

BRUNNER HILL WATER ASSOCIATION
 BOARD OF DIRECTORS MEETING MINUTES
 Tuesday, March 18, 2025

1. The President, Danny Woods called the meeting to order at 7:00 p.m.

2. BOARD MEMBERS PRESENT:

President	Danny Woods
Vice President	David Phillips
Board Members	Shaun Dubois, Richard Hazel
Secretary	Angela Johnson

3. BOARD MEMBERS ABSENT: Shawn Hargett

4. MEMBERS OF THE AUDIENCE: None

5. MINUTES FROM FEBRUARY 25, 2025: David Phillips motioned to approve the minutes; Shaun Dubois seconded. Motion passed.

6. APPROVAL OF FEBRUARY 2025 FINANCIAL STATEMENTS: David Phillips motioned to approve the financials; Richard Hazel seconded. Motion passed.

7. PRESIDENT'S REPORT: The agreement between BWA and ClearWater Utility Management Services, LLC is dissolved. The employee previously hired quit to return to work for his previous employer. We will continue to search for short- and long-term solutions for obtaining a Licensed Water Operator. Water System Development and Growth, and Locks for Blowoffs from ClearWater's last board report will be removed and addressed later, if & when appropriate.

8. SECRETARY'S REPORT: Angela Johnson reviewed the Secretary's report. The Affidavit of Records Destruction will be recorded with these minutes.

Topic: Billing Software
Discussion: 2/25/25 Angela and Jourdan have been investigating utility billing software. Quotes range from \$2850 for initial set up and first year's subscription and \$800 subsequent annual maintenance from Redline, which is less than our current, to \$20,000 for initial set up and \$13,000 annually. 3/18/25 Redline, Rural Billing system is installed and loaded. There are items that need to be added and updated, but it is up and running!
Conclusion: Topic is closed, no further board action required.
Topic: Door Locks

Discussion: 2/25/25 Angela reported that she misplaced her keys and requested permission to install keyless entry lock on the water office. This reminded Danny that there are no locks on the well houses causing a huge liability and security risk. 3/18/25 Door locks for the office and both well houses are in the office and just need to be installed.
Conclusion: Door locks need to be installed.
Topic: Close Checking Account with First Community Bank
Discussion: This account was for ClearWater's convenience and is no longer necessary.
Conclusion: Shaun Dubois motioned to close the checking account with First Community Bank; Richard Hazel seconded. Motion carried.

9. 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 Brunner Hill Water Association (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.

2/22/24 Not discussed.

3/19/24 Other pressing issues previously required the full attention of the board.

Moving forward, the board will focus attention on the bylaws.

4/18/24 No meeting scheduled as of yet. Shaun Dubois volunteered to schedule one.

5/23/24 After consultation with the attorney, a proxy statement was developed and will be mailed out to the customers with a letter explaining the board's intent. The recommended change will establish a quorum to be 35 votes, rather than requiring 51% of the membership. Proxy statements returned will be verified against the bylaws and the active members. Proxy statements are not required to be notarized. David Phillips motioned to approve the Proxy Form as presented. Shaun Dubois seconded. Motion passed.

6/18/24 Mailings went out. Over 30 have already been returned to the water office.

Others have been left at Woods Feed & Farm Supply and at Jordan Grocery Store.

7/23/24 Proxy forms are due on Friday, August 9th. Angela will qualify them prior to the meeting. David and Angela will develop a way to quickly qualify and count members who show up at the meeting. Several people have asked Danny questions regarding the Proxy Form and about conducting an election after the bylaws are changed. If enough votes are received to approve the change to the bylaws, the change must be ratified by our government lien holders. Therefore, an election cannot be held during the next meeting, even if the change is voted in.

8/20/24 81 Proxy forms were returned, and 16 ballots were collected, thus we had 97 participants at the general meeting held immediately before this meeting. A quorum was not attained; we need participation from 264 people.

9/17/24 Danny will schedule a meeting with the attorney. He apologized for not being able to schedule one prior to this meeting. Mary Edwards made a proposal, noting that the board has done its due diligence to resolve the impossible task of attaining a quorum to vote on changing the definition of a quorum, that a one-time bypass of the bylaws be considered to conduct business as it had been done in the past, that we hold a meeting to change the definition of the quorum and allow the attending members to vote on the matter.

10/15/24 Danny scheduled an appointment with the attorney for October 28th at 10:00 am. Potentially updating the Bylaws as a whole rather than piecemealing it, was discussed. The bylaws are generic, antiquated, and impossible to follow. If we draft up new bylaws, we can present them to the general membership for review and comment; and then hold a general membership meeting the very next month.

12/17/2024 Danny and David met with the attorney who provided a legal opinion against a one-time exemption to the bylaws to change the bylaws without a quorum present to vote. The attorney also said to legally change the bylaws, each member must be legally served with a potential cost upwards of \$50 per member plus court costs (over \$35,000). Then the matter would be presented to a judge who could agree to the change, disapprove the change, or order that the water system be turned over to the state.

1/21/25 The board agreed that one more effort to obtain a quorum using proxy forms is worthwhile. Getting participating members involved to reach out to other members may increase our chances of obtaining a forum.

2/25/25 Danny and Dave met with the attorney who provided a legal opinion in support of actively attempting to have members assign a person as their proxy if they do not intend to attend a membership meeting, during which amending the definition of a quorum will again be presented.

3/18/25 Tabled until the Water Operator issue is resolved.

