

NORTHEAST PUBLIC WATER AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
April 16, 2026, at 1:30 PM

Call to Order:

- President Jay Sabella called the meeting to order on April 16, 2026, at 1:31 PM.

Roll Call:

Jay Sabella, President, took roll call and members present were Dylan Osmon, Linda McClellan, and Sonia Boling via the phone. Kim Jones, Ricky Lee, and Tony Lischeron were also in attendance. A motion was made by Jay Sabella to nominate Dylan Osmon as interim secretary in the absence of Brett Cox, a second was provided by Linda McClellan and it passed unanimously.

Due to new information under Act 505 of 2025 requiring board members to be physically present or present via the telephone, if specified in the bylaws, to be counted toward a quorum or to vote at a meeting, the Board determined that a quorum was not present at the January 2026 meeting; therefore, all actions taken at that meeting must be reconsidered, and the following items were re-voted upon: A motion was made to approve the Minutes as distributed for the December 2025 regular board meeting. Dylan Osmon made a motion to approve, seconded by Linda McClellan and passed unanimously. A motion was made to approve the Office Report as distributed for December 2025; Dylan Osmon made a motion to approve, seconded by Linda McClellan and approved unanimously. A motion was made to approve the Treasurer's Report as distributed for December 2025. Dylan Osmon made a motion, a second motion provided by Linda McClellan and passed unanimously. A motion was made to approve the Field Report as distributed for December 2025 by Jay Sabella, seconded by Linda McClellan and approved unanimously. A motion was made to approve the adoption of a policy for sub-contractors by Jay Sabella to include qualifications to be hired, and paid, including inspection of work and detailed invoicing. A second was provided by Linda McClellan and was passed unanimously. A motion was made by Dylan Osmon to approve paying Rickey Lee for his accumulated PTO days over the 15 rollover days allowed for the year 2025 and Linda McClellan provided a second. The motion passed unanimously.

Approval of Minutes and Reports:

- Approval of the minutes as distributed for March 2026. Jay Sabella made a motion to approve, seconded by Linda McClellan and approved by unanimous vote.
- Approval of the Office Report as distributed for March 2026. Linda McClellan made a motion to approve, seconded by Dylan Osmon and approved by unanimous vote.
- Approval of the Treasurer's Report distributed for March 2026. Kim Jones drew attention to the Investment Funds portion of the Treasurer's Report and stated that we have received \$4,076.63 of interest income from our investments as of March 31, 2026. We have also accrued an additional net of \$4,790.04 in unrealized gain as of the last day of March 2026. Jay Sabella made a motion to approve, seconded by Linda McClellan and approved by unanimous vote.
- Field Report distributed for March 2026. Rickey Lee explained our water loss is significantly down at 17% for the month of March and he is very pleased with the field's progress is identifying and repairing leaks. The field has also caught up on most of clean ups and the annual blow-offs and are currently doing the on pressure testing the fire hydrants on the system. Dylan Osmon made a motion to approve the February Field Report, followed by a second motion by Matt Bennett. It was approved unanimously. Jay Sabella also asked Rickey Lee if he could get a little more gravel to extend the parking area at the back of the parking lot to prevent muddy marks in the grass or ditch from overflow parking during meetings.

Old Business:

- The first item of old business was to listen to separate presentations from Thomas Bridges from Caterpillar and Shane Brockwell with Shelby Harmon from CASE. Both companies separately came into the meeting and presented financing options for a new Backhoe for the water authority. The board discussed each option and decided to gather a few more figures from CASE before finalizing a decision on the matter.
- The next item of old business was to discuss a comprehensive asset replacement schedule that Kim Jones was requested to compile, to better budget for replacement costs on an ongoing basis. Kim Jones presented the data and the board discussed coming up with a reserve schedule based on the data. Kim Jones said she would come back to the next meeting with some reserve recommendations, with priority on equipment, vehicles, pumps and tanks.
- The next item of old business was the 2024 Audit Report. Kim Jones presented the 2024 Audit Report and shared that Brian Haas found no communications from regulatory agencies concerning noncompliance with or discrepancies in the financial

reporting practices. Jay Sabella made a motion to accept the 2024 Audit Report, a second was provided by Dylan Osmon and the motion was passed unanimously.

New Business:

- The only item of new business was to review the By-Law revision recommendations from attorney, Heartsill Ragon's office. Due to time constraints, this was tabled until the May meeting

Other Business and Meeting Adjournment:

- There were two issues that had arose since the agenda was created. The first was that our second hydrant meter was broken by a rental customer who dropped it, causing the glass lens and register to break. Both broken 2" hydrant meters are extremely heavy, old, and the replacement parts are obsolete. Rickey Lee said he was in the process of gathering a price for a new one that will be easier to operate and less likely to be dropped because it will have handles. We need at least one 2" hydrant meter to rent with all the new construction happening within NPWA's service area. He will bring those prices to the next meeting.
- After the agenda was distributed, an additional issue arose based on information received from Municipal Health regarding the time requirements employers must follow to either provide health insurance coverage or obtain a waiver from new employees. The law requires this to be completed before an employee's 90th day of employment if health insurance is offered. This requirement is mandated by the American Healthcare Act, which has been in effect since 2015. Municipal Health shared with Kim Jones that hire dates were falsely reported to them by the previous manager when compared to actual hire dates and that this issue needed to be addressed as it affects our new employee. The new employee should have had coverage or waived coverage by 3/01/2026. This issue will change company policy to comply with AHCA law. Jay Sabella made a motion to retro-activate the new employee's health insurance coverage back to March 1, 2026, to comply with the law. A second was given by Dylan Osmon and the motion passed unanimously.
- There was no HR business to conduct so Jay Sabella made a motion to adjourn the meeting; Dylan Osmon provided a second. The motion passed unanimously and the meeting was adjourned at 2:22 p.m.

Respectfully submitted,

Dylan Osmon
Interim Secretary

Prepared by
Kim Jones – Office Manager

Board Approved – 5/21/2026