



**AGENDA
VILONIA CITY COUNCIL
TUESDAY, JULY 21, 2026 @ 7:00 P.M.**

1. CALL MEETING TO ORDER
2. INVOCATION
3. PLEDGE OF ALLEGIANCE
4. ROLL CALL
5. APPROVAL OF MINUTES FROM THE MEETING IN JUNE
6. APPROVAL OF FINANCIAL STATEMENT FOR MAY
7. APPROVAL OF FINANCIAL STATEMENT FOR JUNE– DELAYED TO AUGUST
8. REPORTS OF CITY DEPARTMENTS
 - (A) FIRE DEPT.
 - (B) PLANNING COMMISSION
 - (C) POLICE DEPT.
 - (D) SEWER DEPT.
 - (E) STREET DEPT.
 - (F) PARK & REC.
9. PUBLIC COMMENT
10. ANNOUNCEMENTS
 - (A) VCDC
 - (B) CHAMBER OF COMMERCE
11. OLD BUSINESS
12. NEW BUSINESS
 - (A) RESOLUTION 2026-PDR-002 AGREEMENT FOR SITE SELECTION MAGAZINE
(ARKANSAS ECONOMIC DEVELOPMENT GUIDE)
 - (B) ORDINANCE 2026-PDO-02 APPROVING CONVERSION OF VILONIA WATER WORKS
13. ADJOURNMENT

**Meeting of the Vilonia City Council
June 16, 2026**

Members present: Mike Matos, Joe Maxwell, James Firestone, LaCosta Beene, Steven Craig

Meeting Prayer: Led by Mayor Scroggin

Pledge of Allegiance: By all.

Meeting called to order by Mayor Preston Scroggin.

Established quorum.

Approval of minutes for May 19, 2026, meeting: Motion to approve made by Maxwell, seconded by Firestone, all in favor, motion passed.

Approval of Financial Statement for April: Motion to approve made by Maxwell, seconded by Firestone, all in favor, motion passed.

Approval of Financial Statement for May: Financial Statement for May delayed until the July meeting.

Reports of City Departments:

(A) Fire Department: Chief Jimmy Hoofman presented. Three building permits in May, two so far for June. Fire Department had 470 runs so far.

- a. Currently have two firefighters actively in training (Firefighter1 and 2) with two new recruits preparing to begin training in the near future.
- b. Department has received and placed into service our new cascade air system, which is capable of filling both 2,216 PSI and 4,500 PSI SCBA bottles, allowing us to upgrade in the future.
- c. The department is applying for a grant to replace our existing Self-Contained Breathing Apparatus (SCBA) equipment. Our current SCBAs are approximately 20 years old and replacement parts are not longer available, making repair difficult and, in some cases, impossible.
- d. Recently transitioned to a new records management system, Response Master. Our previous system, Emergency Reporting, no longer had the capability to submit reports through the new National Response Information System (NERIS) requirements. The new system ensures we remain compliant with national reporting standards and improves our data management capabilities.
- e. Our next Community CPR class will be held this Thursday beginning at 6PM. We encourage community members to attend and learn these lifesaving skills. The card is \$6, but the class is free. Class is limited to 20 people, but advance registration not required. To register in advance, call the Fire Department.

(B) Planning Commission

- a. **Next meeting: Thursday, June 25, 2026, at 7PM.** Agenda not finalized, but does include a lot split at 24 Weaver Street and a public hearing (for the lot split).
- (C) Police Department:** Chief Brad McNew presented. Just completed reaccreditation through ALEAP, which happens every 3 years. Daniel Frintz did a lot of the work for this. While we weren't the first department to get accredited, we were in the first 15; we were the smallest, but not sure if we still are. Everyone eventually has to be accredited. I think Municipal League (ARML) is going to stop doing their percentage, like when you have a lawsuit and it's a 10-90 split, if you're not accredited, they're thinking of dropping that to no coverage.
- Reminder, Fireworks are only allowed July 3rd – 5th, 3PM – 10:30PM.
- (D) Sewer Department:** Council Person Maxwell presented. Nothing of note. Mayor stated Trey and Brandon are looking at the pond being about a year or two out.
- (E) Street Department:** Mayor presented.
- There was an accident on South Mount Olive that severely damaged a bridge; it was a half-round and was broken under the road. We're going to have to put an insurance claim in on it. Hard Rock gave us an estimate of around \$23,000 to repair it. The damage was caused when a young man, having a rough night, hit the bridge at a high rate of speed; no city vehicles or employees were involved.
 - Street Department has been busy getting a lot of ditch work done while it's dry. They were working on the turning lane on North Coker Road.
 - Cypress Crossing has started construction (located at Coker and 64). Park Meadows (on Cemetery Street) has begun construction. Matt has been inspecting them, making them redo work when necessary.
 - Both federal and state level grant funding has been cut. We're still on go with the sidewalk project and the lighting in front of the high school.
 - Cemetery Street needs to be widened and fixed in the future. To make plans for that, Cemetery Street has 3-in line water lines in the middle of the road, so we're working on tapping into the main line on 64 and get an 8-in on the east side of Cemetery Street. All easements except one have been signed and we are working on sitting down with them and hope to avoid legal measures. Church Street and Barnard also have lines down the middle.
- (F) Parks & Rec:** Director Chase Imhoff presented. Adult softball starts July 7, 2026. Keeping grass down and working on weed control.

Public Comment: none

Announcements:

- (A) City Offices Closed Friday, July 3, 2026, for Independence Day.**
- (B) Growth rate from the census – we were 4.4%**
- (C) Vilonia Water Works Association has requested to be on next month's agenda.** Board members and their attorneys will be here. They are looking at going to a Public Water Authority. I think they're the 5th largest utility in the state, stretching Conway to Mayflower, Pulaski County and White County, Holland, Mt Vernon, and Enola. I'm trying to get the proposed ordinance to you early so you can peruse it at your convenience. Trey White is the chairman and also serves on our Planning Commission.
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(D) Vilonia Area Chamber of Commerce – Amber Casado presented.

- We had a very successful Eagle Fest, where we sponsored the Kids Zone. We had inflatables, hula hoops, music and activities.
- We have had two ribbon cuttings in the last 30 days. The Paw Spa celebrated 20 years and the Grand Opening of their boarding care facility. We also celebrated Rusty Gold Antiques on Highway 64.
- Last weekend, we had an Art Walk at Just Dance Vilonia, my mother-in-law's studio.
- We have an After Hours Mixer for Chamber members this Friday (June 19, 5:30PM – 7:30 PM) at Just Dance Vilonia, with food, fun, music, and networking for our members.
- Our next monthly luncheon will be July 16th at Simple Simon's at 11:30. Whitney Allred of Allstate Insurance, and one of our board members, will be the speaker. The public is always invited to the luncheons.
- We are looking for Ambassadors, which are basically volunteers and people who want to show up to ribbon cuttings.

(E) The Fourth of July Celebration will be at the High School at 6PM. Anyone who wants to volunteer, contact Lacosta Beene. There will be free food, waterslides, foam party, live band.

