

HOLLEY NAVARRE WATER SYSTEM
ANNUAL ELECTION OF BOARD OF DIRECTORS
JANUARY 18, 2022
7:00 A.M. - 7:45 A.M.

MIKE KENNEDY, PRESIDENT

MARK MILLER, VICE PRESIDENT

BILL THIEL, SECRETARY TREASURER

JOE CAMPBELL, DIRECTOR

JAMES DABNEY, DIRECTOR

DON LINNELL, DIRECTOR

DALLAS PEAVEY, CEO, HOLLEY NAVARRE WATER SYSTEM

EMERALD MCDANIEL, HNWS

CHRIS BOND, IT HNWS

CLINTON WELLS, HNWS

AMBER BUCHOLTZ, HNWS

CHRIS LEGG, HNWS

KAYLA BURNS, HNWS

ALSO PRESENT:

WILL DUNAWAY, ESQUIRE

TAPPIE VILLIANE, SUPERVISOR OF ELECTIONS

PHYLLIS CREWS, KIRSTIN GILLIARD,

CHARLENE CLEARY, JUDITH PLINKINGTON,

BECKY LIBBERT, MONICA GARCIA, LYNNE MYERS,

DEE MAINES, JOSH TITTLE, SUZIE KENNEDY

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

2 MR. KENNEDY: All right. 7:00 o'clock. I
3 call this meeting to order. Director Miller, would you
4 lead us in a prayer?

5 MR. MILLER: Good morning, everyone. If
6 you would please bow your heads and pray with me?

7 (INVOCATION BY DIRECTOR MILLER.)

8 MR. KENNEDY: Director Thiel, pledge of
9 allegiance?

10 MR. THIEL: Ladies and gentleman, if you
11 will face the flag and repeat with me the pledge of
12 allegiance?

13 (PLEDGE OF ALLEGIANCE LED BY DIRECTOR THIEL.)

14 MR. KENNEDY: Thank you, gentlemen.

15 All right. So for the annual meeting, we
16 need ten members, so if you are a member, would you raise
17 your hands, including the Board?

18 All right. I have got one, two, three,
19 four, five, six, seven, eight, nine, ten, eleven, twelve,
20 thirteen, fourteen, fifteen, sixteen, seventeen,
21 eighteen, nineteen, twenty, twenty-one, twenty-two.

22 I have twenty-two members in presence, so
23 I do believe we are good for the quorum.

24 As a reminder that audio and video
25 recorders are in use and that much later, later on today,

1 the lawyer whether --

2 MR. KENNEDY: We can ask the lawyer
3 whether or not he is prepared to speak.

4 MR. THIEL: Can we change that at some
5 point to make an approval at the next regular meeting of
6 the Board?

7 MR. DUNAWAY: Correct. The approval of
8 the minutes is a direction of the Board. It's not
9 designated in the bylaws, so you can choose a day in
10 which to approve.

11 MR. KENNEDY: Okay.

12 MR. THIEL: I will abstain from voting.

13 MR. MILLER: I make a motion that we
14 approve as submitted.

15 MR. KENNEDY: All right. I have a
16 motion.

17 MR. CAMPBELL: Second.

18 MR. KENNEDY: I have a second. Further
19 discussion?

20 (NO AUDIBLE RESPONSE.)

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

22 MR. MILLER: Aye.

23 MR. CAMPBELL: Aye.

24 MR. DABNEY: Aye.

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

1 Those abstain?

2 MR. THIEL: I abstain.

3 MR. LINNELL: I abstain. I wasn't here.

4 MR. KENNEDY: All right. Motion
5 carries.

6 All right. We are on to the annual
7 budget. Dr. Peavey?

8 DR. PEAVEY: Mr. President and Board
9 members, you have in your packet a copy of the 2022
10 annual budget that was proposed back in November, brought
11 before the Board in December. We formally approved that
12 for this Board for 2022.

13 MR. KENNEDY: All right. Thank you, sir.
14 Board, any discussions or comments of the annual budget?

15 MR. MILLER: I just wanted to point out,
16 in 2021, I assume at this meeting where we went over this
17 budget, we were able to implement a budget for this year
18 that even with all the costs that have gone up across the
19 board, we won't have a rate increase to our members.

20 MR. KENNEDY: Okay. Any more discussion?

21 MR. THIEL: I move to approve the budget,
22 the 2022 budget as presented.

23 MR. KENNEDY: All right. Mr. Thiel voted
24 to move to approve. Do I have a second?

25 MR. CAMPBELL: Yeah. I'll second.

1 MR. KENNEDY: Mr. Campbell seconds.

2 Further discussion?

3 (NO AUDIBLE RESPONSE.)

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

5 MR. MILLER: Aye.

6 MR. LINNELL: Aye.

7 MR. THIEL: Aye.

8 MR. CAMPBELL: Aye.

9 MR. DABNEY: Aye.

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

11 (NO AUDIBLE RESPONSE.)

