

NORTHEAST PUBLIC WATER AUTHORITY  
BOARD OF DIRECTORS MEETING MINUTES  
January 15, at 2:08 PM

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**Call to Order:**

- President Jay Sabella called the meeting to order on January 15, 2026, at 1:31 PM.

**Roll Call:**

Jay Sabella, President, took roll call and members present were Matt Bennett, Sonia Boling via the phone, Kim Jones, Office Manager and Rickey Lee, Field Manager. Also in attendance by proxy was Dylan Osmon, with his proxy given to Jay Sabella and Brett Cox with his proxy given to Matt Bennett. A motion was made by Sonia Boling to nominate Matt Bennett as interim secretary in the absence of Brett Cox, a second was provided by Jay Sabella and it passed unanimously.

**Approval of Minutes and Reports:**

- Approval of the minutes as distributed for December 2025. Jay Sabella made a motion to approve, seconded by Matt Bennett and approved by unanimous vote.
- Approval of the Office Report as distributed for December 2025. Jay Sabella made a motion to approve, seconded by Matt Bennett and approved by unanimous vote.
- Approval of the Treasurer's Report distributed ending with December 31, 2025. Jay Sabella made a motion to approve, seconded by Matt Bennett and approved by unanimous vote.
- Approval of the Field Report distributed for December 2025. Jay Sabella made a motion to approve, seconded by Matt Bennett and approved by unanimous vote. Rickey Lee shared that we had a bad leak on the Hwy on a 10" main and that contributed to some significant water loss this past month. Rickey was asked how the new employee was working out and he said he was doing well. Kim Jones shared that Casey Stone, our apprentice water operator, is going back to some classes for a refresher before he tests for his water operator license this year at some point.

**Old Business:**

- The first item of old business was to share any new developments or news regarding future water line extensions. This discussion was tabled until a later date.
- The next item of old business was regarding any sewer updates. Jay Sabella shared that he was struggling to locate houses as he was talking to people about sewer, on his own time. He had come by the office to view the maps the water operators use. He had discovered that none of the maps had been updated, other than markings the water department drew in, since 2015, and it was his opinion that the water department would benefit from updated maps. He also spoke about possible options regarding the level of detail the maps could include and wanted the field employee's input as to what would be most helpful. Kim Jones suggested that Tony Lischeron be included in some of these discussions, so it was tabled for the February meeting.
- The next item of old business was to approve the 2024 audit; however, we have still not received it from Brian Haas, CPA. Kim Jones was asked to reach out to Neal Hodges, with the USDA, just to touch base and be assured Northeast is not held responsible for the delay in turning the audit in to them.
- The final item of old business was to present a proposed Board Communication Policy; however, it was tabled for the next month when more board members would be present.

**New Business:**

- The first item of new business was to discuss adopting a policy for hiring subcontractors that outlines a process and agreement that any subcontractor who does work for NPWA in the future would need to fill out and sign prior to doing the work and qualifications for getting paid, including inspections and a detailed invoice. Jay Sabella made a motion, with a second by Matt Bennett to adopt the subcontractor policy/agreement.
- The second item of new business was the request from Henry Porter, of the Northeast Lakeside Fire Department Board of directors' inquiry about installing a fire hydrant on the south side of Hwy 62, across from the fire station. Rickey Lee said he got in contact with Arlynd Mallett about giving a price for the road bore to pass along to the fire department. This discussion was tabled until more information is gathered.
- The next item of new business was the Meter Replacement and Radio Replacement program. Rickey Lee stated he would like to see both programs blended in some way to save labor on both. This discussion was tabled for February when Tony Lischeron could weigh in on this discussion, and a plan could be presented to the board.