Old Business:

- A. Senior Center Update** – Mayor presented. Thanked Lacosta Beene and her helpers for their great job. Stated after witnessing the current situation with CareLink and funding, we got lucky. We're better off now than we would have been. I had a very spirited conversation about Senior funding and road funding with the Governor's office recently. Beene commended Kayla Wooley and Brandy Hillman for doing a great job feeding and loving on the seniors at the center. I think getting out early was a blessing in disguise. Matos questioned if the Senior Center was now independent of Faulkner County, to which both Beene and Mayor confirmed. Beene stated "they have pretty much funded themselves." Next year, on the budget, there are a few things they're going to need, a couple of things we need to ask for next year, but right now, they're good.

New Business: none

Motion to adjourn made by Matos, meeting adjourned.

Date: _____

Mayor: _____

Recorder: _____

General Fund
Income Statement
5/1/2025 to 5/31/2025

May 2025
May 2025
Actual

Revenue

Building Permits	4,975.00
Food Truck Fees	250.00
Sign Permit	75.00
Fines Income	13,286.89
Admin Justice Fund	8,263.73
Copy Costs	60.00
GRANT MONEY REC	3,385.22
Misc. Income	553.72
Sales Tax Turnback	146,057.51
Senior Citizens Donation	300.00
State Turnbacks	4,389.51
Workmans Comp Reimb.	1,806.00
Accid./ Incid. Report	35.00
County Tax	69,517.33
Franchise Tax	1,534.16
Privilege Tax	250.00
Total Revenue	\$254,739.07
Total Gross Profit	\$254,739.07

Expenses

Admin Salaries	25,838.97
Police Salaries	58,464.78
Salaries	55,384.23
Medicare	1,999.14
Social Security	8,548.43
Unemployment Insurance	35.28
PD Gas	1,468.97
Health Insurance	13,624.80
Police Car Insurance	140.56
AD Computer/ Maint	597.00
Admin Supplies	538.58
PD Equipment Supply	16,936.17
SUPPLIES	3.06
AU - Summit Utilities	52.00
AU Entergy	1,411.21
AU Phone & Fax	1,058.95
AU Sewer	23.20
AU Water	70.28
Veteran Museum	173.79
Admin Legal Expense	1,062.50
Publication Expense	1,085.20
Training Expense	325.20
Copier Expense	194.91
APERS Match	7,181.23
AU Trash	1,690.29
Contract Work	557.45
County Court Cost	345.53
Entergy Sen Cit. Cen	715.13
Entergy Storm Warn SIRENS	631.69
LOPFI Expense	10,018.06
PD Communications	1,950.29

General Fund
Income Statement
5/1/2025 to 5/31/2025

	May 2025 May 2025 Actual
Petty Cash Replace	10.00
Police Clothing Exp	184.65
POLICE DEPT TRAINING	1,160.00
Reimbursement	30.58
REVENUE DEPT EXPENSE	187.00
Senior Citizens	1,525.00
Senior Citizens Summit Utilit	360.47
Traning Facility Expense	106.56
Uniform Allowance	74.46
Total Expenses	\$215,765.60
Total Net Income (Loss) From Operations	\$38,973.47

Other Revenue

Interest Income	232.59
Contract Police Services	354.00
Total Other Revenue	\$586.59
Total Net Income (Loss)	\$39,560.06

Balance as of 5/31/2026

Street Fund
Income Statement
5/1/2026 to 5/31/2026

	May 2026
	May 2026
	Actual
Revenue	
County Turnbacks	40,983.03
State Turnbacks	32,818.30
Total Revenue	\$73,801.33
Total Gross Profit	\$73,801.33
Expenses	
Culvert Ditch Work	1,883.20
Gas For Equipment	3,494.62
Maintenance Building Utilities	195.06
Reimbursement	99.16
Street Utilities	7,911.42
SUPPLIES	1,027.70
Traffic Light	78.68
Vehicle Maint.	30.22
Total Expenses	\$14,720.06
Total Net Income (Loss) From Operations	\$59,081.27
Other Revenue	
Interest Income	587.21
Total Other Revenue	\$587.21
Total Net Income (Loss)	\$59,668.48

Balance as of 5/31/2026
\$586,979.80

Fire Dept. Fund
Income Statement
5/1/2026 to 5/31/2026

May 2026
May 2026
Actual

Revenue

Dues Income	25,429.01
Volunteer Tax	220.97
Total Revenue	\$25,649.98
Total Gross Profit	\$25,649.98

Expenses

Admin Utilities	1,444.39
Building Maintenance	255.00
Computer/ Maint	257.60
Fire Dept Training	1,976.59
Gasoline	1,219.69
LOPFI Expense	1,793.65
Publication Expense	145.45
Reimbursement	83.46
SUPPLIES	1,329.19
Uniform Allowance	2,203.71
Vehicle Maintenance	575.23
Total Expenses	\$11,283.96

Total Net Income (Loss) From Operations **\$14,366.02**

Other Revenue

Interest Income	117.82
Total Other Revenue	\$117.82

Other Expenses

Copier	61.91
Total Other Expenses	\$61.91
Total Net Income (Loss)	\$14,421.93

Balance as of 5/31/2026
\$126,262.10

City of Vilonia Parks & Rec General Account
Income Statement
5/1/2026 to 5/31/2026

May 2026
May 2026
Actual

Revenue

Other Revenue

Concession	15,920.35
Gate	4,375.00
Interest Income	68.20
Revenue	\$20,363.55
Gross Profit	\$20,363.55

Expenses

Labor Expense

Part-Time Workers	2,546.92
Umpire	6,730.00

Materials Expense

Reimbursement	140.40
Supplies	898.08

Repair / Maintenance Expense

Building Maintenance	886.83
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Utilities Expense

Portable Toilets	208.52
Utilities - Internet	65.00

Other Expense

Awards	2,329.60
Banner Purchase	587.53
Concession	10,611.69
Credit Card Fees	25.00
Gas/ Fuel	1,249.98
Other Expense	99.00
Repairs & Maintenance	850.00
Team Expenses	540.00
Utilities- Electric	3,662.85
Utilities- Sewer	39.10
Utilities- Trash	371.20
Utilities- Water	102.37

Expenses	\$31,944.07
Income (Loss) From Operations	(\$11,580.52)
Net Income (Loss)	(\$11,580.52)

Report Options

Period: 5/1/2026 to 5/31/2026
Display Level: Level 3 Accounts
Display Account Categories: Yes
Display Subtotals: None
Reporting Method: Accrual
Fund: City of Vilonia Parks & Rec General Account
Include Accounts: Accounts With Activity

Balance as of 5/31/26
\$ 56,430.50

Due to a change in the bank's online system, the City has yet to receive the June bank statements. Therefore, the June Financial Statements will be delayed.

We apologize for this ongoing issue and hope to have the financial statements back on schedule at the next meeting.

2026-PDR-002

A Resolution authorizing the Mayor of Vilonia to enter into agreements with Conway Inc./Site Selection Magazine for the purpose of promoting the City of Vilonia in the upcoming Arkansas Economic Development Guide.