12 MR. KENNEDY: Motion carries.

13 Fair enough. We are onto the 2022
14 election of the Board of Directors. Dr. Peavey?

15 DR. PEAVEY: Mr. President and Board, last
16 Wednesday, there was a meeting of the Canvassing Board
17 that was appointed by the Board to review the various
18 items and subject matters as it pertained to the
19 election.

20 I would ask our legal counsel,
21 Mr. Dunaway, to have a discussion on that meeting.

22 MR. DUNAWAY: Thank you, Dr. Peavey.
23 Board members and members of the corporation, the
24 Canvassing Board, which is comprised of Dr. Peavey as the
25 CEO, myself as the Board Counsel, and Director Miller,

1 of things that the Canvassing Board reviewed and bear on
2 us here today. Again, in Article VII, Section I, it is
3 designated that the annual meeting of the corporation
4 shall be held in January of each year. And we met that
5 requirement.

6 In Section III, a notice of the annual
7 meeting and any of the Special Meetings of the members is
8 to be provided. And the deadline for that is -- it
9 should be provided no less than ten and no more than 50
10 days prior to the meeting. That notice was accurately
11 and timely submitted and it bears on something that I
12 will be discussing here in just a bit. It states that
13 such notice shall state the hour, the date, and the place
14 and the purpose of the meeting.

15 This is the first time that I am aware
16 that the meeting has occurred at the Club at Hidden
17 Creek. As many of you members know, that is because of
18 the extensive renovation that is being done to the
19 corporate headquarters, which made us meeting in that
20 room un -- we are unable to do that. For that notice, we
21 met that requirement, also.

22 Now, in Section V is the pertinent section
23 for both the Canvassing Board and for prior elections
24 here today.

25 Section V of Article VII of the bylaws of

1 the corporation state that each member -- and, Directors,
2 I have copies of the bylaws for you so that you can
3 follow along -- each member shall have only one vote and
4 the vote of each member shall be equal to that of every
5 other member.

6 Voting by proxy shall be permitted, but it
7 is required that ten members of the corporation must be
8 present in person at any annual meeting to constitute a
9 quorum for the transaction of the business.

10 As you were here present and seen, we have
11 over ten members of the corporation, and, therefore, we
12 have met the quorum for the annual meeting and the voting
13 may continue.

14 It is indicated that in Section VI that
15 the directors of the corporation shall be elected at this
16 annual meeting and no cumulative voting shall be allowed.

17 I do want to point out and we have already
18 scheduled that in Section VII, the Board of Directors
19 shall meet within ten days after the annual election and
20 shall elect a president, a vice president. That meeting
21 has been scheduled and will be followed accordingly.

22 Members, I want to remind you that the
23 Canvassing Board is not covered in the bylaws but the
24 Canvassing Board was created by you as a policy decision
25 to administer your election.

1 The Canvassing Board's instructions are
2 only -- and its authority is only derived from the
3 authority you gave us and we were simply to ensure that
4 the election was carried out in accordance with your
5 direction.

6 As I indicated, the notice which was
7 required by Section III of Article VII was approved by
8 this Board in September. You approved both in content of
9 the notice and it directed your CEO and its staff to send
10 it out. I want to remind you that as part of that was
11 the notice of the annual meeting and a request for a
12 proxy ballot.

13 In that document, and it was Exhibit E to
14 your package, which you approved in September, there was
15 a notice. This was dated 17 November 2021. It went to
16 the members. It explained the process, where we were
17 going to have the meeting here today, the time of the
18 meeting, how -- that you had the opportunity to request a
19 proxy, an absentee ballot, and it gave instructions on
20 how corporations could vote.

21 As you know, members can include both
22 individual household members. It also can include
23 corporations. Obviously, a corporation can only vote
24 through its duly designated representative, whomever that
25 is. And in order to accurately determine who that is,

1 you had in your notice, Exhibit A, an important notice --
2 that's how you noted it.

3 It is at the end of the signature line on
4 the page and the important notice read, "All voting
5 corporations must provide an authorization letter or
6 resolution which states who will be its voting
7 representative."

8 The authorization letter or resolution
9 must be signed by a corporate officer and submitted to
10 the Holley Navarre Water System, Inc. by 4:00 p.m. on
11 January 7th, 2022. Those corporations that do not
12 provide this information will not be allowed to vote on
13 January 18, 2022.

14 So members, Directors, when your
15 Canvassing Board met, we had those instructions before us
16 and we reviewed those that we -- the information that we
17 had received.

18 I report to you that you had a fairly low
19 request for absentee ballots when compared to recent past
20 history -- or so staff alerted the Canvassing Board.
21 That's not good or bad. It's just a data point that I
22 just point out.

23 You had three members who submitted a
24 proper proxy and those proxies were validated by your
25 Canvassing Board. You had six corporate authorizations

1 following the important notice. At the bottom of the
2 notice, who submitted their corporate authorization
3 letters timely, and those were verified by your
4 Canvassing Board.

5 You has one request for a corporate
6 designation or corporate designation which was received
7 untimely by your Canvassing Board. That is, it was
8 received after 4:00 p.m. on January 7th, 2022.

