

Holley-Navarre Water System, Inc.

Regular Board Meeting Minutes

February 16, 2016

Bien May, Board President called the meeting to order at 7:00 P.M. The following Board of Directors were present: Bien May, James Calkins, Gaius Bruce, Daryl Lynchard, Robert Coley, and Brian Kelly. Also present were: Paul Gardner, Billy Sublett, Phil Phillips, Dale Long, Barbara Carawan, Clinton Wells, Danny Hawkins, Rachael Limousin, Mike Tidwell, Doug Tidwell, and Deborah Kharuf (stenographer).

**December 2015 & January 2016 Minutes – Mr. Lynchard makes a motion to accept the four sets of minutes as presented, seconded by Mr. Coley and passed by unanimous vote.**

**Finance Report**

Paul goes over Financial Report and Water/ Sewer Taps. **James Calkins motions to accept Financial report, seconded by Robert Coley. Further discussion, questions from Mr. Lynchard. Motion passed by unanimous vote.**

**Personnel Committee-**

Robert Coley's update, discussion on Health Savings Accounts and changes to insurance. Ms. Limousin goes over options presented from Aetna.

**Engineers Report –**

Buck Paulchek nothing to report.

**Retirement Committee-**

Brian Kelly presents report. Informs Board of meeting next day with brokers and representative from Aetna to explain new plan and changes.

**Unfinished Business**

Club at Hidden Creek dry wall remediation funding- **Mr. Calkins makes motion to approve initiative. Mr. Kelly seconds.** Further discussion over contract, how the money will be considered as a loan or part of investment. **Mr. Kelly suggests to consider as a loan. Motion passed by unanimous vote. Mr. Bruce makes motion to consider payment as a loan up to \$75,000 for the repair. Mr. Calkins seconds motion. Further discussion. Motion passed by unanimous vote.**

**New business**

NWFWMD request to install a deep monitor well at our sewer treatment plant, will be used to monitor Florida aquifer. They have met with Zach Lewis to discuss specific placement. Contract will be reviewed by Mr. Tidwell. No expense to HNWS. **Mr. Bruce motions to approve contingent upon Mr. Tidwell's review. Mr. Calkins seconds. Motion passed by unanimous vote.**

Ms. Carawan presents Resolution to amend Pension Trustee, removal of Will Goulet and add Brian Kelly. **Mr. Calkins makes motion to approve. Mr. Coley seconds. Motion passed by unanimous vote.**

Ms. Carawan informs the Board that the 2015 Financial Audits are underway and will be presented at the April meeting; Warren Averett will be providing the Audit and tax returns for HNWS, TCHC, and MESI.

Mr. Sublett makes recommendation to allow Board members to attend Board meetings remotely via phone. Mr. Tidwell gives specific guidelines. **Mr. Lynchard makes motion to approve. Mr. Kelly seconds. Motion passed by unanimous vote.**

Mr. Gardner gives report on Grescovich property access. Further discussion on specifics.

Mr. Sublett suggest to appoint a spokesperson for the Press. **Mr. Lynchard makes motion to approve. Mr. Kelly seconds. Further discussion. Motion passed by unanimous vote.**

Mr. Sublett asks Board to put two more people on \$7 Million Bond. **Mr. Lynchard makes motion to put James Calkins and Billy Sublett on as signers on our bond issue. Mr. Kelly seconds. Motion passed by unanimous vote.**

Five-Year Capital Improvement Plan- Mr. Sublett asks board for approval of it, approval to look for financing on it, and start designing. **Mr. Coley makes motion to approve as presented. Mr. Bruce seconds. Motion passed by unanimous vote.**

**Mr. Calkins makes motion to start a prayer before every meeting including the Pledge of Allegiance. Mr. Lynchard seconds. Further discussion. Mr. Lynchard requests that it be non-denominational. Stipulate upon review of attorney. Mr. Bruce votes nay. Motion passed by majority vote.**

Appoint Spokesperson for Press- Mr. Lynchard suggests Billy. Further discussion.

**Mr. Lynchard motions to remove section 4 from Board packets. Mr. Kelly seconds.**  
**Motion passed by unanimous vote.**

**Open forum**

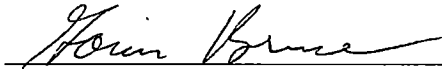
Ms. Romi White with South Santa Rosa News, would like to clarify that Management has been able to correct rumors in the past, and would suggest having a back up to the Spokesperson and provide the press with their cell phone numbers.

