

Holley-Navarre Water System, Inc.

Special Board Meeting Minutes

May 2nd, 2018

CONFIDENTIAL

James Calkins, Board President, called the meeting to order at 3:00 P.M. The following Board of Directors were present: James Calkins, Ricki DeSantis, Will Goulet, Daryl Lynchard, Debbie Gunnoe, Geo Mayer and Mark Miller. Also present were: Paul Gardner, Keith Kilpatrick and Deborah Kharuf (stenographer).

James begins by stating that due to personnel and legal matters the meeting is confidential, and if anyone releases the information discussed they will be held responsible and liable.

Mr. Kilpatrick updates the Board on [REDACTED] status. See transcript for details. **Will Goulet motions to approve Keith to move forward with the [REDACTED] of xxxxx, with xxxxx from HNWS, and also to include Keith's fees. Daryl Lynchard seconds. At Daryl's suggestion Will amends his motion to include that no board member, currently or ever, says anything [REDACTED] Daryl seconds the amended motion. Daryl Lynchard, Will Goulet, Ricki DeSantis, Mark Miller and Debbie Gunnoe vote "aye," with Geo Mayer voting "nay." Motion passes.**

James Calkins motions to put the [REDACTED] position out for bid immediately with a closure date of May 16th, 2018. An announcement of a selected candidate will be made at the next regular scheduled golf course meeting. Mark Miller seconds. At Mark's suggestion James amends his motion to rescind the action taken during a previous meeting to hire John Childs. Will Goulet suggests meeting to discuss options moving forward and approving Paul to assist Cindy with club operations until a candidate is selected. Discussion ensues on the appropriate timeframe to advertise the position, Cindy's past experience and how to properly [REDACTED] James withdraws, then restates his motion: To post the [REDACTED] opening immediately with a closure date 30 days from today. It's amended to include that it's 30 days from the public announcement/posting of the job opening. Mark Miller seconds. Will Goulet, Mark Miller and Daryl Lynchard vote "aye," with Geo Mayer voting "nay." Ricki and Debbie request clarification on the motion. Daryl makes the motion with James' permission, which is to publicly post the [REDACTED] openly for 30 days, and then interview the selected qualified candidates. This results in a discrepancy between board members on what was decided. The urgency of the situation is brought up as a factor in setting a timeframe and a new motion is suggested. Daryl declines to withdraw his motion. Will Goulet seconds. The motion is clarified and repeated by Daryl: To announce the job opening for [REDACTED] and 30 days after that announcement

is posted, qualified candidates will be interviewed. The timeframe puts interviews during the first and second weeks of June, in time for the regular June meeting. **Will Goulet seconds. Mark Miller, Daryl Lynchard, Will Goulet and James Calkins vote “aye,” with Debbie Gunnoe, Geo Mayer and Ricki DeSantis voting “nay.” Motion passes.** Paul will check with Landrum to see how they can assist with posting the position and then email the Board for their suggestions. *It's later brought up that Landrum should be contacted immediately and the posting should be advertised as soon as possible.*

Will Goulet motions to give Paul the authority to work with Cindy as the acting [REDACTED] until we are able to [REDACTED] at the Club at Hidden Creek. Daryl Lynchard seconds. Options for increasing [REDACTED] during this time are discussed, including an [REDACTED] in [REDACTED]. **Will adds to his motion to give [REDACTED] commensurate to a [REDACTED]** It's felt that Paul should spend minimal time at the club but make himself available for guidance. **Motion passes unanimously.**

Unfinished business items are brought up, such as netting for the driving range and other capital improvements. Will then mentions a woman who was injured when a golf ball hit her windshield while driving. Paul reports that staff has tried remedying the problem with stakes, portable nets and switching to irons only. The injured woman was provided the necessary information but has yet to make contact. The importance of continuing with the pending projects is pointed out with a reminder that it was previously agreed that the Board would reconvene to address those items.