9 I also want to inform you that staff
10 briefed the Canvassing Board and let us know that in
11 reviewing data from past elections, it did appear that
12 there were other corporations who presented their proxies
13 on the day of election. It does appear that in past
14 years those who presented a corporate designation on the
15 day of the election were allowed to vote.

16 Your Canvassing Board could not make a
17 decision on whether that was authorized or not
18 authorized, because we don't have that authority. That
19 is the authority of this Board. So your Canvassing Board
20 reports that of the six corporate representation
21 authorizations that we approved, we had one which was
22 untimely.

23 We are reporting that to you for your
24 action. And we are asking you to let staff know and Ms.
25 Tappie's staff, who will be running the election, will

1 are saying it's been there since 2008. Previous Boards
2 just didn't enforce what they had written. Is that what
3 you are saying?

4 MR. DUNAWAY: It is -- that is what it
5 appears to be -- that corporations have presented proxies
6 during the election which were then counted toward the
7 votes.

8 MR. CAMPBELL: I am assuming we want it
9 before today in order for us to validate it as a true
10 corporation. There is no way for the election staff to
11 determine today that it is a valid letter or
12 certification from that company?

13 MR. DUNAWAY: So the only thing that the
14 corporation can and actually should do is that when a
15 corporate proxy is submitted, it's not a question of who
16 the person is that the corporation selects. They can
17 select anyone. The question is are they a member of the
18 Water Board or the company.

19 All they do is, let's say they get XYZ,
20 LLC, and it designates John Doe to vote for that. All
21 staff does is look to verify that XYZ, LLC, is actually a
22 member of the Water Board, that has a water tap --

23 MR. THIEL: John Doe does not have to --

24 MR. DUNAWAY: John Doe -- we don't know
25 who that is. And it is not our determination as to

1 what -- who the company chose to vote. It could be
2 anyone. I mean, anyone the corporation chose.

3 MR. CAMPBELL: In my mind, rules are
4 rules. We put it out. It's been that way -- whether
5 previous Boards enforced it or not, that's on them.

6 In my mind, if it is out there, it's a
7 rule. We had six that went by the directive in the
8 letter?

9 MR. DUNAWAY: We did.

10 MR. CAMPBELL: So why would we penalize
11 those six who did care to -- maybe they don't even want
12 to vote. I say we go by what was written on the letter.
13 Those six are good. If they haven't provided by the 7th
14 or the deadline, then we say "No."

15 MR. LINNELL: So how many corporations on
16 average in the past are we talking about? Is it five?
17 Ten? A hundred?

18 MR. DUNAWAY: We know from staff's report
19 to the Canvassing Board, and, Directors, understand what
20 they had to do to actually find this. So they went
21 through the actual ballots to look at the corporation
22 proxies. And they had gone through A -- they had gotten
23 to M by the date of the Canvassing Board and we had
24 identified 16 -- 15, I think, corporations that voted in
25 the last election with a corporate designation submitted

1 on the day of the election.

2 MR. MILLER: I will say as a member of the
3 Canvassing Committee, this is the first time I have
4 served on that committee. And if anything came out of
5 that is that we have got to do a better job of our
6 cleaning up this -- these procedures.

7 We don't want to create a situation that
8 denies a member the right to vote as per the bylaws. So
9 my concern is if someone has -- you know, if you look at
10 any holder of the member certificate as a member, and if
11 you look on who is on the member certificate, you know,
12 there are two signatures at the bottom of it, you know,
13 that corporation is the member, but it has got the
14 president and the secretary there.

15 And I think it might have been the case in
16 the past. I don't know this -- that staff didn't
17 necessarily require a corporate authorization, but they
18 may have went back and looked to see who the certificate
19 holder is, who is the member, do we know that this person
20 is the manager of this corporation. And they have
21 allowed them to vote.

22 They don't -- you know, staff's intent was
23 to not deny a proper member the right to vote on election
24 day. And so, we as a Board have created this
25 requirement, I mean, years ago, going back years, that

1 they submit a corporate resolution by the 7th, but is
2 that creating a situation where someone that maybe didn't
3 get the notice, didn't read the notice, whatever, shows
4 up to vote on election day and they are being denied the
5 right to vote as a proper member.

6 Their names are on the member certificate
7 for that corporation. So, you know, I don't think it
8 goes to anything on the way that, you know, the election
9 was handled in the past. I think the staff was trying to
10 do right by the members and allow them their right to
11 vote. So I think we as a Board have to clean that up and
12 either make it very evident, since it is at the bottom of
13 that notice, and I think that we have to make it very
14 evident that this is the procedure that is going to be
15 enforced. In prior years, it hasn't.

16 So I can tell you, if we decide to hold to
17 our procedures that are on that letter, we will have a
18 lot of upset members. They will be saying, "Oh, well, I
19 have done it this way for the last five years," or
20 whatever.

21 And so, I mean, yeah, it's in black and
22 white. We can point that out to them, but I can promise
23 you, they are not going to be happy if they are not
24 allowed to vote.

