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HOLLEY NAVARRE WATER SYSTEM  
REGULAR BOARD MEETING  
JUNE 21, 2022  
6:00 P.M. - 7:48 P.M.

- JOE CAMPBELL, PRESIDENT
- MARK MILLER, VICE PRESIDENT
- BILL THIEL, SECRETARY TREASURER
- MIKE KENNEDY, DIRECTOR
- DON LINNELL, DIRECTOR
- DARYL LYNCHARD, DIRECTOR
- DR. DALLAS PEAVEY, CEO, HNWS
- TY CAMPBELL, HNWS
- EMERALD MCDANIEL, HNWS
- TISHA WATKINS, HNWS
- AMBER BUCHOLTZ, HNWS
- PHIL PHILLIPS, MESI
- CLINTON WELLS, HNWS
- PHIL PHILLIPS, MESI
- CHRIS LEGG, HNWS
- JAROD CROSS, HNWS
- WILL DUNAWAY, ESQUIRE
- DEBORAH KHARUF, COURT REPORTER
- KEN GARNER, NAVARRE PRESS
- INTERNS: COURTNEY TORRES, ROCKY O'ROURKE,  
ISABELLA BROOKS, EVAN MAKIN, JACOB BELOAT,  
CALEB SCUDIERO, RICHARD POFF, JR.

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

2 MR. JOE CAMPBELL: I will call the meeting  
3 to order. It's 5:59:30.

4 Everyone please stand for the prayer and  
5 pledge. Director Miller?

6 MR. MILLER: Yes. Please bow your heads  
7 and pray with me.

8 (INVOCATION GIVEN BY DIRECTOR MILLER.)

9 MR. JOE CAMPBELL: Director Thiel, pledge  
10 of allegiance?

11 MR. THIEL: Please face the flag and  
12 repeat with me a pledge to our great country.

13 (PLEDGE OF ALLEGIANCE LED BY DIRECTOR THIEL.)

14 MR. JOE CAMPBELL: Okay. Audio and video  
15 recorders are in use. Any members of the Water System,  
16 if you would like to address the Board, if you would  
17 please fill out the sign-up sheet in the back.

18 All right. Approval of minutes, May 17th,  
19 2022, special meeting minutes and regular meeting  
20 minutes. Any additions? Addendums? Corrections?

21 MR. KENNEDY: Move to approve May 17th  
22 minutes --

23 MR. JOE CAMPBELL: Mr. Kennedy approves.

24 MR. LYNCHARD: Second.

25 MR. JOE CAMPBELL: Daryl with a second.

1 Any discussion?

2 (NO AUDIBLE RESPONSE.)

3 MR. JOE CAMPBELL: All in favor say "Aye"?

4 MR. LINNELL: Aye.

5 MR. LYNCHARD: Aye.

6 MR. MILLER: Aye.

7 MR. THIEL: Aye.

8 MR. KENNEDY: Aye.

9 MR. JOE CAMPBELL: Aye.

10 MR. JOE CAMPBELL: Any opposed?

11 (NO AUDIBLE RESPONSE.)

12 MR. JOE CAMPBELL: Motion carries.

13 Approval of the memberships. May, new  
14 memberships, we had 293, and 301 canceled memberships  
15 with zero transfers.

16 MR. LYNCHARD: Motion to approve.

17 MR. KENNEDY: Second.

18 MR. JOE CAMPBELL: Director Lynchard,  
19 Director Kennedy, first and a second. Any discussion?

20 (NO AUDIBLE RESPONSE.)

21 MR. JOE CAMPBELL: All in favor say "Aye"?

22 MR. LINNELL: Aye.

23 MR. LYNCHARD: Aye.

24 MR. MILLER: Aye.

25 MR. THIEL: Aye.

1 MR. KENNEDY: Aye.

2 MR. JOE CAMPBELL: Aye.

3 Any opposed?

4 (NO AUDIBLE RESPONSE.)

5 MR. JOE CAMPBELL: Motion carries.

6 Unfinished Business. Legal. Election  
7 member voting clarification of Water Use Permit. Mr.  
8 Will Dunaway?

9 MR. DUNAWAY: Thank you, Mr. Chair. In  
10 your Board package was included a memo from Dr. Peavey  
11 dated May 17th with regard to your annual election and  
12 the notice of annual meeting. After staff conferred,  
13 they made now recommendations to you for your action and  
14 approval.

15 Specifically, the notice of the annual  
16 meeting and the request for proxy or ballot, you will  
17 note that the "Important Notice," which used to appear at  
18 the end of the two-page letter now appears on page one  
19 and it's emboldened and it's still has the title,  
20 "Important Notice," but now it is bolded and up front.

21 So we think that provides reasonable  
22 notice, in fact, Important Notice to those who will be  
23 receiving -- the members who will be receiving this proxy  
24 and alerts them as to your policy and we would ask for  
25 your approval of that.

1 MR. KENNEDY: Motion to approve.

2 MR. THIEL: Second.

3 MR. LINNELL: I have got a follow-up  
4 question.

5 MR. JOE CAMPBELL: Okay.

6 MR. LINNELL: It says the authorization  
7 letter has to be provided by 4:00 p.m. on January 6th.  
8 But if I read the next couple paragraphs, right, somebody  
9 representing that company can vote well before January  
10 6th. Is January 6th the only day they can vote?

11 It just seems to me we are asking for the  
12 name after the person has the chance to vote. So if I am  
13 wrong, I am happy to --

14 MR. THIEL: I wouldn't think they would  
15 allow them to vote unless you had an authorization form.  
16 Would that not be true?

