393,919.00, outstanding balance of \$477,070.00 and DCRUA's plans for an on-site water well at Short Fork. The mayor requested a payment plan for the outstanding balance. Wayne presented a payment plan to include the full monthly amount going forward plus 1/12th of the outstanding balance to be paid until the arrears are paid in full. The first true-up payment was made on this day, Wednesday, October 15, 2025.

Motion:

Director Barry Bridgforth made a motion for the City of Hernando to pay the full monthly amount going forward, in addition to 1/12th of the outstanding balance each month for a period of one year, until the arrears are paid in full. Director Andy Swims seconded the motion. The motion passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |

- WEFtec update: Andy Swims, Barry Bridgforth, Rodney Nash, Tim Tucker, and Wayne Spell and their guests attended the 2025 WEFtec convention in Chicago, IL. Of note was the keynote speaker of the general assembly-Travis Mills. Mills is a quadruple amputee from service in the U S Army in Afghanistan. His uplifting talk on resilience and overcoming setbacks was both motivational and inspiring. He has authored two books which were purchased, and you're welcome to read. The convention center was filled w vendors and displays that the group visited particularly around solids removal.
- Wayne Spell received a call from Mayor Chip Johnson informing him of a visit by Lt. Gov. Delbert Hoseman and requesting updated information on DCRUA funding needs.
- Wayne Spell requested Bonding for Kristi Bowling and a refund of the bonding provided to the former office manager. Both were initiated on October 1st.
- Tracy Huffman provided an updated timeline on DCRUA's funding needs and construction timeline which Spell provided to Mayor's Johnson and Musselwhite for use in their discussions with the Lt. Gov. and representatives with xAI respectively.
- Wayne Spell participated in funding calls on 9/16 and 10/9 with Andy Swims, Tracy Huffman, Audrey Lewis, Manning McPhillips, and Nick Manley where the funding status

of the District project was discussed along with options. Each funding option was reviewed including increased SRF loans, Bonds, Story Bank LOC, WIFIA Loans and Grants. The timing, interest rates and flexibility of each was also discussed. The group also listened to a presentation on Bonding options and processes offered by Raymond James.

As a result of these calls, Audrey Lewis discussed additional funding opportunities with the MDEQ resulting in the offer to commit an additional \$100 million of SRF money that was unused at the end of its FY25. Spell signed and returned this loan application on 10/14/2025. In addition, the following commitment was made “we intend to rank the remainder of this project on the Priority/Planning List in the coming years”. Spell indicated he plans to ask the Technical Committee to review these options and timelines and bring a recommendation to the board for the November meeting.

Motion:

Director Andy Swims made a motion to authorize and/or ratify the signature on the SRF loan application for the funding needed for DCRUA Projects. Director Rodney Nash seconded the motion. The motion passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |

- MS Molly Ratliff contacted Wayne Spell about a field trip to the JCWTF. Mrs. Ratliff is with the North MS Homeschool Academy. Kristi Bowling arranged a date of Friday October 17th with Eddie Russell. This is the second year we have provided a tour for this group, and it will be noted as part of DCRUA’s educational outreach in the CMOM program.
- Wayne Spell had a follow-up visit to the 9/24 visit with Mayor Chip Johnson via a phone call. Mayor Johnson shared that Hernando would have its True-up payment delivered by Joe Frank Lauderdale on 10/15. He further shared that he had a call scheduled with the Lt. Gov. office about DCRUA’s funding needs, confirmed the repayment plan request and offered to negotiate the water rate for SFWTF. This is in response to the discussion Spell had about the plan to install a private water well on site at Short Fork.

Motion:

Director Tim Tucker made a motion to move forward with the well permit and allow Wayne Spell to negotiate a water rate reduction. Director Barry Bridgforth seconded the motion. The motion passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |

Upcoming calendar events:

Mississippi Economic Council's annual HOBNOB in Jackson at the Coliseum Thursday October 30th at 8:30 am to 1:30 pm. Let me know if you would like to attend this event, the cost is \$70 per member. Lunch is included and DCRUA will cover the cost. You will hear from elected state leadership on business related topics impacting the State of Mississippi.

