

## Holley-Navarre Water System, Inc.

### Regular Board Meeting Minutes

August 18<sup>th</sup>, 2020

Daryl Lynchard, Board President, called the meeting to order at 6:00 P.M. The following Board of Directors were present: Daryl Lynchard, Mike Kennedy, Mark Miller, Will Goulet, and Grant Summers. Fred Terasa and James Dabney were absent. Also present were: Torin Brand, Keith Kilpatrick and Deborah Kharuf (stenographer). Barbara Carawan, Danny Hawkins, Amber Bucholtz, Mark Turner, Chris Legg, Cindy Callen, Phil Phillips, and Clinton Wells attended via conference call.

#### Approval of Minutes & Transcripts

**Will Goulet motioned to approve the minutes and transcripts from the 07/21/2020 regular meeting. Grant Summers seconded. Motion passed.**

#### Membership Certificates

**Will Goulet motioned to approve the memberships for July as presented. There were 455 new memberships, 425 cancelled, and 3 transfers. Mark Miller seconded. Motion passed unanimously.**

#### Administrative

1. *Finance – Review of the July 2020 Financial Statements:* **Will Goulet motioned to approve the July 2020 financial statements as presented. Mark Miller seconded. Motion passed unanimously.**
2. *HNWS Corporate 990 Tax Return:* **Mark Miller motioned to approve and file the 990 tax return as presented. Grant Summers seconded. Motion passed unanimously.**
3. *2020 Employee Group Insurance Renewal:* Mike Kennedy has been working with HNWS's insurance representative and presented the available options. Option 1 has a 5.17% rate increase and option 2 has a 7.09% rate increase. The highlights of each were gone over and the recommendation from the personnel committee (Will Goulet and Mike Kennedy) is to go with option 1. **Mike Kennedy motioned to approve option 1 for the group health insurance renewal. Will Goulet seconded.** The benefits of staying with one insurance carrier and not shopping around were also discussed. **Motion passed unanimously.**
4. *FRUS/HNWS Operations & Maintenance Agreement:* Minor changes were suggested after it was already approved by the HNWS Board and the document must be approved again. **Will Goulet motioned to approve as presented. Grant Summers seconded.** The FRUS

representatives explained the minimal changes that were made. **Motion passed unanimously.**

5. *Line Extensions/Fire Protection:* Will Goulet provided an update. Several factors such as funding, locations, etc. still need to be determined and it would be better addressed at a later time.
  
6. *HNWS 2021 Board Election:* The election documents and timeline were provided to the Board. The only changes were the dates, to coincide with the 2020/2021 calendar. **Mark Miller motioned to approve. Grant Summers seconded.** There were two suggestions made. First, that the fact sheet describing the voting procedures that was provided last year also be provided this year, with all correspondence that goes out. Second, changing the verbiage on exhibit G to list absentee ballots as the first option rather than proxies if you cannot attend the annual meeting to vote in person. **Mark Miller amended his motion to change paragraph 3 of exhibit G to read “that if for any reason you are unable to attend the annual meeting held on January 19<sup>th</sup>, 2021 the Directors of the corporation respectfully request that you vote by absentee ballot or by proxy.” The language can be cleaned up and is subject to Keith’s review.** Staff confirmed the timeframe for early voting did not change, went over the voting process, and explained the purpose of the canvassing board. **Motion passed unanimously.**

**Mike Kennedy motioned to make Grant Summers the canvassing board representative along with Keith and the CEO. Mark Miller seconded. Motion passed unanimously.**

7. *Impact Fee Transfer Request:* The information was provided to the Board. **Mark Miller motioned to approve as submitted. Will Goulet seconded. Mark Miller withdrew his motion after it was pointed out that board approval is not required.** The item was presented for informational purposes only.

### **Personnel**

A letter from RSI, the recruiting company selected to help with the CEO search, was presented with the details and instructions for candidates to submit their information. RSI has reached out to 95 potential candidates thus far. **Mike Kennedy motioned to post the instructions to the HNWS website, Facebook and to local news media outlets. Will Goulet seconded. Motion passed unanimously.**

### **Golf Committee**

Daryl reported that the attorneys are finishing up the sales agreement that was approved during last month's meeting. Fred Terasa was absent, but provided a graph reflecting the reimbursement/course operating income. Geo Mayer spoke at this time.

Geo Mayer – 6931 Turnberry Circle: Mr. Mayer inquired on the number of open seats and whether any incumbents were running/not running in the upcoming election. It was confirmed that there were 3 open seats in the upcoming election and Daryl Lynchard and Will Goulet are not running.

### **The Club at Hidden Creek**

1. *2020 Financial Statements:* Cindy Callen reported the financials for July. Course operating income was \$58,256.00. Year to date, it was \$135,329.00. Course revenue was a little low, but expenses were low as well. After depreciation was included, for the month they were \$35,320.00 to the positive and year to date they are at -\$22,864.00. That is with the course being closed almost a full month. Cindy also confirmed they received a PPP loan for a little over \$150,000.00 and she will be applying for forgiveness. **Will Goulet motioned to approve the July 2020 financial statements as presented. Mark Miller seconded. Motion passed unanimously.** Will asked the Board to stay after the meeting to discuss a question he has for Keith.
2. *Update on Potential TCHC Sale:* Daryl gave an update earlier when reporting for the golf committee.

### **Engineering**

1. *Monthly Operations Report:* Phil reported that the contract for Jacob Engineering's I sin the attorney's hands. They hope to hear something in the next few days and Daryl can execute it per the Board's previous motion.

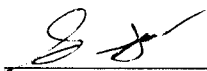
### **Public Forum**

None.

### **Action Items**

1. Staff will make the requested change to election document exhibit G, listing absentee ballots as the first option rather than proxies.

Meeting adjourned 6:40 P.M.



Grant Summers, Secretary/Treasurer