17 MR. LINNELL: It doesn't say that. It  
18 says we have to have it by 4:00 p.m. that day.

19 MR. MILLER: Well, it also says or to be  
20 brought to the annual meeting, so there is a grammatical  
21 issue with that. But brought to the annual meeting held  
22 on January 17 to vote. So they can either, you know -- I  
23 guess if they are voting by absentee or proxy or if vote  
24 by a person, they bring it to the meeting.

25 MR. DUNAWAY: So I guess the question is

1 what is it that you would like it to say? Because we can  
2 make it say whatever you think is best.

3 MR. JOE CAMPBELL: Is that the  
4 recommendation --

5 MR. DUNAWAY: The recommendation was that  
6 we -- and, of course, obviously, I appreciate you  
7 bringing that up. Obviously, it wasn't to recommend a  
8 typo, "To be brought," but the recommendation was that  
9 the staff would like to have it up front, but we  
10 recognize because of the conversation we had and the  
11 concerns -- and staff did say we could actually make it  
12 happen if they showed up with it.

13 So that's what we were trying to  
14 accommodate to make it the easiest for everybody to be  
15 able to vote. You certainly couldn't have submitted  
16 it -- if you submit it early, and then, you show up to  
17 vote and you are somebody else, it's not going to work  
18 unless you showed up, I guess, with a different  
19 authorization.

20 MR. JOE CAMPBELL: I think Don is asking  
21 how does that impact staff? If they want to do the proxy  
22 voting, they have to give this at the same time? But  
23 6:00 is the no-later-than. Because that's when we stop  
24 accepting absentee ballots?

25 MR. MILLER: That's the cutoff. The 6th

1 is the cutoff for absentees and proxies.

2 MR. DUNAWAY: That's right.

3 MR. MILLER: So my suggestion would be,  
4 can we add, after it says January 6, 2023, can we add,  
5 "If voting early or by proxy," and then -- or can be  
6 brought to annual meeting/election held on January 17th  
7 in order to vote?

8 MR. LINNELL: So that might solve the  
9 issue that -- I may be the only one seeing it. I would  
10 like it -- I would like it to read that the proxy has to  
11 be in our hands either before early voting starts or you  
12 bring it with you when you vote in person.

13 Otherwise, nothing prevents someone from  
14 voting. And I am not saying that they do it on purpose.  
15 Someone that shouldn't be voting once for that company,  
16 and then, later on, you get a letter, that vote shouldn't  
17 count. That's all I am trying to prevent is the  
18 possibility.

19 MR. JOE CAMPBELL: Do you want to  
20 explain -- how you do that absentee ballot, would you  
21 ensure that had it before you counted the ballot?

22 MS. BUCHOLTZ: Yeah. So the early voting  
23 ends for everyone, whether it's a corporate account or if  
24 an individual wants to vote early by proxy or absentee  
25 ballot. That all ends early. This year, it will end by

1 January 6th.

2                   Those are then. We have different dates  
3 throughout the month as we gather them, where Tappie  
4 comes from Santa Rosa County -- and she helps us sort out  
5 the ballots. The votes are set aside. The proxies are  
6 opened in front of at least three staff members and  
7 Tappie herself, so they all keep track of it.

8                   But they keep track of who they are  
9 sending out those ballots to as well, as well as the  
10 proxies, so that they know if they received commercial  
11 accounts, that they have requested that absentee ballot  
12 or the proxy before this deadline.

13                   We have -- we have that knowledge. We  
14 keep track of all of that, so they couldn't then come the  
15 day of the election and present a letter and get another  
16 ballot to vote.

17                   MR. JOE CAMPBELL: So they would have to  
18 do it by January 6th, whether they do it beforehand or  
19 whether they show up on the day, they still have to have  
20 this?

21                   MS. BUCKHOLTZ: Well, part of the reason  
22 why -- the first part of that up to the January 6th,  
23 2023, that has always been on the letter. That's the  
24 same --

25                   DR. PEAVEY: That didn't change.



1 MS. BUCKHOLTZ: Right. The only thing  
2 that changed was allowing a corporation to bring a letter  
3 the day of, so that they could vote. Because I know  
4 there were some concerns at the last election that if  
5 they hadn't submitted that proxy by the deadline, that  
6 they were not able to vote.

7 So we were trying to accommodate what we  
8 thought the Board was looking for, by giving them the  
9 opportunity to bring that letter in for staff to validate  
10 that they hadn't already voted by proxy or ballot -- by  
11 the absentee ballot. And then, that the person who --

12 DR. PEAHEY: Designated.

13 MS. BUCHOLTZ: -- the commercial -- that  
14 they designated to vote in their behalf. So we were just  
15 trying to accommodate that.

16 MR. DUNAWAY: Well, I think Director  
17 Linnell, I think that you are inserting after -- I think  
18 you said it, after January 6, 2023, inserting the words,  
19 "If voting by proxy or absentee makes sense," because  
20 that's the only reason you would be bringing it in, but  
21 because we added, "Or to be brought to the annual  
22 meeting," that gives you the option if you are going to  
23 vote in person.

24 MR. THIEL: I have a question.

25 MR. JOE CAMPBELL: Bill?

1 MR. THIEL: If a business wants to vote by  
2 proxy, they have to give you a name of a person  
3 authorized to vote in order for you to release that  
4 ballot. Is that not a true statement?

5 MS. BUCHOLTZ: Yes.

6 MR. THIEL: That involves designation.  
7 They have to designate it before they can vote.

8 MR. LINNELL: Okay. If you are confident  
9 that you will catch anybody that might vote that is not  
10 supposed to, I am good.

11 DR. PEAVEY: We will do the best we can.

12 MR. JOE CAMPBELL: You are good? Anybody  
13 else? I do have a question. And I don't know if  
14 anything was talked about here about us catching  
15 unauthorized voters, people who don't have accounts but  
16 think they do. Do we have a process for that?