Mr. Pete Peterzen asks for update on retention ponds and irrigation system. Paul gives update on the progress. Discussion over voting/proxy process.

Mr. Daniel Scruggs makes suggestion to talk to military on getting rid of reclaimed water. Board and Mr. Gardner tells Mr. Scruggs that it has been explored and continues to be explored.

Discussion over use of proxies and proxy process and adding absentee ballots to the voting process. Tabled for Committee to review.

Meeting adjourned 8:16 P.M.



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Gaius Bruce Secretary/Treasurer

**Resolution of the Board of Directors  
of  
Holley-Navarre Water System, Inc.**

I, Robert Paul Gardner, of Holley-Navarre Water System, Inc. (the "Employer"), hereby certify that the following is a true copy of resolutions duly adopted by the Board of Directors of the Employer at a meeting held on February 16, 2016 at which a quorum was present and acting throughout.

**WHEREAS**, the Employer has previously adopted the Holley-Navarre Water System, Inc. Pension Plan, hereinafter called the "Plan", effective as of January 1, 2006; and

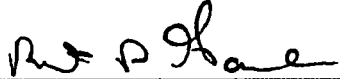
**WHEREAS**, the Employer desires to amend the Plan;


**NOW THEREFORE**, be it resolved, that the Employer removes William Goulet from the Trustees as listed in the Plan and appoints Brian Kelly, Gavis Bruce, and Daryl Lynchard as Plan Trustees, effective as of February 16, 2016.


**RESOLVED**, that the proper officers of the Employer are and each of them is, hereby authorized and directed in the name of and on behalf of the Employer, to execute and deliver the Plan and to do all other things, including the execution of any other necessary documents setting forth the terms and conditions of the amended and restated Plan;

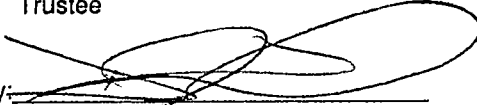
**IN WITNESS WHEREOF**, I have hereunto set my hand on the 16<sup>TH</sup> day of February 2016.

Holley-Navarre Water System, Inc.

By:   
Employer

By:   
Trustee

By:   
Trustee

By:   
Trustee

  
Signature

Robert Paul Gardner  
Name

Holley-Navarre Water System, Inc. Pension Plan

Trustee Acceptance of Appointment

The undersigned accept the appointment of Trustee of the Holley-Navarre Water System, Inc. Pension Plan effective February 16, 2016.

Brian Kelly

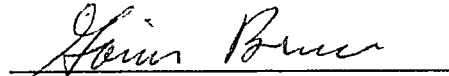


Signature

2.16.16

Date

Gauis Bruce

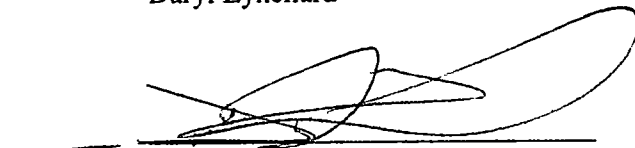


Signature

2/16/16

Date

Daryl Lynchard



Signature

2/16/16

Date

**Amendment  
to  
Holley-Navarre Water System, Inc. Pension Plan**

Holley-Navarre Water System, Inc. (the "Employer") hereby amends the Adoption Agreement of the Holley-Navarre Water System, Inc. Pension Plan (the "Plan") effective February 16, 2016 as follows:

Section XXI paragraph B is amended by deleting the following and replacing it with:

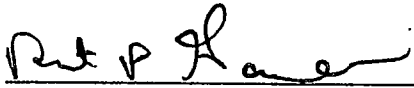
Name and Address of Trustees:

Brian Kelly, Gavis Bruce, and Daryl Lynchard  
8574 Turkey Bluff Rd  
Navarre, FL 32566

IN WITNESS WHEREOF the Employer has caused this Amendment to be executed this 16th day of FEBRUARY, 2016.

**Holley-Navarre Water System, Inc.**

BY: Robert Paul Gardner  
Executed By (Printed Name)

BY:   
Signature