

1 HOLLEY NAVARRE WATER SYSTEM
2 CLUB AT HIDDEN CREEK
3 BOARD OF DIRECTORS COMBINED MEETINGS
4 MARCH 16, 2021
5 6:00 P.M. - 6:33 P.M.

6 MIKE KENNEDY, PRESIDENT

7 MARK MILLER, VICE PRESIDENT

8 WILLIAM THIEL, SECRETARY TREASURER

9 FRED TERASA, DIRECTOR

10 JOE CAMPBELL, DIRECTOR

11 DALLAS PEAVEY, CEO, HOLLEY NAVARRE WATER

12 BARBARA CARAWAN, HNWS OFFICE MANAGER

13 PHIL PHILLIPS, MUNICIPAL ENGINEERING

14 TORIN BRAND, IT HNWS

15 CLINTON WELLS, HNWS

16 SANDRA EMLETT, INTERIM GM, CLUB AT HIDDEN CREEK

17 MARK TURNER, HNWS

18 GRANT SUMMERS, HNWS

19 BOBBY NELSON, HNWS

20 BLAKE LINDSAY, HNWS

21 MELISSA MILLER, LANDRUM, HR ADMIN

22 ALSO PRESENT:

23 WILL DUNAWAY, ESQUIRE

24 DEBORAH KHARUF, COURT REPORTER

25 CARMEN REYNOLDS

1 P-R-O-C-E-E-D-I-N-G-S

2 MR. KENNEDY: All right. I call this
3 meeting to order. Director Miller, would you lead us in
4 prayer?

5 (INVOCATION BY DIRECTOR MILLER.)

6 MR. KENNEDY: Secretary Lanier -- Thiel --
7 Bill, will you lead us in the pledge?

8 MR. THIEL: Join me in the pledge of
9 allegiance to our country.

10 (PLEDGE OF ALLEGIANCE LED BY DIRECTOR THIEL.)

11 MR. KENNEDY: Thank you, gentlemen. We do
12 have a quorum. Announcements: Audio and video recorders
13 are in use. Please silence all cell phones.

14 If anybody would like to address the
15 Board, the agenda items are for sign-up back there.

16 All right. Everyone, I would like to
17 introduce to my far right our legal counsel, Mr. Dunaway.

18 And for our first item, so this is the
19 approval of the minutes. This is February 16th, 2021,
20 educational meeting minutes, and the February 16th
21 regular meeting minutes. Has everybody had a chance to
22 review the meetings and have any changes to make?

23 MR. MILLER: Motion to approve as
24 submitted.

25 MR. TERASA: Second.

1 MR. KENNEDY: Any further discussion?
2 (NO AUDIBLE RESPONSE.)
3 MR. KENNEDY: Those in favor say "Aye"?
4 MR. MILLER: Aye.
5 MR. TERESA: Aye.
6 MR. THIEL: Aye.
7 MR. CAMPBELL: Aye.
8 MR. KENNEDY: Those opposed say "No"?
9 (NO AUDIBLE RESPONSE.)
10 MR. KENNEDY: Motion carries.
11 So this is the approval of memberships.
12 In February, we had 321 new memberships, 290 canceled
13 memberships, and one transfer. Do I have a motion to
14 approve the memberships as presented?
15 MR. TERASA: So moved.
16 MR. CAMPBELL: I will second.
17 MR. KENNEDY: Any further discussion?
18 (NO AUDIBLE RESPONSE.)
19 MR. KENNEDY: Those in favor say "Aye"?
20 MR. MILLER: Aye.
21 MR. TERESA: Aye.
22 MR. THIEL: Aye.
23 MR. CAMPBELL: Aye.
24 MR. KENNEDY: Those opposed say "No"?
25 (NO AUDIBLE RESPONSE.)

1 MR. KENNEDY: Motion carries.

2 Unfinished business. This would be
3 Wellfield Protection Land Development Code change.

4 Dr. Peavey?

5 DR. PEAVEY: Yes, Mr. President, Board
6 members, on the 24th of February, the Board of County
7 Commissioners held a meeting in Santa Rosa County office
8 and they voted unanimously to kill this amendment.

9 There is no future plans at this time to
10 go forward. In fact, what I heard today is nobody has a
11 plan to do anything except continue to look at any
12 protections that are in addition to what we currently
13 have at the well field.