25 MR. KENNEDY: Okay.

1 Joe, did you want to?

2 MR. CAMPBELL: No. I was just going to
3 say, we are not denying them the right to vote. They
4 have had 45 days to comply from when the notice went out.
5 I am sorry if they refuse to read or don't read the whole
6 writing. In fact, the previous Board or staff didn't
7 enforce it.

8 If it's the rule and it's been that way
9 since '08, I pride myself at least on -- we make the
10 rules. We enforce the rules. The rules are rules. And
11 I am sorry if your feelings are hurt, but read the whole
12 letter next time and move on. That's my thought.

13 MR. KENNEDY: Anything else from the
14 Board?

15 MR. MILLER: It's just not going to look
16 good if their name is on that member certificate. They
17 signed it, and we are telling them, "You can't vote."

18 MR. CAMPBELL: I'm going to go to the
19 lawyer, because it's on that letter. And we said, this
20 is procedure. We are good legally. Right?

21 It's not like this will throw any sort
22 of --

23 MR. DUNAWAY: So would it be a legal
24 election for you to follow your rules of the notice? The
25 answer is "Yes." With regards to Director Miller's

1 comments, I believe that based on the report to the
2 Canvassing -- well, I know based on the report from the
3 staff to the Canvassing Board that the scenario that
4 Director Miller was discussing is the scenario in the
5 past election has been followed.

6 That is -- remember that as I said
7 earlier, a corporation can designate anyone to vote its
8 one vote. John Doe, someone who is not even affiliated.

9 However, it does appear in past elections
10 that the person or persons who showed up with the
11 corporate designation were the people who were on the
12 membership certificates. That is, the LLC was a person,
13 either a sole proprietor or something like that, and the
14 company in which the president is there and it's the
15 president who is there.

16 The staff was easily able to verify that
17 the company has a member. The company's president is
18 Mr. Jones and it is Mr. Jones who is standing before you
19 today. So that is the situation.

20 This is a procedure which is a legal
21 procedure that the Board put in place and duly
22 authorized. It is not in the bylaws. It is in the
23 bylaws that every member gets a vote and the corporation
24 is a member. The process for that corporation to vote is
25 what your policy is and you changed it with this notice.

1 You can follow it or you can not follow it. It will be
2 legal. The election will be legal whichever way you
3 decide.

4 MR. KENNEDY: Mr. Dabney has a question.

5 MR. DABNEY: My question would be is if on
6 the voter registration, which Tappie has, does it have
7 the corporate name and the person who is able to vote?
8 Or is it just a corporation name?

9 MR. DUNAWAY: Just the corporation.

10 MS. VILLIANE: We don't make the roster.
11 We get them from staff.

12 MR. DABNEY: So would staff have them?
13 According to Sunbiz, would the staff have the ability to
14 put that name on the roster, as far as the president of
15 that company?

16 MS. MCDANIEL: We would be able to look at
17 that and see if that is -- but they also have to sign it,
18 so --

19 DR. PEAVEY: Somebody has to sign --

20 MS. MCDANIEL: Then, the Supervisor, once
21 she figures out the issue that Sunbiz is part of the
22 corporation.

23 MR. DABNEY: I understand maybe down the
24 road, you just put the name of the president, and if
25 there is no other name, if anybody else comes in, or both

1 of them, they don't get to vote, period. That gets you
2 out of the Catch-22.

3 MR. KENNEDY: I believe, you know, one of
4 the reasons in there in that document that was published
5 that is on the website that are instructional, down at
6 the bottom where it does say, "Important," one of the
7 reasons it says you need to have this in by a certain
8 date so staff can validate that the person that was
9 authorized and the company that is voting so we all make
10 sure everything is -- the process of who is voting is
11 proper.

12 For me, I don't like the idea of staff
13 having to do that on the fly right now, you know, today.
14 That was part of the reason that it was a timeframe to be
15 able to give staff plenty of time to be able to follow
16 through what needed to be verified.

17 MR. LINNELL: So if I am understanding
18 right, the corporate representative comes here, they come
19 today, they will have the requisite paperwork they were
20 supposed to turn in prior?

21 MR. DUNAWAY: Director Linnell, it is
22 reported of staff to the Canvassing Board that that is
23 how it's been in the past. The staff reports no
24 corporation has ever -- has actually voted, but that they
25 turned in the paperwork.

1 The question is: Did they turn it in at
2 4:00 P.M. on January 7th? Or do they present it this
3 morning or this afternoon, whenever they vote?

4 MR. LINNELL: I think you answered my
5 question. All I was trying to figure out is -- so the
6 corporations knew they had to fill out this paperwork.
7 They just ignored the date due by.

8 MR. DABNEY: Now, that's not how it has
9 been in the past. If a member came in to vote, it was on
10 that sheet. We would tell them the names of our
11 corporations. That's how we voted. There is paper
12 submitted. There was not anything that --

13 MR. CAMPBELL: It's been this way since
14 2008. It's been brought out and noticed that way. It's
15 just never been enforced.

16 MR. THIEL: Do we know how many -- staff
17 probably can't tell me this on the fly -- but do we know
18 how many corporations have voted this way in the past on
19 election day.