17 MS. BUCHOLTZ: Yeah. Last year was our  
18 first election, of course. And so, we will better  
19 supervise what is going on by the people who are there to  
20 give the ballots out the day of the election.

21 We will stick closer to -- we can pay  
22 attention, and also, so that if there are any questions  
23 that arises as to whether or not someone is voting more  
24 than they should, that we will be able to help out.

25 MR. JOE CAMPBELL: Okay. Any other

1 discussion?

2 MS. BUCKHOLTZ: As best we can.

3 MR. JOE CAMPBELL: There is a motion and a  
4 second; right?

5 MR. DUNAWAY: Mr. Chair, may I just  
6 clarify, is it if we are adding the language, "If voting  
7 by proxy or absentee," and also the word, "The," between  
8 "To," and "Brought." So "To be brought to."

9 MR. JOE CAMPBELL: You want the Board to  
10 vote on English?

11 MR. DUNAWAY: I just -- I just --

12 MR. JOE CAMPBELL: Let's take a vote.

13 MR. KENNEDY: I made the motion. I can  
14 amend the motion with changes.

15 MR. JOE CAMPBELL: Mike is going to amend  
16 it with those changes.

17 MR. THIEL: I will second.

18 MR. JOE CAMPBELL: Okay.

19 DR. PEAVEY: The insertion of "Important  
20 Notice," is in that particular location.

21 MR. DUNAWAY: Yeah. That's why I --

22 MR. JOE CAMPBELL: Don, you are okay?

23 MR. LINNELL: I am good.

24 MR. JOE CAMPBELL: Okay. First and a  
25 second. All in favor say "Aye"?

1 MR. LINNELL: Aye.

2 MR. LYNCHARD: Aye.

3 MR. MILLER: Aye.

4 MR. THIEL: Aye.

5 MR. KENNEDY: Aye.

6 MR. JOE CAMPBELL: Aye.

7 Any opposed?

8 (NO AUDIBLE RESPONSE.)

9 MR. JOE CAMPBELL: Motion carries.

10 Still you, Mr. Dunaway.

11 MR. DUNAWAY: Yes, sir. Thank you.

12 So the next -- and I don't think there was  
13 any misunderstanding about this or any unresolved  
14 business about the issue of who was a member. And I  
15 think we resolved that and we had a discussion about  
16 that. But if there were questions, I could answer them.

17 Otherwise, we will move to the third  
18 point. And that is the letter of response we got in  
19 response to my letter. You will recall that I sent to  
20 the Water Management District a letter requesting  
21 clarification on the Water Use policy as it concerned the  
22 Fairpoint Regional Water System's Consumptive Use Permit.

23 And so, the response that we got back from  
24 Meghan Sewell, (phonetic) who is the Deputy Director for  
25 the Water Management District is included there, and you

1 can read it as well as I did.

2           But what she says is that, "We are going  
3 to provide a lot more guidance to you when we renew the  
4 permit. But in the meantime, we are going to provide you  
5 a little clarity."

6           And she provides some clarity, and then,  
7 she says at the end, "Additionally, having a separate  
8 meter for a swimming pool is an acceptable practice,"  
9 which is what we were asking her to clarify. And so, it  
10 seemed to be different than what she had said in the  
11 first two paragraphs.

12           So I interpret this to me that you can  
13 set -- that your policy for water conservation is a valid  
14 policy. And she says as much. A utility incorporating  
15 certain sewer rates as part of its rate structure as a  
16 means to encourage water conservation is an acceptable  
17 practice. So I interpret that to mean what it says.

18           Staff is somewhat still confused about  
19 what she means, "Additionally, having a separate meter  
20 for a swimming pool is an acceptable practice."

21           We don't -- staff allows that. The  
22 question that we had asked was: Was it -- was it wrong  
23 to also charge -- or is it okay if we also would allow  
24 some exception to our policy that requires that if you  
25 add such a meter, we charge you. I mean, we charge you

1 water and we charge you sewer on that water. Because we  
2 don't just charge -- we don't have yard meters, which we  
3 know to be inconsistent.

4                   So what has she told us? She has told us  
5 that your policy as it exists is fine. She has also said  
6 to you, "If you wanted to change your policy, I think you  
7 could." That's what I think she said.

8                   And until we get the additional  
9 information from the permit, which she says, "The renewal  
10 application is currently in-house and under review."

11                   So we come to you with -- I come to you  
12 with no particular recommendation. I'm simply letting  
13 you know what she said.

14                   MR. THIEL: Just a point of clarity from  
15 my perspective, if we were to allow a meter, we would  
16 have to have another meter installed specifically for the  
17 pool if we were going to allow this. Is that not true?

18                   MR. DUNAWAY: It's my understanding  
19 that -- and this table can correct me if I'm wrong --  
20 which I think they will. I think this Club or this HOA  
21 has a meter just for a pool.

22                   MR. PHILLIPS: Correct.

23                   MR. DUNAWAY: But I think that we charge  
24 them water and sewer.

25                   MR. PHILLIPS: Yeah. It's been Holley

1 Navarre's interpretation that swimming pools are allowed  
2 to be filled with potable water per the agreement. And  
3 if you have no other services besides the pool, then a  
4 pool is allowed a meter or it is an allowed meter.

5                   It's just it gets charged as a penalty  
6 rate which was -- which has been set by Holley Navarre in  
7 the past.

8                   MR. JOE CAMPBELL: And, actually, the  
9 point for me was we went back and you pay for that water.

10                   MR. PHILLIPS: Correct.

11                   MR. JOE CAMPBELL: I filled my pool up for  
12 a hour and a half today. I am paying for that water.  
13 And I pay for the sewer and I am not using that water.