- The next item of new business was for Rickey Lee to update the board on the Baypoint Dr. project. Rickey Lee explained that he received a call from Baxter County Road and Bridge foreman, Aaron, telling him that we could not tie in our new line where we were at, because we need to get the entirety of Bay Point Drive's water line out of the roadway, as per a new county ordinance. Rickey explained to the board that doing that would cost quite a bit of money. The board reached out to County Judge, Kevin Litty, during the meeting for clarification of what Rickey was told. Mr. Litty said he would call the man that called Rickey Lee and had that conversation and get back to us. He also said there is a recent county ordinance that states at Baxter County Road and Bridge to understand the situation better because he did not have the ordinance in front of him. Judge Litty asked if he could check on this and call Jay back. Not long after, Kevin Litty called back and said that it was his understanding from the discussion he had with Road and Bridge that they are just trying to uphold the ordinance, however in this instance, they were ok with finishing up the current job on Bay point Dr in the already planned manner. However, if at any point in the future that road, or any other county road was to be renovated by the county, it would be the responsibility, both physically and financially, of the water department to relocate the entire water line out of the roadway. The Board thanked Judge Litty for his time and the call ended.
- The next item of new business was the condition of our current backhoe. It continues to have mechanical problems, and the question arises whether continuing to fix the one we have or is it a better investment to look at purchasing a new one or a good newer used one. It was also discussed that we are eligible to state bid prices on new equipment. Rickey Lee was asked to come back to the next meeting with some costs to discuss the options further.
- Next was to discuss Rickey Lee's PTO days he was unable to use in 2025 due to the management change in the summer. Jay Sabella made a motion to pay Rickey for his unused PTO days that were over the 15 allowed rollover days. Matt Bennett provided a second and it passed by unanimous vote. Jay Sabella requested that Tony Lischeron attend the meeting next month because the current PTO policy needed to be revisited and possibly revised.
- The next item was Kim Jones being invited by Sue Edwards, The City of Mountain Home HR Director, as her guest, to a meeting in Little Rock for a quarterly meeting for APEHR (Arkansas Public Employers Human Resource Association). Matt Bennett made a motion to allow Kim to attend the meeting on February 6, 2026, in Little Rock. A second motion provided by Jay Sabella and it passed unanimously. Jay Sabella asked Kim to report on the meeting and the possible benefits of NPWA joining the organization as a member, would be discussed in the February meeting.
- The next item was a request by Paula Lambert to attend a 16-hour course in Little Rock on August 25-26, 2026. The course is designed for office employees of a water department who are responsible for the execution of the department's Cross Connection Program. Paula was asked to come into the board meeting and further explain the course and to explain how she felt it would benefit NPWA for her to attend. She joined the meeting and gave an explanation and then also requested that Tony Lischeron and Casey Stone be allowed to attend it with her. Paula explained that in her position, it is valuable for her to know the things this class offered. Jay Sabella did not see the benefit of three employees to be gone for this reason; however, he could support her attendance. This discussion was tabled until the next board meeting and Paula was asked to find out when Kristen and Sacha, from the city water department, were going to be attending in 2026. He said it might be a better idea for Paula to go with them or follow them instead of Tony and Casey going out of town also.
- The final item of new business covered in today's meeting was that Kim Jones had received the City of Mountain Home's 2026 wage scales. She said that as a public entity, who receives all of our revenue from utility customers, it would benefit the water department to have an established pay scale to allow for more accurate budgeting and transparency. The city had given their employees a 2% cost of living increase for 2026. Kim gave the board a proposed wage scale that would reflect the positions held at NPWA, using the city position classifications as a guide, along with a proposed wage increase. This proposed scale would also allow for smooth transitions and promotions for employees as they earn licenses, certifications or promotions. The Board decided to take the information and look it over for the next board meeting. Kim did point out that Ricky Lee became the Field Manager on June 19, 2025, and Kim became the Office Manager on 01/15/2025 and neither have received a raise since becoming management. Jay Sabella said he also would like to see evaluations and manager reports be used also to gauge whether an employee's work effort merits a pay increase, possibly delaying a raise to encourage improvement in an area an employee needs improvement. The board decided this will be deliberated during February's board meeting on 02/19/2026.

**Other Business:** There was no HR business to conduct.

**Meeting Adjourned:** There were no other business or water users present at this meeting, so Jay Sabella made a motion to adjourn the meeting, Sonia Boling provided a second and the motion passed unanimously. Meeting was adjourned at 2:43 p.m.  
Respectfully submitted,

Matt Bennett  
Interim Secretary

Prepared by Kim Jones, Office Manager

Board Approved: 02/19/2026