20 DR. PEAVEY: We can only tell you those
21 that voted last year.

22 MR. THIEL: Okay. I just -- I don't need
23 the names. I just need to know numbers. In other words,
24 would it make any difference?

25 DR. PEAVEY: One vote was valid. 11 was

1 not.

2 MR. DUNAWAY: It was a group. Group H.

3 MR. THIEL: In real elections, my
4 understanding is that they would set these ballots aside
5 as provisional that didn't meet the criteria and then
6 depending if it would influence the outcome, make a
7 decision whether to count them or not.

8 Is that a legal way to do this?

9 MR. KENNEDY: Well, I mean, again, I think
10 to the Board present -- I mean, it's a possibility. I
11 think to the Board what has been presented to you is we
12 either follow the way that it has sort of been, just sort
13 of going over the last few decades, you know.

14 Again, as staff has mentioned, the
15 document has been sent out. I want to point out staff
16 used the same process that has been used for decades, the
17 same templates that have been sent out for decades, just
18 changing the dates to make sure that they are on the same
19 time as the elections, so there is nothing that has been
20 changed. What has happened is that staff has noticed
21 that we haven't really been adhering to the rules.

22 So, to the Board, do you want to continue
23 with the way they had it in the past, which is, if a
24 corporation comes in, allow them to vote. Or because it
25 didn't come in on time, then, they are not allowed to

1 vote. I think that's what has been presented to you.

2 MR. DUNAWAY: Mr. President, I can
3 actually answer Director Thiel's question, though. It
4 is -- it certainly is possible for the Board to direct
5 its Canvassing Board or direct its staff to set aside
6 corporate votes that were not -- that policies were not
7 received prior to the deadline and then to review them to
8 see if they were members of the corporation.

9 That would be essentially how the election
10 had been done in the past. The only difference is our
11 Canvassing Board didn't do that. Your staff did that.
12 And they just did that as a matter of fact.

13 So that's the only difference. That would
14 be the process that has been done in the past, which
15 would be not following the important notice of the
16 situation.

17 So that's why, Mr. President, your point
18 is correct is that the direction that we need from the
19 Board to the staff is how do we conduct the election?

20 And that is -- who do we allow to vote?
21 Corporations?

22 MR. CAMPBELL: I'm sorry to hog the time,
23 but my understanding is the reason we stood up the
24 Canvassing Committee was to get away from the staff so
25 there wouldn't be a question on what is right and wrong

1 and who gives what to whom and no favoritism and that
2 sort of thing.

3 So my motion is that we move forward
4 with -- as it was written -- if the corporation did not
5 submit it before the deadline as the letter was, they may
6 not be counted.

7 MR. KENNEDY: Okay. And that's your
8 motion?

9 MR. CAMPBELL: That's my motion.

10 MR. KENNEDY: I have a motion. Do I have
11 a second?

12 MR. LINNELL: I will second it.

13 MR. KENNEDY: Don seconds it. Any further
14 discussion?

15 (NO AUDIBLE RESPONSE.)

16 MR. KENNEDY: Okay. All those in favor
17 say "Aye"?

18 MR. LINNELL: Aye.

19 MR. CAMPBELL: Aye.

20 MR. MILLER: Aye.

21 MR. THIEL: Aye.

22 MR. KENNEDY: All those opposed say "No"?

23 MR. DABNEY: No.

24 MR. KENNEDY: Director Dabney is a "No."
25 Okay. Motion passes.

1 MR. CAMPBELL: I would agree with Mark
2 that next year we need to move it up or put it in bold at
3 the bottom or something.

4 MR. DUNAWAY: Well, before we have
5 discussion on that, can we -- so I want to get clarity.
6 So the motion passed five to one to direct staff as the
7 motion indicated and that is to follow the notice.

8 With that information, your Canvassing
9 Board can certify that there are six corporations who
10 have met that timeline and would be allowed to vote when
11 they -- when their designated rep shows up. We will
12 provide this to Ms. Tappie and her staff so that they
13 know the six corporations that have been authorized.

14 The others -- anyone who actually shows up
15 after that will not be.

16 MR. CAMPBELL: And the one that was
17 passed, you are going to notify them?

18 MR. DUNAWAY: And we will notify the one
19 that we received, one document that we received untimely,
20 we will let them know that we --

21 MR. CAMPBELL: When I say corporations
22 sitting right there, it's a --

23 MR. DUNAWAY: I can tell you who it is.

24 MR. CAMPBELL: Nevermind. I know who it
25 is.

1 (UNIDENTIFIED SPEAKER) Thank you. I have
2 got it.

3 MR. KENNEDY: Okay. Very well.

4 MR. DABNEY: Can I add something to that?
5 Or can we add something to that?

6 MR. KENNEDY: Well, you can make a
7 statement, but the motion has been voted on. So right
8 now, the Board has decided to -- we are following the
9 rules.

