

NORTHEAST PUBLIC WATER AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
May 15, 2025, at 1:30 PM

Call to Order:

- President Jay Sabella called the meeting to order on May 15, 2025, at 1:36 PM.

Roll Call:

Jay Sabella, President, took roll call and members present were Sonia Boling, via telephone, Linda McClellan, Brett Cox, with his proxy given to Matt Bennett, Dylan Osmon, Matt Stone with his proxy given to Jay Sabella, Matt Bennett. Also in attendance were Kim Jones, Office Manager and Gerry Lance, Field Manager. There was also a visitor present, Krystal Hastings, a financial advisor with Edward Jones Investments. Voting on the interim Secretary is conducted and approved Unanimously for Dylan Osmon to be interim Secretary.

Introduction of Financial Advisor

- Krystal Hastings presents information on Edward Jones' services, focusing on bonds and CDs. She explains the pricing structure and commission-based accounts. She also explains there would be an expected annual return of 3-4.5%.

Approval of Minutes and Reports

- Approval of the minutes as distributed for April 2025. Jay Sabella made a motion to approve, Seconded by Linda McClellan with a Unanimous vote.
- Approval of the Office Report distributed for April 2025. Linda McClellan made a motion to approve, Seconded by Dylan Osmon with a Unanimous vote.
- Approval of the Treasurer's Report distributed for April 2025. Jay Sabella made a motion to approve, Seconded by Dylan Osmon with a Unanimous vote.
- Discussion on the distribution of gift cards for employees and the allocation of funds. Kim Jones was asked to document money from BOA on reports.
- Approval of the field report distributed for April 2025. Linda McClellan made a motion to approve, Seconded by Dylan Osmon with a Unanimous vote.

Renew Otter AI and Office Responsibilities

- Approval to renew Otter AI for 2 more months, asking Paula Lambert to do the minutes for this month's meeting to get her opinion of the software before committing to a year subscription. A motion to approve was made by Dylan Osmon, Seconded by Jay Sabella with a Unanimous vote.

Approval of Financial Advisor

- Approval to Hire Mike Stockton as Financial Advisor and to have a monthly report on Holdings provided. Jay Sabella made a motion to approve, Seconded by Matt Bennett with a Unanimous vote.

Discussion on Backflow Testing and Bids

- Kim Jones reports that testers were sent an invite letter to bid on becoming our in-house tester.
- Paula Lambert is invited to the meeting to discuss the process of contacting backflow testers.
- 4 Licensed Testers submitted bids, and they were read aloud by Jay Sabella.
- The Board entered an executive meeting at 2:27 p.m. They returned from an executive meeting at 3:20 p.m. stating the purpose of the session was to discuss the bids for in-house backflow testing with a contractor and the creation of an in-house backflow program.
- Gerry Lance expressed concern about the conflict of interest in managing backflow testing in-house.

Water Line Extensions and Sewer Projects

- Discussion on the water line extensions and the need to gauge interest from property owners. The Board identified Christensen Road as the area to focus on and begin the process of identifying interest. The next step would be to send a letter to property owners who are not currently hooked up to NPWA water and survey interest in hooking up.
- Discussion on the sewer project was tabled to commit office time to the water line extension project first.

Internal Controls and Banking Procedures

- Discussion on the need for internal controls and the importance of accountability in financial transactions.
- Discussion of the current system of check signing and the potential for adding Kim's name to the bank account.
- Gerry Lance expressed concern about the additional responsibilities and the need for clear documentation.
- Jay Sabella made a motion to add Kim Jones, Office Manager, as an authorized signer to all bank accounts held by Northeast Public Water Authority. Dylan Osmon provided a second and the motion was passed unanimously

Office Job Descriptions and Training

- Discussion on the office job descriptions and the need for clear responsibilities.
- A brief discussion regarding the division of tasks between the Office Manager and the Field Manager, including the handling of CCR reports and water operator registrations was tabled
- Discussion on the need for board training and the availability of online courses for new untrained Board directors.

