

**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
FEBRUARY 3RD 2026
6:00 P.M.**

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

STAFF PRESENT: Stephen McEarl and Nicole Noles

GUEST PRESENT: Michael Bolin – Engineer

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

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

Comments by Board President – Director Vaughn announced to the board the news of Jason’s mother passing away. Director Turner made the motion to spend \$150 on flowers and have them delivered to the funeral home; seconded by Director Lacy. Motion unanimously approved.

Approval of October 28, 2025, Quarterly Board Meeting Minutes – Director Graves made a motion the minutes be approved as presented; seconded by Director Turner. Motion unanimously approved.

New Business –

Election Of Officers:

President: Director Turner was nominated. Director Lacy made the motion to accept Director Turner as Board President; seconded by Director Graves. Motion unanimously approved.

Vice President: Director Graves was nominated. Director Lacy made the motion to accept Director Graves as Vice President; seconded by Director Livingston. Motion unanimously approved.

Secretary/Treasurer: Director Harper was nominated to remain in office. Director Lacy made the motion to accept Director Harper as Secretary/Treasurer; seconded by Director Fields. Motion unanimously approved.

Old Business –

Land for New Water Tank – Mr. Bolin briefed the Board on the status of his research into grant and loan options. He is currently evaluating various funding structures to identify the most cost-effective solution for North Garland County Regional Water District. Mr. Bolin indicated that he may invite prospective lenders to present at the next Board meeting, where he intends to submit formal proposals for consideration.

Manager's Report –

Mr. McEarl presented the findings of the annual Berry and Associates audit, during which a question was raised regarding the \$25,000 disbursement from the City of Fountain Lake and the potential requirement for repayment if funds were not immediately utilized. Director Fields clarified that the funds were designated for the North Garland County Regional Water District to support system sustainability, including essential infrastructure upgrades and the maintenance of tanks, pumps, and filtration systems. The Board further discussed compliance with Arkansas Act 605, noting that fund transfers will transition from an annual to a quarterly schedule. Additionally, Mr. McEarl announced the completion of the 2026 Rate Study. Director Graves made a motion to accept the study as presented; seconded by Director Livingston. Motion unanimously approved. Regarding personnel, the Board was notified of Jason's upcoming resignation effective at the end of March 2026 and directed that the recruitment process for a replacement begin immediately. Finally, Mr. McEarl briefed the Board on the upcoming Sentinel Road Bridge water line relocation project. Discussion followed.

Following a review of the District's financial statements, Director Vaughn recommended that the North Garland County Regional Water District evaluate the reallocation of funds into Certificates of Deposit (CDs) to maximize interest yield. Discussion followed. Director Lacy made a motion to reallocate a portion of the District's capital to an alternative financial institution by purchasing two 6-month Certificates of Deposit (CDs) for \$100,000.00 each, with a formal reevaluation of the investment strategy at the end of the term; seconded by Director Graves. Motion unanimously approved.

Director Livingston made a motion to adjourn the meeting; seconded by Director Harper. Director Vaughn adjourned the meeting at 6:48 p.m.

Respectfully submitted,



David Harper, Secretary/Treasurer

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