14                   MR. DUNAWAY: Right.

15                   MR. JOE CAMPBELL: And that's what it  
16 says.

17                   MR. DUNAWAY: Correct. That is your  
18 policy now.

19                   MR. JOE CAMPBELL: What we did in the  
20 previous -- we rescinded the 2013 policy for this  
21 once-a-year free water for the pool.

22                   And you said, No. We are going to charge  
23 both.

24                   Right? That's what --

25                   DR. PEAHEY: That's correct.

1 MR. JOE CAMPBELL: And what I mean from  
2 this where it says, "Filling pools and allowing  
3 irrigation is against the spirit of encouraging water  
4 conservation."

5 MR. DUNAWAY: That was very clear. Yes,  
6 sir.

7 MR. JOE CAMPBELL: Director Lynchard?

8 MR. LYNCHARD: Okay. It also says in that  
9 letter that they don't regulate sewer, too.

10 MR. DUNAWAY: It says very clearly, "The  
11 Water Management District does not regulate sewer rates."  
12 That's what this Board does.

13 MR. LYNCHARD: And that's what it says.  
14 We regulate sewer. And that's right. We regulate sewer.  
15 And it also says that can be a part of our conservation  
16 policy, but I don't think this Board ever passed that  
17 policy. And it wasn't a violation of our permit

18 Matter of fact, some of our members came  
19 here and complained and said that we had told them that  
20 they could do it. And then, whenever they filled it up,  
21 they were charged sewer. Yet, this Board has never  
22 changed that policy.

23 We changed the policy after that. Those  
24 members should be taken care of, in my opinion.

25 MR. MILLER: But we were given information



1 that this was in violation of our water permit, not in  
2 violation, but the spirit. It was a violation of our  
3 water permit to allow somebody to fill their pool and not  
4 charge them sewer.

5                   It says right here they don't regulate  
6 sewer rates. They don't require we charge sewer as a  
7 conservation measure. If we do want to promote water  
8 conservation a little more, we can change our water rate  
9 structure so that the more water you use, the higher rate  
10 per gallons of pay.

11                   But it's just not fair to charge this  
12 customer over here with water and sewer to fill a pool  
13 and the customer that is on septic doesn't get any extra  
14 penalty for filling this pool. That is not a fair policy  
15 that we have. We ought to be able -- it says right here  
16 we can do it, we ought to be able to give our customers  
17 the ability to fill a pool and not charge them sewer.  
18 They are not -- anything else --

19                   MR. JOE CAMPBELL: Practicality-wise, how  
20 are you going to do it? Anybody else have a pool?

21                   This time of year, I fill my pool once a  
22 week. 150 gallons, I pay \$5.00 extra.

23                   MR. MILLER: We are not talking about once  
24 a week. We are talking about the policy in place that  
25 has been in place for years that gives everybody a

1 once-a-year pool fill.

2 MR. JOE CAMPBELL: I get that. But in  
3 practical terms, how do you go about that? Nobody  
4 empties their pool once a year. They don't. Not here,  
5 not in Florida. Maybe where it snows, they do.

6 So my question to you would be what's the  
7 practicality? How do you set it and forget it? I just  
8 don't see it. And like I said, during the summertime,  
9 once a week, I put an hour and a half worth of water in.  
10 I fill my pool. I pay for the water. I pay for the  
11 sewage in order to be able to use the water, so --

12 MR. MILLER: I think this is at the  
13 beginning of the season when people kind of let their  
14 pool level go down. As a rule, they fill it up. Same  
15 thing if they have a brand new pool. They are putting  
16 up, you know, filling up a brand new pool from scratch.

17 You know, however we were documenting it  
18 before, it was working. And then, at some point, we were  
19 told that, "Oh, we can't do this anymore because it  
20 violates our permit."

21 MR. LINNELL: Joe has a point. At least,  
22 in my mind, we are not talking about replacing the water  
23 that the sun removes every couple weeks. We are talking  
24 about someone either putting in a new pool or they had to  
25 have a pool repaired and it is drained way down and they

1 need to fill it up. And they don't want to pay a couple  
2 hundred dollars for that when they don't have a sewer  
3 pipe.

4                   In my opinion, that's what the previous  
5 policy was about. I can't swear to it. I want to say I  
6 saw where there was a -- you get to do this once a year  
7 or a one-time-lifetime -- I forget what it said, but they  
8 had -- the onus is on our members to tell us when they  
9 are going to do it, not -- and we don't have to  
10 allow them to do it every month, but they need to tell  
11 us.

12                   MR. JOE CAMPBELL: And they will say, if  
13 you can afford a \$20,000 pool and you can't afford  
14 another \$200 bill --

15                   MR. MILLER: It's not fair to our members.

16                   MR. LINNELL: Yeah. Exactly.

17                   MR. MILLER: Why should they pay for  
18 something they are not using?

19                   MR. JOE CAMPBELL: Well, currently, that's  
20 not the case.

21                   MR. KENNEDY: Mr. President?

22                   MR. JOE CAMPBELL: Go ahead, Mike.

23                   MR. KENNEDY: Yeah. I guess my question  
24 to the Board is -- are we discussing the filling of the  
25 pool and giving a fee pool fill?

1 MR. LINNELL: No.

2 MR. LYNCHARD: No. Sewer only.

3 MR. KENNEDY: Okay. So we are really just  
4 discussing the sewer only, the sewer only portion.

5 So a -- right, so if I did the math right,  
6 \$150 charge is around 30,000 gallons at \$4.30 per 1,000;  
7 right? So it's a chunk of water that -- when you see  
8 that --

9 So I guess the question that -- the  
10 biggest thing that I got from this, from the Northwest  
11 Florida Water District is they are encouraging us to do  
12 all measures for water conservation. And the  
13 conservation, the only thing that I see that we have as  
14 an arsenal to do that is a rate structure, money,  
15 penalty.

