

Holley-Navarre Water System, Inc.

Annual Board Meeting & Installation of Officers (PM) Minutes

January 16th, 2018

Bien May, Board President, called the meeting from recess at 7:00 P.M. The following Board of Directors were present: Bien May, James Calkins, Gaius Bruce, Mark Miller, Troy Bossier, Ricki DeSantis and Robert Coley. Also present were: Barbara Carawan, Paul Gardner, Sherry DeVasher, Zach Lewis, Dale Long, Danny Hawkins, Cory Snyder, Phil Phillips, Clinton Wells and Deborah Kharuf (stenographer).

Members present:

23 sign-ins.

Proof of Notice

Notice from newspaper (Navarre Press).

2017 Annual Meeting Minutes – James Calkins motions to approve minutes as presented. Robert Coley seconds. Motion passed by unanimous vote with the exception of Mark Miller who abstains.

2017 Financial Report

Paul Gardner presents the financial report for the year 2017. Mr. Gardner clarifies that the numbers presented are unaudited. The annual audit will begin soon with an anticipated completion date in April. Total revenue was \$8,999,910.84 with expenses of \$9,530,178.60, for a loss of \$530,267.76. Paul reiterates that these are unaudited numbers and the depreciation of old meters was not taken into account. Approximately 1.5 million dollars went into the bank last year. **Robert Coley motions to approve the 2017 financial report, with Ricki DeSantis providing a second.** Paul elaborates on the meter depreciation at Ricki's request. **Motion passes unanimously.**

Personnel Committee Report

Robert Coley reports that two personnel complaints have been filed in recent months. The first complaint is against a sitting board member, filed by an employee, citing harassment and creating a hostile work environment. The second complaint is from a former board member against a current employee citing several allegations. The Board has voted to hire a labor attorney who is currently working on finding possible resolutions to the complaints that will protect both the Board and HNWS. These complaints will have to continue being addressed by the new Board in the upcoming year.

Engineers Report

Phil Phillips provides a year-end report. HNWS has sold 420 equivalent water connections during the year for a total of 126,000 gallons per day of capacity. 427 equivalent sewer connections were sold for a total of 128,000 gallons per day of sewage capacity. Approximately \$1.5 million in capital improvements were made to the system related to increasing capacity with an additional \$1.5 million spent on maintenance/upgrade types of capital improvements. There was also 5,400 linear feet of

low pressure sewer lines installed by HNWS crews in 2017. A breakdown of the associated capital improvement costs was also provided.

Retirement Committee Report

None.

Election Results

Gaius Bruce announces the election results: Troy Bossier: 633
Gaius Bruce: 613
William Goulet: 963
Daryl Lynchard: 970
Mark Miller: 648

Under Votes: 937
Total Votes: 4,764

James Calkins motions to accept the election results as presented. Ricki DeSantis seconds. Motion passes unanimously.

Robert Coley reads a statement which includes his history in the Navarre community and his experiences serving on other boards in the area, where the boards operated as cohesive units working as a team. He feels that over the last year James Calkins has orchestrated several political situations, resulting in personal attacks by James and Ricki DeSantis. He is resigning effective the adjournment of this meeting. He has great confidence that Will Goulet and Daryl Lynchard will work hard to serve the members of HNWS.

Bien May also announces that he is resigning his position on the HNWS Board due to the attacks that have occurred over the past year. His hope is that with his resignation the attacks on staff and management by certain board members will stop. He also left copies of a letter he drafted for whomever would like to read it.

Troy Bossier also denounces the way staff members have been treated. He feels it's been a pleasure serving with these men and woman for the last six years and takes a moment to thank them.

James asks Will Goulet and Daryl Lynchard to take their seat on the Board, and thanks the exiting board members for their service. He also congratulates Mark Miller, Will Goulet and Daryl Lynchard.

Election of Officers

President – **Daryl Lynchard motions to elect James Calkins as President of the Board. Will Goulet seconds.** With no other recommendations the nominations are closed. **Motion passes by unanimous vote with the exception of Mark Miller who abstains.**

Vice President – **Daryl Lynchard motions to elect Will Goulet as Vice President. Ricki DeSantis seconds. Motion passes unanimously.**

Secretary/Treasurer – Will Goulet motions to nominate Doug Larson as Secretary/Treasurer. Daryl Lynchard seconds. Motion passes unanimously with the exception of Mark Miller who opposes.

Finance Chair – Daryl Lynchard motions to nominate Ricki DeSantis as Finance Chair. Will Goulet seconds. Motion passes unanimously.

Personnel Chair – Will Goulet motions to nominate Daryl Lynchard as Personnel Chair. Ricki DeSantis seconds. Motion passes unanimously.

FRUS Seat – Ricki DeSantis motions to nominate Will Goulet to fill the vacant seat on the FRUS Board. Daryl Lynchard seconds. Motion passes unanimously.

Doug Larson takes a seat at the table as the new secretary/treasurer.

Minutes & Transcripts

Daryl Lynchard motions to have un-redacted transcripts of all open board meetings to be posted online within 24 hours of Board approval. For all other meetings, only sensitive personnel matters will be redacted and those transcripts will be posted as well. Ricki DeSantis seconds. Motion passes unanimously.

Ricki thanks the members for their participation in the election. Daryl adds that there has been a lot of misinformation spread during this election process, specifically regarding employees and staff. Mark Miller adds that a lot of the unwarranted misinformation was directed to former Board members.

Unfinished Business

None.

New Business

None.

Open Forum

1. *TJ Goulet: 7774 Navarre Parkway, Apt. 1209:* Mr. Goulet states his opinion on the main purpose of HNWS, the past rate increase, his expectations for the new Board and the possibility of live streaming board meetings.

Meeting adjourned 7:30 P.M.



Doug Larson, Secretary/Treasurer