TCHC & HNWS Financials

It's unclear what financials are being referred to, therefore the bids received for pending projects are discussed. **Mark Miller motions to have the golf committee reconvene within the next two weeks to come up with recommendations and funding for those bids, and to prioritize them. Debbie Gunnoe seconds. Mark adds that the recommendations will be presented at the next regular board meeting for approval.** The proper way to solicit bids along with the HNWS engineer's role in the projects is discussed. Paul explains that they are municipal engineers and these types of capital improvements are not in their scope of work. An architect would be the appropriate person to handle these types of requests. **The motion is voted on and passes unanimously.**

HNWS Employee Items

Geo brings up the proper chain of command and the board/staff's role in an attempt to clarify who is in charge. A debate ensues on whether the general manager or the board president should be in charge of staff and/or day to day operations. A recent request from James to staff to research checks written to Will Goulet's business was then brought up and the intent was questioned. After James stating his request originally went to Ricki, the conversation turned to Ricki's concerns with staff answering questions related to business dealings on HNWS tax forms, the Form 990 specifically. He feels a questionnaire should be given to current and former board members so they can answer the questions themselves. **Will Goulet motions for Paul to request a meeting**

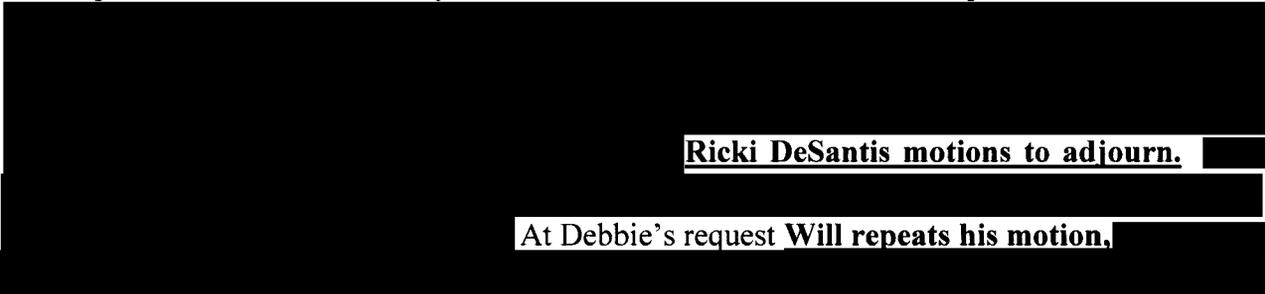
with Warren Averett to see why that's never been part of the process. Daryl Lynchard seconds. Will amends his motion to allow board members to be present during the meeting as it pertains to them. The intent of James' request is brought up again in an attempt to determine if it was malice or related to Ricki's concerns. Motion passes unanimously.



Discussion continues on reaching an agreement to resolve the situation, including the possibility [redacted] the timeframe and his wish to [redacted] in exchange for the [redacted] Will Goulet motions to [redacted] [redacted] and make [redacted] of Holley Navarre Water System. Daryl Lynchard seconds. [redacted] continues attempting to mediate. Ricki DeSantis motions to adjourn although there's already a motion and a second on the floor. Mark points out that [redacted] [redacted] He also brings up that [redacted] has also [redacted] and according to the Bylaws, that complaint, as well as the other [redacted] will need to be addressed at the next meeting of the members, which is May 15th. James is asked if he would [redacted] at the end of the May meeting, resulting in further discussion on the likelihood of the [redacted] board members being dropped.

A prior motion was brought up and it's confirmed that it included rescinding the decision to hire Mr. Childs as general manager of the club.

James points out that he's recently moved to Milton but still has a water tap and bill in his name.



Ricki DeSantis motions to adjourn.

At Debbie's request Will repeats his motion,

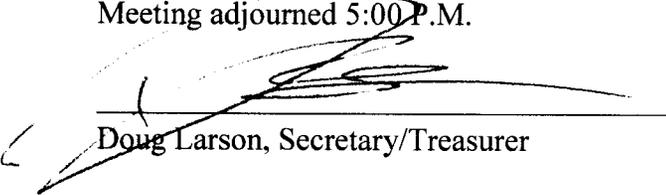
████████████████████ Daryl Lynchard seconds. Will Goulet, Daryl Lynchard and Mark Miller vote “aye,” with Geo Mayer, Ricki DeSantis, Debbie Gunnoe and James Calkings vote “nay.” Motion fails.

Ricki motions to adjourn the meeting. Daryl Lynchard seconds. Motion passes.

Action Items

1. Paul will contact Landrum to see what assistance they can offer in posting the ██████████ immediately and the posting will be advertised as soon as possible.
2. The golf committee will reconvene to discuss and prioritize the pending projects that need to be completed and present their recommendations at next month’s meeting.
3. Paul will schedule a meeting with Warren Averett in order to discuss Ricki’s concerns. Board members are invited to attend.

Meeting adjourned 5:00 P.M.



Doug Larson, Secretary/Treasurer