

Holley-Navarre Water System, Inc.

Special Board Meeting Minutes

January 31st, 2018

James Calkins, Board President, called the meeting to order at 6:00 P.M. The following Board of Directors were present: James Calkins, Ricki DeSantis, Will Goulet, Daryl Lynchard and Mark Miller. Also present were: Secretary/Treasurer Doug Larson, Paul Gardner, Barbara Carawan and Sherry DeVasher.

Attorney Representation

James presents a letter from attorney Mike Tidwell informing the Board of his resignation as HNWS' legal counsel, effective February 1st, 2018. New counsel must be selected as his replacement. **Will Goulet motions to hire Keith Kilpatrick's law firm, as he's a local attorney with a good reputation. Daryl Lynchard seconds.** Although Mark feels Keith is a respectable attorney he would like to consider other options, citing the importance of the selection and the Board's past requirements of obtaining multiple proposals/bids for other less significant items. Discussion ensues touching on the benefits of having local counsel, the urgency of the situation and the necessary qualifications. This leads to Keith presenting his background and experience. Although his legal background is extensive, he has not directly represented a non-profit organization (503c) such as HNWS. Mark suggests considering other attorneys with more experience in this area and making a more informed decision during February's HNWS board meeting. James states the decision needs to be made at this time due to Mike's resignation and calls the motion to a vote. **James, Ricki, Will and Daryl vote "Aye" with Mark opposing. Motion passes.**

Daryl motions to terminate the services of the law firm of Beggs & Lane. Ricki seconds the motion. Mark points out that this item is not on the special meeting agenda, therefore addressing this issue would go against the HNWS bylaws. **Daryl agrees and withdraws his motion until the next regular board meeting.** He states his opinion that having Beggs & Lane as legal counsel presents a conflict of interest and they should not be representing HNWS in any matters going forward. He also brings up the Gulf Breeze reuse agreement currently in progress as he does not feel it's in HNWS' best interest. Brief discussion ensues on the contract with Paul providing an update. Gulf Breeze was supposed to send a new updated contract, to include the changes Paul suggested in addressing the Board's concerns. Costs, other options for disposing of reuse and the likelihood of finding property in HNWS' franchise area were items discussed before the conversation returned to current legal representation and the associated fees. Mark then points out that Beggs & Lane is currently in the process of handling other personnel related issues. Daryl states that he was told they were only working on the Gulf Breeze reuse issue, but was then informed of another item they were handling, assisting Paul Gardner in suing HNWS.

The discussion is continued off the record in a private session

Action Items

None.

Meeting adjourned 7:25 P.M.



Doug Larson, Secretary/Treasurer