16 So I guess the question is -- if you guys  
17 don't like that, then, what is it -- we shouldn't be the  
18 ones trying to figure that out. What is it that we  
19 should be asking staff to do? Because, again, it's --  
20 it's not -- nothing is ever free. If somebody says,  
21 "Well, I just spent 40,000 or 100,000 gallons on a pool,"  
22 do we send someone out?

23 MR. LINNELL: So you would -- I can -- my  
24 first thought is I would recommend we go back to the 2013  
25 policy because there was nothing wrong with the policy.

1 And me speaking for myself, the only reason I voted to  
2 change it was because we were given the opinion that  
3 leaving it as it was was going to violate, possibly  
4 violate our license with Fairpoint. And that's not the  
5 case. Not by this letter.

6 Now, as far as, with all due respect,  
7 nobody to my knowledge has ever asked for free water.  
8 Free anything. They don't want to pay the sewer when  
9 they are not hooked up to sewer. They are paying for  
10 water --

11 MR. JOE CAMPBELL: Actually, that's not  
12 true. In --

13 MR. LINNELL: There should be a policy  
14 they pay for the water. They don't pay for the sewer  
15 part.

16 If you want to raise the water rates, like  
17 Mark and Daryl said, fine. Enforce conservation like  
18 that. Raise the water rates. Don't make them pay for  
19 services they don't get and they don't impact.

20 MR. JOE CAMPBELL: What was the  
21 once-a-year filling a pool thing?

22 MR. LYNCHARD: No. That was a free thing.  
23 That was free sewer. They would knock the sewer off on  
24 that. Or am I speaking incorrectly?

25 MR. PHILLIPS: No. That's correct.

1                   MR. LYNCHARD: It was not free water. It  
2 was you fill your pool up a maximum of once a year and  
3 they will give you -- they will knock the sewer  
4 portion off the bill for that, which is fair, because  
5 that water never goes into the sewer.

6                   We are charging people for something that  
7 doesn't cost us anything. And it has no impact on the  
8 system. That's not fair.

9                   MR. JOE CAMPBELL: All right. So I am  
10 going to go to the other side. The law enforcement hat  
11 says: "I am just going to tell them, hey, I filled my  
12 pool up this year." How are you going to have staff  
13 manage that?

14                   MR. LYNCHARD: No. They have to call.  
15 You have to call staff prior to filling your pool. I  
16 believe there is a form or something that you fill out;  
17 correct?

18                   MR. PHILLIPS: We take their word for it.

19                   MR. LYNCHARD: You take their word for it?

20                   MS. BUCHOLTZ: They have to send it in  
21 writing and give dates and typically how many gallons,  
22 but most people, from my experience, it's  
23 over-exaggerated.

24                   A lot of times, they will tell me they are  
25 filling a pool. They are stating that they are using

1 18,000 or 20,000 gallons. And we read their usage for  
2 11, so they are way off.

3           It requires a lot of extra work on staff  
4 as well, because even if -- even if the pool -- even if  
5 the customer is giving us that, we still have to go back  
6 and check it, particularly when I look at the readings,  
7 if they are not matching up, I then have to go into  
8 analytics and see, okay, can I see when you did your pool  
9 fill.

10           And then, I have to estimate how many  
11 gallons. But I also have to then figure out, okay, how  
12 many gallons do you average each day that you are using  
13 that and deduct all of that. If they are not giving me  
14 accurate information, it's --

15           MR. LYNCHARD: You can look at their  
16 monthly count. You can look at their analytics. You can  
17 look at all of that data to see, okay, here is the spike.  
18 Here is where they fill it. Maybe it's 11,000. Maybe  
19 it's 20,000.

20           People aren't going to be able to guess  
21 that. So unless it is written down, I wouldn't think it  
22 would be anywhere near accurate for most people.

23           MR. JOE CAMPBELL: How many people are  
24 talking about here for --

25           MR. LYNCHARD: But I thought you said it

1 was only three or four that you said that were calling  
2 each year?

3 MS. BUCHOLTZ: Oh, no.

4 MR. LYNCHARD: No?

5 MS. BUCHOLTZ: No. I probably -- when we  
6 were doing pool fill adjustments, I would typically plan  
7 on spending about a day, half a day, just going through  
8 the information and reviewing it.

9 MR. LYNCHARD: Half a day a year? Or a  
10 month?

11 MS. BUCHOLTZ: A month.

12 MR. LYNCHARD: Per month?

13 MR. KENNEDY: Per account?

14 MS. BUCHOLTZ: We have to wait for the  
15 water. We have to wait for the usage to come in --

16 MR. KENNEDY: At the end of the month?

17 MS. BUCHOLTZ: -- in-house. So,  
18 sometimes, I can use the reading, but, sometimes, I have  
19 to wait for the bill to print. Just depends.

20 And then, if I had to estimate -- and you  
21 have to remember that I was looking at leaks as well for  
22 customers, so probably -- I don't know, an average 20 to  
23 40 emails. I mean, I don't know exactly. That would be  
24 an estimate.

25 It would vary from month to month --



1 DR. PEAVEY: And from season to season.

2 MS. BUCHOLTZ: And from season to season,  
3 of course, so --

4 MR. THIEL: Yeah. I want to ask the two  
5 folks that think it would be unfair not to allow it.  
6 Would you be in favor of if a customer submits paperwork  
7 and wants to fill their pool, if there was an up-charge  
8 for that water?

