

NORTHEAST PUBLIC WATER AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
March 19, 2026, at 1:30 PM

Call to Order:

- President Jay Sabella called the meeting to order on March 19, 2026, at 1:33 PM.

Roll Call:

Jay Sabella, President, took roll call and members present were Matt Bennett, Dylan Osmon, Sonia Boling via the phone. Kim Jones, and Ricky Lee Brett Cox, Linda McClellan, and Matt Stone were absent. 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 Matt Bennett and it passed unanimously.

Approval of Minutes and Reports:

- Approval of the minutes as distributed for February 2026. Matt Bennett made a motion to approve, seconded by Jay Sabella and approved by unanimous vote.
- Approval of the Office Report as distributed for February 2026. Jay Sabella made a motion to approve, seconded by Matt Bennett and approved by unanimous vote. Kim Jones pointed out that we are up 5.2% in gross revenue in the first two months of 2026, as compared to the first 2 months of 2025, which illustrates the growth we are seeing in the area.
- Approval of the Treasurer's Report distributed for February 2026. Dylan Osmon made a motion to approve, seconded by Matt Bennett and approved by unanimous vote.
- Field Report distributed for January 2026. Rickey Lee pointed out that the water operators repaired 8 leaks in the month of January, including a very large leak on a 10" water main. We installed a new 1" Meter for the new Ulta at Plaza Way, 1 Reconnect and 3 new installs on Hwy 62. A motion was made by Dylan Osmon to approve the January Field Report with a second by Jay Sabella and approved by unanimous vote. Field Report distributed for February 2026. Rickey Lee said we have had some bad water loss; however, we have also repaired many leaks. Just in the first two and a half months of 2026 we have repaired 28 leaks, which is over half the amount repaired in the entire year of 2025. Dylan Osmon made a motion to approve the February Field Report, followed by a second motion by Matt Bennett. It was approved unanimously.

Old Business:

- The first item of old business was to review a letter received by Heartsill Ragon, attorney, regarding the sewer project and whether the water authority can or cannot help with the project or help with the possible incorporation of a second-class city. Mr. Ragon advised that in most cases, interested citizens form a Sewer Improvement District and appoint commissioners to head up a project of this nature, on a county level. He also said this type of effort is usually organized by landowners in a neighbor-to-neighbor fashion. He advised that interested parties reach out to an engineer who has been involved in many of these projects in the past. Jay Sabella reiterated that the citizens by and large do not want an improvement district with imposed property taxes, and that is why he wants to pursue a second-class city. Dylan recognized for the record that for the purpose of this board meeting we were trying to find out what the water department can and cannot do to help and to what extent. Kim Jones produced the email she sent the attorney verifying that she did ask the attorney the requested questions and then after that she has no control over what he will suggest in his recommendation. Dylan Osmon also wanted to confirm with Kim Jones that she did ask about the by-law revisions and that the attorney will give recommendations and not change them without the Board's approval. Kim Jones assured him that the attorney will present a draft with changes that the board can then review before approving them and they should be ready for review at the April Meeting.
- The next item of old business was regarding Future Mapping Options- Jay showed the maps he received from Ben Strider showing the maps with the homes, trees, streets etc. and asked the water operators if this type of map would be helpful to them. Rickey Lee said that he would prefer plain maps with the updated water lines and the property lines and addresses would be helpful. Kim Jones mentioned again that Casey Stone said a man came to his water operator class in January and showed an app called Diamond Maps that is created for water utilities that might be a digital option. No decision was made at the meeting regarding maps, and it was tabled for further discussion in the future.
- The next item of old business was to review a recent County Road and Bridge Ordinance. Rickey Lee noted that it states in the ordinance that if the county wants to do repairs or rehab of a road in the future and our water lines are in their way, we will need to relocate them at our expense.

- The next item of old business was Henry Porter for NE Lakeside Fire Dept regarding his interest in another fire hydrant across the Hwy from the fire department. Rickey Lee said he has not heard back from Mr. Porter regarding this and would inform the board if this subject comes up again in the future.
- The next item of old business was the Meter and Radio Replacement Program. Kim Jones and Rickey Lee discussed a possible System Improvement Fee and what the potential funding for something like that would look like. This fee would provide funding for an ongoing program that will require funding every year without end. Every year there will be a batch of meters and radios that require replacements to stay ahead of the life span of the equipment. Dylan Osmon requested that Kim Jones categorize the assets into lifespans and allocate a certain amount of overhead each month toward that asset to see exactly where our overhead is going and be able to preempt future needs without a large lump sum expense hitting the authority without warning. The board liked the breakdown of the system improvement fee and breakdown of the funding and asked that the same model be done for the backhoe, trucks, pump stations, tanks etc. The more detailed the breakout, the better picture it paints for the board to make these financial decisions. Kim said she would bring something to the next meeting showing this breakout.
- The next item of old business was to present quotes for the possible purchase of a new backhoe. Rickey Lee brought price quotes he received from CAT and CASE for a new backhoe purchase. These prices were reflective of state bid rates that the water authority qualifies for. The board will discuss this further in April and Rickey Lee was asked to get financing information for the next meeting.
- The next item of old business was future Backflow Training opportunities. The board discussed the cost and possibility of sending Paula Lambert, and possibly a few water operators to the training this year. They decided at this time, they could not justify the cost of the schooling with the need for it at this time. A motion was made by Dylan Osmon to not send anyone on this training course this year, but to revisit it at a future date if the need is justified. Jay Sabella provided a second and the motion was passed with an affirmative vote from Matt Bennett and Sonia Boling abstaining from the vote.
- The next item of old business was to review or revise the current PTO Policy. After a discussion of the current policy, Sonia Boling suggested we defer this discussion for a year from now and see how 2026 goes. Dylan read the current policy, and Tony Lischeron assured the board that even though he takes the majority of November off for hunting and has every year for the past 19 years, he would make himself available in an emergency. The decision was made to table this topic for a year.
- The next item of old business was the 2025 Audit prices. Kim Jones gathered prices from around the state from 5 CPA firms, including the two places that do this type of audit locally. Quotes were from Jonesboro, NW Arkansas, and the Conway - Little Rock area. The decision was made to go with Brian Haas again for the 2025 audit at a price of \$9,600 and a commitment from him to release the audit report by October 1, 2026. NPWA is still waiting on the 2024 audit report.
- The last item of old business was to take a vote on the Destruction Affidavit for 2015 revenue records, accounts payable and receivables, inventory records and closed customer records. Dylan made a motion for approval of the destruction by burning, Matt Bennett provided the second and the motion passed unanimously.

New Business:

- The only item of new business was to discuss 2026 lawncare. Tony and Rickey raised the question of hiring out clean-ups for the future because the field is so busy. Dylan Osmon, after some quick math, valued our water loss at a worth of approximately \$500 per percentage and said to justify that expense, the authority would have to see savings of water loss at approximately 10% to offset the added cost of hiring out the clean-ups. It was decided for the field to continue doing the clean-ups in-house. Jay Sabella made a motion with a second provided by Dylan Osmon to hire Aaron's Lawncare again for the 2026 growing season. They will care for the lawns at the office, shop, two tanks and the fire hydrants that are located on the highway.

Other Business and Meeting Adjournment:

- There was no other or HR business to conduct. There were no other business or water users present at this meeting. Dylan made a motion to adjourn the meeting; Jay Sabella provided a second and the motion passed unanimously. Meeting was adjourned at 2:45 p.m.

Respectfully submitted,

Dylan Osmon
Interim Secretary

Prepared by
Kim Jones – Office Manager

Board Approved – 4/17/2026