14 Mr. Dunaway was there. Mr. Phillips was
15 there. Any additional comments you gentlemen would
16 offer?

17 Now, we are going to be keeping an eye on,
18 vigilant, and we are going to make sure that we continue
19 to look at this to make sure we don't get caught on this.

20 MR. KENNEDY: Okay.

21 MR. MILLER: The County is still in the
22 process of -- not amending the Land Development Code, but
23 totally a whole new Land Development Code, and we do need
24 to pay attention to that language and make sure if there
25 are any changes that affect us and we are right on it.

1 And their meeting is coming up in April.

2 DR. PEAVEY: Yes.

3 MR. THIEL: They are still allowed in the
4 current ones, the existing borrow pits, they are still
5 allowed to keep digging. Is that true?

6 MR. DUNAWAY: Uh-huh.

7 MR. MILLER: That's correct.

8 DR. PEAVEY: Yes.

9 MR. KENNEDY: All right. Next item is the
10 finance, the review of the 2021 January and February
11 financials? Ms. Barbara?

12 MS. CARAWAN: For month one, January,
13 total revenue \$912,691.31, total expenses of \$762,055.20,
14 with a net operating income of \$150,636.11.

15 February, total revenue \$991,173.07, total
16 expenses \$914,672.72. Total operating income of -- net
17 operating income, \$76,500.35.

18 With a year-to-date February revenue,
19 \$1,903,864.38. Total expenses, \$1,676,727.92. Total net
20 operating income of \$227,136.46.

21 MR. KENNEDY: Thank you. Does anybody
22 have any questions on the financials?

23 (NO AUDIBLE RESPONSE.)

24 MR. KENNEDY: Do I have a motion to
25 approve the 2021 January and February financials as

1 presented?

2 MR. THIEL: Mr. President, I make a motion
3 to approve the financial as presented.

4 MR. TERASA: Second.

5 MR. KENNEDY: Any further discussion?

6 (NO AUDIBLE RESPONSE.)

7 MR. KENNEDY: Those in favor say "Aye"?

8 MR. MILLER: Aye.

9 MR. TERESA: Aye.

10 MR. THIEL: Aye.

11 MR. CAMPBELL: Aye.

12 MR. KENNEDY: Those opposed say "No"?

13 (NO AUDIBLE RESPONSE.)

14 MR. KENNEDY: Motion carries.

15 The next order of business is the award to
16 the Electrical Department. Dr. Peavey and Mr. Turner?

17 DR. PEAVEY: Yes. I would ask the Board
18 to come down for this presentation. I will let Mark have
19 a couple of minutes to talk about this real quickly,
20 okay, this young gentleman is an outstanding individual.
21 We would like to have a picture made at the end of the
22 presentation.

23 MR. TURNER: Mr. President, members of the
24 Board, this is Blake Lindsay. He is the Master SCADA
25 Tech for Holley Navarre Electrical SCADA Department.

1 Blake has been employed with Holley Navarre for seven
2 years; correct? And Blake has a degree from ITT Tech as
3 a Systems Administrator.

4 Like I said, he is also the -- our Master
5 SCADA Tech. Our Electrical Department, just so you are
6 aware, when you look at Fairpoint, Holley Navarre Water
7 wells, the lift stations, and the two wastewater
8 treatment plants, SCADA -- we use our SCADA System to
9 monitor and to maintain over 220 pumps, motors, also the
10 meters that are involved in measuring the flows and the
11 controls -- instrumentation to control those, so it's a
12 large task.

13 Three years ago, we began a process of
14 developing a preventative maintenance plan for Fairpoint
15 and Holley Navarre SCADA System. When we began that
16 process, we thought, well, instead of reinventing the
17 wheel, we will call our SCADA System companies and ask
18 them for a copy.

19 And they informed us that they didn't have
20 one. We were surprised by that. And we began developing
21 our own. A few weeks later, they contacted me and asked
22 if they could use Blake and also Chip Alvey who is an
23 employee -- he is a seasoned Master SCADA Tech as well.

24 Holley Navarre sent Blake and Chip to
25 Melbourne numerous times, and after hours of remote work,

1 they developed a preventative maintenance plan that we
2 are presently using. And I stated earlier, Dataflow is
3 using it throughout the southeast.