9 MR. LYNCHARD: I think it should be.

10 (PEOPLE SPEAKING OVER EACH OTHER.)

11 MR. MILLER: And raise their rate if they  
12 use more than 10,000 gallons.

13 MR. THIEL: Yeah. What if they don't?  
14 What I am saying is if you use 4,000 gallons a month, why  
15 shouldn't the upcharge start at 4,000 a month?

16 MR. LYNCHARD: Exactly.

17 MR. MILLER: And I had suggested that we  
18 might want to look at our rate structure and have it be a  
19 multi-tiered thing, instead of just up to 10,000 and  
20 10,00 and over. You know, maybe we should have a 5,000  
21 and 10,000 rate.

22 But that would encourage not just people  
23 with pools but people that use their water to water their  
24 garden or their plants or whatever or wash their cars.  
25 It would encourage them to, you know, conserve water as

1 well.

2 I just don't think it is fair to charge  
3 somebody sewer that does not have sewer. One thing we  
4 can document is we can look at their account. Obviously,  
5 if they say they are going to use 15,000 and they only  
6 use 11 (sic), they are not going to get a credit for 15.  
7 They are only going to get a credit for what they use.

8 MR. KENNEDY: So if I saw some of the  
9 data, right, I mean, we might have 200 to 300 accounts in  
10 2019, 2020, that kind of thing, that are requesting --

11 DR. PEAVEY: The adjustments.

12 MR. KENNEDY: -- the adjustments. And,  
13 again, the adjustment is only on the sewer. So once a  
14 year, they could have a one-time free -- the policy was a  
15 one-time free sewer discount; is that right?

16 MR. WELLS: I think that's where the  
17 interpretation --

18 MR. KENNEDY: Not water.

19 MR. WELLS: The interpretation was a  
20 one-time pool fill, not one time a year. And I think  
21 that's where it got messed up.

22 MR. PHILLIPS: Holley Navarre was doing  
23 one time a year. That was not the wording of the policy.

24 MR. WELLS: Right.

25 MR. KENNEDY: But it would only be just

1 the sewer rate. If you use the water, you have got to  
2 pay for the water. Right? We didn't give away any free  
3 water.

4 MS. BUCHOLTZ: Right. Not the pool fills.

5 MR. KENNEDY: Okay. Got you. Now, to  
6 open up a can of worms, sorry, what about commercial?

7 MS. BUCHOLTZ: Commercial?

8 MR. KENNEDY: Do they get the same  
9 benefit?

10 MS. BUCHOLTZ: They may have the same  
11 opportunity as residential. Yes, they would. They would  
12 have the same opportunity as the residential account  
13 holder would.

14 MR. THIEL: You said the commercial ones  
15 already have a separate meter, so they don't pay for  
16 sewer. Or do they pay for sewer?

17 MS. BUCHOLTZ: Some of our commercial  
18 accounts pay for sewer.

19 MR. KENNEDY: Right.

20 MR. THIEL: Some or all?

21 MS. BUCHOLTZ: Not all.

22 MR. JOE CAMPBELL: You have both? Some  
23 just pay for the water?

24 MS. BUCHOLTZ: Yeah. Because we have  
25 accounts for sewer -- commercial accounts where sewer

1 isn't available, so we don't charge them sewer, of  
2 course.

3 MR. KENNEDY: Yeah. I mean, to me, for  
4 me -- and I understand where the Board is leaning. It  
5 doesn't seem fair to charge sewer. It seems like if you  
6 are on sewer, you are penalized. If you are on septic,  
7 you are not penalized. Right? Now, I get that.

8 But at the same time, we do want to  
9 encourage, I mean, again, you know, 30,000 gallons is  
10 like 150 bucks or something like that. I mean, we are  
11 talking, again, thousands and thousands of gallons, just  
12 when you see some of those adjustments that have been  
13 done in the past.

14 MS. BUCHOLTZ: Sure. So, also, I don't  
15 know -- since we started not doing adjustments for the  
16 pool fills, when we explain to customers that the area is  
17 deemed an area of critical concern, which we have been,  
18 and that we are to promote water conservation.

19 Actually, I spoke with a customer today  
20 who was told by a pool company that we would adjust the  
21 sewer. So when I spoke with her, at first, you know, I  
22 explained to her exactly what I just said.

23 And she was a little upset to begin with,  
24 but when she figured out what the cost of the water is to  
25 fill her pool -- she was filling a pool up for 14,200 and

1 when I told her what the charge would be, and, actually,  
2 it was a little bit high because it already included the  
3 base rates in it.

4 And she was, like, "Oh, is that all? I  
5 thought it was going to be something real real" --

6 DR. PEAVEY: Understood.

7 MS. BUCHOLTZ: Yeah. That's what customer  
8 service is finding, too. Now, I don't know. Your  
9 experience with the Board out in the public might be  
10 different. But since we began explaining that we are  
11 near critical concern, our customers completely  
12 understand that.

13 MR. JOE CAMPBELL: Okay.

14 MS. BUCHOLTZ: Just for your information.

15 MR. DUNAWAY: Mr. Chairman, that's --

16 MR. JOE CAMPBELL: Mark?

17 MR. MILLER: I will make a motion that we  
18 go back to the policy that was in place, where we do give  
19 a credit on the sewer once a year for the pool fills.