WHEREAS, The City Council of Vilonia recognizes the need for the city to promote economic development within the City of Vilonia; and

WHEREAS, The Arkansas Economic Development Guide will distribute over 20,000 copies to site selectors, developers, given out at trade shows and conferences, and mailed to subscribers; and

WHEREAS, the cost of \$7,350 for a full page ad shall come from the general fund account.

NOW THEREFORE, BE IT RESOLVED BY CITY COUNCIL OF VILONIA, the Mayor of Vilonia is hereby authorized to enter into agreements with the Conway Inc./Site Selection Magazine for the purpose of taking out ad space in the 2027 Arkansas Economic Development Guide in the amount of \$7,350 to be taken from the general fund account.

2026-PDO-02

**AN ORDINANCE BY THE CITY OF VILONIA, ARKANSAS APPROVING THE
CONVERSION AND RECONSTITUTION OF THE VILONIA WATERWORKS
ASSOCIATION PUBLIC FACILITIES BOARD INTO A PUBLIC WATER AUTHORITY
TO BE KNOWN AS THE SOUTHEAST FAULKNER COUNTY PUBLIC WATER
AUTHORITY IN ACCORDANCE WITH A.C.A. § 4-35-201 ET. AL.; DECLARING AN
EMERGENCY AND FOR OTHER PURPOSES.**

WHEREAS, The City of Vilonia, Arkansas (the “City”), previously authorized the creation of the Vilonia Waterworks Association Public Facilities Board (the “PFB”) pursuant to applicable Arkansas law and City Ordinance; and

WHEREAS, The PFB has provided water services to residents within and surrounding the City for many years; and

WHEREAS, The PFB desires to convert and reconstitute itself as a public water authority pursuant to the provisions of Arkansas Code Annotated § 4-35-201 *et. al.*; and

WHEREAS, The proposed conversion will allow the entity to operate more efficiently, access additional financing opportunities, and continue providing reliable water service to its customers; and

WHEREAS, The PFB has completed and approved the necessary paperwork and adopted a resolution approving such conversion and has requested approval from the City as required by law; and

WHEREAS, The City Council of Vilonia, Arkansas finds that the conversion and reconstitution of the PFB into a public water authority is in the best interest of the citizens of the City and the PFB’s surrounding service areas.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF VILONIA, ARKANSAS:

SECTION 1.

The City Council hereby approves the conversion and reconstitution of the Vilonia Waterworks Association Public Facilities Board into a public water authority in accordance with Arkansas Code Annotated § 4-35-201 *et. al.*.

SECTION 2.

The public water authority shall be known as the Southeast Faulkner County Public Water Authority.

SECTION 3.

34 The conversion shall include all rights, powers, duties, assets, liabilities, contracts, and
35 obligations of the PFB, which shall continue uninterrupted in full force and effect under the
36 newly constituted public water authority, as provided by law.

37 **SECTION 4.**

38 The officers and governing body of the newly formed public water authority shall be established
39 in accordance with applicable Arkansas statutes and the organizing documents of the authority.

40 **SECTION 5.**

41 The Mayor and City Clerk are hereby authorized and directed to execute any and all documents
42 necessary to carry out the intent of this Ordinance.

43 **SECTION 6.**

44 All ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of
45 such conflict.

46 **SECTION 7.**

47 This Ordinance shall be in full force and effect from and after its passage and approval.

Preston Scroggin

From: clint@cebridge.net
Sent: Thursday, June 18, 2026 9:41 AM
To: Kelly Lawrence; Preston.Scroggins@cityofvilonia.org
Cc: Josh McReynolds
Subject: Vilonia Waterworks
Attachments: Vilonia City Ordinance.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Good morning Mayor and Ms. Lawrence -

At Trey White's request, please find attached a draft of an Ordinance I have prepared for and on behalf of Vilonia Waterworks. It is my understanding that you are aware of their desire to convert from their current organizational makeup as a Public Facilities Board to a Public Water Authority. This conversion will allow them access to greater financing options and opportunities, and, as I am sure you have experienced Mayor, these conversions have become the norm across the State for water and wastewater utilities. In fact, with this conversion trend, I believe Vilonia may be the largest PFB currently left and operating in the State.

This Ordinance is intended to mirror recent changes in the law with regards to PWA conversions, but it is simply a draft for you to utilize as you see fit. I have sent it in Word format so that edits can more easily be made. I have no pride of authorship (I came to that realization a long time ago - Haha) and would certainly defer to you 2, your City Attorney and Council. Therefore, if you need anything at all from me in the form of assistance, please do not hesitate to let me know.

Thank you both for your time and service.

Clint McGue

Preston Scroggin

From: Trey <trey.tw1.white@gmail.com>
Sent: Monday, July 06, 2026 11:37 AM
To: Preston Scroggin; Kelly Lawrence
Cc: jmcreynolds@viloniawater.com
Subject: SEFCO PWA Documents
Attachments: SIGNED BY LAWS.pdf; SIGNED Art of Const.pdf; SIGNED RES 1.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Preston...

I've attached the By-Laws, Articles of Organization, and Resolution 2022-1 as previously approved by the Vilonia Waterworks Board. I believe a couple of the city council members had requested to review these documents as part of their consideration on the upcoming ordinance pertaining to the conversion to the PWA. Please share as needed.

Thanks.

Trey White - Chairman
Vilonia Waterworks Board of Directors

**BY LAWS
Of
SOUTHEAST FAULKNER COUNTY PUBLIC WATER AUTHORITY (SEFCO)**

ARTICLE I

Statement of Principles and Policies

The purpose of the Southeast Faulkner County Public Water Authority ("SEFCO") is to develop and provide for decent, safe and sanitary public facilities in Faulkner, Pulaski, and White Counties and in and around North Central Arkansas, and for providing a means for financing the same. The purpose for which this Public Water Authority is formed, and the powers which it may exercise are set forth herein.

ARTICLE II

Name and Location

Section 1. The name of this Public Water Authority is the Southeast Faulkner County Public Water Authority, hereinafter called "SEFCO".

Section 2. The principal office of SEFCO shall be located 19 Industrial Drive/PO Box 300, Vilonia, Arkansas 72173, but the Public Water Authority shall maintain such offices and places of business at such other places within the State of Arkansas as the Board of Directors may determine.

ARTICLE III

Fiscal Year

The fiscal year of SEFCO shall begin the first day of January of each year and end on the last day of December of said year.

ARTICLE IV

Membership

The Public Water Authority shall have no members.

ARTICLE V

Meetings of Board of the Public Water Authority

Section 1. The regular meeting of the Board of SEFCO shall be held at the office of SEFCO, located at 19 Industrial Drive, Vilonia, Arkansas the third Wednesday of each month at 11:30 a.m. The Board will hold at least one regular meeting per quarter.

Section 2. Special meetings of the Board may be called at any time by the President, or upon written request of forty percent (40%) of the Directors then in office. The call for a Special Meeting, stating the date, time, and place of the special meeting, may be delivered to each Member of the Board or may be mailed to the business or home address of each Member of the Board at least 24 hours prior to the date of such meeting.

Section 3. The participation of a majority of the members of the Board shall constitute a quorum for the purpose of conducting Board business and exercising Board powers and for all other purposes. When a quorum is established, the Board, upon an affirmative vote of a majority of the Members participating, may take action. Board Members may not vote by proxy.