4 And I don't know that Blake even knows
5 that he got this, but being a part of that system -- did
6 you know that you had gotten this award?

7 MR. LINDSEY: No.

8 MR. TURNER: You do now. They called and
9 this is in recognition of being elected scheduled life
10 cycle maintenance forum, Blake has been voted by his
11 peers as a facilitator, leading a team of SCADA and
12 electrical controls professionals chartered to develop
13 the normalized preventative maintenance practices. And I
14 just thought that he ought to be recognized in this.

15 (APPLAUSE)

16 DR. PEAVEY: What we would like to do is
17 get by the flag and the Board and yourself.

18 (GROUP PHOTO TAKEN)

19 MR. KENNEDY: Congratulations. Thank you
20 again.

21 Next on the agenda is the Liberty Partners
22 Governmental Consulting Services renewal. Dr. Peavey?

23 DR. PEAVEY: You have in your packet a
24 copy of the contract that was sent to us. We have the
25 current contract that runs out at the end of this month,

1 and this one will start April 1st.

2 This is a two-year contract. They have
3 done a good job. It was, in fact, because of Liberty
4 Partners that we were able to access and get the \$2.6
5 million Santa Rosa County Grant at Eglin.

6 So my recommendation to the Board is if I
7 can sign and approve this.

8 MR. KENNEDY: Do I have a motion to
9 approve the renewal of Liberty Partners Services?

10 MR. MILLER: So moved.

11 MR. THIEL: Second.

12 MR. KENNEDY: Any further discussion?

13 (NO AUDIBLE RESPONSE.)

14 MR. KENNEDY: All right. Those in favor
15 say "Aye"?

16 MR. MILLER: Aye.

17 MR. TERESA: Aye.

18 MR. THIEL: Aye.

19 MR. CAMPBELL: Aye.

20 MR. KENNEDY: Those opposed say "No"?

21 (NO AUDIBLE RESPONSE.)

22 MR. KENNEDY: Motion carries.

23 Next is the Santa Rosa County and Holley
24 Navarre Water System grant agreement, Eglin Phase I.

25 Dr. Peavey?

1 DR. PEAVEY: Gentlemen, what you have in
2 your packet is the actual copy of the agreement between
3 the County and Eglin for Phase I. And the \$2.6 million
4 payout is on construction completion.

5 So this was sent to legal counsel. It was
6 approved. It was approved by engineering and owners of
7 MESI, so I request the Board to allow us to sign this and
8 move forward with this agreement.

9 MR. KENNEDY: Okay. Do I have a motion
10 for approval?

11 MR. TERASA: So moved.

12 MR. CAMPBELL: I second.

13 MR. KENNEDY: All those in favor say
14 "Aye"?

15 MR. MILLER: Aye.

16 MR. TERESA: Aye.

17 MR. THIEL: Aye.

18 MR. CAMPBELL: Aye.

19 MR. KENNEDY: Those opposed say "No"?

20 (NO AUDIBLE RESPONSE.)

21 MR. KENNEDY: Motion carries.

22 Financial committee updates. Secretary
23 Thiel?

24 MR. THIEL: Okay. As you know, we voted
25 at the last Board to establish a financial committee and

1 four subcommittees with Board members leading those
2 subcommittees and myself as lead for the Finance
3 Committee.

4 Dr. Peavey and myself have developed a
5 roles and responsibilities sheet to give you guidance as
6 to what we think you want to have in accomplishing those
7 duties in a timely manner.

8 Dr. Peavey has assigned staff to support
9 you in those matters. If y'all have a copy of that, if
10 you have any updates or requested updates or things you
11 think are in error, please let Dr. Peavey and myself
12 know. Otherwise, this will stand as the governing
13 document.

14 The schedule of the meetings is up to
15 y'all in conjunction with your staffs, of course. I
16 would encourage you to meet as often as necessary, but
17 not more often than necessary, as staff has other duties
18 that they need to do at the time, too.

19 With that, if there is any -- any of the
20 committee chairs, I would love -- committee chairs were
21 announced at the last meeting. Director Teresa is in
22 charge of the Eglin project. Director Campbell is in
23 charge of capital improvements. Director Miller is in
24 charge of bonds. And President Kennedy is in charge of
25 the budget subcommittees. So I don't have anything for

1 the overall financial committee to update at this time.

