

BRUNNER HILL WATER ASSOCIATION
BOARD OF DIRECTORS MEETING MINUTES
Tuesday, May 19, 2026

1. The Vice President, David Phillips, called the meeting to order at 6:11 p.m.

2. BOARD MEMBERS PRESENT:

President	Danny Woods
Vice President	David Phillips
Board Members	Richard Hazel, Jeff Berry
Superintendent	Gerry Lance
Secretary	Angela Johnson

3. BOARD MEMBERS ABSENT: Shawn Hargett

4. MEMBERS OF THE AUDIENCE: None

5. MINUTES FROM APRIL 14, 2026: Richard Hazel motioned to approve the minutes; Jeff Berry seconded. Motion carried.

6. APPROVAL OF APRIL'S FINANCIAL STATEMENTS: There was brief discussion about obtaining a Loan-Grant to fund new radio-read meters and the possible requirement to obtain "member" approval for loans. Richard Hazel motioned to approve the financials; Jeff Berry seconded. Motion carried.

7. PRESIDENT'S REPORT: *There was discussion about preparation for heavy rain. Gerry preemptively conducted site visits to ensure specific locations, such as the river along Hwy 223 where pipe was washed out last year, are less likely to experience major leaks. Also, Danny has an appointment with the attorney regarding the customer who claims ownership of a service line from the main to the meter. We want to ensure he understands BHWA assumed ownership and responsibility to maintain the service line once it was connected to the system. He has no ownership, authority, or responsibility for that service line, regardless of who paid for the installation.*

8. SUPERINTENDENT'S REPORT: Gerry reviewed the Superintendent's Report. There was discussion regarding the big generator. Gerry has been waiting for a couple months for a repair person to *call him back*. Dave expressed his concern about the age of the fuel. Gerry was asked to find out what it would take to convert the generator from diesel to propane fuel. Also, it was noted that Tommy Rand is not able to use the water from the 2" meter at the blowoff because he has a fire hose that does not match the connection. Gerry was asked to find a converter connection. Also, Gerry happily reported that water loss for April is down to 426 thousand gallons between the two systems! When his employment began late July last year, water loss over 3 million gallons per month.

9. SECRETARY'S REPORT: Angela reviewed the Secretary's Report. After discussing the timeline for nominations for the election of Directors, Jeff Berry motioned to appoint Richard Hazel, David

Phillips, and Danny Woods to the Nominating Committee; Richard Hazel seconded the motion. Also, Candace has done extensive work on locating the electronic map reader software on the company's system. She is in the process of using Photo Shop to organize and update the map the best she can with the resources available. We will have one professionally printed posting on the office walls and can print smaller versions for working copies. Everyone was very pleased and Jeff Berry requested an extra copy be made for the Fire Department.

10. OPEN ITEMS:

Topic: ARWA – Public Water System
Discussion: 6/17/25 This is a topic Shawn Hargett wanted to discuss. He was unable to attend. 7/15/25 Shawn briefly discussed the potential to change from an association to a public water authority. Gerry also commented. The change would open opportunities for reduced cost equipment and employee benefits. The board heard a recommendation to hold a Town Hall meeting with the members to discuss this opportunity. 8/19/25 Gerry reported that he is still awaiting revised documents from the ARWA lawyer, which include revised Bylaws that will fix the issues revolving around elections and a reasonably attainable quorum. Once we receive the documents, we will present them to our attorney to determine if we need to have a board member or a general membership vote. Danny suggested that if a general membership vote is required, we hold a Fish Fry with door prize(s) to attain the number of members necessary for a legal quorum. 9/16/25 Additional changes to the draft bylaws were identified. Questions about who can hold the office of Board Secretary and Board Treasurer were also raised. 10/21/25 Danny informed the Board, during his report, the earliest he could schedule an appointment with the attorney is 9am on 10/29/25. Once the attorney advises us on what we can do regarding the proposed bylaws and approving the conversion, we will set details for the next Annual General Membership Meeting. 11/18/25 Danny reported we are awaiting reply from the attorney regarding inquiries made at the last meeting. 12/16/25 Danny has not received word from the attorney. A special meeting will be held in conjunction with the annual meeting to discuss converting to a Public Water Authority. We invited a lawyer who is experienced and knowledgeable about such conversions to attend the meeting to field questions. A special meeting is a required step in the conversion process. Notification must be made between 10 and 40 days prior to the meeting. 1/13/26 Danny consulted with Roger, our attorney, after our annual meeting to verify we still need to obtain a quorum of the general membership to convert to a Public Water Authority. Jeff contacted Hollis to clarify the conversion documents, conversion process, and sequence of actions. Gerry provided an update of the ballot count and reported common questions and concerns about new bylaws and potential impact to water rates. The Directors agreed to bring Akynna Nielsen onboard to call members to obtain their ballots.

2/17/26 Currently, regarding the votes to convert to a PWA, BHWA has received YES votes thus far from 54% of the membership and NO votes from 1%. Therefore, no additional votes will affect the outcome. Even if all outstanding votes came in as NOs, we still have enough YES votes to pass the motion to convert to a PWA. Angela will write a notice on the website with an update on the number of votes and inform members that final numbers will be announced at the next scheduled board meeting. There was also brief discussion about the possible need to formally appoint/reaffirm Angela Johnson as the Corporate Secretary.

3/17/26 Final vote tally is: 283 YES; 8 NO; and 2 OBSTAIN. Given 54% of the total membership voting YES, documents have been signed and submitted to the Arkansas Natural Resources Commission for conversion to a Public Water Authority.

4/14/26 Hollis Tate, P.A. and Heartsill Ragon, P.A. both warned us that the process moves slowly and asked that we be patient for a few months.

5/19/26 Approval from the state is included in the board packet. Once we receive the Certificate of Organization from the state, we will take steps to change our name with government organizations and vendors. The public needs to be notified. We also need to determine if there are other subsequent requirements, such as specific implementation of safety manuals, partial year tax prep, etc. Signage also needs to be updated.

Conclusion: Angela will contact the IRS and the State of Arkansas for instruction on tax ID numbers and implementation requirements. Angela will also prepare a public announcement and systematically update the bank and vendors.

11. NEW BUSINESS: David Phillips explained how he and Angela have been reviewing policies in preparation for converting to a Public Water Authority. Angela revised four policies to ensure the policies correlate to each other in format and to ensure redundancies have been eliminated. She will continue to review the remaining with updated organizational documents. This is an opportunity to ensure policies align with current operations, governance, and governmental regulations. Dave asked the other Directors to carefully review them also.

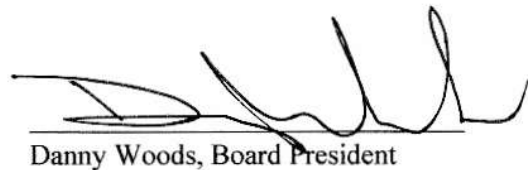
12. PUBLIC FORUM: No comments.

13. ANNOUNCEMENTS: The next board meeting is scheduled for 6:00 pm on Tuesday, June 16, 2026, at the water office.

14. ADJOURNMENT: Jeff Berry motioned to adjourn the meeting. Richard Hazel seconded; motion carried. The meeting adjourned at 7:45 pm.



Angela Johnson, Secretary



Danny Woods, Board President