

BRUNNER HILL WATER ASSOCIATION  
 BOARD OF DIRECTORS MEETING MINUTES  
 Thursday, January 25, 2024

1. The President, Danny woods called the meeting to order at 7:02 p.m.

2. BOARD MEMBERS PRESENT:

President	Danny Woods
Vice President	
Board Members	Richard Hazel, Shaun Dubois, Shawn Hargett
Superintendent	Ted Applegate
Secretary	Angela Johnson

3. BOARD MEMBERS ABSENT: None

4. MEMBERS OF THE AUDIENCE: Carol Russell, Carol Lee, Bob Lee, Sharon Lail, Archie Lail, Ruby Hargett, Dave Phillips, and Marc Vanderschoot

5. APPROVAL OF DECEMBER 19, 2023, MINUTES: Shaun Dubois made a motion to approve the minutes, Richard Hazel seconded. Motion passed.

6. APPROVAL OF DECEMBER 2023 FINANCIAL STATEMENTS: Shaun Dubois made a motion to approve financial statements, Shawn Hargett seconded. Motion passed.

7. PRESIDENT’S REPORT: Danny reviewed board membership. Details are listed below with Open Items.

Topic: Government Funding, COVID money
Board Discussion: 7/18/23 Danny is trying to obtain government funding. If received, the funding can offset expenses of reducing water loss. 8/15/23 No updates. 9/19/23 No updates. 10/17/23 No updates. 11/21/23 No updates. 12/19/23 No updates. 1/25/24 No updates.
Conclusion: Danny will provide updates as he obtains information.

8. SUPERINTENDENT’S REPORT: We had a one-vehicle accident. On the way to the post office Monday, January 22<sup>nd</sup>, the Chevy Duramax slid down the hill denting the driver’s side passenger door. We will purchase a door shell outside insurance channels and install.

9. REVIEW OF DIRECTOR POSITIONS:

Topic: Status of Board Members

Discussion: Given the fact that an annual election was not held, due to lack of quorum, the status of board members remains unchanged for any who wish to remain on the board. Willie Stone did not wish to remain on the board, leaving a vacant position through the end of the year, 12/31/2024. The board will appoint a person to this Director position. David (Dave) Phillips is interested in filling the director position. Officer positions remain as is. All board members, excluding Dave Phillips, have completed the Retail Water Provider training requirement established by Arkansas ACT 605 of 2021.

Conclusion: Shaun Dubois nominated David Phillips as an appointed Board Member to complete the term vice Willie Stone, through 12/31/2024, or until a valid election can be held. Motion carried. Danny remains President and Dave will fill in as Vice President.

Topic: Charges against President and Member Petition

Discussion: Danny expressed his intent to continue until a time when an official member meeting can be held, and the majority votes him out. Directors and members engaged in heated conversation about the petition, bylaws, and the annual meeting. The bylaws dictate that removal of a director is accomplished by bringing up charges during a meeting of the members.

Conclusion: This item is only applicable to a Member Meeting, not a meeting of the Board of Directors and is deferred appropriately.

Topic: Plan of Action

Discussion: As listed below in Open Items, Danny will contact the attorney to try to determine next steps to conduct a meeting of the members, as it is not likely to have 51% of over 500 members in attendance to reach a quorum. We need to be able to elect board members and to change the bylaws to set reasonable quorum requirements.

Conclusion: As listed below in Open Items, Danny will schedule an appointment and invite all board members to attend.

10. OPEN ITEMS:

Topic: Consult an Attorney about Bylaws, Official Vote

Discussion:  
8/15/23 There is a question as to what constitutes a proper vote according to the bylaws. Danny wishes to consult a lawyer to determine what consists of a quorum; is it 51% of all members, of all members present, or of the Directors? This must be resolved prior to the next election of Board Members.  
9/19/23 Danny will consult an attorney regarding the bylaws, specifically how to obtain the required vote.

10/17/23 Danny consulted Roger Morgan, Attorney, about the bylaws. Danny does not believe we can get the appropriate number of people for a quorum; we need approximately 253 people to vote for a quorum. Danny wants to change the bylaws to give the board the power and authority to change the bylaws. Comment was made that if you get the number of required votes to change the bylaws, then you have the appropriate number of people required for a vote; therefore, there would be no need to change the bylaws giving the board the power and authority to change the bylaws. It was also noted that giving five people complete power to change bylaws contradicts the purpose of having an association.

11/21/23 Danny presented the board with a form prepared by Mr. Roger Morgan of Sanders, Morgan, & Clarke, PLLC, Attorneys at Law. The form is a Member Proxy designation giving BHWA Board majority the authority to cast/use the member's vote for any issue requiring a member vote over the subsequent 11 months. Danny said Mr. Morgan's recommendation is to use this form for the next election and to change the bylaws. Two Board Member seats will be open for the next election: Shaun Dubois, vice Jonathan Gibson (2 more years) and Willie Stone, vice Genny Woods (1 more year). There was a great deal of discussion: speculation as to whether or not members are likely to vote, use the proxy, or not vote; ethical ways to notify association members of the election and change to bylaws; how to get association members' responses; how to attract candidates for Board Membership; attorney's official recommendation that can be presented to board and/or association members on how to obtain valid votes that meet the requirements of the bylaws and how to change to the bylaws that would make it reasonably easy to do so.

