

**NORTH GARLAND COUNTY REGIONAL WATER DISTRICT**  
**3084 N Hwy 7**  
**Hot Springs, AR 71909**  
**(501) 620-4118 FAX (501) 318-0304**

**MINUTES OF BOARD OF DIRECTORS QUARTERLY BOARD MEETING**  
**APRIL 30TH, 2024**  
**6:00 P.M.**

DIRECTORS PRESENT: Jerry Vaughn, David Harper, Joe Turner, Jack Fields, Velton Lacy, Todd Graves and Eddie Livingston.

STAFF PRESENT: Stephen Mc Earl, Barbara Thurman

GUESTS PRESENT: Michael Bolin

Meeting to Order – Director Vaughn called the Quarterly Board meeting to order at 6:00 p.m.

Adoption of the Agenda – The agenda was adopted as presented.

Comment by Board Present: Director Vaughn reported Mr. Blankenship asked him to check into the district taking over his water lines. Mr. Blankenship has 19 homes on a 2" line. Mr. Turner stated right now Mr. Blankenship is on a master meter. Mr. Turner stated the only reason he can think of why he would want the district to take it over is he wants to develop the area and have each home on their own meter, shut off valve and regulator. Mr. Turner stated the water main is a schedule 40 pipe. Discussion followed. Mr. Blankenship would have to relay the water main going through the road. Mr. Mc Earl stated the water main would need to be a 4" or 6" with a 200 to 250 psi rating with rubber joints. Discussion followed. Mr. Mc Earl stated Mr. Blankenship would have to install a new main, new services to each house, and the district would have to inspect and approve it.

Approval of January 30th, 2024 Quarterly Board Meeting Minutes and the March 19<sup>th</sup> Emergency Board Meeting Minutes – Director Harper made a motion the minutes be approved as submitted; seconded by Director Fields. Motion approved.

New Business –

Square One Enterprises Rate Increase – Mr. Mc Earl reviewed Square One Enterprises rate increases with the board, noting the major increase is in the new connection cost, noting it increase \$50.00 from \$895.00 to \$925.00. This is the first increase in the past 3 years. Mr. Mc Earl has discussed the increases with him. Discussion followed if new connection rates need to be increased. Director Lacy made a motion to increase all new connections \$50.00; seconded by Director Fields. Motion approved. New Connection prices will be effective May1, 2024. Director Lacy made a motion to accept Square One Enterprises rate increases; seconded by Director Livingston. Motion approved.

Purchasing Land for Installing a New Water Tank for the Fountain Lake Area – Mr. Bolin stated we need 850' elevation for a new water tank to service the area. Mr. Bolin presented two properties that have the elevation needed to install a new water tank. Mr. Bolin stated the district will require approximately 1 acre of land with a deed of easement to access the new

water tank. Discussion followed. The Board asked Mr. Bolin to approach the land owners regarding selling land to the district for a new water tank and if they aren't interested to look for other land that would be suitable.

Installing New Tank for Fountain Lake Area – Mr. Bolin stated a ½ million-gallon water tank would be needed to service the area with a cost of approximately \$2,000,000. Mr. Bolin stated the district would need to increase water bills approximately \$3.00 per month to pay for the loan with a 3% to 4% interest.

#### Unfinished Business

Carbon Machine Update – Mr. Mc Earl reported all the parts are still not in at the present time. Mr. Mc Earl stated we have everything ready once all the parts are in to complete the project.

Manager's Report – Mr. Earl reviewed the financial statements with the Board. The district will need to increase the leak adjustment rate charged on water bills to cover the leak adjustment losses the district has incurred over the last couple of years. This increase will be reflected on the proposed 2024-2025 budget. Mr. Mc Earl reported the district's a rate study completed and the report recommends a 7% increase over the next 5 years. Currently the district's annual increase exceeds this percentage. This rate study is based on the current prices and doesn't reflect inflation or any major projects the district may do in the future. Mr. Mc Earl reviewed the plant and distribution reports with the Board. Mr. Mc Earl has talked to the Health Dept. and the district has received an exemption from the Lead and Copper Rule because we were built after 1986 and the district has no lead or copper in the water lines. However, the district will still need to collect and send in lead and copper samples to the Health Department from selected individual homes every 5 year.

Land for Fountain Lake Volunteer Fire Department – Director Vaughn reported Mr. Mc Earl received a memo from the attorney recommending Director Vaughn and Director Turner abstain since they are both on the Fountain Lake Volunteer Fire Department Board of Directors and North Garland County Regional Water District Board of Directors. Director Vaughn told the Board that Fountain Lake Volunteer Fire Department didn't have a lot of money and they just needed a building to house 2 fire trucks; noting the building wouldn't even have an office. Director Vaughn stated if the district did vote to let them have land if the Fountain Lake Volunteer Fire Department ever ceases to exist the land and everything on it would revert back to the North Garland County Regional Water District. Discussion followed as to how much land they would need. Director Turner stated ¼ to ½ acre would be plenty of room. Discussion followed. Director Turner and Director Vaughn left the board meeting. Director Harper took over the meeting. Director Fields stated he thought the Fire Department was wanting to offer \$2,500 for the land. The board discussed what is in the best interest of North Garland County Regional Water District. Director Harper stated the building needed to be even with the office or further back; and as far as the money the fire department is offering it's not enough money to worry about. Director Harper suggested a lifetime lease for \$1 and if the fire department ceases to exist everything on the land would revert back to North Garland County Regional Water District. Director Graves discussed the prices of land at the present time and as the area grows the land would be worth a lot more. They also discussed at some point the district might need to expand. It was also brought up that all the customers within NGCRWD purchased the land. Directors Eddie Livingston, Todd Graves, David Harper, and Jack Fields agreed it would be in the best interest of the district to lease a ½ acre for 99 years for \$1 to the Fountain Lake Volunteer Fire Department. Discussion followed. Director Harper made a motion North

Garland County Regional Water District does a 99-year lease for \$1.00 to the Fountain Lake Volunteer Fire Department with the stipulation if the fire department ever dissolves the land automatically reverts back to North Garland County Regional Water District; seconded by Director Livingston. Motion approved unanimously. Director Harper asked the district's attorney to draw up the lease up. Director Vaughn and Director Turner returned to the meeting. Director Harper announced they decided not to sell the land but to give Fountain Lake Volunteer Fire Department a 99-year lease for \$1.00. The office will have the lawyers prepare the lease and stipulate if Fountain Lake Volunteer Fire Department ever dissolves, the land automatically reverts to the district. Director Vaughn and Director Turner stated it sounded good to them. Director Harper stated the community bought the land to build the office building and it would not be correct or right for the board to sell the land that the community bought. Director Vaughn was pleased with the vote. Director Turner said to make sure the lease is drawn up that whatever is on the land, structure or whatever, it also reverts to the district. Discussion followed. Director Turner stated the land will have to be surveyed and the Fire Department would have to maintain the property. The property will be surveyed and Fountain Lake Volunteer Fire Department will cover the cost.

Director Vaughn adjourned the meeting at 7:30 p.m.

Respectfully submitted,



David Harper, Secretary/Treasurer

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