2 Director Terasa, do you want to add
3 anything for the Eglin project? Add?

4 MR. TERASA: Yes. The Eglin RIBS project
5 is moving along fine. It's a \$10.2 million project. The
6 current expenses we are experiencing are with our
7 engineering firm Jacobs. We are funding those out of
8 restrictive funds that we currently have on hand.

9 We just heard about the \$2.6 million in
10 grant funding that we will receive. It is a
11 reimbursement, so it's not something we are going to have
12 to fund. We will have to pay probably the \$10.2 million
13 out and then these monies will get reimbursed once we
14 demonstrate that we have completed our tasks.

15 Interestingly enough, that still leaves us
16 \$10.2 million, and if we need to decide to have a little
17 contingency a little bit more than that, but please
18 denote that Dr. Peavey with his contacts in Washington,
19 USXM Bank, US Import Bank -- it appears we may get some
20 low interest or zero interest funding from them.

21 Protocol is that we will be having a
22 teleconference very soon -- our staff will -- or our
23 committee will. Then, there will be an actual visit by
24 us to DC, and then, XM Bank will come down here and,
25 hopefully, finalize that funding.

1 It is for material, primarily. So it
2 won't take care of all of that, but there is a lot of
3 pipe we are going to buy, so a major part of that
4 \$10.2 million is going to be funded at a very low cost to
5 us.

6 So appreciate you stepping in there. Kind
7 of funny, we are happy to get our \$2.6 from the state,
8 but we kind of stepped up and the idea now that the
9 Federal Government will help us. It's interesting to
10 hear Dr. Peavey talk about it. You have got the Eglin
11 connection, and you have got Homeland Security, all sorts
12 of people, interested in supporting us.

13 So I think the funding, we hope, will
14 stream very nicely. Our next meeting is the 24th at 1:00
15 p.m. here, where our engineers of Jacobs will come in and
16 give us a thorough update of where we are.

17 Phil, I don't know if you want to comment?
18 Otherwise, I understand we are right on mark with where
19 we need to be with respect to accomplishing this in time.
20 So, again, I know Bill you have expressed some interest.
21 Please -- are you going to be back by then?

22 MR. THIEL: Yes.

23 MR. TERASA: Okay. If you can, come in
24 and get an update and understand that project a little
25 more.

1 DR. PEAVEY: Wednesday?

2 MR. TERASA: A week from tomorrow.

3 MR. THIEL: I will still be here. I am
4 not leaving until that Friday.

5 MR. KENNEDY: All right.

6 MR. TERASA: That's my report, Mr.
7 President.

8 MR. KENNEDY: Thank you, sir.

9 MR. THIEL: Director Campbell, anything
10 from --

11 MR. CAMPBELL: We are going to have our
12 inaugural meeting next week. Dallas is going to wait for
13 the staff to gather our information and on one of our
14 schedules is to develop milestones, develop priorities,
15 and get to move on our capital projects.

16 MR. KENNEDY: Director Miller, do you have
17 anything?

18 MR. CAMPBELL: He is nodding his head. I
19 am sure he does.

20 MR. MILLER: As far as bonds go, we are
21 not at a point where we have to make any decisions on
22 that. But we -- I did reach out to Dallas regarding
23 pensions and investments, and we are monitoring that
24 closely based on the current change in the economy and
25 everything.

1 Monthly, we are going to be getting
2 updates from financial advisors on that. So right now,
3 that's kind of the purpose.

4 MR. THIEL: And last, but not least,
5 President Kennedy?

6 MR. KENNEDY: Thank you, Mr. Secretary.

7 So on the budget side, I have four topics.
8 So one is the bank charges where staff is evaluating the
9 costs of -- the charge back on the customers using credit
10 cards, and I will turn it over to Dr. Peavey.

11 DR. PEAVEY: Last year, the cost of those
12 bank charges and credit cards cost the company about
13 \$61,323 out of our side of it. We weren't able to
14 recover that because we weren't sure of the process of
15 whether or not we could.

16 What we have done is we have gone back to
17 the POS and we have gone back to what we see as the need
18 to recover that from the credit card companies and the
19 bank charges. The next step is we are going to go back
20 to legal counsel to make sure that we have dotted the Is
21 and crossed the Ts.

