

Holley Navarre Water System, Inc.
Special Session (Closed Meeting)
(Legal and Personnel Issues)
August 24, 2022

Board President, Joe Campbell, called the meeting to order at 6:30 P.M. The following Board of Directors were present: Joe Campbell, Mark Miller, Bill Thiel, Don Linnell, James Dabney, and Daryl Lynchard. Will Dunaway, Esq., HNWS Legal Counsel was also present. Director Mike Kennedy was absent. Audio and video recorders were not in use.

Unfinished Business

Legal and Personnel Matter: Board President and Interim CEO Joe Campbell presented the results of his investigation of information provided by a director during the previous Special Board meeting concerning potential irregularities in personnel matters. Following a robust discussion, the Board took no further action.

New Business

Legal and Personnel Matters:

➤ Mr. Dunaway briefed the Board on a recently filed lawsuit against HNWS and The Club at Hidden Creek (TCHC) alleging improper firing of a former TCHC General Manager (Cindy Callen) in April of 2021. Robust discussion followed with a recommended way forward from Legal Counsel given the fact that coverage was available through Landrum HR.

➤ **Motion by Director Linnell, seconded by Director Miller to submit the lawsuit to Landrum HR with a request that Landrum HR engage Clark Partington to defend the lawsuit. Motion PASSED unanimously: 6/0**

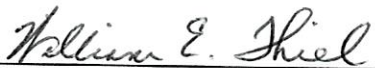
➤ Director Dabney presented evidence of a weakness in the HNWS IT security [REDACTED]

[REDACTED] Vigorous discussion followed on Security Measures implemented upon the removal of the CEO and how to research and implement security changes to avoid the possibility of future illegal access to HNWS IT servers (both email and domain servers). The following motions were acted upon:

➤ **Motion by Director Linnell, seconded by Director Campbell to contact local Law Enforcement to investigate [REDACTED] unauthorized access to HNWS e-mail server if interim CEO and HNWS IT cannot determine solution by COB Aug 26th. Motion FAILED. 3/3. Directors Linnell/Thiel/Campbell (Aye) and Directors Dabney/Lynchard/Miller (Nay).**

- **Motion by Director Thiel, seconded by Director Miller to have Interim CEO contact the local area FBI cyber team to conduct a “vulnerability assessment” of the HNWS IT system. Motion PASSED unanimously. 6/0.**
- Discussion of Board Member adherence to the established HNWS Board Member Code of Conduct during both internal dealings between Board Members as well as external communications protocols Board members must follow during public discourse.
- Way ahead discussion on search for new HNWS CEO was conducted. The full HNWS Board will serve as the “Personnel Committee” for the conduct of this important effort. The initial meeting of the Personnel Committee was set for Thursday, September 1st at 3:00 PM in the HNWS CEO office.
- Legal Counsel briefed the Board on the results of a recent lawsuit regarding adherence to Florida’s Sunshine Statute against a private company with a “franchise agreement” given to them by the Santa Rosa County Board of Supervisors

Meeting adjourned at 8:20 P.M.



Bill Thiel, Secretary/Treasurer