20 MR. JOE CAMPBELL: Why is it a year,  
21 though?

22 MR. LYNCHARD: It's his motion.

23 MR. JOE CAMPBELL: Okay. There is a  
24 motion. Once a year. Is that it?

25 MR. LINNELL: I will second it.

1 MR. KENNEDY: So --

2 MR. JOE CAMPBELL: Hang on. All right.

3 We have a motion and a second. You got that?

4 All right. Go ahead, Mike.

5 MR. KENNEDY: I would feel more  
6 comfortable, I guess, more with analytics on this. Have  
7 you guys seen how many accounts we are talking about that  
8 do this? How much? In other words --

9 MR. MILLER: Amber said 40.

10 MR. KENNEDY: What is that?

11 MR. MILLER: Amber said 20 to 40 on  
12 average.

13 DR. PEAVEY: Is that an average on a  
14 annual basis?

15 MR. LINNELL: A month.

16 MS. BUCHOLTZ: Probably monthly.

17 MR. LYNCHARD: But we have been able to  
18 handle this since 2013, so --

19 DR. PEAVEY: Membership has grown since  
20 2013, so hence you have more people that are applying.

21 MR. JOE CAMPBELL: We are also fighting  
22 for more well field wells to manage the water we have,  
23 so, you know --

24 MR. KENNEDY: The reason I was bringing  
25 that up is the analytics that I would almost want to --

1 instead of just going straight back to giving an  
2 adjustment, allowing staff -- and, again, you may have  
3 already looked at every opportunity, but then to come  
4 back with a rate structure change. Is there a better  
5 rate?

6 DR. PEAVEY: We are looking at that. We  
7 have not come to that.

8 MR. KENNEDY: Yeah. I mean, is there a  
9 better rate structure change to be able to say -- because  
10 you can imagine if you say, well, if you hit these levels  
11 where people might -- people are very smart about getting  
12 around the rules.

13 MR. PHILLIPS: I will say a couple of  
14 things. One, staff had a concern. Staff addressed that  
15 concern. And I think staff is a lot less concerned about  
16 what was going to happen to us a month down the road when  
17 a permit gets issued, relative to what could have  
18 happened.

19 I think, Mike, to your point right there,  
20 the Water Management District now appreciates that there  
21 were some very general terms in that permit that are  
22 going to be more specified going forward.

23 I would also point out one of the points  
24 that was made. I think it goes to this argument of  
25 neither way. But I would guess that most of you would

1 agree that the guy that owns a 15,000 gallon pool  
2 irrigates his yard almost everyday from spring until  
3 fall. There is a policy of no yard meters. Period. End  
4 of story.

5                   And they are not going to change that,  
6 which means that every single one of those customers with  
7 Holley Navarre that is on sewer and irrigates their yard  
8 is going to pay sewer rates for every gallon they use to  
9 irrigate, so --

10                   MR. MILLER: Unless you have a well.

11                   MR. PHILLIPS: Oh, no. If they have a  
12 well, they are on their own. That's the -- you certainly  
13 want to use a well if you are irrigating, but, yeah,  
14 sure.

15                   MR. MILLER: I think most people that have  
16 irrigation systems use a well, the majority do, at least,  
17 in my experience.

18                   MR. THIEL: And they use the well to fill  
19 their pool, too.

20                   MR. PHILLIPS: Well, I wouldn't, but,  
21 again, I think my main point there is staff had a  
22 concern. That concern got addressed. The Water  
23 Management District knows that Holley Navarre is  
24 attempting to do the right thing, so --

25                   MR. KENNEDY: And to your point, we are



1 focused on our permit.

2 MR. PHILLIPS: Yes.

3 MR. KENNEDY: We are focused on -- the  
4 real key thing there is the permit.

5 MR. DUNAWAY: The key thing from staff,  
6 the key thing, the reason for the letter was to lay out  
7 for them all of the issues, and then, she addressed that.  
8 And we expect to see, as Phil said, in the permit with  
9 clarification.

10 MR. JOE CAMPBELL: Is there any indication  
11 that this new permit will change and her wording here  
12 will be strict?

13 MR. DUNAWAY: I think she says that.

14 MR. PHILLIPS: Yes.

15 MR. DUNAWAY: Yeah.

16 MR. PHILLIPS: And from discussions after  
17 the fact. Yeah. Yeah. So I think so.

18 MR. DUNAWAY: But it will not change that  
19 the Water Management is not going to regulate the rate  
20 for sewer because that's your job.

21 MR. LYNCHARD: That's right.

22 MR. JOE CAMPBELL: All right. So we have  
23 a motion and a second. Go ahead. Last discussion.

24 MR. LINNELL: I would like Mark to  
25 consider altering it from once a year to we limit it to

1 new pools or pools that had to be repaired and were  
2 drained.

3 MR. MILLER: What was our practice before?  
4 Was it once a year?

5 MR. LINNELL: What was the intent?

6 MR. KENNEDY: I would -- Mr. President --

7 MR. JOE CAMPBELL: Hang on.

8 MR. PHILLIPS: That's all I have to say.

9 MR. JOE CAMPBELL: Are you -- do you want  
10 to withdraw?

11 MR. LINNELL: I would like to know what  
12 the practice was before. Were we doing it once a year?

13 MR. LYNCHARD: Once a year. I have got a  
14 suggestion.

15 MS. BUCHOLTZ: Once a year. A once a year  
16 pool fill.

17 MR. LYNCHARD: All right. Without any  
18 modification to your --

19 MS. BUCHOLTZ: Yeah.

20 MR. LYNCHARD: -- motion, but we can all  
21 sit here and agree you don't fill your pool every year.  
22 Right. Nobody does that. So what if we don't do this  
23 every year?

24 Maybe limit it to once every two years or  
25 once every three years with the special exceptions for

1 repairs or a new pool or something.