22 What that means is we would be processing
23 those charges and then adding to the customer the cost of
24 those charges back to their fees, both on the tipping
25 fees and impact fees.

1 MR. KENNEDY: Okay. All right. The next
2 issue would be after hours and nonpayment fees, so this
3 would be in reevaluating the fees to make sure we are
4 recouping all of our costs. Mr. Turner?

5 MR. TURNER: Mr. President, we are in the
6 process right now, an on-call committee has been formed,
7 and staff is in the process of developing this new
8 on-call -- we realized that we were turning customers on
9 after hours at a substantial loss to Holley Navarre.

10 So, basically, what we did is we
11 calculated the labor costs to do that and the cost of the
12 equipment, the trucks, and everything else. And we came
13 up with a price of \$135 to turn on water after hours.

14 MR. KENNEDY: Okay.

15 MR. TURNER: The present fee is \$25 --

16 DR. PEAVEY: If you will permit me, the
17 \$25 charge, this increase is strictly to cover our costs.

18 MR. KENNEDY: This is a straight recovery
19 of costs?

20 DR. PEAVEY: That's right.

21 MR. KENNEDY: We are not making anything
22 on it?

23 DR. PEAVEY: It's the vehicles. It's the
24 materials and it's the time.

25 MR. THIEL: And right now, those costs are

1 being absorbed by?

2 DR. PEAVEY: By Holley Navarre.

3 MR. THIEL: For any of the members.

4 MR. TERASA: But evening hours; is that
5 right? After hours costs?

6 MR. TURNER: Yes.

7 MR. TERASA: In other words, is \$25
8 sufficient during the day?

9 DR. PEAVEY: No. If it is during the day,
10 we don't charge for that.

11 MR. THIEL: We don't charge at all.

12 MR. TERASA: Okay. Oh, I see. Okay.

13 DR. PEAVEY: It's after hours.

14 MR. TERASA: Okay. Again, I would hope
15 that would cause people to take a good hard look at -- I
16 think we need to do some outreach with the realtors --

17 DR. PEAVEY: We are doing that. That's
18 part of the program.

19 MR. TERASA: -- and other people and
20 inform them that --

21 DR. PEAVEY: We will communicate that
22 through the website, through the news, so that people are
23 aware of that. Again, it is strictly to cover our costs.

24 MR. THIEL: When do you expect that to
25 implement?

1 DR. PEAVEY: Well, I have to come back in
2 the April meeting to say, "This is what we propose."

3 The sooner, the better, so we can recover
4 our costs. But once we get with our legal counsel to
5 make sure that this -- we have dotted the Is and crossed
6 the Ts, I will come back to the Board on this.

7 MR. KENNEDY: Okay. Chemicals collection
8 system.

9 MR. TURNER: Mr. President, we were --
10 when I took over the Sewer Collections Department, we
11 made an assessment of our odor control. And during that
12 assessment, we found out that we were sustaining damage
13 from the H2S gas to especially our electronics and
14 instrumentation.

15 So we began looking at how we could
16 utilize the chemicals that we are presently using, and we
17 found that with the help of numerous people, we found
18 that we essentially have to double the coverage of what
19 we were presently doing.

20 The cost of doing it is approximately half
21 the system for the year of 2020 was a little over
22 \$31,000. I think it was \$31,400 is what we spent.
23 Therefore, if we double that, the cost was going to
24 exceed \$62,000. In that process, when we saw that and we
25 noticed that, we started looking for other processes,

1 other means to control odor, but also control the H2S
2 gas.

3 After searching numerous companies and
4 different products, we have developed -- decided to go
5 with a company. It's a Florida-based company called
6 Kationx. We are going to use their product, KCD and
7 KCD-X, and the first shipment shipped Wednesday to us
8 this past Monday.

9 Staff was trained. Grant Summers is going
10 to be taking the lead and coordinating that. And we will
11 be able to treat the entire system for an estimate of
12 \$23,500, so it is a substantial savings to us. It's also
13 going to be a manpower savings because it's substantially
14 easier to use, and also it's going to be -- it has a very
15 good track record of protecting motors and protecting
16 equipment within the well itself. So we are hoping that
17 that's a residual benefit for going to this new product.

