

Holley-Navarre Water System, Inc.
Annual Board Meeting Minutes (AM)
January 19, 2021

Daryl Lynchard, Board President, called the meeting to order at 7:00 A.M. The following Board of Directors were present: Daryl Lynchard, Mike Kennedy, Will Goulet, Mark Miller, Grant Summers and Fred Terasa. James Dabney was absent. Also present were: Barbara Carawan, Dallas Peavey, Clinton Wells, Keith Kilpatrick, Phil Phillips and Deborah Kharuf (stenographer). Amber Bucholtz, Torin Brand and Cindy Callen attended via Phone.

Ten HNWS members were present.

- 1. 2021 Annual Budget: Fred Teresa motioned to accept the 2021 Annual Budget as presented. Will Goulet seconded. Motion passed unanimously.**
- 2. HNWS, MESI and TCHC Registered Agent: Daryl Lynchard is the current registered agent for HNWS and MESI. James Dabney is the registered agent for TCHC. A new registered agent needs to be appointed for all organizations. Daryl's recommendation is to appoint Dallas Peavey, as CEO, in accordance with past tradition. Will Goulet motioned to appoint the CEO as the registered agent for HNWS, MESI and TCHC. Grant Summers seconded. Motion passed unanimously.**
- 3. Pension/401K Plan Administrator: The current plan administrator is Daryl Lynchard as acting CEO. Daryl's recommendation is to appoint Dallas Peavey, CEO, as the new plan administrator. Will Goulet motioned to appoint CEO Dallas Peavey as the plan administrator for the Pension/401K. Fred seconded. Motion passed unanimously.**
- 4. Authorized Representative to the Bond Issue: The current representatives are Rob Williamson and Barbara Carawan. It has traditionally been the CEO of HNWS and the Administrative Operations Manager, Barbara Carawan. Will Goulet motioned to appoint Barbara Carawan and Dallas Peavey as authorized representatives to the bond issue. Grant Summers seconded. Motion passed unanimously.**
- 5. Will Goulet Company Laptop Issued Laptop Purchase: Dallas Peavey explained that Will Goulet was issued a company laptop in 2018. Because of his use and the time passed, he has requested to purchase the laptop. The company evaluation came up with a current market value of \$300.66. All company data has been removed from the laptop. Dallas Peavey recommended authorization for Will Goulet to purchase the laptop. Mike Kennedy motioned for Will Goulet to purchase the laptop in the amount of \$300.66. Fred Teresa seconded. Motion passed with Will Goulet abstaining.**

6. **HNWS Legal Counsel Resignation:** Keith Kilpatrick, the attorney representing HNWS, has submitted his resignation. The Board needs to discuss issuing an RFP for new HNWS legal counsel. **Mike Kennedy motioned to authorize Dallas Peavey to issue an RFP to obtain new legal counsel for HNWS. Fred Teresa seconded. Mike Kennedy thanked Keith Kilpatrick for his service for the past 3 years. Motion passed unanimously.**

7. **Policy Update: Contact with Legal Counsel:** Daryl Lynchard explained the current board policy, enacted several years ago, that required staff to obtain approval from the board president prior to contacting HNWS legal counsel. Staff recommendation is to rescind the motion that established the existing policy and authorize the CEO to oversee contact with legal counsel going forward, and to give the board president authority to contact legal counsel, providing the CEO is notified. **Will Goulet motioned to approve staff's recommendation. Mark Miller seconded. Motion passed unanimously.**

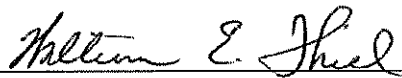
8. **Policy Update: IT Department Organization Position:** Current policy requires the IT Department to report directly to the Board of Directors. Staff recommendation is to rescind the motion that established the existing policy, therefore allowing the IT Department to report to their organizational superior rather than the Board of Directors. **Fred Teresa motioned to accept staff's recommendation. Mark Miller seconded. Motion passed unanimously.**

9. **2021 Board of Directors Election:** Staff announced the election candidates:

Joe Campbell
Mark Miller
Eric Sgarlata
William Thiel

Voting will commence once the meeting is recessed. The meeting will reconvene in the evening at 7:00 P.M. There are three open seats, two three-year terms and a single one-year term. An overview of the election process, timeline and voting options were given. **Fred Terasa motioned to recess the meeting for voting to commence. Mark Miller seconded. Motion passed unanimously.**

Meeting recessed for voting at 7:16 A.M.