Section 4. The order of business at the regular meetings and so far as possible at all other meetings shall be:

1. Roll Call (Proof of quorum)
2. Approval of Previous Meeting Minutes
3. Financial Report
4. Old Business
5. New business
6. Adjournment

Robert's Rules of Order shall govern the conduct of all meetings of the Board. All provisions of applicable Arkansas state statutes shall apply to the Board and its' meetings.

ARTICLE V

Directors and Officers

Section 1. The Board of Directors of SEFCO shall serve for terms of four (4) years. Successor directors shall be elected by a majority vote of the Board. A Director may serve successive terms. Each Director shall hold office for the term for which elected and until a qualified successor shall have been elected and accepts office. If a Director shall miss three (3) consecutive meetings, he/she may be removed as a Director by the affirmative vote of a majority of the Directors.

Section 2. If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification, or otherwise, a majority of the remaining Directors shall by majority vote, choose a successor who shall hold office until the unexpired term concludes.

Section 3. Compensation. All expenditures must be approved by the Board. The Board may employ and pay compensation to such employees and agents, including attorneys, financial experts, technical advisors and such other employees and agents as may be necessary in its judgment, and may set their compensation rate. Directors shall receive no compensation for their services but shall be entitled to reimbursement for actual expenses incurred in the performance of their duties. Receipts are required for any type of reimbursement. Only expenses approved by the Board are subject to reimbursement.

ARTICLE VI

Duties of Directors

Section 1. The Board of Directors, subject to restrictions of law and these bylaws, shall exercise all of the powers of SEFCO, and, without prejudice to or limitation upon their general powers, it is hereby expressly provided that the Board of Directors shall have, and are hereby given full power and authority in respect to the matters as hereinafter set forth to be exercised by resolution duly adopted by the Board:

A. To select and appoint all agents or employees of SEFCO, remove such agents or employees of SEFCO, prescribe such duties and designate such powers as may not be inconsistent with these bylaws, fix their compensation and pay for faithful services.

B. To borrow from any source, money, goods or services and to make and issue notes, and other negotiable or nonnegotiable instruments evidencing indebtedness of SEFCO; to make and issue bonds, mortgages, deeds of trust, pledges of revenue, trust agreements, security agreements and financing statements and other instruments evidencing a security interest in the assets of SEFCO; and, to do every act and thing necessary to effectuate the same.

C. To prescribe, adopt and amend, from time to time such equitable uniform rules and regulations as, in its discretion, may be deemed essential or convenient for the conduct of the business and affairs of SEFCO and the guidance and control of its officers and employees, and to prescribe adequate penalties for the breach thereof.

D. To fix and alter the charges to be paid by each Meter Owner for services rendered by SEFCO to the Meter Owner, including connection or reconnection fees where such are deemed to be necessary by the Directors, and to fix and alter the method of billing, time of payment, manner of connection, and penalties for late or nonpayment of the same. The Board may establish one or more classes of users. All charges shall be uniform and non-discriminating within each class of meter holders.

E. To select one or more banks to act as depositories of the funds of SEFCO and to determine the manner of receiving, depositing, and disbursing the funds of SEFCO and the form of checks and the person or persons by whom the same shall be signed, with the

power to change such banks and the person or persons signing such checks and the form thereof at will.

ARTICLE VII

Duties of Officers

Section 1. Duties of the President. The President shall preside over all meetings of SEFCO and the Board of Directors, call special meetings of the Board of Directors, perform all acts and duties usually performed by an executive and presiding officer, and sign papers of SEFCO as may be authorized or directed to sign by the Board of Directors, provided the Board of Directors may authorize any person to sign any or all checks, contracts, and other instruments in writing on behalf of SEFCO. The President shall perform such other duties as may be prescribed by the Board of Directors.

Section 2. Duties of the Vice-President. In the absence or disability of the President, the Vice-President shall perform the duties of the President; provided, however, that in case of death, resignation, or disability of the President, the Board of Directors may declare the office vacant and elect a successor.

Section 3. Duties of the Secretary-Treasurer. The Secretary-Treasurer shall be responsible for a complete record of all meetings of SEFCO and of the Board of Directors and shall have general charge and supervision of the books and records of SEFCO. The Secretary-Treasurer shall attest the President's signature on all papers pertaining to SEFCO unless otherwise directed by the Board of Directors. The Secretary-Treasurer shall make all reports required by SEFCO or the Board of Directors. Upon the election of a successor, the Secretary-Treasurer shall turn over to the successor all books and other property belonging to SEFCO that the Secretary-Treasurer may possess. The Secretary-Treasurer shall also perform such duties with respect to the finances of SEFCO as may be prescribed by the Board of Directors.

ARTICLE VIII

Amendments

These bylaws may be amended by a majority vote of the members of the Board of Directors at any regular or special meeting at which a quorum is present.


Chairman – Steve Simon


Secretary – Mickey Fortner

**ARTICLES OF CONSTITUTION FOR
SOUTHEAST FAULKNER COUNTY PUBLIC WATER AUTHORITY**

The Undersigned organizations and individuals, having signified their desire to form and become constituted as Southeast Faulkner County Public Water Authority, which shall be a public body politic and corporate, hereby certify:

1. **Name.** The name of the Authority shall be the "Southeast Faulkner County Public Water Authority".
2. **Address.** The location and address of its principle office shall be 19 Industrial Drive/PO Box 300, Vilonia, Arkansas 72173.
3. **Number of Directors.** The initial number of directors of the Southeast Faulkner County Public Water Authority shall be five (5) and shall be subject to change and modification as provided in its bylaws.
4. **Names of Initial Directors.** The name and addresses of the proposed initial board of directors of the Southeast Faulkner County Public Water Authority are:

Steve Simon
41 Bud Chuck Ln.
Conway, AR 72032

Ronnie Fowlkes
15 Pine Bluff Rd.
Conway, AR 72034

Mickey Fortner
125 Fredricks Lick Rd
Mt. Vernon, AR 72111

Brian Presley
P.O. Box 1842
Conway, AR 72033

Trey White
6 Dennis Dr.
Vilonia, AR 72173

5. **Agent for Service of Process.** The name and address of the Southeast Faulkner County Public Water Authority's agent for service of process is:

Steve Simon
19 Industrial Drive
Vilonia, Arkansas 72173

6. **Proposed Service Area.** The Southeast Faulkner County Public Water Authority's proposed geographic service area over which the Southeast Faulkner County Public Water Authority will have jurisdiction is described as follows:

Please see attached Exhibit "A"

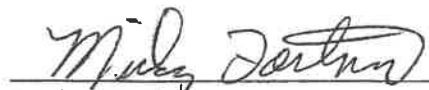
7. **Water Source.** The Southeast Faulkner County Public Water Authority will obtain its water from Lonoke White Public Water Authority, Community Water System and Mid-Ark Utilities, and such other sources as may be necessary.
8. **Reason for Constitution.** It is the desire of the undersigned to form a Public Water Authority ("PWA") in order to help centralize and streamline water operations and management, to provide a more efficient means to manage and provide the utility services expected by current Vilonia Waterworks customers, and to be able to have beneficial direct access to tax-exempt capital markets other than through a conduit issuer.