18 MR. MILLER: Mark, could you say the name
19 of the product again?

20 MR. TURNER: The Company is Kationx,
21 K-A-T-I-O-N-X, and the product -- they offer numerous
22 products. We are going to be using the KCD and the KCD-X
23 products initially.

24 MR. KENNEDY: And I believe one of the
25 areas, of course, is Coral Street that we are expecting

1 this to have a positive impact?

2 MR. SUMMERS: Yes.

3 MR. TURNER: The smell, we are kind of
4 used to. But what I am worried about is the corrosive
5 effect. That's what I am excited about.

6 MR. WELLS: You have got to keep Grant
7 from eating it.

8 MR. KENNEDY: Anything else?

9 MR. TURNER: No.

10 MR. KENNEDY: And then, the final thing
11 here is the capital project financing.

12 DR. PEAVEY: Yes, sir. Mr. President and
13 Board members, the Board had approved on the 2021 budget
14 the capital improvement project.

15 That budget was \$2.1 million. We had
16 today -- MESI had prepared for us the RFP to go out for
17 prospective bidders to provide funding. Working with
18 Mr. Campbell and his group, we narrowly defined both the
19 schedule of materials and those things that we need.

20 Legal counsel has it now. We are just
21 making sure we dot the Is and cross the Ts and as soon as
22 he has given us that, we will put that out for bid.

23 MR. KENNEDY: Okay. Great. And I just
24 want to point out to those that are actually watching and
25 are here, I am very -- just ecstatic at the proactive

1 nature of our staff. I mean, we are looking at \$100,000
2 in savings just in the things that you are doing. Right?
3 And this is member money.

4 DR. PEAHEY: Yes.

5 MR. KENNEDY: So we take that very
6 seriously so we really appreciate you stepping up, above,
7 and beyond.

8 DR. PEAHEY: Mr. President, I would also
9 add it's not just from internal Holley Navarre staff, but
10 it's the Club staff as well as the MESI staff and those
11 two companies being separate companies, the fact that
12 they work so well together with us to help support a lot
13 of the efforts for the community.

14 I mean, it was Phil from MESI that came up
15 with the RFP that would have cost us money otherwise,
16 just to put it together, so we are appreciative of
17 everybody's effort.

18 MR. KENNEDY: Thank you, sir.

19 All right. Anything else?

20 (NO AUDIBLE RESPONSE.)

21 MR. KENNEDY: All right. We are onto the
22 Club at Hidden Creek. Mr. Peavey?

23 DR. PEAHEY: Gentlemen, the financials are
24 not prepared or ready to be reported at the Club with the
25 changes in the management, between Ms. Barbara, the

1 finance and accounting department, as well as our
2 auditors going through, we want to make sure we have
3 dotted the Is and crossed the Ts and done the proper care
4 for that. So at the next Board meeting, this will be in
5 the packet.

6 MR. KENNEDY: Thank you, sir. Okay. The
7 company update of Hidden Creek?

8 DR. PEAVEY: That's what I would do is I
9 would ask just very quickly for the Interim GM to give us
10 an update on positive things we are doing there.

11 MR. KENNEDY: Okay. Ms. Emlett?

12 MS. EMLETT: As of today -- today's update
13 on the maintenance right now, today we applied some goose
14 and crabgrass control on the greens.

15 We have a company scheduled April 1st to
16 annually spray for the mole crickets. And on April 1st
17 and 2nd, we are scheduled for aerification.

18 We have two tournaments that are still
19 remaining for the month. March 21st is going to be our
20 US Kids Tournament, approximately 40 players. And we
21 have the Hidden Creek Club Championship coming up on
22 March 27 and 28th. I have approximately 20 players at
23 this time, could be more added.

24 Couple of good things that we did now that
25 we are now extending our military discount to all law

1 enforcement and first responders. We are continuing our
2 hiring process for additional employees for better
3 customer service. And we have updated our website for
4 our spring and summer rates due to the Daylight Savings
5 Time and our line buggy.

6 DR. PEAVEY: I would add to that, Mr.
7 President and Board members, I just want to say that
8 there's been a lot of rumors in the area, either from the
9 newspapers or just from the local area, that we had shut
10 the Club down, that we had terminated, laid off all the
11 staff, and then, we had just put an end to the Club.
12 There's nothing that could be further from the truth from
13 that.

