

Holley-Navarre Water System, Inc.

Special Board Meeting Minutes

December 15th, 2017

Bien May, Board President, called the meeting to order at 7:00 A.M. The following Board of Directors were present: Bien May, James Calkins, Troy Bossier and Gaius Bruce. Ricki DeSantis and Robert Coley attended via telephone. Also present were: Paul Gardner, Barbara Carawan, Sherry DeVasher and Doug Tidwell.

Bien begins by stating the purpose of the meeting, which is to clarify two motions that were previously passed by the Board. They will need to be rescinded and restated accurately. A copy of the new proposed motions was provided to board members.

James requests to allow the public to speak prior to discussing the motions.

Public Forum

None.

Election Proxies – Corrected Board Action

Bien May motions to rescind the board action taken on October 6th, 2017, made through a motion by Bien May, pertaining to using Saltmarsh in conjunction with Tappie Villane’s lockbox to have a clean and fair election. Troy Bossier seconds. Discussion ensues on the reasons behind rescinding and updating the motion, the Board’s intent during discussion versus what’s stated in motions and the issue of HNWS staff handling proxies received at the office. Bien suggests having members come to the office to submit their proxies correctly if they send them directly to the office. James voices his opinion that proxies received, whether it’s in the drop box or mailed in with their bills, should be placed in the lockbox by staff and counted as valid. **Bien May, Troy Bossier, Gaius Bruce, Ricki DeSantis and Robert Coley vote “aye” with James Calkins opposing. Motion passes.**

Daryl Lynchard-6539 Avenida De Galvez: Mr. Lynchard brings up the issue of members returning their bill payments in the Saltmarsh envelope rather than the proxy. Paul states it’s been confirmed that Saltmarsh will deliver any payments they receive to HNWS.

Will Goulet-8168 Torres St: Mr. Goulet would like the proposal from Saltmarsh read for the record. Bien provides him with a copy of the proposal to read.

Geo Mayer-6931 Turnberry Circle: Mr. Mayer asks if he can fill out a proxy since his water service is in his wife’s name. Bien lets him know our attorney is currently reviewing that question, along with others, and will be providing the answers.

Doug Larson-7575 Navarre Parkway: Mr. Larson also has a similar situation with his mother and recently deceased father (the water service is in his name).

Bien May motions to accept Saltmarsh's proposal in conjunction with the Supervisor of Election's (Tappie Villane) lockbox. Additionally, any proxy that is directly mailed to HNWS, whether it's in a bill or placed in the night drop box, will not be counted and will be invalidated. They will be kept. Signs will be posted in the customer service lobby area, outside on the HNWS night drop box and detailed explanations will be included in the annual letter that's mailed to the members with the proxy on January 2nd, 2018, stating that no proxies will be accepted by HNWS office staff. Also, for any proxy that is received through the mail, every attempt to contact that member will be made to have them come in and properly submit their proxy. Troy Bossier seconds. At Ricki's suggestion Bien adds that a log shall be kept of contact attempts to those individuals, including the date, time & result of the contact attempt. Bien re-reads the entire motion including this verbiage. Troy Bossier seconds. James asks if the proxies must be in the Saltmarsh envelopes to be accepted. Barbara clarifies, stating Saltmarsh will only accept the proxies mailed to their location if they are in their envelopes. Proxies placed in Tappie's lockbox do not have to be in the Saltmarsh envelope. **Motion passes unanimously.**

Employee Wage Increases – Corrected Board Action

The original motion, made by Ricki, was not clear and needs to be rescinded and restated correctly. Ricki shares his account of the discussion that ensued during the original meeting when the motion was made. Part of the discussion was in regards to a specific salaried employee, who was not included in the final motion. Sherry confirms that after researching employee files there is only one salaried employee that has not received a raise in recent years. Bien reads the original motion, made on November 21st, 2017: "I'd like to make a motion for the increase of up to 4% based on performance reviews. The pool will be 4%." The "pool" portion is confusing the issue and the specific salaried employee was not included. **Bien May motions to rescind the board action taken on November 21st, 2017, in connection with Director Ricki DeSantis' motion to increase up to 4% pool based on the performance reviews. James Calkins seconds.** Geo Mayer speaks:

Geo Mayer-6931 Turnberry Circle: Mr. Mayer asks how much the raises would cost. Sherry DeVasher and Robert provide the figures.

The motion to rescind the original motion passes unanimously. Bien then motions to increase non-salary employees' wages up to 4%, based on performance reviews set by management, to include the one salaried employee that was not covered in past increases of salaried employees, effective the next payroll cycle date of December 20th, 2017. James Calkins seconds. Robert clarifies that this wage increase

does not include a COLA. Bien states the COLA is a separate item and will be addressed during next week's regular December board meeting. **Motion passes unanimously.**

Bien explains the importance of being clear when making motions and suggests that anyone planning on making motions write them down and provide them to board members beforehand. Paul adds that everyone's vote, whether it be "aye" or "nay" needs to be heard. Bien will make sure everyone's vote is recorded going forward.

James brings up an email he sent with two questions that have not been answered. Bien states it's not on the agenda and it can be discussed after the agenda items are addressed.

Notice of Annual Meeting and Requests


The proposed changes made in accordance with the updated motion are reviewed. **Troy Bossier motions to approve the notice of annual meeting and request for proxies and ballots, based on the results of this meeting and previous discussions. Gaius Bruce seconds. Motion passes unanimously.**

Bien invites James to discuss his emailed questions. James reads his email referencing communication between himself and attorney James Magaha's law firm in regards to board member eligibility. Specifically, documentation relating to Brian Kelly's eligibility. Per James, staff at Magaha's law firm stated they did not receive Brian's water bills. Bien clarifies that Paul did submit the utility bills Brian provided to the attorney. He wants it on record that the attorney confirmed this. Everything that's been presented to Paul Gardner has been submitted to the attorney. HNWS' policy requiring proof of residence when applying for service is brought up. James then brings up the eligibility of all board members and whether or not any of them are eligible. James feels that based on the action taken when revoking Brian Kelly's membership certificate and the failure of staff to issue membership certificates the entire Board should be dissolved. Bien states that although he respects James' opinion the decision has been made to defer to the attorney's opinion. Bien also feels that James' frequent contact attempts with the attorney have been excessive. James then points out that Mike Tidwell's firm recused themselves from this issue but James Magaha's firm is across the street from them, implying they may be working together. Bien adjourns the meeting after this accusation.

Action Items

None.

Meeting adjourned 8:00 A.M.



Debbie Gunnoe Secretary