

**WEST MADISON UTILITY DISTRICT BOARD OF
COMMISSIONERS REGULAR MEETING
MAY 13, 2025**

BE IT REMEMBERED that the regular meeting of the Board of Commissioners of the West Madison Utility District was duly convened, held and conducted on May 13, 2025, in the Kearney Park Community Center at 443 Livingston Vernon Road, Flora MS, as follows to wit:

The President of the Board, B. W. "Sammy" Brown, presided and called the meeting to order. The following members were present:

Commissioner B. W. "Sammy" Brown
Commissioner Scott Rye
Commissioner Ernest Odom
Commissioner Carolyn Andrews
Commissioner Joyce Monroe

Also Present: WMUD Attorney, James H. "Jim" Herring
WMUD Engineer, Morgan Sims
WMUD Operator, K. T. Newman

The Board President announced that the members of the Board present constituted a quorum and declared the meeting duly convened. Commissioner Brown asked Commissioner Odom to open the meeting with a prayer.

RE: Approval of the May 13, 2025 Agenda

Commissioner Andrews stated that it was not necessary to approve the agenda as they could go through everything and then vote to approve it later. Commissioner Brown disagreed and stated that standard procedure is to approve the agenda first, and he called for a motion to approve the agenda. Commissioner Odom motioned and Commissioner Rye seconded to approve the Agenda. The vote on the matter being as follows: Commissioners Odom, Rye, Brown and Monroe voted "aye" and Commissioner Andrews voted "no". The Agenda for the May 13, 2025 meeting is hereby approved

RE: Approval of Agenda Consent Items:

Commissioner Brown stated that the Board will now move on to the Consent Agenda Items and informed the Board that WMUD now has two separate Financial Reports as the Community Center has its own report separate from the WMUD Operating Account. Commissioner Andrews again stated that she wanted to see copies of the bank statements as she wants the "details" of all transactions. Commissioner Brown stated that the Financial Reports generated by Horne reflect the deposits and every expense made by WMUD, and now there is a General Ledger attached to the monthly financials that should answer any questions she may have. Commissioner Brown then asked for a motion to accept and approve the consent agenda items. Commissioner Rye made a motion to accept and approve the consent agenda items and the motion was seconded by Commissioner Odom. Commissioners Brown, Odom, Rye voted to approve and accept the consent agenda items; Commissioner Andrews voted "no" and Commissioner Monroe remained silent. The following consent agenda items were accepted and approved:

CONSENT AGENDA

4. Acknowledgement and Acceptance of EOM RVS Report for April, 2025.
5. Acknowledgement and Acceptance of EOM Financial Report for March, 2025

6. Acknowledgement and Acceptance of EOM Financial Report re Community Center for March, 2025
7. Acceptance and Approval of the April 8, 2025 Board Meeting Minutes

END OF CONSENT AGENDA

RE: Resolution Regarding WMUD Bank Accounts

Commissioner Brown stated that the next item on the agenda is the Resolution closing the existing WMUD Bankplus accounts and opening new Bankplus bank accounts. Commissioner Andrews asked why this was needed as she could not find any account numbers on the financials that were released last week; she further asked for Commissioner Brown to show her where the bank account information was exposed and that only the accounting codes set by Horne in the financials were released. Commissioner Brown stated that due to security issues and not knowing what all was released, and whether banking account information could have possibly been released to the public, he felt it was prudent to change the bank account numbers to eliminate any possibility of future issues. Commissioner Brown also stated that he wanted to establish banking accounts that collected interest as he felt that would benefit WMUD. Commissioner Andrews then remarked about Mr. Herring's bill and wanted to know exactly what WMUD was being charged for as it appeared there were more charges than just for his attendance at WMUD Board meetings. She also stated she thought the bills were excessive and that WMUD had paid him \$25,000 last year in fees. Commissioner Brown stated that as President there are issues that he has to discuss with the Board attorney as needed, so there will be charges shown on Mr. Herring's bill that are necessary for the correct and legal operation of WMUD. Commissioner Brown called for a motion on the Resolution. Commissioner Rye motioned to accept the Resolution with Commissioner Odom seconding; Commissioners Brown, Rye and Odom voted "aye"; Commissioners Monroe and Andrews remained silent. The motion passed and the Resolution was adopted.