12/19/23 Proxy Forms were sent to water users. It was noted Section XII "Amendments" of the Bylaws states they may be repealed or amended by a vote of the majority of the members present at a meeting called for that purpose; there are provisions that restrict changing the purpose, safety & security of property or funds, or fundamentally change policies of the organization as long as the state has a lean on the organization. It was noted the section appears to be part of the original bylaws and is signed by Hale Moody, President and Carolyn Sanders, Secretary-Treasurer; however, the document is not dated or notarized.

1/25/24 Danny will contact the attorney to try to determine next steps to conduct a meeting of the members, as it is not likely to have 51% of over 500 members in attendance to reach a quorum. We need to be able to elect board members and to change the bylaws to set reasonable quorum requirements.

Conclusion: Danny will schedule an appointment and invite all board members to attend.

Topic: Comp Time

Discussion:

9/19/23 Questions were raised about the use of Comp-Time (CT) for a small Not-For-Profit organization. This topic will be discussed at the meeting with the attorney.

10/17/23 Danny relayed that Roger Morgan, Attorney, suggested having the 2<sup>nd</sup> Water Operator work a different 40-hour shift to cover weekends and then pay Over-Time (OT) should anyone be required to work outside the normal 40 hours. There was discussion about a person without a license not being able to work over the weekend if he/she is not licensed; he would need to work under Ted's supervision until he has attained credentials. There was further discussion about financial efficiency and the best interests of Brunner Hill Water Association should always be kept in mind. Is paying OT at 1.5 times regular pay more efficient than granting CT, time off later, at regular pay? And is there a minimum number of paid hours (CT or OT) for being required to work outside the normal Monday through Friday? This topic evolved into discussion about the association's debt and the fact that the only debt the association currently has is for the addition of the Jordan tank/system and about the fact that the benefits package for employees does not include healthcare or retirement plan.

11/21/23 Danny clearly expressed his disagreement with the association's practice of compensating full-time employees' weekend duties with comp time.

12/19/23 Defer the topic until the new year.

1/25/24 Shaun Dubois acknowledged that Comp Time is considered a benefit by the employees. The board did not choose to make changes to employee benefits.

Conclusion: The matter of Comp Time is closed.

Topic: Annual Evaluations

Discussion:

12/19/23 Job objectives would provide expectations and feedback to employees and to the board. Bullet point objectives might be easier than typing paragraphs. The board will evaluate Ted. Ted will evaluate the other employees. Employees will be evaluated at 90 days, at the completion of the probationary period, and then annually in January.

1/25/24 The board reaffirmed employees will be evaluated at 90 days, the completion of the probationary period, and then annually through the month of January. Objectives should be established for each position.

Conclusion: Objectives need to be established for each position.

## 11. NEW BUSINESS:


Topic: Kaleb Welch's 90-day evaluation, end of probationary period

Discussion: Ted submitted Kaleb's 90-day evaluation with a recommendation to give Kaleb a \$2.00 per hour raise.

Conclusion: The board approved a \$2.00 per hour raise for Kaleb Welch, bringing his wages to \$16.00 per hour.

12. PUBLIC FORUM: Carol Russell requests to have a member meeting at the earliest date possible. The board is waiting on suggestions from the attorney on how to proceed. The subject of proxy voting was also discussed, specifically members can designate individuals and that it might be a good idea to express the reason the Proxy Form was sent out, which is to change the bylaws. Angela Johnson asked if a verbiage for the change in the bylaws had been drafted; it has not. A member recommended establishing a Facebook account.
13. ANNOUNCEMENTS: the next regular meeting will be held at 7:00 pm on Tuesday, February 20<sup>th</sup>, 2024 at the Water Office.
14. ADJOURNMENT: Richard Hazel motioned to adjourn; Shaun Dubois seconded. Motion passed. The meeting adjournment time was 8:08 p.m.

  
Angela Johnson, Secretary

  
Danny Woods, Board President

## SUPERINTENDENT'S REPORT

January 2024

- Cold weather preparations; pumps, pump houses, vehicles, backup generator.
- Pending 4-inch bore on Hwy 223 for 2-inch service for a large campground under construction.
- Flushing continues.
- Raising, painting, seeding meter boxes and hydrants.
- Scheduled repair for leak on 2½-inch hydrant late January – early February.
- Changed out meter at Whispering Woods.
- Reading meters this week, likely into next week.
- Ted at training January 23-25.
- Kaleb's 90-day probationary period ends 1/30/24.