10 MR. DUNAWAY: So that means that from
11 this, your Canvassing Board had certified these six
12 corporations. So the direction to staff is that if any
13 member corporation shows up today to vote not having met
14 the noticed deadline, they will not be allowed to vote.
15 Correct?

16 MR. KENNEDY: Correct.

17 MR. CAMPBELL: Understood.

18 MR. KENNEDY: James, did you want to add
19 anything?

20 MR. DABNEY: I guess I will put another
21 motion on the table as soon as this one is done.

22 MR. KENNEDY: We are -- is there anything
23 else? We are done with the discussion and the motion has
24 already passed.

25 MR. MILLER: He can make another motion.

1 MR. DUNAWAY: Mr. President --

2 MR. KENNEDY: Hang on one second.

3 MR. DUNAWAY: Mr. President, a director
4 can make a motion at any time. It's proper.

5 MR. KENNEDY: Yes, sir.

6 MR. DABNEY: So I would like to make a
7 motion that we put on that -- for the staff to put the
8 names of the person who is the authorized AE or the
9 person who pays that bill under that corporation.

10 So if they walk in here, on that roster,
11 East River Smokehouse is on there and James Dabney's name
12 is on that, you cannot stop me from voting. It's just a
13 simple fix.

14 He is the guy that is paying the bill. He
15 is authorized to get that vote. It's a simple fix. If
16 anybody wants to change it going forward, if we have 300
17 corporations in this County or in this area, put them on
18 there. What is it? One extra line on that roster? That
19 person is authorized to get that vote.

20 MR. KENNEDY: Okay. So your motion,
21 though, is to put --

22 MR. DABNEY: The president of that
23 corporation on that roster sheet.

24 MR. KENNEDY: Okay.

25 MR. MILLER: Are they already on the

1 roster --

2 (SPEAKING OVER EACH OTHER.)

3 MR. KENNEDY: Hold on one second. We have
4 a motion. All right. So I have a motion to put the
5 president on the roster sheet. Do I have a second?

6 MR. CAMPBELL: Is that for next year? Or
7 this year?

8 MR. DABNEY: That's for next year.

9 MR. CAMPBELL: Okay.

10 MR. KENNEDY: Oh, for next year? I second
11 it for next year.

12 MR. CAMPBELL: Should we have --

13 MR. KENNEDY: Hang on --

14 MR. DABNEY: So we are not going against
15 what we have already voted on. I am just saying going
16 forward, from this day forward, if the president of that
17 company walks in this business to vote and it's on that
18 roster sheet, then he gets that vote.

19 MR. MILLER: Well, I think we are going to
20 have to go further than that. There's some election
21 procedures that -- we are not going to do it this --

22 MR. DABNEY: We will have to verify it.

23 MR. KENNEDY: Yeah. Two things. Hang on
24 one second. Two things. This is where it gets a little
25 weird, oh, no, unless -- well, we have to clarify whether

1 or not what we do in business gets voted on next year.
2 Right?

3 For business at an annual meeting doesn't
4 get really voted on until 2023, the way we have been
5 doing things.

6 MR. DUNAWAY: Well, I mean, Directors can
7 take up motions at any time --

8 MR. KENNEDY: Oh, yeah. Absolutely.

9 MR. DUNAWAY: -- at a designated meeting,
10 so you have monthly meetings, so you can make policy
11 changes.

12 MR. KENNEDY: Right.

13 MR. DUNAWAY: This would be a policy
14 change. It's not a bylaw.

15 MR. MILLER: And I think the annual
16 meeting is not the place to do that. I think the next
17 Board is going to have to take a hard look at this. I
18 think it's a great suggestion, James, and I really think
19 if someone's name is on the membership certificate, you
20 know, it should be on that roster.

21 MR. KENNEDY: Yeah.

22 MR. MILLER: So, you know, automatically.
23 And then, if the corporation wants to designate someone
24 else to vote other than the president, then that's up to
25 that corporation. But I am going to say I don't think

1 this is the place to do that because of the prior
2 election procedures next year.

3 MR. KENNEDY: All right. So right now,
4 though, I do have a motion for Mr. Dabney that we are
5 going to put the president on the roster for next year.

6 Mr. Thiel, did you want to second?

7 MR. THIEL: I do.

8 MR. KENNEDY: So he seconds for next year.
9 So I do have a motion and a second.

10 MR. CAMPBELL: Would you be willing to
11 table this as unfinished business for next time?

12 MR. KENNEDY: For the next meeting?

13 MR. CAMPBELL: For the next meeting. I
14 kind of agree, but I agree, because there may be more
15 stuff we need to look at than just that.

16 MR. DABNEY: All I am trying to do is
17 alleviate the situation we are going to have today.

18 MR. KENNEDY: Absolutely.

19 MR. DABNEY: I think people are going to
20 be really upset that you are taking their right as a
21 citizen of Santa Rosa County and Navarre -- Holley
22 Navarre Water System, you took their right to vote when
23 they are a paying member of that bill.

24 So that is going to be the repercussion
25 that you are going to face today, whether you notify them

1 or not. Not everybody opens their mail, guys. I don't
2 open my mail.