RE: Willow Way Drive Water Line

Commissioner Brown stated that Willow Way Drive has had repairs performed on it at least four times recently, and the repairs were only temporary fixes. The creek bank has eroded where the water line is located so it will continue to get worse, and WMUD will keep having to repair this line unless WMUD runs a new water line for this area. Therefore, Commissioner Brown recommended that a new water line be installed and asked for a motion. A motion was made by Commissioner Rye to install a new water line on Willow Way Drive; the motion was seconded by Commissioner Odom. Commissioners Brown, Odom and Rye voted "aye"; Commissioners Andrews and Monroe remained silent. The motion carried.

RE: Commissioner Ernest Odom's Presentation

Commissioner Ernest Odom introduced himself to the audience as Vice President of WMUD. He stated that as a Board member of WMUD, he wanted the customers of WMUD to know he voted for the rate increase because it is necessary. He mentioned attending the Mississippi Rural Water Association (MsRWA) Board Training in March and that a water/sewer service provider, after looking at its income versus its expenses for materials, equipment, etc., must maintain a 15% profit each month. According to WMUD's accounting firm, Horne, WMUD has been losing an average of \$3,000 per month in expenses versus income. WMUD sustained a loss of \$21,000+/- at the end of year in 2022; \$94,000+/- loss at the end of 2023 and \$74,000+/- at the end of 2024. We don't know where that money went. We lost approximately \$196,000. That was before our time. Commissioner Andrews tried to interrupt Commissioner Odom and told him to "sit down". Commissioner Odom told her "no" and continued: The end of

the month report for March, 2025 alone reflects a \$5,795 loss (expenses versus income). Commissioner Brown stated, "WMUD must increase its rates to maintain its responsibilities of providing safe, reliable water service for its customers. This is for the good of the community, for the good of our infrastructure. We do not have the capacity to provide some businesses water. WMUD has hydrants that are not functioning. My goal is to be transparent in every aspect and be correct. To upgrade water and sewer lines takes money. The longer we put this off, it makes us all suffer in the long run. I want to see great things happen. We all need to get together and take care of Kearney Park. This is a very serious situation, and I care about the community."

RE: K. T. Newman, WMUD Operator

Commissioner Brown called on K. T. Newman to address everyone. K. T. Newman introduced himself as the owner of Utility Contractors, who is the Operator of WMUD. Utility Contractors provides water and wastewater services as well as collection. K. T. stated: "It is your right to protest the rate increase. From an Operator's perspective, our mission is to provide the customers with a life sustaining service, safe reliable water; and to also provide you as customers with a sanitary sewer system operating as it should. If you live in Magnolia Heights, you will know that every day there is a sewer issue. You deserve better. Madison County recently received a Citizens Block Development Grant on behalf of WMUD in the amount of \$825,000 which will only be used for Compress Street and a few lines in the immediate area near our location here at the Community Center. We will have to go back to the drawing board to obtain more money for the lines on Norris Street and other nearby streets with sewer problems. These lines are 50-60 years old and difficult to repair. While we may not agree on rates, from my perspective, we are trying to provide a better service."

RE: Operator's Report (K. T. Newman)

(See report.)

The chlorine recirculation pump at the wastewater effluent is not working. This means WMUD will not be able to meet the e-coli limits of the wastewater permit until this issue is resolved. These recirculation pumps cost about \$1,500 and only last on the average one year. K. T. asked the Board to consider running a 2-inch water line to the lagoon from Pecan Street that would eliminate the need for a recirculation pump.

The bypass pump at the lagoon is still not working and Commissioner Rye is trying to get a control board.

K. T. presented an expense report to the Board with P.O. numbers that reflected monthly expenses of \$20,000+/_ . Within this report is the annual renewal premium from WMUD's insurance carrier in the amount of \$1,147.00.

No compliance issues to report and all water samples passed all standards set by the Dept. of Health for April, 2025.

RE: Morgan Sims, WMUD Engineer

Morgan Sims, WMUD's Engineer, introduced himself to everyone and stated that his job was to provide the technical and engineering guidance for WMUD. "My goal is to help identify

problems in water and sewer systems, provide solutions and estimated costs” stated Morgan Sims. Mr. Sims spoke about the first project he worked on with WMUD regarding the water lines installed in the Magnolia Heights area. He then mentioned the current CDBG project and that he is consulting with Madison County regarding the replacement of some sewer lines. “Part of my job for WMUD is to see how each dollar can be stretched,” he stated. Mr. Sims stated that his responsibility is to identify critical need projects and implement those projects on behalf of WMUD. He mentioned that some critical needs such as a water line from the well to the tank because at the current time, it is being serviced by an “emergency line” that was installed.

