

DESOTO COUNTY REGIONAL UTILITY AUTHORITY
Board of Directors
Regular Meeting
July 19, 2017
9:00 A.M.

A. CALL TO ORDER

The Directors present at the meeting were:

Director B. J. Page, President
Director Joe Frank Lauderdale
Director Donnie Chambliss
Director Barry Bridgforth
Director Spencer Shields
Director Ray Denison
Director Wade Carter

The July 19, 2017, meeting of the DeSoto County Regional Utility Authority Board of Directors was called to order by Director B. J. Page, DCRUA President. He announced there was a quorum.

B. APPROVAL OF MINUTES

Director Wade Carter made a motion to approve the minutes of June 21, 2017. Director Joe Frank Lauderdale seconded the motion. The motion passed by a vote as follows:

	Full		Flow
Director Page	Yes	Director Page	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Shields	Yes	Director Shields	Yes
Director Denison	Yes	Director Denison	Yes
Director Carter	Yes	Director Carter	Yes

C. APPROVAL OF INVOICES

Director Spencer Shields made a motion to approve all invoices as submitted and to include the invoice from Williams, Pitts and Beard in the amount of \$28,000, subject to the Executive Director's review and approval. Director Ray Denison seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Page	Yes	Director Page	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Shields	Yes	Director Shields	Yes
Director Denison	Yes	Director Denison	Yes
Director Carter	Yes	Director Carter	Yes
Exhibit A			

D. OLD BUSINESS

Lake Forest Property – Lake Forest HOA member Carolyn Burres spoke to the Board regarding the HOA's interest in the property that is owned by DCRUA, which used to be a treatment facility site. It was noted by Director Page that there is surveying which needs to be done by the engineers as it relates to access and easements needed as DCRUA still has infrastructure on the property. Mr. Manley noted that DCRUA's local and private was amended to allow for it sale surplus property and once the engineers have been able to survey the property for the easements needed by DCRUA, that DCRUA would follow up with the HOA.

IT Proposal – Director Wade Carter made a motion to table this item for further review. Director Spencer Shields seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Page	Yes	Director Page	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Shields	Yes	Director Shields	Yes
Director Denison	Yes	Director Denison	Yes
Director Carter	Yes	Director Carter	Yes

O&M Proposal – Director Page referred this item to the Technical Committee chairman, Director Lauderdale. Director Lauderdale discussed the different proposals, as set forth in Exhibit B, presented by each entity. After providing

information regarding each proposal for the operations of the DCRUA facilities, Director Lauderdale presented the Technical Committee's recommendation to authorize negotiations for a five year contract with three one year options to renew with Severn Trent as Severn Trent's five year proposal with the options to renew was the lowest proposal and Severn Trent's ability to provide the services as required by the request for proposals. Based on the recommendation, Director Wade Carter made a motion to authorize negotiations with Severn Trent for a five year contract with three one year options to renew. Director Spencer Shields seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Page	Yes	Director Page	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Shields	Yes	Director Shields	Yes
Director Denison	Yes	Director Denison	Yes
Director Carter	Yes	Director Carter	Yes
Exhibit B			

E. NEW BUSINESS

2016 Audited Financial Statement - Kris Whitten, with Williams, Pitts and Beard presented the audit to the Board. Mr. Whitten discussed the audit with the Board. After discussion, Director Barry Bridgforth made a motion to adopt the 2016 Audit. Director Joe Frank Lauderdale seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Page	Yes	Director Page	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Chambliss	Yes	Director Chambliss	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Shields	Yes	Director Shields	Yes
Director Denison	Yes	Director Denison	Yes
Director Carter	Yes	Director Carter	Yes
Exhibit C			

Quarterly Budget Report (Report – No Action) & Flow Summary – Judy Marshall and Tom Flanagan presented the reports. No action was taken.

*****Exhibit D*****

Butler Snow Continuing Disclosure – Director Joe Frank Lauderdale made a motion to authorize the Board President to sign the engagement letter to allow Butler Snow to file the continuing disclosure pursuant to the requirements of the Securities and Exchange Commission. Director Spencer Shields seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Page	Yes	Director Page	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Chambliss	Yes	Director Chambliss	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Shields	Yes	Director Shields	Yes
Director Denison	Yes	Director Denison	Yes
Director Carter	Yes	Director Carter	Yes

*****Exhibit F*****

Foundation for Excellence in Education Sponsorship –

Based on DCRUA'S Local and Private Legislation Section 8(g) allowing DCRUA to use funds for any purpose of the DCRUA Local and Private and Section 9(5) allowing DCRUA to do any and all acts desirable to carry out purposes of contracts as it relates to public relations in the budget contract with its members, Director Wade Carter made a motion to approve the Governmental Relations Sponsorship in the amount of \$500.00 for a biology or science teacher. Director Spencer Shields seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Page	Yes	Director Page	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Chambliss	Yes	Director Chambliss	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Shields	Yes	Director Shields	Yes
Director Denison	Yes	Director Denison	Yes
Director Carter	Yes	Director Carter	Yes

F. PERMITS

Nicole Place – After review and discussion regarding the Nicole Place permit, Director Joe Frank Lauderdale made a motion to approve the permit for Phases C, D and E of Nicole Place. Director Wade Carter seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Page	Yes	Director Page	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Chambliss	Yes	Director Chambliss	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Shields	Yes	Director Shields	Yes
Director Denison	Yes	Director Denison	Yes
Director Carter	Yes	Director Carter	Yes

*****Exhibit E*****

G. ENGINEERING REPORT

COE – Tracy James stated the \$3.6 million requested was not appropriated to DCRUA for this year. It was noted that there is a push from DCRUA to get to the \$75 million authorization. They are working through the HQ to get the authorization increased for the Federal participation.

Tracy Huffman provided a copy of the letters to the congressional delegation.
 *****Exhibit F*****

Mr. Huffman presented a program named WIFIA through the EPA to evaluate. Mr. Huffman said the minimum project requirement is \$20 million with deferred payments up to five years and pay off time of 35 years. It is suggested that DCRUA consider a letter of intent. There is \$100,000 associated with the application process. This along with other fees are rolled into the long term loan. This item is going to be reviewed for more information and follow back up with DCRUA Board.
 *****Exhibit G*****

H. OPERATIONS REPORT

The operations and maintenance report from Severn Trent for the Short Fork, Ross Road, Braybourne and Johnson Creek WWTP facilities was provided to the Board.
 *****Exhibit H*****

I. ADJOURN/RECESS

Director Ray Denison made a motion to adjourn the meeting. Director Spencer Shields seconded the motion. The motion passed by a vote as follows:

Full		Flow	
Director Page	Yes	Director Page	Yes
Director Lauderdale	Yes	Director Lauderdale	Yes
Director Chambliss	Yes	Director Chambliss	Yes
Director Bridgforth	Yes	Director Bridgforth	Yes
Director Shields	Yes	Director Shields	Yes
Director Denison	Yes	Director Denison	Yes
Director Carter	Yes	Director Carter	Yes


Board President


Board Clerk