DeSoto County Economic Development Council fourth quarter membership meeting at 10 am Landers Center. Cost to members \$25.

2. Philadelphia Policy Renewal – Davy Hunt (SouthGroup)

Hunt provided a Summary of Insurance coverage which is scheduled to take effect on November 19, 2025. The property coverage policy is a blanket policy totaling \$64M and includes protection against earthquake, fire, flood, and wind-related events. Director Tim Tucker made a motion to allow Wayne Spell to accept the lowest proposal to avoid loss of insurance coverage. Director Rodney Nash seconded the motion. The motion passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |

Exhibit F2

3. Camp Creek Encroachment – Ross Horton

Horton presented pictures and provided an update of the Camp Creek Encroachment repairs. The project has been completed.

G. PERMITS

1. Bakersfield West S/D – Phase G (Olive Branch) – Audrey Lewis

Director Joe Lauderdale and Director Barry Bridgforth recused themselves from the meeting during discussion and voting on this item and rejoined the meeting after the vote. Lewis presented Phase G of the Bakersfield West S/D which will consist of 36 lots. All lots will connect into an existing system and Olive Branch will serve as the retail agent. Director Chris Wilson made a motion to approve the permit for Phase G of the Bakersfield West S/D. Director Rodney Nash seconded the motion. The motion passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----------|---------------------|-----------|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | (Recused) | Director Bridgforth | (Recused) |
| Director Lauderdale | (Recused) | Director Lauderdale | (Recused) |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |
| *** Exhibit G1*** | | | |

H. ENGINEERING REPORTS

1. Short Fork and Ross Road WWTF – Estimate for Partial Payment – Ross Horton

Horton presented the Pay App #17 from Hemphill Construction Company in the amount of \$0.0 for approval. Director Andy Swims made a motion to approve the Pay App #17 in the amount of \$0.0. Director Rodney Nash seconded the motion. The motion passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |

| | | | |
|---------------------|-----|---------------------|-----|
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |

Exhibit H1

2. Short Fork and Ross Road WWTF – Contract Modification – Ross Horton

Horton reviewed the current project status and discussed several issues that contributed to delays, resulting in the project missing the original deadline of September 27. He presented a proposed contract modification requesting a 60-day extension to complete the project. Director Joe Lauderdale made a motion to accept the contract modification granting a 60-day extension. Director Tim Tucker seconded the motion. The motion passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |

Exhibit H2

I. OPERATIONS REPORT

1. Ross Road, Short Fork, Western Facility (Inframark) – Scott Cleven/Eddy Russell

Cleven presented Inframark's monthly report.

2. Metro WWTF (Mitchell Technical) – David Karr

Karr presented Mitchell's monthly report for Metro. He discussed the research being conducted by Metro and Mitchell Technical Services to identify manufacturers with discharge into the DCRUA system that may be contributing to compliance issues. He suggested establishing a regular meeting with the manufacturers to discuss how they can assist in resolving these compliance issues. Wayne Spell recommended getting on the DeSoto Council agenda to address the concerns and challenges we are facing, noting that the Council holds a forum that meets with plant managers.

J. FLOW SUMMARY REPORT – Audrey Lewis

Lewis presented the flow chart for the month of September.

K. EXECUTIVE SESSION – None

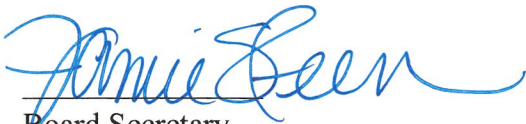
L. ADJOURN/RECESS

Director Barry Bridgforth made a motion to adjourn the meeting. Director Chris Wilson seconded the motion. The motion passed by a vote as follows:

| Full | | Flow | |
|---------------------|-----|---------------------|-----|
| Director Swims | Yes | Director Swims | Yes |
| Director Wilson | Yes | Director Wilson | Yes |
| Director Bridgforth | Yes | Director Bridgforth | Yes |
| Director Lauderdale | Yes | Director Lauderdale | Yes |
| Director Tucker | Yes | Director Tucker | Yes |
| Director Scott | Yes | Director Scott | Yes |
| Director Nash | Yes | Director Nash | Yes |



Board President



Board Secretary