IN WITNESS WHEREOF, the unsigned individuals who represent the Vilonia Waterworks Association, a non-profit corporation chartered by the State of Arkansas in 1974, and the Vilonia Waterworks Association Public Facilities Board, as created by the City of Vilonia in September 1991, and who collectively will also represent the Southeast Faulkner County Public Water Authority's proposed initial Board of Directors, has caused these Articles of Constitution to be executed this 15TH day of February, 2023.

Vilonia Waterworks Association:


Ronnie Fowlkes, Vice-President


Steve Simon


Mickey Fortner


Trey White

Vilonia Waterworks Association
Public Facilities Board:


Steve Simon, Chairman


Ronnie Fowlkes


Brian Presley

**VILONIA WATERWORKS ASSOCIATION
PUBLIC FACILITIES BOARD**

RESOLUTION NO. 2022-1.

WHEREAS, Vilonia Waterworks Association Public Facilities Board ("Vilonia Waterworks") desires to form a Public Water Authority ("PWA") in order to help centralize and streamline water operations and management; and

WHEREAS, the formation and constitution of a PWA will provide a more efficient means to manage and provide the utility services expected by Vilonia Waterworks customers; and

WHEREAS, for the water management being provided, a PWA is the most recent statutory creation and a better fit from an organizational standpoint; and

WHEREAS, a PWA has beneficial direct access to tax-exempt capital markets other than through a conduit issuer; and

WHEREAS, the PWA is subject to continued governmental supervision; and

WHEREAS, the PWA will perform and have available for inspection annual accounting audits; and

WHEREAS, the PWA will be subject to the Freedom of Information Act as a governmental entity; and

WHEREAS, the PWA will promote and maintain a level of transparency with regards to its activities and business records; and

WHEREAS, the completion of this formation and constitution of the PWA will have no adverse impact to the current users and customers of Vilonia Waterworks; and

WHEREAS, there will be no substantive differences from the existence, operation and management of Vilonia Waterworks and that of the PWA; and

WHEREAS, the Board of Directors of Vilonia Waterworks hereby adopts this resolution to form and constitute the PWA upon the approval of and recognition by the Arkansas Natural Resources Commission.

NOW, THEREFORE, BE IT RESOLVED on this 16th day of November 2022, by the Board of Directors of the Vilonia Waterworks Association Public Facilities Board as follows:

Section 1. The Board of Directors of Vilonia Waterworks hereby signifies its desire to form and constitute a Public Water Authority, subject to the approval of and recognition by the Arkansas Natural Resources Commission.

Section 2. The Board of Directors of Vilonia Waterworks hereby certifies that it:

- (a) is, and shall remain, a public facilities board;
- (b) is in good standing and is financially sound;
- (c) has determined, after much consultation, that, as compared to its current abilities to access the tax-exempt capital markets, it is in the best interests of its water customers to be a party in the formation and constitution of a Public Water Authority, a statutorily authorized organization specifically for water and wastewater organizations, the benefits of which include direct access the tax-exempt capital markets other than through a conduit issuer;

Section 3. The Board of Directors of both Vilonia Waterworks and the Public Water Authority shall perform all necessary tasks, representations and actions needed to fully protect the integrity of each and every trust indenture currently in the name of Vilonia Waterworks Association Public Facilities Board. The Public Water Authority is fully aware of the current indebtedness and does ensure the continued compliance with all obligations of such, to include the full and timely servicing of the debts outstanding.

Section 4. The Chairman and/or Secretary of the Board, is authorized and directed to request, execute, approve and do and/or cause to be done, from time to time, all things necessary and/or proper for carrying out the formal formation and constitution of the PWA. Related transfers and conveyances may, but not necessarily, include changes on accounts, funds, debts, memberships, permits, agreements and contracts necessary to ensure full and proper management by the PWA, with such changes as may be approved by the Chairman or consistent with the formation and constitution desired and the terms of this Resolution.

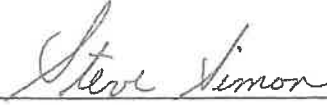
Section 5. The attached Articles of Constitution of Southeast Faulkner County Public Water Authority is specifically approved herein and the President of the Board is authorized to sign the Articles as presented, and as may be properly amended, as necessary.

Section 6. If any section, clause, provision or portion of this resolution is held to be invalid or unconstitutional by any court of competent jurisdiction, such holding shall not affect any other section, clause, provision or portion of this resolution.

Section 7. This resolution shall take effect on the earliest date allowed by law.

ADOPTED AND PASSED by action of the Board of Directors of the Vilonia Waterworks Association Public Facilities Board this 16th day of November, 2022.

VILONIA WATERWORKS ASSOCIATION
PUBLIC FACILITIES BOARD

A handwritten signature in cursive script, appearing to read "Steve Simon", written over a horizontal line.

Chairman – Steve Simon

ATTEST:

A handwritten signature in cursive script, appearing to read "Mickey Fortner", written over a horizontal line.

Secretary – Mickey Fortner

Kelly Lawrence

From: Trey White <twhite@hsaconsultants.com>
Sent: Thursday, July 16, 2026 8:44 AM
To: Preston Scroggin; Kelly Lawrence
Cc: Josh McReynolds
Subject: Vilonia Waterworks / SEFCO PWA
Attachments: SEFCO ByLaw Proposed Amendment - Municipal Representative.docx

Mayor (Preston)...

I have attached a proposed revision to Article V, Section 1 of the current Southeast Faulkner County (SEFCO) PWA Bylaws that the Vilonia Waterworks board / SEFCO board is willing to adopt. This revision was developed in response to the discussion during the working session on Tuesday, July 7th with the city council and addresses the SEFCO directors (ie board members) and a manner in which they may be nominated. We would request that you review and pass along to the city council if you believe this may help address their concerns.

As a side note, the Vilonia Water / SEFCO board would look to adopt this revision in the August meeting, if the revision is met with positive feedback.

As always, we appreciate your and the city council's consideration as we continue to pursue the full conversion to the PWA and work to put our water system in a better position for project funding.

Regards,

Trey White – Vilonia Waterworks Board

ARTICLE V

Directors and Officers

Section 1. The initial number of directors of the Southeast Faulkner County Public Water Authority shall be five (5) and shall be subject to change and modification as provided within these bylaws and applicable Arkansas law.

One of the five (5) directors' position may be designated a Municipal Representative Seat by the Board and would be filled from among qualified persons nominated by the Mayor of any city, town, or municipality located wholly or partly within SEFCO's approved geographic service area.

The Mayor of any such municipality may submit to SEFCO, in writing, the name of one (1) or more qualified nominees for consideration for the Municipal Representative Seat. The submission may include the nominee's qualifications and any information reasonably requested by the Board.

If designated and filling the Municipal Representative Seat, the Board shall consider any timely nomination submitted under this Section and shall act in good faith to give due consideration to the expressed interests of municipalities within SEFCO's service area.

A person appointed to the Municipal Representative Seat must satisfy any eligibility requirements stated in these bylaws and applicable Arkansas law, including any geographic-representation requirement approved for SEFCO.

