

**NORTHEAST PUBLIC WATER AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
October 16, at 1:30 PM**

Call to Order:

- President Jay Sabella called the meeting to order on October 16, 2025, at 1:28 PM.

Roll Call:

Jay Sabella, President, took roll call and members present were Linda McClellan, Dylan Osmon, Matt Bennett, Brett Cox via phone and Sonia Boling with her proxy given to Dylan Osmon. Also in attendance were Kim Jones, Office Manager and Rickey Lee, Field Manager. Dylan Osmon was appointed as interim secretary for the meeting as Brett Cox was not physically present to take notes.

Approval of Minutes and Reports:

- Approval of the minutes as distributed for September 2025. Linda McClellan made a motion to approve, seconded by Brett Cox and approved by unanimous vote.
- Approval of the Office Report as distributed for September 2025. Linda McClellan made a motion to approve, seconded by Brett Cox and approved by unanimous vote. The Office Report showed a 4% increase in revenue from the same YTD in 2024. Lock-offs increased 50% from YTD in 2024.
- Approval of the Treasurer's Report distributed for September 2025. Linda McClellan made a motion to approve, seconded by Dylan Osmon and approved by unanimous vote.
- Approval of the Field Report distributed for September 2025. Linda McClellan made a motion to approve, seconded by Dylan Osmon and approved by unanimous vote. Rickey Lee shared that the field guys continue working hard to identify water loss and fix leaks as soon as possible to improve the water loss numbers. They had fixed 9 leaks this past month. At the request of Dylan Osmon, Kim Jones contacted Lakeview/Midway and was told their average water loss for 2024 was 44% and they have a very comparable system as ours, in that their miles of water line and age of system are very similar. There was also discussion of Rickey Lee training Tony Lischeron on things that he might not be comfortable doing, such as things pertaining to computer work. Between that and the office continuing to learn more about the field operations, it should help lighten Rickey's load as Field Manager. Dylan Osmon asked Kim Jones if the office had any SOPs in place. She said for the Water Clerk responsibilities there is a complete book of Standard Operating Procedures, however she realizes she needs to work on some for the other tasks she personally is responsible for, in the event someone else would need to step in. She asked if she could try the application SCRIBE to create some SOPs in PDF form. The board agreed to allow Kim to subscribe to the app for a few months, when she was ready to create some documents for that purpose using the application for quicker results.

Old Business:

- The first item of old business was to report on any progress regarding water extensions down Robinson Point Rd. Kim Jones reported that she had contacted the Baxter County Assessor, Jayme Nicholson Johnson, and she provided a list of property owners for that area. The office had not yet sent out survey letters at the time of the Board meeting.
- The next item on old business was to continue the discussion regarding phone poling water customers grouped by geographical locations to determine interest. Brett Cox joined the meeting in person. Kim Jones reported that she had made approximately 108 calls the past month. She started her survey by calling down CR 30 and will work east on Hwy 62 on both the North and South side of the Hwy to gather data by region. She reported that the responses have been overwhelmingly positive with a large majority of customers answering that they would be interested in being informed on the development of any sewer project

progress as it became available. Some customers were even enthusiastic enough to volunteer to serve where they can on any committees that may be formed as progress happens. The office will continue their phone surveys during pockets of time as it permits. Dylan Osmon was encouraged by the responses and hoped the phone calls could increase in the coming months, with both office employees finding time to call throughout the month.

Rickey Lee was asked to contact Consolidated Land Services and get some prices on some large maps of blown-up areas for the boardroom walls to track interest in any future expansions or other projects.

New Business:

- The first order of new business was for the nominating committee to present their nominees for the two openings for the 2026-2028 term. Dylan Osmon presented Sonia Boling and Jay Sabella as nominees. Brett Cox made a motion to approve the nominees, with a second given by Matt Bennett. The nominations were approved unanimously and will be voted on in the upcoming annual meeting on December 11, 2025.
- The second item of new business was to discuss a customer's catastrophic leak and if the Board would want to consider a policy to assist customers who experience a catastrophic leak. A lengthy discussion ensued regarding details such as what would be considered catastrophic and what kind of aid could be offered. Dylan Osmon made a motion to adopt a Catastrophic Customer Leak Relief Policy. This policy would apply to any water loss a customer experiences from a verified leak of over 100,000 gallons that was not the result of negligence, vandalism, irrigation system failures, or intentional acts. The customer would pay only \$2.00 over NPWA's wholesale price from the City of Mountain Home on any usage over the first 100,000 gallons. The customer would fill out a form and go through a verification process to qualify for the assistance. Brett Cox provided the second and the motion passed unanimously.
- The third item of new business was to discuss the unemployment process of a former employee.
 - Jay Sabella called an executive session at 2:30 pm. At 2:41 the Board reconvened the regular meeting. Jay Sabella stated the executive session was to update the Board on the unemployment proceedings of a former employee and to also discuss the employees' Christmas bonuses.
 - A motion was made by Linda McClellan to drop all future proceedings regarding the unemployment case; Jay Sabella provided a second and it was passed unanimously.
 - Jay Sabella then made a motion to approve the employees receiving their established bonuses based on years of service and to also add two more levels to the bonus schedule; one for 25 years of service and one for 30 or more years of service.
- The next item of new business was for Kim Jones to let the board know she was still waiting on Brian Haas to turn in the 2024 Audit for approval. Hopefully she will have it for them to approve and for her to get off to the USDA next month.
- The final item of business was to inform the Board of Arkansas ACT 239, which states that all Board Members names and contact phone numbers must be posted on the Department of Agriculture's website and the water department's website. She requested that each member of the board provide her with the preferred phone number they would like to post in both places.

Other Business:

- Rickey Lee wanted to request a new laptop for meter reading. The one we have now is older, not holding a charge, and also the inputs are loose and causing issues while they drive. Matt Bennett made a motion to buy a new laptop every 4-5 years to keep the critical meter reading program current and operational, Dylan Osmon provided a second and it was passed unanimously. The board urged Rickey to keep the price on or under approximately \$800.00.
- An item of new business that was accidentally skipped was employee evaluations. The board reviewed the evaluations of the employees, conducted by the managers. Rickey Lee and Kim Jones also passed out evaluations for the employees to fill out on and asked them to place those management evaluations in the lockbox in the boardroom. Kim explained she hoped this would allow the employees to freely express any areas that need improvement by them as managers, so that it can be addressed and fixed. Given all the

adjustments the water department has been through this past year, both her and Rickey Lee want to maintain a peaceful and happy work environment for all employees. They are both very pleased and grateful for all the employees and hope they are equally pleased with them and how they are managing. The Board reviewed all evaluations and said there was only positive feedback and happy to see that continue.

Meeting Adjourned:

There was no other business, so Dylan Osmon made a motion to adjourn the meeting. Matt Bennett provided a second and the motion passed unanimously. Meeting adjourned at 2:49 p.m.

Respectfully submitted,

Dylan Osmon
Interim Secretary

Prepared by Kim Jones, Office Manager

Board Approved: 11/20/2025