Bill Thiel, Secretary/Treasurer

Holley-Navarre Water System, Inc.

Annual Board Meeting Minutes (PM)

January 19, 2021

Daryl Lynchard, Board President, called the meeting from recess at 7:00 P.M. The following Board of Directors were present: Daryl Lynchard, Mike Kennedy, Will Goulet, Mark Miller, Grant Summers, James Dabney and Fred Terasa. Also present were: Barbara Carawan, Dallas Peavey, Keith Kilpatrick and Deborah Kharuf (stenographer). Mark Turner, Chris Legg, Torin Brand and Cindy Callen attended via Phone.

Continued from the A.M. meeting-

10. **Members in Attendance Announcement:** Barbara announced that there were fifteen members in attendance.
11. **Proof of Public Notice:** Dallas confirmed the Annual Meeting Public Notice was advertised and the Proof of Public Notice was provided to the Board.
12. **Approval of Meeting Minutes:** **Will Goulet motioned to approve the 01/21/2020 annual meeting minutes (both AM and PM) as presented. Fred Terasa seconded.** Mark Miller added that during last year's annual meeting, member Etta Fawler warned of possible changes to the restrictions in the wellfield protection area that are currently being addressed. **Motion passed unanimously.**
13. **Financials and Audit Update:** The December 2020 and 2020 year-to-date financials will be presented during the normally scheduled February board meeting. The 2020 annual audit is underway and will be presented in April 2021. The completed 2019 annual audit is available to members upon request.
14. **Wellfield Protection Area Member Update:** HNWS is leading the effort to protect the well field from development code restriction changes and Daryl encouraged the public to help. Mark suggested submitting an information request to the County once they receive the state agencies' responses. Member Carmen Reynolds spoke at this time.

Carmen Reynolds, 9621 Sunnybrook Drive: Ms. Reynolds prepared a presentation for the public to learn more about the potential wellfield protection area development code changes and provided the details on when/where it will be presented. A separate presentation has been prepared for the members of Fairpoint Regional Utility System, of which HNWS is a member. She also provided an update on HNWS member Etta Lawler. Ms. Lawler is a member of the Well Field Protection Committee and she is currently fighting for her life in the hospital. Ms. Reynolds added that information she previously attempted to provide to the HNWS and Fairpoint Boards was purposely withheld.

The next agenda items were discussed in the following order:

16. Statements from Outgoing Board Members: Will Goulet expressed his appreciation for being allowed to serve the community as a HNWS board member. Daryl was also thanked for his service as both a board member and the interim CEO. He expressed the importance of supporting HNWS employees, especially to the public, and reminded board members that staff carries out the policies set by the Board. He thanked staff for their support during his time as interim CEO and commended their work performance.

15. Election Results Announcement: The election results were announced. A grand total of 198 ballots were cast, consisting of 101 absentee ballots and 97 on election day.

William Thiel: 158
Mark Miller: 154
Joseph Campbell: 125
Eric Sgarlata: 82

William Thiel and Mark Miller will serve three-year terms, and Joe Campbell will serve a one-year term.

17. Election of Successor President: The new board members were brought forward. **Fred Terasa motioned to appoint Mike Kennedy as the new board president and to seat the new board members. Mark Miller seconded. Motion passed.** Mike Kennedy continued the meeting as president.

Will Goulet and Daryl Lynchard were again thanked for their service. The Supervisor of Elections, Tappie Villane, and her team were also thanked for their help with the election.

A special meeting was scheduled for 01/25/2021 at 9:00 A.M. to fill the remaining seats on the Board and make committee assignments. A formal announcement of the scheduled meeting will be made.

Dallas acknowledged Keith Kilpatrick's letter of resignation and he was thanked for representing HNWS. An RFP for legal services has been prepared and it will be presented to the Board prior to going out for bids.

Unfinished Business.

None.

New Business.

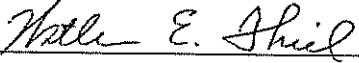
None.

Members Forum

None.

Fred Terasa motioned to adjourn the meeting. William Thiel seconded. Motion passed unanimously.

Meeting adjourned 7:20 P.M.



Bill Thiel, Secretary/Treasurer