Nothing in this Section shall be construed to grant any Mayor or municipality a vested right to appoint a director, and the Board retains final authority to make appointments in the manner authorized by SEFCO's articles, bylaws, and applicable Arkansas law.

TITLE 10

UTILITIES

Chapters:

- 10.04 Public Facilities Board
- 10.08 Sewer Regulations
- 10.12 Sewer Committee
- 10.16 Sewer Rates
- 10.20 Fee Schedule

Vilonia
Municipal
Code
Book

CHAPTER 10.04

PUBLIC FACILITIES BOARD

Sections:

- 10.04.01 Creation
- 10.04.02 Membership
- 10.04.03 Organization
- 10.04.04 General powers
- 10.04.05 Additional authority
- 10.04.06 Use of funds and revenues
- 10.04.07 Authority with respect to bonds
- 10.04.08 Meetings
- 10.04.09 Records
- 10.04.10 Annual reports
- 10.04.11 Automatic amendment

10.04.01 Creation There is hereby created a Public Facilities Board pursuant to the provisions of A.C.A. 14-137-101 et seq. (1987; Suppl. 1989) (the "Act"). The Board shall be known as the Vilonia Waterworks Association (the "Board"). The Board shall have the powers provided for by the Act. (Ord. No. 91-6, Sec. 1.)

10.04.02 Membership The Board shall consist of five (5) members. Five members shall be appointed by the Mayor of the city of Vilonia. The initial members of the Board shall be John Fowlkes, Charlie Hightower, Bill Barrow, Howard Williams and Ronnie Joe Fowlkes. The terms of said members shall be as follows: Charlie Hightower, one year; John Fowlkes, two

years; Bill Barrow, three years; Ronnie Joe Fowlkes, four years; and Howard Williams, five years. Successor members shall be elected by a majority of the Board for terms of five years each. Each member shall qualify by taking and filing with the Clerk of the city his oath of office in which he shall swear to support the constitution of the United States and the Constitution of the state of Arkansas and to discharge faithfully his duties in the manner provided by law. Each member shall serve until his successor is elected and qualified. In the event of a vacancy in the membership, however caused, a majority of the Board shall elect a successor member to serve the unexpired term. A member shall be eligible to succeed himself. (Ord. No. 91-6, Sec. 2.)

10.04.03 Organization The members of the Board shall meet and organize by electing one of their members as chairman, and one as vice-chairman, one as secretary and one as treasurer, and such officers shall be elected annually thereafter in like manner. The duties of the Secretary and Treasurer may be performed by the same member. The members of the Board shall receive no compensation for their services but shall be entitled to reimbursement of expenses incurred in the performance of their duties. (Ord. No. 91-6, Sec. 3.)

10.04.04 General powers The Board is hereby specifically empowered:

- A. To own, acquire, construct, reconstruct, extend, equip, improve, operate, maintain, sell, lease, contract concerning or otherwise deal in or dispose of waterworks facilities (as defined in the Act) or any interest in such facilities, including, without limitation, to provide financing for such facilities;
- B. To issue bonds to obtain funds and revenues for the accomplishment of any of the waterworks facilities projects herein authorized, either alone or together with other available funds and revenues therefore. (Ord. No. 91-6, Sec. 4.)

10.04.05 Additional authority The Board is hereby additionally authorized and empowered:

- A. As a body politic and corporate to have perpetual succession and to adopt bylaws, not in conflict with this ordinance or the Act, as may from time to time be amended, for the regulation of its affairs and the conduct of its business;
- B. To maintain an office at such place or places in or near the city as the Board may designate, from time to time;
- C. To sue and be sued in its own name;
- D. To fix, charge and collect rates, fees, interest and charges for the use of any waterworks facilities and the supplying of water;

- E. To employ and pay compensation to such employees and agents, including attorneys, consulting engineers, surveyors, accountants, financial experts, and others as it may in its judgment find necessary for the accomplishment of the purposes and objectives for which it has been created and to fix their compensation;
- F. To do any and all other acts and things to accomplish the waterworks facilities projects for which it is authorized by this ordinance and all other acts and things authorized or required by the Act as it may from time to time be amended, except as may be specifically limited herein, and any and all other things necessary or convenient to accomplish the purposes for which the Board has been created.
(Ord. No. 91-6, Sec. 5.)

10.04.06 Use of funds and revenues This Board is hereby authorized to use any available funds and revenues for the accomplishment of the waterworks facilities projects which it is authorized to own, acquire, construct, reconstruct, extend, equip, improve, operate, maintain, sell, lease, contract concerning or otherwise deal in. Bonds may be issued by the Board in such principal amounts as shall be sufficient to pay the cost of accomplishing the waterworks facilities projects involved; the cost of issuing the bonds; the amount necessary for reserves, if deemed desirable; the amount necessary to provide for debt service on the bonds until revenues for the payment thereof are available from other sources; and any other costs and expenditures of whatever nature incidental to the accomplishment of the waterworks facilities involved and the placing of it in operation. Any net earnings of the Board (beyond that necessary for retirement of the indebtedness or to implement any waterworks facilities project) shall not inure to the benefit of any person other than to the Board. (Ord. No. 91-6, Sec. 6.)

10.04.07 Authority with respect to bonds This Board shall have, with respect to the issuance of bonds authorized to be issued by it, the authority and power with respect thereto set forth and contained in the Act, which terms and provisions are hereby incorporated in this ordinance as though herein expressly set forth, word for word, except to the extent of changes required for the provisions thereof to be consistent in the context of this ordinance, and such additional authority as may be granted in similar provisions by amendment of the Act from time to time hereafter.

All bonds of the Board shall be special obligation revenue bonds which shall be obligations only of the Board and shall not constitute an indebtedness for which the faith and credit of the city of Vilonia, Arkansas, Faulkner County, Arkansas, or any of their revenues are pledged, and the principal of and interest on the bonds shall be payable from and secured by a pledge of revenues derived from the waterworks projects financed, in whole or in part, from bond proceeds and as authorized by, and in accordance with the provisions of the Act. (Ord. No. 91-6, Sec. 7.)

10.04.08 Meetings The Board shall meet upon the call of its chairman, or a majority of its members, and at such times as may be specified in the bylaws for regular meetings, and a

majority of its members shall constitute a quorum for the transaction of business. The affirmative vote of the majority of the members present at a meeting of the Board shall be necessary for any action taken by the Board. Any action taken by the Board may be authorized by resolution and such resolution shall take effect immediately unless a later effective date is specified in the resolution. No vacancy in the membership in the Board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Board. (Ord. No. 91-6, Sec. 8.)

10.04.09 Records The Secretary shall keep a record of the proceedings of the Board and shall be custodian of all books, documents, and papers filed with the Board and of the minute book or journal of the Board and its official seal, if any shall be adopted. The Secretary may cause copies to be made of all minutes and other records and documents of the Board and may give certificates of the Board to the effect that such copies are true copies, and all persons dealing with the Board may rely upon such certificates. (Ord. No. 91-6, Sec. 9.)

