

Holley-Navarre Water System, Inc.

Regular Board Meeting Minutes

September 22nd, 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, Fred Terasa and James Dabney. Grant Summers and Will Goulet were absent. Also present were: Torin Brand, Keith Kilpatrick and Deborah Kharuf (stenographer). Barbara Carawan, Danny Hawkins, Amber Bucholtz, Chris Legg, Cindy Callen, Phil Phillips, Clinton Wells and Mark Turner attended via conference call.

Approval of Minutes & Transcripts

Mark Miller motioned to approve the minutes and transcripts from the 08/18/2020 regular meeting. Mike Kennedy seconded. Motion passed unanimously.

Membership Certificates

Mark Miller motioned to approve the memberships for August as presented. There were 365 new memberships, 341 cancelled, and 2 transfers. Mike Kennedy seconded. Motion passed unanimously.

Administrative

1. *Finance – Review of the August 2020 Financial Statements:* **Mark Miller motioned to approve the August 2020 financial statements as presented. Mike Kennedy seconded. Motion passed unanimously.**
2. *SRC Wellfield Protection Area Land Development Code Change:* An overview of the situation was given, starting with a recap of a recent land development code meeting. Although the entire code is being re-written, a request by a borrow pit owner to allow the expansion of his pit in the wellfield protection area is the main concern. The commissioners sent it to planning and zoning for consideration. If they decide to proceed, it will be sent back to the commissioners, who in turn will send it on to FDEP for approval. If they approve to proceed, it would be brought before the newly elected commissioners in November for final approval. Mark Miller elaborated on the potential negative effects on Fairpoint's water supply, which is in the wellfield protection area. Some of the differences between borrow pits and retention ponds were explained, as they were discussed during the aforementioned meeting. Discussion continued. The consensus was that the proposed change should be opposed, but it is early in the process and it was on the agenda primarily for discussion. This item was also addressed during the September Fairpoint meeting, resulting in Municipal Engineering Services, Inc. being tasked with contacting an environmental consultant. This item can also be discussed during next month's meeting to

determine if further action will be required. **Mark Miller motioned to have HNWS's official position be to oppose the expansion of borrow pits in the wellfield protection area and to direct Municipal Engineering Services, Inc. to spearhead those efforts. Fred Terasa seconded. Motion carried with James Dabney abstaining.**

Personnel

Mike Kennedy gave an update on the CEO search. Upcoming interviews were slightly delayed due to Hurricane Sally, but there are currently 5 potential candidates. Daryl Lynchard, Mike Kennedy, Will Goulet and Phil Phillips will attend the interviews. Daryl elaborated on the decided upon process, which is an initial interview, then a second interview in which management staff can attend, then to present the Board with the strongest candidates for consideration. The current potential candidates are not local. Any board member is welcome to attend the interviews. The goal is to finish the process within a month.

Golf Committee

None.

The Club at Hidden Creek

1. *2020 Financial Statements:* Cindy Callen reported the financials for August. Course revenue was \$165,787.00 with expenses of \$128,320.00. This left a course operating income of \$37,467.00 before depreciation. Year to date, course operating income is \$172,795.00. After depreciation, year to date course operating income is \$-8,333.00. A possible error on one of the figures was brought up resulting in a discussion on how depreciation is reflected on the financial documents. **Mike Kennedy motioned to approve the August 2020 financial statements as presented. Fred Terasa seconded.** The figures were discussed again briefly. **Motion passed unanimously.** The golf cart lease was brought up next with Cindy confirming that she has spoken to her representative regarding the lease. She has not yet received confirmation that the contract can be extended for a month or two, but she should have it by next week. She will send it to the Board once received. Next, Cindy gave an update on the current state of the golf course after Hurricane Sally. There are over 100 trees down, debris, and excessive water on multiple holes. The irrigation system was also damaged, but they are spraying as much water as possible. She is hoping to open on October 2nd if there is no more rain. A suggestion to email golf course members with an update was made and Cindy expressed her concern with possible delays. Cindy is also obtaining bids to get the net replaced and checking on Loss of Business insurance.

2. *Update on Potential TCHC Sale:* Daryl provided an update. The final sales agreement and the effluent disposal agreement has yet to be received for presentation to the Board.

Engineering

1. *Monthly Operations Report:* Phil reported that he believes the Eglin project agreement was received this afternoon for Daryl to execute.

He also reported on a recent issue DEP had with the issuance of general permits. Although nothing official has been received from DEP stating the issue has been resolved, an email has been received stating general permits are now being issued. Operational reports have been provided to the Board. The timeline for Eglin and I & I was discussed briefly. Staff was applauded for their efforts during the hurricane and information is being gathered to see if HNWS suffered any insurable losses.

Public Forum

Carmen Reynolds – 9621 Sunnybrook Dr: Ms. Reynolds began by thanking the Board for their volunteer efforts during Hurricane Sally. Regarding the wellfield protection zone, she stated that each board member's primary allegiance is to the Board. Specifically, the importance of not sharing information that would prejudice the efforts of the Board. She agreed that information should be shared with the public so they can be informed. She also forwarded information regarding air/water quality reports to Mark Miller and implored other Board members to review it. A more recent ECUA report was also brought up. Lastly, Ms. Reynolds informed the Board of a Citizens Damage Report, where citizens and businesses can go online to report hurricane damage to help properly assess the damage caused by the hurricane.

Mike Matthews – 2193 Bellmeade Cir: Mr. Matthews is a builder who has been waiting for a response regarding services being provided to his lot. He previously met with the system engineer and brought this before the Board. He also referenced knowledge of other builders using low pressure sewer systems, as to which the Board stated is not allowed. Daryl asked that he contact him to schedule a meeting so they can properly discuss the situation.

Action Items

1. Municipal Engineering Services, Inc. will spearhead the Board's efforts relating to the wellfield protection zone. They were assigned to contact an environmental consultant during the September Fairpoint meeting.
2. Cindy will send confirmation that the golf cart lease can be extended for a few months once she receives it. Cindy is also checking on Loss of Business insurance.

3. Member Mike Matthews was asked to contact Daryl to discuss his prior request to run services to his property.

Meeting adjourned 7:00 P.M.



Grant Summers, Secretary/Treasurer