Follow-Up on Hiring Attorney and Backflow Program

- Jay Sabella suggested going into an executive session to discuss hiring an attorney.
- Gerry Lance expressed concern about the cost of hiring an attorney and suggests using the Ethics Commission or Municipal League resources.
- The Board entered an executive session at 3:37p.m., and returned at 3:56 p.m.
- The board agreed to continue with the current backflow program through June and to start a new backflow program in July with Robert Stanton as the In-House Backflow Test Contractor. The board discussed the need for a clear policy on the backflow testing program and asked the office staff to work out the details of the program and report at the next meeting.
- A motion to approve Rob Stanton as the In-House Backflow Tester was made by Jay Sabella, Seconded by Dylan Osmon with a Unanimous vote.

Discussion Regarding Employment Position

- Kim Jones informed the Board that an envelope was put in the HR box by a family member of an employee
- The HR box key was not accessible during the meeting; therefore, the HR box was not opened.
- The Board entered an executive meeting to discuss personnel-related information at 4:01 p.m., and returned at 4:09 p.m.
- A motion to terminate a water operator's position was made by Jay Sabella and seconded by Dylan Osmon, with a Unanimous vote.
- Gerry Lance asked if he could begin the process of looking for a new hire.
- Linda McClellan made a motion to begin looking for a new employee, seconded by Sonia Boling, the motion was passed with 5 votes in the affirmative and 2 votes opposed. The two opposed votes were Jay Sabella, and Matt Stone via J. Sabella's proxy.

Office Computer Upgrade and Networking Issues

- Kim Jones mentioned the need to upgrade one of the office computers to comply with Windows 11 by October when the billing software will require it. Kim Jones was asked to obtain a couple quotes and bring them to the next Board Meeting.

Conflict of Interest Policy and Employee Consent Forms

- Kim Jones brought up the Conflict-Of-Interest Policy, noting that no board members have completed the form, with the exception of Linda McClellan completing one in 2019. This form should be completed annual by all Board Members. 3 Board Members turned in their forms during the meeting.
- Kim Jones introduces a form for employee consent to video and audio recording while on the Authority's property and she explains the legal requirements of this consent and the legal requirement to post video surveillance signs for customers.
- A motion was made by Linda McClellan to accept the Security Camera Employee Acknowledgement Form, Seconded by Jay Sabella and approved with a Unanimous vote.

Employee Time Management

- Jay Sabella introduces a form for field employee time management to track work hours and tasks.
- The form is intended for a short-term audit to improve time management.
- A motion to accept the time management form for a three-month period is made by Jay Sabella and Seconded by Dylan Osmon. It is approved with a Unanimous vote.

Freedom of Information Act Concerns

- Kim Jones raised concerns about the Freedom of Information Act and employees' access to Board Minutes and the need to follow proper procedures.
- An employee acknowledges he did make his own personal copies of board minutes explaining that he was under the impression as an employee he was privy to the minutes and could access them for himself.
- The Board takes disciplinary action against the employee for misconduct for making personal copies of minutes and not going through proper channels.
- The employee disputed the misconduct allegations and declined to sign the disciplinary form. He stated he will consult legal guidelines.
- The board discussed the need for a clear policy on FOIA requests and employee access to company documents.
- Kim Jones stated she will create and present a policy for approval at the next meeting.

Review of Previous Meetings and Future Actions

- Another disciplinary form was presented to an employee, sighting misconduct during a past meeting with a board member and another employee, citing unprofessional behavior.
- The employee disputed the allegations and declined to sign the disciplinary form

Meeting Adjourned.

- With no other business to conduct, Jay Sabella made a motion to adjourn and Seconded by Matt Bennett, with a Unanimous vote. Meeting Adjourned at 4:26 p.m.

Respectfully submitted,

Dylan Osmon -
Interim Secretary

Prepared by Paula Lambert, Water Clerk
Edited by Kim Jones, Office Manager