10.04.10 Annual reports Within the first 90 days of each calendar year, this Board shall make a written report to the city of Vilonia, Arkansas concerning its activities for the preceding calendar year. Each such report shall set forth a complete operating and financial statement covering its operation during the year. (Ord. No. 91-6, Sec. 10.)

10.04.11 Automatic amendment To accomplish the specific public facilities objectives set forth above, the Board shall have such additional authority and power as may, from time to time, hereafter be authorized for Public Facilities Boards by amendments to the Act without additional action by this City Council. (Ord. No. 91-6, Sec. 11.)

CHAPTER 10.08

SEWER REGULATIONS

Sections:

- 10.08.01 Definitions
- 10.08.02 Use of public sewers required
- 10.08.03 Private sewage disposal system
- 10.08.04 Building sewers and connections
- 10.08.05 Use of public sewers
- 10.08.06 Protection from damage
- 10.08.07 Penalty for violation
- 10.08.08 Powers and authority of inspectors

Vilonia Waterworks

ORDINANCE NO. 16-1

AN ORDINANCE GRANTING AN EXCLUSIVE FRANCHISE TO OPERATE A WATERWORKS SYSTEM IN THE TOWN OF VILONIA, ARKANSAS; PRESCRIBING THE LICENSE FEES TO BE PAID THEREFOR; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES

WHEREAS, Vilonia Waterworks Association, a non-profit corporation chartered by the Circuit Court of Faulkner County, Arkansas, desires to obtain the exclusive right to operate a public water supply system within the Town of Vilonia, Arkansas, and has heretofore obtained numerous water-user subscription agreements from persons living in the Town of Vilonia, Arkansas, for such services in event the same can be provided; and

WHEREAS, the Town Council of the Town of Vilonia, Arkansas, has determined that a genuine need for such services exists, but that the granting of an exclusive franchise in favor of Vilonia Waterworks Association for it to provide such services is necessary in order to attract investors and mortgage lenders to provide the funds unto Vilonia Waterworks Association for its use in the construction of a public water supply system; and

WHEREAS, Vilonia Waterworks Association has made arrangements to obtain financing from Farmers Home Administration for the construction of said public water supply system, the funds to be advanced for such purpose to be secured by a lien on all physical properties used for such system and by a pledge of all revenues derived from said system.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF VILONIA, ARKANSAS, AS FOLLOWS:

1. The Town of Vilonia, Arkansas, does hereby grant unto the Vilonia Waterworks Association, a non-profit corporation chartered by the Circuit Court of Faulkner County, Arkansas, the exclusive right and franchise to operate a public water supply system within the Town of Vilonia, Arkansas, for and upon the terms and conditions hereinafter set forth.

2. The rights hereby conferred upon Vilonia Waterworks Association shall take place and commence immediately and shall terminate at such time as the indebtedness incurred and to be incurred by Vilonia Waterworks Association and in favor of Farmers Home Administration for the purpose of constructing said system (including any improvements and additions thereto) has been fully discharged, provided, however, nothing herein shall prevent an extension of said franchise agreement by the Town of Vilonia, Arkansas, in the discretion of its Town Council.

3. Vilonia Waterworks Association shall pay unto the Town of Vilonia, Arkansas, as a franchise fee, the sum of Fifty Dollars (\$50.00) per year, payable annually at the end of each calendar year, commencing with the end of the calendar year in which the construction of said waterworks system is completed and put into operation.

4. It is the intent of the Town Council of the Town of Vilonia, Arkansas, in granting these rights and privileges herein provided, that the Vilonia Waterworks Association shall, in the construction, operation, and maintenance of said water supply system, comply in all respects and in all things with those requirements of Farmers Home Administration and of all other federal, state, and county governmental agencies having jurisdiction over said waterworks system and over its construction, maintenance, and operation. Material breach or default therein on the part of Vilonia Waterworks Association shall constitute grounds for the revocation of this franchise, provided, however, that any lender, whether private or governmental, who may at any time hereafter be required to assume the control, operation, and management of said system for the purpose of protecting and securing its loan investment shall succeed to all rights of Vilonia Waterworks Association hereunder until such time as said indebtedness is fully discharged. In event of such default on the part of Vilonia Waterworks Association, such lender of the type aforesaid shall have the further right to designate a nominee to operate said system pending payment of its loan as scheduled in the loan documents.

5. The Mayor and Town Recorder of the Town of Vilonia, Arkansas, are hereby authorized to contract with Vilonia Waterworks Association for the providing by Vilonia Waterworks Association of such services as are herein contemplated.

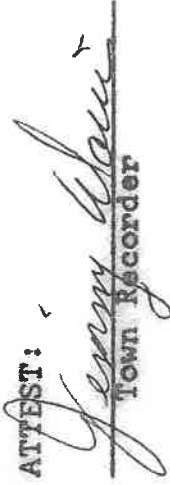
6. It is ascertained and declared that it is necessary for the protection and preservation of the public peace, welfare, safety, and property of the citizens of the Town of Vilonia, Arkansas, that the foregoing ordinance be passed and adopted; that an emergency exists; and that this ordinance shall take effect and be in force from and after its passage and publication.

PASSED this January 29, 1976.

APPROVED:


Mayor

ATTEST:


Town Recorder

ORDINANCE NO. 91-6

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF VILONIA, ARKANSAS,
AN ORDINANCE TO BE ENTITLED:

AN ORDINANCE CREATING A PUBLIC FACILITIES
BOARD PURSUANT TO THE PROVISIONS OF THE PUBLIC
FACILITIES BOARD ACT, ACT NO. 142 OF THE ACTS
OF ARKANSAS OF 1975, APPOINTING THE INITIAL
MEMBERS THEREOF, PRESCRIBING OTHER MATTERS
RELATING THERETO, AND DECLARING AN EMERGENCY

WHEREAS, the City Council of the City of Vilonia, Arkansas
(the "City"), pursuant to the provisions of the Public Facilities
Board Act, constituting Arkansas Code Annotated §§ 14-137-101 et
seq. (1987; Suppl. 1989) (the "Act"), is authorized to establish
public facilities boards for the purposes set forth in Act,
including the acquisition and financing of waterworks facilities
within and near the City, and

WHEREAS, the Vilonia Waterworks Association, Inc. (the
"Association") is a non-profit corporation organized and existing
under the laws of the State of Arkansas. The Association owns and
operates waterworks facilities, which includes facilities for the
furnishing of water for domestic, commercial, agricultural and
industrial purposes, including, without limitation, mains,
hydrants, meters, valves, standpipes, storage tanks, pumping tanks,
intakes, wells, purification plants and watercourses or water
supplies pertaining thereto and it serves citizens and residents of
the City and the areas surrounding the City in Faulkner, White and
Pulaski Counties, and

WHEREAS, at its annual meeting held June 17, 1991, the board of directors and the members of the Association approved the transfer of the assets and operations of the Association to the Vilonia Waterworks Association, a public facilities board established by this Ordinance, in order to permit the exercise of eminent domain and the borrowing of funds for operations, expansion, capital improvements and refunding of debt at tax-exempt rates, and for other purposes; and

WHEREAS, in order to implement these goals the board of directors and members of the Association have requested that the City create a public facilities board.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VILONIA, ARKANSAS:

Section 1. Creation of Public Facilities Board. There is hereby created a Public Facilities Board pursuant to the provisions of Arkansas Code Annotated §§ 14-137-101 et seq (1987; Suppl. 1989) (the "Act"). The Board shall be known as the Vilonia Waterworks Association (the "Board"). The Board shall have the powers provided for by the Act.

