NORTHEAST PUBLIC WATER AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
September 17, 2026, at 1:30 PM

Call to Order:
- President Jay Sabella called the meeting to order on September 17, 2026, at 1:30 PM.

Roll Call:
Jay Sabella, President, took roll call and members present were Jay Sabella, Matt Bennett, Dylan Osmon, Rickey Lee, and Kim Jones. Sonia Boling and Linda McClellan were also present via phone. Brett Cox was absent. Matt Bennett was appointed interim secretary.

Approval of Minutes and Reports:

- Approval of the minutes as distributed for August 2026. Sonia Boling 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 August 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 August 2026. Jay Sabella made a motion to approve, seconded by Dylan Osmon and approved by unanimous vote.
- Field Report 1 and 2 was distributed for August 2026. Jay Sabella made a motion to approve the Field Reports for both months, Dylan Osmon provided a second and they were approved unanimously.

Old Business:

- The first item of old business was to discuss the needed adjustments to the water rates to accommodate the increased cost of wholesale water that NPWA received from the City of Mountain Home. The minimum bills and the price per thousand gallons after the minimum bill were all raised 10.9% beginning with the customer bills in October 2026. Customers received advance notice of this increase on their September bills. This increase was necessary to break even after incurring the cost of the wholesale rate. In addition to this rate increase, NPWA is waiting on Arkansas Rural Water (ARWA) to get back to them regarding the new rate structure. She will report back next month. That anticipated rate increase will most likely go into effect in January 2027. Jay Sabella made a motion to increase all rates by 10.9% and to discontinue increased rates for Panther Heights and Teal Point customers. Jay Sabella made a motion to adopt the new rates, Dylan Osmon provided a second and the motion passed unanimously.
- The second item of old business is part 2 of the revisions of the bylaws. The board voted to change the notice for special or emergency meetings to a 2-hour notice in accordance with Arkansas Freedom of Information Act standards. It was also voted on, and passed unanimously, that the election process would not change for the annual election of officers, other than the nominating committee would utilize a standard intent form to help understand the interests and qualifications of a perspective board member. These intent forms would be due 45 days prior to the Annual meeting. Also as decided in the last meeting, the Annual meeting will change from December to the following March, during the third Thursday at 1:30. This will mean that the Annual meeting that would be scheduled for December 2027 will be postponed until March 2028 and then from 2028 forward they will always be held in March. This change will cause an extension of all the board positions that are up for re-election in 2027 for a three-month extension. Jay Sabella made a motion to adopt both changes, Dylan Osmon provided the second and the measure passed unanimously.

New Business:

- The first item of new business was to get at least two quotes on computer network security monitoring to discuss and vote on in the October Board Meeting.
- The second item of new business was to approve the purchase of a new listening device. The old one stopped working completely after replacing a part a year ago. Jay Sabella made a motion to approve the purchase, Matt Bennett gave a second and it passed unanimously.
- The next item was to approve the amended prices on the 3 Tank Maintenance Contracts. Tank 2 is scheduled to have a new mixing system installed in 2027 and Tank 3's mixing system replaced after Tank 2. Jay Sabella made a motion to accept the contracts amendments, Matt Bennett provided a second and the contracts were accepted unanimously.
- The next item was the proposed 2027 Budget. Kim Jones explained that the budget will look better when she can project the water sales income once the rate study rates are applied to the 2027 income numbers. She also said she budgeted for the

meter replacement and radio replacement program without having to use reserve funds. Sonia Boling made a motion to accept the 2027 proposed budget, Dylan Osmon provided the second and it passed unanimously.

- The last item of new business was to inform the Board that because of the severe winter weather in January, and the closing of the state health department, the second set of samples were not taken in January. The water operators were not aware they still had to make up for those samples the following month, and moved on to February's water samples. In June NPWA received a letter from ADH stating that because the set of samples were not done in January, the water department was required to post a public notice within 1 year and send a letter to all water users. These letters and notices will be distributed in October as required by Arkansas Department of Health.

Executive Session

The board went into executive session at 2:22 pm. At 2:30 pm the board came out of executive session. Jay Sabella said the executive session was to discuss a field operator that is on light duty from a personal injury. The board decided this would be a good opportunity for that employee to test for his distribution license. It was also decided that another employee, currently hired as a laborer, will be moved to Water Apprentice classification in January 2027 and begin studying for his exam. Matt Bennett requested that Kim Jones work on putting together a policy for Light Duty.

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,

Matt Bennett
Interim Secretary

Prepared by - Kim Jones, Office Manager
Board Approved – 10/15/2026