

# Holley-Navarre Water System, Inc.

## Regular Board Meeting Minutes

November 21<sup>st</sup>, 2017

Bien May, Board President, called the meeting to order at 7:50 P.M. The following Board of Directors were present: Bien May, Gaius Bruce, James Calkins, Ricki DeSantis, Robert Coley, Brian Kelly and Troy Bossier. Also present were: Paul Gardner, Barbara Carawan, Phil Phillips, Zach Lewis, Danny Hawkins, Dale Long, Sherry DeVasher, Cory Snyder, Mike Tidwell and Deborah Kharuf (stenographer).

Daryl Lynchard is presented with plaques recognizing his service as a past Board of Director for both HNWS and FRUS.

**October 2017 Minutes – Robert Coley motions to approve the minutes.** Discussion ensues on a possible discrepancy between the election committee/special meeting transcripts and minutes. **Robert withdraws his motion to approve the minutes.** **Ricki DeSantis motions to table the approval of the minutes and to approve the transcripts only. James Calkins seconds. Bien May recommends adding to the motion that the minutes will be evaluated and any necessary corrections will be made. Ricki agrees. Motion passes unanimously.**

### **Financial Report**

Brian presents the financial report for October. There were 22 new water taps and 19 new sewer taps. Paul provides clarification on an increase in repair costs. Ricki inquires on several items listed on the balance sheet with Barbara answering his questions. He would like to see more detail on the line item titled “deposits” and would like more information on the pension asset, obligation and deferred amounts. Ricki then brings up several expenditures listed on the income statement. **James Calkins motions to approve the financial report as presented. Brian Kelly seconds. Motion passes unanimously.**

### **Personnel Report**

Robert states there is nothing new to report.

### **Retirement Committee**

None.

## Unfinished Business

1. *Gulf Breeze Reuse Disposal Contract* – Bien clarifies that this contract is to move forward with developing an agreement with Gulf Breeze. James would like the public to have a chance to speak prior to voting on this and the other items on the agenda.

a) *Geo Mayer - 6931 Turnberry Circle*: Mr. Mayer asks who prepared the contract with Phil stating it was the law firm of Beggs & Lane.

Bien clarifies that this is simply to begin the feasibility study for the geotechnical testing and legal fees associated with developing the agreement between Gulf Breeze and Holley Navarre Water System.

**Troy Bossier motions to approve as presented. Robert Coley seconds. Motion passes unanimously.**

2. *Board Member Eligibility Determination* – The attorney’s determination has been received. The interpretation of the findings as they apply to board members Brian Kelly and Robert Coley are discussed. A member would like to speak at this time.

a) *Will Goulet – 8168 Torres St*: Mr. Goulet inquires as to why Brian Kelly’s eligibility is being questioned now after he was previously appointed and elected to the Board. Troy offers clarification. He then expresses his interpretation of the bylaws and opinion that both Brian Kelly and Robert Coley should be considered eligible to serve on the Board. He also points out that the website is not mobile friendly, as it does not show current financials unless it’s viewed on a desktop computer.

HNWS’ policy on eligibility, the supporting documentation Brian Kelly submitted and the attorney’s determination were then discussed further. **Troy Bossier motions to revoke Brian Kelly’s membership certificate unless he can produce documentation showing proof of residency or ownership in the franchise area. Robert Coley seconds.** Ricki stated for record that it is very important that the integrity of this board is maintained and when you speak to matters and legal documents that you site those documents correctly. The document sited “or” not “and”. Discussion continues. **James requests permission to add to Troy’s motion that “anyone that does not live within the HNWS service area is not eligible to serve on the Board.” Troy declines. Bien May, Robert Coley, Troy Bossier and Gaius Bruce vote “aye” with James Calkins, Ricki DeSantis and Brian Kelly opposing. Motion passes.** James feels that this is not allowed according to HNWS’ bylaws and articles of incorporation. Brian is asked to exit the meeting.

3. *FRUS Loan Refinancing* – Tabled.

**New Business**

1. *Colonial Pines Pipe Relining* – Paul has obtained three bids to reline the sewer pipes in this area. The recommendation is to select Pensacola Concrete as they submitted the lowest bid in the amount of \$67,195.00. **Troy Bossier motions to approve the selection of Pensacola Concrete for this project based on the recommendations of the Engineers. Gaius Bruce seconds. Bien May, Gaius Bruce, Robert Coley and Troy Bossier vote “aye” with Ricki DeSantis and James Calkins abstain (no vote). Motion passes.**
  
2. *Board Election Qualified Candidate Approval* – Barbara announces the running candidates for the upcoming election: Troy Bossier, Gaius Bruce, William Goulet and Daryl Lynchard and Mark Miller. Barbara also confirms that she’s reviewed the necessary documentation they’ve provided. **James Calkins motions to approve the qualified board candidates. Robert Coley seconds. Bien May, Robert Coley, Ricki DeSantis and James Calkins Vote “aye” with Troy Bossier and Gaius Bruce abstaining. Motion passes.**
  
3. *Review and Approve Qualified Candidate Bios/Press Release* – The candidate bios were reviewed. **James Calkins motions to approve the candidate bios for the press release. Robert Coley seconds and the motion passes unanimously.**
  
4. *Employee merit Increase up to 4% based on performance* – **James Calkins motions to increase non-salary employees’ wages 4%, (without consideration of performance) and also to not have any rate increases to members for seven years. Ricki seconds and adds that an individual salaried employee that Paul pointed out and was discussed during the preboard meeting should be included. James agrees.** A discussion begins on whether the wage increases should be merit/performance based and if the member rate increase should be addressed separately. A member speaks at this time:
  - a) *Joe Campbell – 7146 Brinkley St:* Mr. Campbell asks why James is suggesting 4% across the board given current CPI inflation rate, with James stating his reasons.

Bien stated for the record that this was not discussed with any of the Board members that he knows of or any of the management and it was actually announced on Facebook.

**James Calkins votes “aye.” Bien May, Gaius Bruce, Robert Coley and Troy Bossier vote “nay.” Ricki DeSantis abstain (no vote). Motion fails. Ricki motions for an increase for up to 4% pool based on performance reviews. Robert Coley seconds. Gaius confirms that it’s up to 4% and not an average. Motion passes unanimously.**

### **Engineers Report**

Robert asks what our rated capacity for reuse is based on Greskovich being on line. Phil sated 1.968 mgd. Phil feels that the course should receive less reuse unless there’s an excessive amount of rain.

James reiterates that he feels Brian Kelly’s removal was not in accordance to the HNWS’ By-laws and Articles of Incorporation.

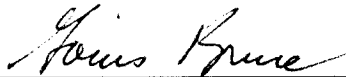
### **Open Forum**

*Jerry Couey - 6049 Arnies Way (Milton):* Mr. Couey would like to encourage the Board to follow the Sunshine Law in order to gain more support and trust from the community.

### **Action Items**

1. The minutes and transcripts from the October election committee/special meeting will be reviewed for accuracy and any necessary corrections will be made.
2. Barbara will list the line item on the balance sheet labeled “deposits” with more detail and review audit information relating to the pension asset amount listed on the balance sheet in order to provide it to the Board.
3. Management will review employee evaluations in preparation of wage increases.

Meeting adjourned 8:45P.M.



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Gaius Bruce Secretary/Treasurer