

NORTHEAST PUBLIC WATER AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
August 20, 2026, at 1:30 PM

Call to Order:

- President Jay Sabella called the meeting to order on August 20, 2026, at 1:35PM.

Roll Call:

Jay Sabella, President, took roll call and members present were Jay Sabella, Matt Bennett, Brett Cox, Linda McClellan and Dylan Osmon via phone. Sonia Boling was absent. Kim Jones, Office Manager and Tony Lischeron, Water Operator were also present.

Approval of Minutes and Reports:

- Approval of the minutes as distributed for June 2026 and July 2026. Matt Bennett made the motion to approve all minutes with a second made by Jay Sabella and approved by unanimous vote.
- Approval of the Office Report as distributed for June and July 2026. Jay Sabella made a motion to approve both Office Reports, seconded by Matt Bennett and approved by unanimous vote.
- Approval of the Treasurer's Report distributed for June and July 2026. Jay Sabella made a motion to approve, seconded by Matt Bennett and approved by unanimous vote.
- Field Report 1 and 2 was distributed for June and July 2026. Tony said the Field has been busy fixing many leaks. He was asked how the new Field Employee is working out, and Tony shared that he is doing very well. Jay Sabella made a motion to approve the Field Reports for both months, Matt Bennett provided a second and they were approved unanimously.

Old Business:

- The only item of old business was to further discuss the proposed by-law changes in regard to electing directors, removing offices etc. These changes were gone through section by section. The board approved changes to the election process, including utilizing an intent form for any candidate for election or reelection. They also approved the Annual Meeting to be in March for the previous year instead of December for the purpose of avoiding the Holidays and also for the management to be able to present a complete year of data at the annual meeting. They also approved clarifying some contradictory language in the present Bylaws concerning terms and decided to adopt the process of filling a vacancy for the period of the unexpired term and not only until the next annual meeting as that could cause too many vacancies in any one year. They also adopted changes concerning proxy votes. Proxy voting is no longer allowed via the Arkansas Freedom of Information Act. AR FOIA no longer allows for proxy attendance or voting. The Board decided to table further discussions until the next Board meeting and any changes will not affect the 2026 nomination or election process as there is not enough time to get them approved by the ARNC before the current year's election Process.

New Business:

- The first item of new business was to appoint a nominating committee for the upcoming election of directors at the 2026 Annual Meeting. Jay Sabella nominated three of the remaining board members not up for re-election, namely Sonia Boling, Linda McClellan and himself. Matt Bennett provided a second and was passed unanimously. There was also a discussion about the rolls and responsibilities of a Nominating Committee.
- The next item of business was cyber security concerns happening around the country's water systems and what water utilities are doing to protect their system from such risks. Kim Jones said she reached out to the City of Mountain Home to see what they are doing to protect the water supply from these nefarious acts, because NPWA purchases water from their facilities to resell, and does not produce their own water. The city responded and that response is available to any customers that would like that information.
- The next item of new business was the 2025 Rate Study NPWA received from Arkansas Rural Water in compliance with Act 605 of 2021. Kim Jones explained that the original rate study results that were received in June were unacceptable to her, as it stated to charge customers a larger minimum bill but give them half of the water for that increased cost. Through discussions with the rate specialist, they offered a second schedule that took that minimum bill back to 2000 gallons and raised the per thousand prices slightly. Through a discussion with the board, Kim was asked to go back to ARWA and request a rate schedule that was based on meter size to make it fairer. The board made an erroneous approval vote on the new rates, before considering the 25% increase in water cost from the city in addition to the rate study requirements. The president of the Board needed to leave and a rushed, erroneous vote was taken. This will have to be rediscussed at the September board meeting. No changes will go into effect until the board can meet again and put the issue to a vote, while also considering the rate increase from the city.

- The next item was to give AR ACT 605 training information to the one board member that has not been trained yet. He has intentions to enroll in one of the courses offered online before the end of the year. After he is trained, NPWA will have a fully trained board in compliance with AR ACT 605 of 2021.
- The next item of new business was tabled until the next board meeting when the Field Manager can attend the meeting. This was concerning a large and difficult clean up in Rolling Meadows Mobile Home Park.
- The final item was any new items that have arisen since the previous meeting. There were two items to address. The first being the location of the Christmas Party. The board asked Kim Jones to check with Fred's Fish House for the party, to fairly spread out our patronage to other businesses on the water system. The second item was that KTLO had contacted Kim Jones asking her for an interview concerning the increased water rates NPWA had received from the city. Kim said she felt the best response was to provide KTLO with a written statement. The Board agreed and she will email KTLO with a response. Jay Sabella also asked Kim to appear on an upcoming local podcast he is involved in to explain to the public, specifically our customers, the rate study and rate increase from the city.

Other Business and Meeting Adjournment:

- With no other business to take care of, Jay Sabella made a motion to adjourn, Matt Bennet provided the second and all were in favor. Meeting was adjourned at 2:35 pm.

Respectfully submitted,

Brett Cox
Secretary

Prepared by - Kim Jones, Office Manager
Board Approved – 09/17/2026