Commissioner Andrews interrupted Mr. Sims and stated that Mr. Sims was not to do any work for WMUD unless directed first by the Board and then asked him his hourly rate. He answered “\$145/hour”. Commissioner Andrews then stated that she called him to discuss an invoice before and then he later billed WMUD for the time he spent discussing the invoice and told him that she felt that type of billing was wrong.

Morgan Sims then continued discussing the CDBG project and stated that the amount awarded is \$825,000 but the County has to supply 25 percent of that amount. By the time certain fees are taken out such as the grant fees, contingency fees and engineering fees, basically \$653,000 will go towards construction. The sewer line will be replaced along Compress Street and in the vicinity around the immediate area (Community Center/WMUD Office).

RE: Customer Issues

1. Michael Spires: Mr. Spires introduced himself and turned to the audience. “We know what we need and we have no time to play. We represent CCP, Concerned Community People, and we need answers. It is uncomfortable how you can wake up and receive notice that you have to pay another \$45 on top of what you pay now for water and sewer.” Mr. Spires turned to the Board, “And some of you folks are only paying for water. We are law abiding citizens but we are glad you have the law out here because they can keep our cars from being broken into while we are here inside. We are concerned about the old people, families with children and old folks in their homes. If you are missing funds, somebody signed the checks.” Mr. Spires then stated he wished to yield the floor to Rosie Medlock so that she could speak on behalf of CCP. (Mr. Zander Henderson, who was next on the agenda was skipped.)

2. Rosie Medlock. Ms. Medlock then stated that there some questions CCP has:

a) A 90% increase is not common. Why did WMUD increase the rates by 90%? Usually increments are used, not a large increase like this. Was anything done prior to establishing this increase like surveys? We pay our bills and you say you “lost” money? We want to know who lost the money and we want it back.

Commissioner Brown stated he would like to answer this question for Ms. Medlock. WMUD pays everything by check and there is a general ledger that lists everything paid. The funds were not “lost”, but WMUD suffered a “loss” as the funds were spent on repairs and maintenance of the water and sewer systems. We have been informed that as a water/sewer provider that we must maintain a 15% profit each month or we risk having the State take over running this. (At this point, several people in the crowd began clapping.) The last rate increase for WMUD was in 2017. When WMUD began suffering loss of income in 2022, discussions began about increasing rates. Those discussions continued into 2023 and 2024 and the Board could not get a majority vote during all that time regarding a rate increase until such point that two of the commissioners left stating that they could not stay and remain responsible for WMUD continuing to lose money. Commissioner Brown continued and stated that WMUD’s purpose is to provide good quality water, and we have problems with the old system; we have water lines leaking and breaking on a consistent basis and that does not even take into consideration the

problems with the sewer system. Commissioner Brown then yielded the floor back to Ms. Medlock.

b) To determine the 90% increase, what formula was used? What calculations were used?

At this point Commissioner Andrews interrupted and stated that Commissioner Monroe and she did not vote for the rate increase. "It was those three", and she pointed to Commissioners Brown, Odom and Rye. She then continued and pointed at Commissioner Odom and said "...and he is nothing but a bully and these three get together and vote and do not inform us of anything...." Commissioner Brown asked Commissioner Andrews several times to yield the floor, that she was out of order, and he wanted to answer Ms. Medlock's questions. After asking for Commissioner Andrews to yield the floor again, and being ignored by Commissioner Andrews who kept speaking, Mr. Brown stated that since he could not control the meeting any longer that he was requesting a motion to adjourn. Commissioner Rye made a motion to adjourn the meeting which was seconded by Commissioner Brown. Commissioners Rye, Brown and Odom voted "yea" to adjourn the meeting. Commissioner Monroe and Commissioner Andrews did not vote as Commissioner Andrews was still criticizing the other Commissioners and speaking to the audience. The motion carried and the meeting was adjourned.

Minutes Prepared by: ~~Letitia~~ Reeves

Approved By: _____

B. W. "Sammy" Brown7

Date: _____

6-10-25