

Holley-Navarre Water System, Inc.

Regular Board Meeting Minutes

December 18th, 2018

Will Goulet, Board President, called the meeting to order at 6:00 P.M. The following Board of Directors were present: Will Goulet, Daryl Lynchard, Mark Miller, Doug Larson, Brett Ramsey, and Joe Aguirre. Shane Kahl was absent. Also present were: Paul Gardner, Rob Williamson, Barbara Carawan, Cindy Callen, Phil Phillips, Clinton Wells, Jennifer Tweedy, Chris Legg, Cory Snyder, Mark Turner, Danny Hawkins, Torin Brand, Keith Kilpatrick and Deborah Kharuf (stenographer).

HOLLEY-NAVARRE WATER SYSTEM

Will Goulet begins the meeting by recognizing Paul Gardner, who is retiring after over 32 years of service.

November 20th, 2018 Regular Meeting Minutes & Transcripts

Doug Larson motions to approve the meeting minutes and transcripts. Daryl Lynchard seconds. Motion passes unanimously.

November 8th, 2018 Special Personnel Meeting Minutes.

Doug Larson motions to approve the meeting minutes. Mark Miller seconds. Motion passes unanimously.

November Membership Certificates

Doug Larson motions to approve 300 new membership certificates and cancel 291 for the month of November. Mark Miller seconds. Motion passes unanimously.

Financial Report

Paul presents the financial report for November. There was \$835,926.50 in total revenue with expenses of \$826,313.06, resulting in a net income of \$9,613.44. Revenue is down for the month due to a decrease in taps, which is typical for this time of year. **Brett Ramsey motions to approve the financial statements as presented. Doug Larson seconds. Motion passes unanimously.**

Unfinished Business

1. *Clarifier #4 Award* – Phil states two bids have been received and recommends awarding the project to North Florida Construction, subject to Keith's review of their paperwork and the contract. **Brett Ramsey motions to approve awarding the project to North Florida Construction for the amount of \$1,324,867.00 pending Keith's review of the contract. Mark Miller seconds. Motion passes unanimously.**

New Business

1. *2019 Budget* – Paul presents the proposed 2019 budget for approval. **Brett Ramsey motions to approve the budget and Mark Miller seconds.** The Board inquires on the \$50,000.00 earmarked for Government Services with Rob Williamson elaborating on the need, which is to cover costs related to pursuing alternative sources of funding. Discussion continues, resulting in a review of the bylaws to see when the proposed budget should be approved. Keith interprets them as saying the proposed budget can be approved during December's meeting and then it can be presented to members during January's annual meeting along with the audit. **Brett Ramsey again motions to approve the 2019 budget as presented. Mark Miller seconds. Motion passes with Daryl Lynchard abstaining.**
2. *Check Signers* – A new check signer must be selected to replace Paul due to his retirement. Barbara confirms only one check signer needs to be appointed at this time. **Brett Ramsey motions to appoint Rob Williamson as a new check signer. Doug Larson seconds. Motion passes unanimously.**
3. *Organizational Chart* – A new organizational chart is presented and the updates are discussed briefly. **Doug Larson motions to approve the updated organizational chart as presented. Brett Ramsey seconds.** Rob confirms the notes on the proposed chart are included in the motion as well. **Motion passes unanimously.**

Engineers Report

Various reports on current HNWS projects have been provided to the Board. Phil commends Chris Legg's efforts relating to an I&I issue with Clarifier #4 being out of commission. A problem with a Northwest Florida Water Management permitting issue has also been corrected.

THE CLUB AT HIDDEN CREEK

Financial Report

Cindy reports that course revenue was \$153,879.00 with \$120,382.00 in expenses, resulting in a course operating income of \$23,538.00. Labor costs are discussed briefly. **Brett Ramsey motions to approve as presented. Doug Larson seconds. Motion passes unanimously.**

Check Signers

Mark Miller motions to add Cindy Callen and Rob Williamson as check signers, to remove Paul Gardner, and leave everyone else listed as is. Brett Ramsey seconds. Motion passes unanimously.