Conclusion: No action at this time

Topic: New Roof for Water Office

Discussion:

2/25/25 Angela presented the two bids that were received for roof replacement, one from Mountain View and one from Mountain Home. Danny identified a couple of people who are local that we can also call to obtain bids from.

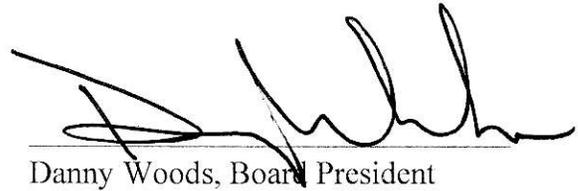
3/18/25 Two local gentlemen were asked to provide bids, however, no further bids were received.

Conclusion: Danny Woods motioned to accept Storm Sheild's bid; Shaun Dubois seconded. Motion carried.

10. NEW BUSINESS: New personnel policy and job descriptions were reviewed and adopted.
11. PUBLIC FORUM: John Lynn asked if the service line to his meter was a 2-inch line. Danny answered, "Yes, to our knowledge."
12. ANNOUNCEMENTS: The next board meeting is scheduled for 7:00 pm on Tuesday, April 15th, at the water office.
13. ADJOURNMENT: Shaun Dubois motioned to adjourn the meeting. Richard Hazel seconded; motion carried. The meeting adjourned at 7:35 pm.



Angela Johnson, Secretary



Danny Woods, Board President

AFFIDAVIT OF RECORDS DESTRUCTION

Enclosed is the approved Disposition of Records 2025 and a list of records that were destroyed on March 6, 2025. Destruction of records was in accordance with approved retention schedule, reference Arkansas General Records Retention Schedule, dated 2006 and Arkansas Public Water System Compliance Summary, dated 2018.

Date of Destruction: March 6, 2025

Method: Burned

Records Destroyed by:



Scott Woods, Field Technician

Destruction Witnessed by:



Angela Johnson, Secretary

Enclosures:

as stated

DISPOSITION OF RECORDS 2025

Attached is a list of records that are scheduled for destruction on or after January 1, 2024, in accordance with Arkansas General Records Retention Schedule, dated 2006; Arkansas Public Water System Compliance Summary, dated 2018; and operational requirements of Brunner Hill Water Association.

Approved. The attached list of records, in its entirety, is approved for destruction on or around 2/1/2025.

Approved, with revisions. The attached list of records, with noted changes, is approved for destruction on or around _____.

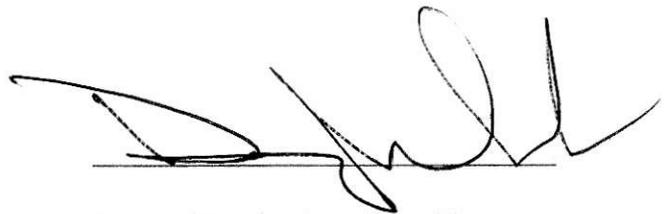
Disapproved. The attached list of records is not approved for destruction. Action will be taken as follows: _____.

Date of Board Meeting: _____

This document with attachments is to be recorded and filed with the minutes of the board meeting.



Angela Johnson, Secretary



Danny Woods, Board President

Record Number	Title	Year of Accum	Disposition Instructions	DEST date	Sent to Auditor	Column1
1005	News or Press Releases	2023	1 year	2025		
1010	Strategic Plans	2023	1 year after superseded	2025		
1015	Work Orders & Line Locates	2020	4 years if unable to attach to another more directly related record	2025		
2003	Meeting - Supporting Documentation of Governing Bodies	2023	1 year	2025		
4009	Wage and Hour Records	2016	per Legislative Auditor (7 years)	2024		
4009	Wage and Hour Records	2017	per Legislative Auditor (7 years)	2025		
5000	Fiscal Correspondence	2000	4 years if unable to attach to another more directly related record	2025		
5002	Paid Invoices	2017	per Legislative Auditor (7 years)	2025		
5003	Interest Paid	2017	per Legislative Auditor (7 years)	2025		
5004	Taxes Paid	2017	per Legislative Auditor (7 years)	2025		
5005	Accounts Receivable - Write Offs	2017	per Legislative Auditor (7 years)	2025		
5005	Accounts Receivable - Write Offs	2016	per Legislative Auditor (7 years)	2024		
5008	Audits	2017	per Legislative Auditor (7 years)	2025		
5009	Bank Statements	2017	per Legislative Auditor (7 years)	2025		
5010	Daily Receipts Registers	2017	per Legislative Auditor (7 years)	2025		
5016	Petty Cash Logs	2017	per Legislative Auditor (7 years)	2025		

5018	Inventories & Capital Assets	2013 per Legislative Auditor (7 years)	2021
6003	Contracts & Agreements	2003 5 years after termination	2009
7003	Grants Received, Application & Supporting Documents	2017 per Legislative Auditor (7 years)	2025
8000	Arkansas State Correspondence	2020 4 years if unable to attach to another more directly related record	2025
8001	Bacteriological Monitoring Records	2019 5 years	2025
8002	Treatment Operation Records	2014 10 years	2025
8003	Chemical Analysis Records	2014 10 years	2025
8008	Consumer Confidence Reports	2021 3 years	2025
8009	Lead & Copper Rule analysis, reports, surveys, etc.	2012 12 years	2025
8013	Backflow Preventer Tests & Maintenance	2014 10 years	2025