14 While there have been some management
15 changes, we have already seen positive changes. We saw
16 successful tournament, the Hackers Tournament, one of the
17 largest groups that we have seen to date. I would say
18 that the business of the Club is getting better. We are
19 getting back in line with the rules and regulations of
20 our by-laws. I think that we will continue to see
21 positive proaction for the Club, so we can maximum this
22 asset as we said we are going to do and optimize this
23 asset on behalf of Holley Navarre.

24 Having said that, we still have not made
25 the determination and direction that we want, whether to

1 sell, whether to self-manage, or to look for a third
2 party. We are going through that process. We can expect
3 to have that completed by the time the next Board meeting
4 comes around. But we are going in a positive direction.
5 We have done a good job and I think we can put those
6 rumors to rest.

7 MR. KENNEDY: Thank you, sir. Any
8 comments or questions on the golf course?

9 MR. THIEL: I just have a comment.
10 Somebody put a golf ball through my bedroom window on
11 last Friday.

12 DR. PEAVEY: It wasn't any of the Board
13 members?

14 MR. THIEL: No. It wasn't any of the
15 Board members that I know of. But it's hazardous living
16 on a golf course. The gentleman -- my wife heard it --
17 it sounded like somebody shot at it, but my wife was
18 there. I went out and the gentlemen fessed up so all is
19 good.

20 MR. KENNEDY: Honesty is still intact.

21 Excellent. All right. No further
22 discussion on that? Then, we will move onto engineering.
23 Mr. Phillips?

24 MR. PHILLIPS: You have got two months'
25 worth of data this time in your Board package. And if

1 you look at January, you will see how things can, you
2 know, kind of turn in a hurry.

3 I think our I&I jumped up to, like,
4 177,000 gallons -- no, 138,000 gallons a day. You know,
5 it was a wet, cold month. And, obviously, we had some
6 I&I there.

7 But you can see in February when it dried
8 back out a little bit that the I&I was reduced. We went
9 back to a negative number. In other words, we treated
10 less water than we sold, which is what you would expect
11 to see.

12 So everything is looking pretty good for
13 year-to-date anyway. I think we covered everything else
14 engineering wise, unless someone has a question.

15 MR. MILLER: Did we have any pipes break
16 in January? Did that contribute to I&I at all?

17 MR. PHILLIPS: Not that I am aware of.

18 MR. MILLER: We really didn't get freezing
19 cold weather like other places did. Just curious. Knock
20 on wood.

21 MR. PHILLIPS: And I actually looked at
22 some rain data, I really didn't see any rain that would
23 have caused some overflow. But surely we did have some
24 intense rains that caused that, so --

25 MR. KENNEDY: Okay. All right. Any

1 further discussion? Comments? Concerns?

2 (NO AUDIBLE RESPONSE.)

3 MR. KENNEDY: Great. We are moving on to
4 Member Forum.

5 Ms. Carmen?

6 MS. REYNOLDS: Just in time.

7 Carmen Reynolds, can you hear me? Okay.
8 I am a member of Holley Navarre. I wanted to let the
9 Board know that we are not relenting in our advocacy and
10 awareness of what is going on with regard to the
11 infringements on the potential water quality with regard
12 to the water crisis we have just been through.

13 So the Coalition for Santa Rosa Water's
14 Future Forum, and I am on board for that, continues to
15 operate. There is a new video I put out that talks about
16 the wellfield protection area on that Facebook page.

17 There is a new move by citizen-led
18 Watershed Protection Committee looking for experts to sit
19 on that committee. We have assembled a number of
20 engineers, geologists, and other active citizens. If
21 anybody that is listening would like to participate,
22 please let us know.

23 A question about what we might be doing
24 toward water conservation, I note that we are doing
25 reuse, but as far as conserving our water, because they

1 all flow together, there have been some public comments
2 made at last week's BOCC meeting by some of our County
3 Commissioners that we are putting other citizens in the
4 north at risk.

5 And the proper word started with a D and I
6 can't recall it right now. Just disproportionately
7 impacted because their wells are running dry. I know
8 that water conservation is going to come up. I wondered
9 if we might take the lead in that with some type of
10 programs.

11 I looked at the Water Management
12 District's Regional Water Supply Plan that they put out
13 in 2018 that addresses that. I thought we might be
14 proactive and take the lead on that because if there is
15 another assault across the bow, I can read the tea leaves
16 pretty well.