3 MR. KENNEDY: Got you. All right. So
4 let's finish the one, Mr. Dunaway. Can we have the
5 motion rescinded? Or do we just need to vote it up or
6 down?

7 MR. DUNAWAY: Well, the motion has been
8 made and seconded. You are in debate. A motion can be
9 tabled or a motion can be voted on or a motion can be
10 withdrawn.

11 MR. KENNEDY: So if we table it until the
12 next Board meeting, that would be --

13 MR. DUNAWAY: That would be proper Board
14 action.

15 MR. KENNEDY: Are you good with that?

16 MR. DABNEY: I am fine.

17 MR. KENNEDY: All right. So I --

18 MR. DUNAWAY: So tabling a motion would
19 require a vote, so I would hear that would take some
20 action.

21 MR. CAMPBELL: I make a motion that we
22 table that until -- JD'S motion until the next meeting.

23 MR. LINNELL: I will second.

24 MR. KENNEDY: Joe made a motion. Don
25 seconded.

1 We are going to table until the next
2 meeting. Any further discussion?

3 (NO AUDIBLE RESPONSE.)

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

5 MR. LINNELL: Aye.

6 MR. CAMPBELL: Aye.

7 MR. DABNEY: Aye.

8 MR. MILLER: Aye.

9 MR. THIEL: Aye.

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

11 (NO AUDIBLE RESPONSE.)

12 MR. KENNEDY: Motion carries. All right.

13 MR. DUNAWAY: Mr. President, staff will
14 set that on the agenda for your February unless you
15 wanted it set for your special meeting which has already
16 been scheduled in ten days, which you have the only
17 designated responsibilities is that is to elect your
18 leadership. But you could take it up there or you could
19 give staff more time to prepare and do it in February.

20 MR. KENNEDY: I believe, if the Board is
21 good, February will be fine for us, too, to readdress
22 this. We don't need to do it in ten days. Correct?

23 MR. CAMPBELL: Right.

24 MR. KENNEDY: Okay. That will be it.

25 All right. Now, anything further? Okay.

1 Dr. Peavey, the actual candidates for the election?

2 DR. PEAHEY: Mr. President and Board
3 members, I will have Amber Bucholtz to go through the
4 candidates and the process.

5 MS. BUCKHOLTZ: The candidates running for
6 this 2022 election are Joseph Campbell, Michael Kennedy,
7 Doug Larson, Don Linnell, and Daryl Lynchard.

8 This year, there are four seats up for
9 election. Three will serve three-year terms, and one
10 will serve a one-year term.

11 So the voting will commence immediately
12 after the Board President makes the announcement that
13 voting is open. At 7:00 p.m., the voting will end. The
14 Board President will announce closed voting.

15 The results of the election will then be
16 announced. There were three ways to vote this year. You
17 could request an absentee ballot by calling the office or
18 by email. An absentee ballot allows you to vote for the
19 four candidates of your choice.

20 You can also request a proxy or you could
21 request a proxy by coming to the office, calling the
22 office, or emailing. A proxy allows a member of your
23 choice to vote on your behalf.

24 The third way was, of course, you could
25 come in and vote in person today by ballot.

1 The first two voting options ran from 7:00
2 a.m. November 29, 2021, to 4:00 p.m. January 2nd, 2022.

3 All absentee ballots and proxies received
4 were dropped in a black lockbox which was in the customer
5 service lobby, and the Santa Rosa Supervisor of
6 Elections, Tappie Villiane, was the keyholder. And one
7 of the staff members obtained the box on designated
8 dates.

9 The ballots and proxies were tallied by
10 each, totally verified, and then placed in the locked
11 filing cabinet in the lobby.

12 Two staff members validated the proxies by
13 verifying the actual date on the side it became valid and
14 it verified the time when it was signed.

15 Totals were then verified, and then, the
16 total number of ballots from the box. All information
17 was presented to the Canvassing Board.

18 Ballots were left unopened and will be
19 handed over to Tappie Villiane, Supervisor of Elections.
20 Her team will process the ballots through the voting
21 machine. All proxies or ballots received after 1:00 p.m.
22 January 7th, 2022, are invalid.

23 Tappie Villiane, Supervisor of Elections
24 for Santa Rosa County, along with her poll workers are
25 overseeing the election. We thank them for their time

1 today.

2 MR. KENNEDY: Okay. Great.

3 MR. DUNAWAY: Mr. President, there is one
4 point that wasn't in the report that I do want to make
5 known to both staff and the Supervisor of Elections --
6 that the Canvassing Board there, we did make one mistake,
7 and we mistakenly opened a ballot, not paying attention
8 to what was going on. So we know which ballot that was
9 that was taken back under the control of staff. And we
10 just made a mistake.

