

**WHITE HOUSE WATER SYSTEM  
MINUTES OF THE BOARD OF DIRECTORS  
NOVEMBER 27, 2023  
6:00 PM**

Roll Call and Proof of Quorum, present were:

Lloyd Heard, President  
Jody Camp, Vice-President  
Dewayne Holley  
Rick Bullard  
Ed Pickle

Jennifer Smith, Secretary-Treasurer  
Jeff Donald, COO, NBU  
Lauren Bounds, Operations Supervisor, NBU

With quorum present, Ed offered the prayer, everyone recited the Pledge of Allegiance and Lloyd called the meeting to order.

**Old Business:**

1. **Update on ADEM funding:** Lloyd stated that there was no new update, that Mr. Darnell was still waiting on the form from the attorney. He will call them again.
2. **Update on Pro WHWS & Pro-NBU Committees:** Dewayne gave everyone statements from the Pro-WHWS committee to review, and Lloyd asked the Board to make sure there were no factual errors. Lloyd said that provided there were no changes to be made, it would then be sent to the membership along with the Pro-NBU information sheet. Lloyd stated that Board Members would potentially decide at the January meeting whether or not there would be a vote at the Annual Meeting in April regarding the NBU/WHWS merger.

**New Business:**

The Well and Maintenance Reports were given by Jeff Donald. Jeff started with the information from the MORS report: 17,222,300 gallons purchased, 14,179,000 gallons sold, for a difference of 2,547,700 gallons unaccounted for, making a 14.8% loss. The well was not run, so no gallons were produced. They completed 129 work orders, 47 locates, filed one bore permit, and repaired one main break with estimated 250,000 gallons loss. The water did not have to be shut off during the repair. Jeff stated that NBU would like to submit a letter to ADEM on the system's behalf stating that the system is not currently running the well. This will avoid the need for upcoming additional testing in 2024. Jeff stated that NBU is currently compiling what it takes to get the well operating to their standards. After a discussion about the cons of using caustic soda for treatment, Jeff said they are waiting on pricing for service pumps, etc, to complete the quote on getting the well back online. Jeff stated that the tank was full and since there was only the one break lately, they believe that the well was causing the previous breaks. Jody asked Jeff if the well was operating, would that put more demands on NBU. Jeff said not really because they are testing every day so they come here every day anyway. Lloyd asked if the chemicals currently stored at the well were any good. Jeff stated that they are going bad and that they had been talking to Hawkins about coming and getting the rest. They had also returned fittings to

Consolidated Pipe that would not be used, resulting in a \$12,000 credit. He stated that they would need around \$50,000 worth of additional meters, and that along with the \$12,000 credit and an existing \$9,000 credit, would result in approximately \$30,000 needed for the meters. Jeff stated that they were trying to find the pin on the back of the property behind the well house but were not able to, and that the well house was over the property line a couple feet. Dewayne said he would talk to Mr. Wallace about it. Also, Jeff said that there was a fire hydrant on Johnson Cemetery Rd that was being supported by a 3" line that had an "Out of Service" tag on it. Jeff said that it had been there for a long time. They can change it to a flush hydrant or change the line to a 6" line to support the hydrant. The cost for running 1200' of 6" line would be \$30,326. There are approximately 6 residents on the road. The cost to replace the hydrant with a flush hydrant would be \$2,100. The Board agreed that it needed to be changed to a flushing hydrant at this time. Jeff said that they also repaired 2 fire hydrants, one on Hwy 225 that was damaged by a bush hog, and one on Hwy 225 North that they suspected a powerline right of way crew damaged. They also installed 2 flush hydrants, one on Durant Rd, and one on Willie Earl Buck Rd. They additionally did maintenance on a fire hydrant in the Bromley community that the Cross Roads Fire Chief stated that was giving them some trouble. Jeff stated that the Ford Ranger and F150 were in bad shape and they would like to auction them along with a trailer that was also in bad condition. Jeff stated that he would like to get with Board Member Rick Bullard, along with their water operator James, to talk about the well in the upcoming days. Lloyd asked Jeff if they would compile a list of the top four expenditures that the system needs to make, whether it is fire hydrants or line maintenance, to be presented at the January meeting. Jody made a motion to accept the Well and Maintenance Reports, seconded by Ed. Motion passed 100%.

Jennifer then gave the Office Report, which included that she delivered a cashier's check to Delta Elementary in the amount of \$760.19 for donations from members for the Children's Christmas Fund. Jennifer also asked if she should take any current action regarding the BOD elections next year. She stated that she had received the insurance renewal package and that LeeAnn and Jason were looking it over because they had recommendations regarding coverage amounts that could be changed in order to save money. Ed made the motion to accept the Office Report, seconded by Jody. Motion passed 100%.

The next order of business was the Financials for September, October, & November MTD, along with Year-to-Date PNL Report, the balance sheet, and the check register for October. After a short discussion about the financials, Ed made a motion to accept the Financials, Jody seconded the motion. Motion passed 100%.

The fifth order of business was the Board Meeting Minutes for October. Ed made a motion to accept the minutes, seconded by Jody. Motion passed 100%.

The sixth order of business was the Wex Report for October. Jody made a motion to accept the report, Ed seconded the motion. Motion passed 100%.

The next order of business was a discussion about withdrawing the annuity investments from New York Life, after ensuring that there were no penalties, and to use it as however the Board feels it should be spent. Dewayne asked what was the interest rate on the annuities, and Ed said around 3.5%. Ed stated also that he inquired about FDIC limits of insurance on accounts and it is \$250,000, so the Board needs

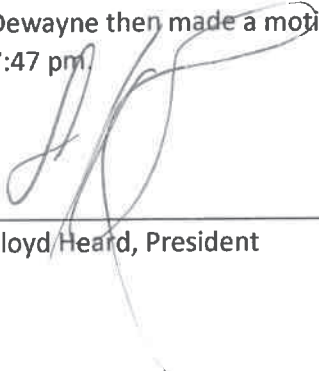
to look at moving some of the money from the money market at United Bank. Ed made a motion to withdraw the annuity from New York Life, seconded by Jody. Motion passed 100%.

The eighth order of business was a discussion regarding paying off the USDA loan. Ed stated that he has requested the payoff amount from USDA, but it should be around the same amount of the payout from New York Life. Ed stated that it would be good to be debt-free, and that there is additional money set aside in the bank for reserves for the loan that could be better utilized.

The ninth order of business was the selection of auditors for the 2023 audit. Ed made a motion to select Robertson, Andreoli and Covington, seconded by Jody. Motion passed 100%.

Jody made a motion to go into Executive Session, seconded by Ed, to discuss the Delinquent List, Customer Issues, and Personnel issues. Motion passed 100%.

Dewayne then made a motion to adjourn the meeting, seconded by Ed. The meeting was adjourned at 7:47 pm.



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Lloyd Heard, President



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Jennifer Smith, Secretary-Treasurer