General Manager

The Board announces that Cindy Callen has accepted the full-time position of general manager of The Club at Hidden Creek.

Superintendent

The Board announces that Mike Monroe has accepted the position of superintendent of The Club at Hidden Creek.

18" Effluent Line Replacement Update

Clinton Wells provides an update, stating that the project is underway. He adds that rainy weather has slowed their progress.

Restaurant RFP Update

Three parties have shown interest in occupying the restaurant and Rob has met with one of them. Discussions on the future of the restaurant, product and service pricing, and banquet operations have occurred for evaluation purposes. It's anticipated that a recommendation can be presented to the Board during February's regular board meeting.

2019 Budget

Brett Ramsey motions to approve the 2019 budget for TCHC. Mark Miller seconds.

It's confirmed that pending capital improvements such as AC units and restrooms are not included in the proposed budget. A finalized list of recommended capital improvements will be presented during February's regular board meeting. **Motion passes unanimously.**

Capital Improvements Update

Rob elaborates on the cost and timeline for the AC units and restroom updates. It's felt that the current restrooms are a liability for the water system and they need to be replaced rather than repaired.

Public Forum

Debbie Gunnoe: 2143 Chatsworth Drive – Ms. Gunnoe brings up a personnel meeting that took place earlier in the year, during the time she was serving on the Board. She claims that due to her support of a direct-hire during that meeting, she and another director were removed from the Board. Three current Directors were opposed to doing a direct-hire at that time and she feels their current decision to do the same contradicts their past belief that it was the wrong approach. She also adds her opinion that the person recently hired to manage the water system is unqualified.

Kevin Lanier: 2726 Muirfield Drive – Mr. Lanier expressed his opinion that the vote on approving the budget during tonight's meeting goes against the bylaws and it should be nullified. He feels that the new Board should review the budget once they're seated after the annual election.

Jeanne Knier: 2744 Sherwood Drive – Ms. Knier feels that it's her civic duty to express her concerns over offering Rob Williamson the CEO position without any advertising. She also hopes President Goulet's relationship with Rob was not a factor in his appointment.

William Lake: 3056 Safronia Shores Road – Mr. Lake questions the Board’s relationship with Rob Williamson and the reasoning behind his appointment to CEO of the water system. He also alleges malfeasance and suggests that the state or county could get involved. Mark Miller responds, stating that the claims of board members being friends or business associates of Rob Williamson are untrue and he meets the qualifications identified by the Board.

Carmen Reynolds: 9621 Sunnybrook Drive – Ms. Reynolds presents a letter on behalf of a specific group of HNWS members. The letter address past closed meetings and the actions taken during those meetings. The letter also requests documents relating to policies and procedures, the Board’s conflict of interest policy, the job description for the new CEO position (with the date the description was finalized), the resumes for Rob Williamson and any other candidates that were considered, the signed employment contract between the Board and Rob Williamson, any documents outlining Mr. Williamson’s position duties for FRUS, and lastly the request for proposals for the solicitation of legal counsel and resulting applications. A copy of the letter has been sent to various officials, attorneys and law enforcement within the state and county.

Harlan Hall: 7712 Manatee Street – Mr. Hall questions what the Board would have done if Rob Williamson would have been re-elected as commissioner and then addresses the necessity of following the bylaws. He then questions the hiring process used for the CEO position and also why a head hunter was not used to find qualified candidates. He shares his opinion that it appears to be a back-door deal.

Mike Kennedy: 2735 Pebble Beach Drive – Mr. Kennedy comments on past meeting minutes leading up to the appointment of Rob Williamson to the position of CEO. He references prior statements made by board members implying that an RFP would be the best way to find qualified candidates. He questions why the Board chose to not use an RFP and instead appointed Rob Williamson.

Mark Miller motions to adjourn. Doug Larson seconds. Motion passes unanimously.

Action Items

1. A recommendation on the club’s restaurant RFP responses and a finalized list of capital improvements will be presented during February’s monthly board meeting.

Meeting adjourned 7:20 P.M.



Kevin Lanier Secretary/Treasurer