BRUNNER HILL PUBLIC WATER AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
Tuesday, July 21, 2026

1. The President, Danny Woods, called the meeting to order at 6:00 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 MAY 19 AND CANCELATION OF JUNE 16, 2026: Richard Hazel motioned to approve; Jeff Berry seconded. Motion carried.

6. APPROVAL OF MAY'S AND JUNE'S FINANCIAL STATEMENTS: There was brief discussion about obtaining a new EIN now that the restructure is complete. The board also discussed the need to replace the F150 soon and the fact that the Duramax will need tires soon. Jeff Berry motioned to approve the financials; Richard Hazel seconded. Motion carried.

7. PRESIDENT'S REPORT: There was further discussion about obtaining a new EIN and the amount of time the CPA took to provide advice. There was also discussion about the generator and concern over its fuel consumption during sustained usage and the possibility of the generator failing when we need it most due to bad fuel or inability to have fuel delivered during inclement weather and treacherous road conditions. All agreed that a propane generator would be preferable and it is a good time to explore replacement options.

8. SUPERINTENDENT'S REPORT: Gerry reviewed the Superintendent's Report. Gerry presented bids for new signs, all of which were within his authority to purchase without board approval; thus the board deferred to Gerry's judgement. Gerry requested to attend the ARWA Conference/ Training from August 30 – September 2. Gerry also expressed his satisfaction with the OnX app. He reviewed the way-points (meters, blow-offs, and hydrants) that have been loaded/ coded into the system, and the added unexpected benefits.

9. SECRETARY'S REPORT: Angela reviewed the Secretary's Report. Candace created maps and had them printed. Kudos to Candace for all her work on the maps and the OnX app. Angela informed the board that a different credit/debit card processing service, Nexbillpay, offers more features and benefits to our customers, more communication options for us, and one of which is a higher level of security. After some discussion, all agreed that Nexbillpay is an upgrade from GovtPortal and we will move forward to utilize Nexbillpay.

Topic: Debit Cards for Lucas and Candace
Discussion:
Angela requested debit cards be issued to Lucas and Candace. There are times Gerry and Angela are not available and immediate payment might be required. The board discussed card limits of $1,000 and terms of use. New bank accounts must be established with the new EIN; at that time, we can open an "Expense" account that would not have more than $2500 at any given time. This would minimize risk to the organization. Also, each employee with a debit card shall sign a company debit card User Agreement.
Conclusion: *Richard Hazel motioned to open a new "Expense" bank account, funded with $2500* from "O&M" when a new EIN is issued from which, Gerry, Lucas, Candace, and Angela will be issued debit cards provided they sign a Company Debit Card User Agreement. Jeff Berry seconded the motion. Motion passed.

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. 7/21/26 The issue of converting to a Public Water Authority is resolved. The only thing left to resolve is to request a new EIN from the IRS.
Conclusion: This item is closed.
Topic: Policies
Discussion:
Policies have been updated to reflect the new name, standardize format, and to fill in gaps in written policy. All policies were emailed to the Directors for review and electronic vote. Jeff Berry deferred to the other Directors; the other four Directors voted in favor of adopting the policies. Copies of the policies were put together into one bound publication and a copy was provided to each Director.
Conclusion: On or before June 26th, 2026, four Directors voted in favor of adopting the updated policies via email; Jeff Berry deferred to the group.

11. NEW BUSINESS:

Topic: Insurance
Discussion:
We have a detailed proposal from Insurica. The annual premium is $16,301. Our current insurance company, Glatfelter, is working on a proposal. Vehicle and Workers' Comp

coverage will each be separate and will increase. After discussion with the Agent, we should expect a 10% increase in our current premium from $14,255 to approximately $15,700.
Conclusion: *Once an official proposal is received from Glatfelter, Angela will email all* proposals to the Directors so they may conduct a side-by-side comparison and can vote electronically.
Topic: Annual Evaluations
Discussion: The board went into executive session.
Conclusion: Report of the Executive Session: The Directors present unanimously approved converting Lucas to an exempt employee and for increased pay for each employee. Memorandums have been prepared for specifically for each employee.

12. PUBLIC FORUM: No comments.

13. ANNOUNCEMENTS: The next board meeting is scheduled for 6:00 pm on Tuesday, August 18, 2026, at the water office.

14. ADJOURNMENT: Richard Hazel motioned to adjourn the meeting. Jeff Berry seconded; motion carried. The meeting adjourned at 8:05 pm.

Angela Johnson, Secretary

Danny Woods, Board President