Section 2. Membership of the Board. The Board shall consist of five (5) members. Five members shall be appointed by the Mayor of the City of Vilonia. The initial members of the Board shall be John Fowlkes, Charlie Hightower, Bill Barrow, Howard Williams and Ronnie Joe Fowlkes. The terms of said members shall be as follows: Charlie Hightower, one year; John Fowlkes, two years; Bill Barrow, three years; Ronnie Joe Fowlkes, four years; and Howard Williams,

five years. Successor members shall be elected by a majority of the Board for terms of five years each. Each member shall qualify by taking and filing with the Clerk of the City his oath of office in which he shall swear to support the constitution of the United States and the Constitution of the State of Arkansas and to discharge faithfully his duties in the manner provided by law. Each member shall serve until his successor is elected and qualified. In the event of a vacancy in the membership, however caused, a majority of the Board shall elect a successor member to serve the unexpired term. A member shall be eligible to succeed himself.

Section 3. Organization of the Board. The members of the Board shall meet and organize by electing one of their members as chairman, and one as vice-chairman, one as secretary and one as treasurer, and such officers shall be elected annually thereafter in like manner. The duties of the secretary and treasurer may be performed by the same member. The members of the Board shall receive no compensation for their services but shall be entitled to reimbursement of expenses incurred in the performance of their duties.

Section 4. General Powers of the Board. The Board is hereby specifically empowered:

(a) To own, acquire, construct, reconstruct, extend, equip, improve, operate, maintain, sell, lease, contract concerning or otherwise deal in or dispose of waterworks facilities (as defined

in the Act) or any interest in such facilities, including, without limitation, to provide financing for such facilities;

(b) To issue bonds to obtain funds and revenues for the accomplishment of any of the waterworks facilities projects herein authorized, either alone or together with other available funds and revenues therefor.

Section 5. Additional Authority of the Board. The Board is hereby additionally authorized and empowered:

(a) As a body politic and corporate to have perpetual succession and to adopt bylaws, not in conflict with this ordinance or the Act, as may from time to time be amended, for the regulation of its affairs and the conduct of its business;

(b) To maintain an office at such place or places in or near the City as the Board may designate, from time to time;

(c) To sue and be sued in its own name;

(d) To fix, charge and collect rates, fees, interest and charges for the use of any waterworks facilities and the supplying of water;

(e) To employ and pay compensation to such employees and agents, including attorneys, consulting engineers, surveyors, accountants, financial experts, and others as it may in its judgment find necessary for the accomplishment of the purposes and objectives for which it has been created and to fix their compensation;

(f) To do any and all other acts and things to accomplish the waterworks facilities projects for which it is authorized by this

ordinance and all other acts and things authorized or required by the Act as it may from time to time be amended, except as may be specifically limited herein, and any and all other things necessary or convenient to accomplish the purposes for which the Board has been created.

Section 6. Use of Funds and Revenues. This Board is hereby authorized to use any available funds and revenues for the accomplishment of the waterworks facilities projects which it is authorized to own, acquire, construct, reconstruct, extend, equip, improve, operate, maintain, sell, lease, contract concerning or otherwise deal in. Bonds may be issued by the Board in such principal amounts as shall be sufficient to pay the cost of accomplishing the waterworks facilities projects involved; the cost of issuing the bonds; the amount necessary for reserves, if deemed desirable; the amount necessary to provide for debt service on the bonds until revenues for the payment thereof are available from other sources; and any other costs and expenditures of whatever nature incidental to the accomplishment of the waterworks facilities involved and the placing of it in operation. Any net earnings of the Board (beyond that necessary for retirement of the indebtedness or to implement any waterworks facilities project) shall not inure to the benefit of any person other than to the Board.

Section 7. Authority with Respect to Bonds. This Board shall have, with respect to the issuance of bonds authorized to be issued by it, the authority and power with respect thereto set forth and

contained in the Act, which terms and provisions are hereby incorporated in this ordinance as though herein expressly set forth, word for word, except to the extent of changes required for the provisions thereof to be consistent in the context of this ordinance, and such additional authority as may be granted in similar provisions by amendment of the Act from time to time hereafter.

All bonds of the Board shall be special obligation revenue bonds which shall be obligations only of the Board and shall not constitute an indebtedness for which the faith and credit of the City of Vilonia, Arkansas, Faulkner County, Arkansas, or any of their revenues are pledged, and the principal of and interest on the bonds shall be payable from and secured by a pledge of revenues derived from the waterworks projects financed, in whole or in part, from bond proceeds and as authorized by, and in accordance with the provisions of the Act.

Section 8. Meetings. The Board shall meet upon the call of its Chairman, or a majority of its members, and at such times as may be specified in the bylaws for regular meetings, and a majority of its members shall constitute a quorum for the transaction of business. The affirmative vote of the majority of the members present at a meeting of the Board shall be necessary for any action taken by the Board. Any action taken by the Board may be authorized by resolution and such resolution shall take effect immediately unless a later effective date is specified in the resolution. No vacancy in the membership in the Board shall impair

the right of a quorum to exercise all the rights and perform all the duties of the Board.

Section 9. Records. The Secretary shall keep a record of the proceedings of the Board and shall be custodian of all books, documents, and papers filed with the Board and of the minute book or journal of the Board and its official seal, if any shall be adopted. The secretary may cause copies to be made of all minutes and other records and documents of the Board and may give certificates of the Board to the effect that such copies are true copies, and all persons dealing with the Board may rely upon such certificates.

Section 10. Annual Reports. Within the first 90 days of each calendar year, this Board shall make a written report to the City of Vilonia, Arkansas concerning its activities for the preceding calendar year. Each such report shall set forth a complete operating and financial statement covering its operation during the year.

Section 11. Automatic Amendment. To accomplish the specific public facilities objectives set forth above, the Board shall have such additional authority and power as may, from time to time, hereafter be authorized for Public Facilities Boards by amendments to the Act without additional action by this City Council.

Section 12. Severability. The provisions of this ordinance are severable. If any provision hereof shall be held to be invalid, such holding of invalidity shall not affect the validity of applicability of the remainder of the provisions hereof.

Section 13. Emergency. An emergency is hereby declared to exist and this ordinance being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

PASSED: July 11, 1991.



Mayor

ATTEST:



City Clerk

(SEAL)

I, Alan Lee, City Clerk of the City of Vilonia, Arkansas, hereby certify that attached hereto is a true and complete copy of the Ordinance of the City Council of the City of Vilonia, Arkansas, for part of the regular meeting for July 11, 1991, showing the adoption of Ordinance No. 91-6 and a true and complete copy of Ordinance No. 91-6. Such Ordinance is in full force and effect and has not been altered, amended or repealed as of the date hereof; and said meeting was duly called in accordance with law.

Alan Lee
City Clerk

DATED: July 11, 1991