17 Finally, the program that Mr. Turner
18 talked about with regard to this new company and the
19 products that decrease the corrosion for your electronics
20 and things like that, I wondered how that impacts with
21 the high rate of trihalomethanes that are actually in the
22 water reports. Is there a correlation there? Or are
23 they disconnected?

24 DR. PEAVEY: They are disconnected.

25 MR. WELLS: They are disconnected.

1 MS. REYNOLDS: Okay. So then, I would ask
2 the environment working group, before anybody says
3 negative things about them, they do testify before the
4 United States Congress.

5 And they take all our water reports across
6 the nation. And they have identified our particular
7 water as 184 times their health guidelines for the
8 trihalomethanes. Could you kind of help me understand
9 that?

10 Because people complain to me. I don't
11 know what to tell them. The water parts disseminate in
12 the toilet tank. Their faucets do the same. I know
13 there is a corrosive correlation there, but why is it so
14 high?

15 MR. WELLS: We don't have high
16 trihalomethanes.

17 MR. PHILLIPS: Yeah. I know of nothing to
18 back up 184 times. We generally --

19 DR. PEAVEY: Thank you for sharing that
20 information, Ms. Carmen. We can certainly on our side
21 take a look at it so we can make sure it is an accurate
22 comparison, because I am shocked.

23 MS. REYNOLDS: That's what they have been
24 carrying forward over a year now. That was the value a
25 year ago, and it hasn't changed, so I was --

1 DR. PEAVEY: If you could share that
2 information specifically with Client and Phil so we can
3 get to the bottom of this. Absolutely.

4 MS. REYNOLDS: There are other things,
5 too, like thallium and barium. Thank you so much.

6 MR. MILLER: I think the product that Mark
7 Turner is talking about has to do with our sewer acids
8 coming off of that, and those gases are corrosive, and
9 this is a product that will eliminate some of those
10 gases. So that's in a different side than our water
11 supply.

12 MS. REYNOLDS: Key on the word corrosive.
13 I thought there might be a correlation. Thank you for
14 setting me straight.

15 MR. KENNEDY: Thank you, Ms. Reynolds.
16 All right. Does anybody have anything
17 else?

18 (NO AUDIBLE RESPONSE.)

19 MR. KENNEDY: All right. Do I have a
20 motion to adjourn?

21 MR. TERASA: So moved.

22 MR. THIEL: Second.

23 MR. KENNEDY: Any further discussion?

24 (NO AUDIBLE RESPONSE.)

25 MR. KENNEDY: Those in favor say "Aye"?

1 MR. MILLER: Aye.

2 MR. TERESA: Aye.

3 MR. THIEL: Aye.

4 MR. CAMPBELL: Aye.

5 MR. KENNEDY: Meeting adjourned.

6

7 WHEREUPON, THE MEETING OF THE HOLLEY

8 NAVARRE BOARD OF DIRECTORS ADJOURNED AT 6:33 P.M.

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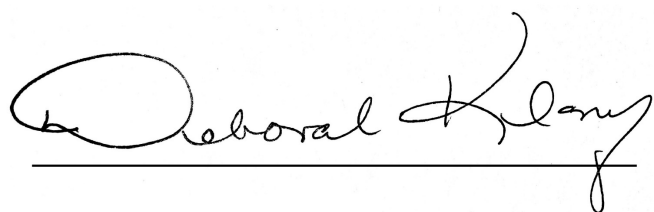
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CERTIFICATE OF REPORTER

STATE OF FLORIDA
COUNTY OF SANTA ROSA

I, DEBORAH G. KHARUF, Court Reporter and
Notary Public, State of Florida at Large, hereby certify
that I was authorized to and did stenographically report
the foregoing Board of Directors meeting for the Holley
Navarre Water System and that the transcript is a true
record of said meeting. I further certify that I am not
a relative, employee, attorney or counsel of any of the
parties, nor am I a relative or employee of any attorney
or counsel connected with the action; nor am I
financially interested in this proceeding or its outcome.

Dated this 31st day of March, 2021.



DEBORAH G. KHARUF
Court Reporter and Notary Public,
State of Florida at Large.
Commission number GG 310633
My commission expires July 6, 2023.