11 MR. MILLER: It wasn't actually removed
12 from the envelope. It's just --

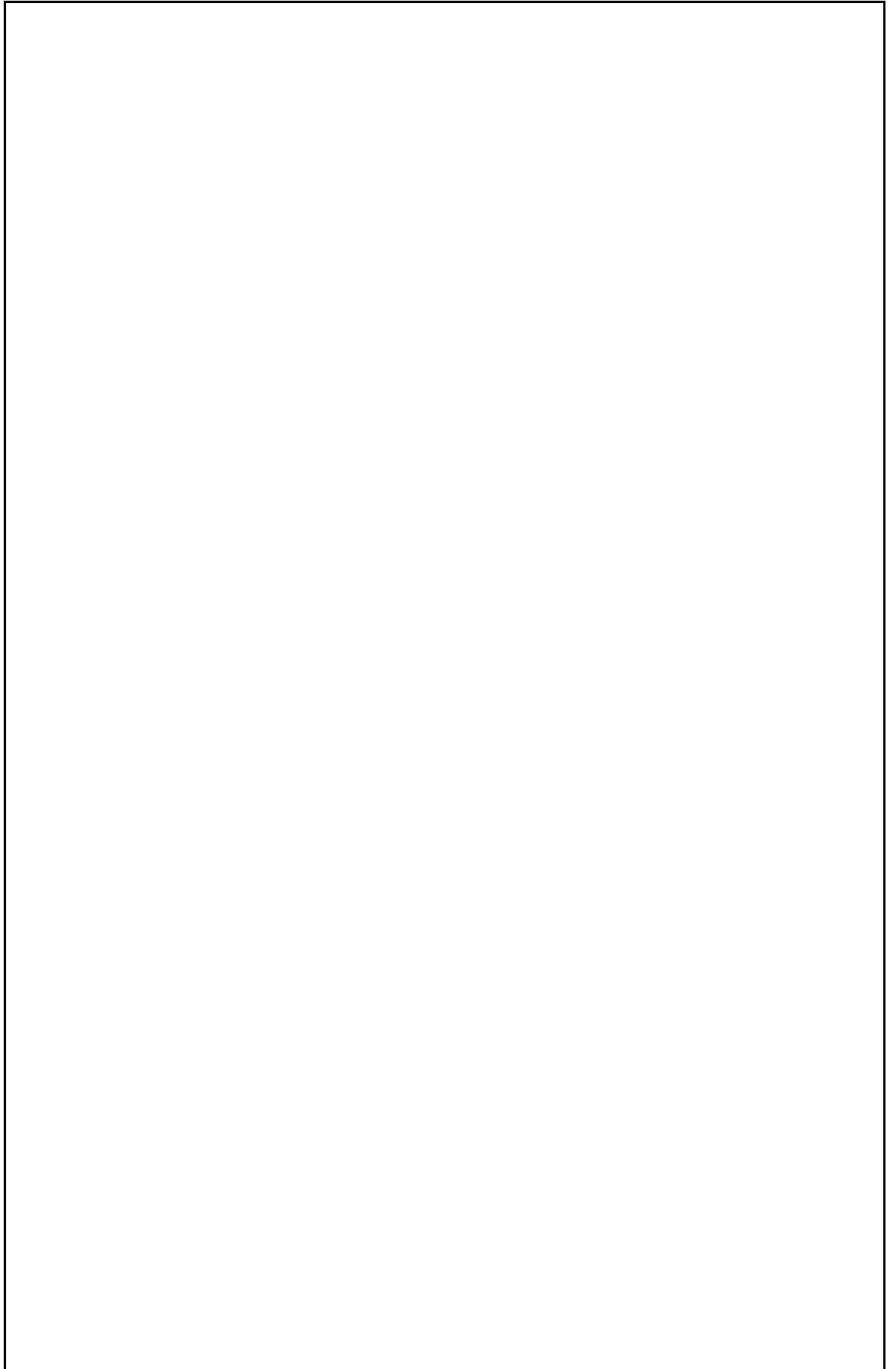
13 MR. DUNAWAY: Right. But that's -- there
14 is one ballot that was opened, and we know which one it
15 was. It was us. And we didn't alter it or look at it.

16 MR. KENNEDY: Okay. Thank you, sir.
17 Board, any further discussions before I open it up to
18 voting?

19 (NO AUDIBLE RESPONSE.)

20 MR. KENNEDY: All right. Great. So the
21 meeting is now open for voting. The Board of Directors
22 will reconvene here at 7:00 p.m. for the election
23 results, so see you at 7:00 p.m.

24 (WHEREUPON, THE MEETING WAS ADJOURNED AND
25 WILL RECONVENE AT 7:00 P.M. THIS EVENING.)



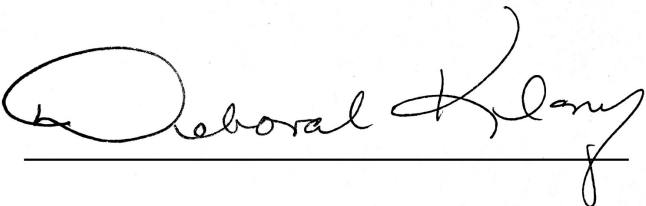
CERTIFICATE OF REPORTER

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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 transcribe this annual election meeting from digital file and that the transcript is a true record of said annual election 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 3rd day of February, 2022.



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