2 MR. JOE CAMPBELL: That's kind of like --  
3 I kind of like the way Don put it -- is a new pool or  
4 repair.

5 MR. LYNCHARD: But then, you limit it to  
6 every --

7 MR. KENNEDY: Yeah. So --

8 MR. LINNELL: I don't want somebody that  
9 drains it a foot so they can replace the top tile. To  
10 me, that's not -- that would not be something I would  
11 allow.

12 MR. JOE CAMPBELL: All right. Mike?

13 MR. KENNEDY: Two last things. One, I  
14 don't know how you would even -- how would staff even  
15 verify that statement. You can only be a new builder or  
16 have broken something. I mean, how much -- how would we  
17 even validate something like that?

18 That's -- I don't think that's feasible.  
19 The second one is I would prefer -- and I am not in favor  
20 of this -- I prefer that we wait and we see what the  
21 permit comes back for Fairpoint on any water regulations  
22 coming up. And if that doesn't change, we can revisit it  
23 again.

24 MR. JOE CAMPBELL: All right. Let's move  
25 forward. Are you willing to consider -- or are you

1 willing to withdraw your second on his motion?

2 MR. LINNELL: I am not going to withdraw  
3 it.

4 MR. JOE CAMPBELL: Okay.

5 MR. MILLER: I mean, I want it to be  
6 whatever the practice was before. They had a way of  
7 accounting for it and that's the only way the motion --  
8 the way it is.

9 MR. JOE CAMPBELL: And you are going to  
10 leave your second?

11 MR. LINNELL: Yes.

12 MR. JOE CAMPBELL: All right. Any other  
13 discussion?

14 MR. KENNEDY: No.

15 MR. JOE CAMPBELL: All in favor?

16 MR. MILLER: Aye.

17 MR. LINNELL: Aye.

18 MR. LYNCHARD: Aye.

19 MR. JOE CAMPBELL: All opposed?

20 MR. KENNEDY: Opposed.

21 MR. THIEL: No.

22 MR. JOE CAMPBELL: No. All right. So,  
23 hopefully, that will give staff a chance to maybe look at  
24 the sewer rates?

25 DR. PEAHEY: Yes.

1 MR. LYNCHARD: Mr. President, I like to  
2 make a motion --

3 MR. DUNAWAY: Wait a minute. What was the  
4 vote? I didn't --

5 MR. JOE CAMPBELL: 3 to 3.

6 MR. DUNAWAY: Okay. So, no.

7 MR. LYNCHARD: Mr. President, I would like  
8 to make a motion that anyone filling their pool and asks  
9 for a credit prior to the Board properly changing that  
10 policy be credited back or given their money back for  
11 that sewer portion of their pool fill.

12 MR. MILLER: I will second that.

13 MR. THIEL: I will second the credit, not  
14 giving the money back.

15 MR. LINNELL: Can you state it again or  
16 explain the change?

17 MR. LYNCHARD: In other words, the people  
18 that came in here and said that they filled their pool,  
19 that had been told, that have already done it, prior to  
20 us changing the policy, I think we should give them their  
21 money back.

22 MR. JOE CAMPBELL: Do you have a record of  
23 what that would be, by any chance?

24 MR. DUNAWAY: The two people that have  
25 showed up.

1 DR. PEAVEY: We only had two --

2 MS. BUCHOLTZ: Yeah.

3 MR. JOE CAMPBELL: Okay. Just the two?

4 MR. LYNCHARD: Is that all that we had --  
5 was only two. I know we had two that came here, but --

6 MS. BUCHOLTZ: We had some requests. I  
7 don't know. I would have to go back and see if I can  
8 find them.

9 MR. LYNCHARD: Yeah. See if you can find  
10 out, because we had requests prior to us changing that  
11 policy, then those people need to be credited as well.

12 MS. BUCHOLTZ: And I don't know if I will  
13 be able to locate that, but I will try.

14 MR. LYNCHARD: Okay.

15 MR. KENNEDY: It will get past us.

16 MR. LINNELL: Yeah. That's right.

17 MR. KENNEDY: I mean, we change  
18 policies --

19 MR. JOE CAMPBELL: So is there a second to  
20 Daryl's motion?

21 MR. MILLER: Second.

22 MR. JOE CAMPBELL: Any other discussion?

23 MR. KENNEDY: No.

24 MR. THIEL: The only thing I would add is  
25 would you consider saying that they get credit instead of

1 refunding their money?

2 MR. LYNCHARD: No. We didn't tell them  
3 that they didn't have to pay us. We told them they had  
4 to write us a check. So they wrote the check.

5 MR. KENNEDY: You are saying, though, so I  
6 am clear, so we change the policy that says no -- that  
7 you are going to pay for sewer from starting last month.

8 MR. LYNCHARD: That's right.

9 MR. KENNEDY: And you want --

10 MR. LYNCHARD: The people that came in  
11 here back in February and March -- and that had filled  
12 their pool and tried to avail that credit to themselves  
13 and we told them that that was a violation of our policy.  
14 The only problem was that we didn't change. The policy  
15 that they were trying to get was enforced until this  
16 Board changed it.

17 MR. JOE CAMPBELL: All right. So restate  
18 your motion. You said those two, but then you said  
19 anybody.

20 MR. LYNCHARD: Anyone who has -- I make a  
21 motion that anyone who has tried to claim the credit for  
22 the sewer portion of a pool fill and were denied --

23 MR. JOE CAMPBELL: Can I just put a  
24 timeframe on that?

25 MR. LYNCHARD: Prior to us changing --

1 prior to us changing the prior policy?

2 MR. THIEL: 16 May. Right?

3 MR. LYNCHARD: Anybody prior to that  
4 deserves a credit back or be given their money back.

5 MR. THIEL: I would say credit back.

6 MR. JOE CAMPBELL: Would you say credit  
7 back?

8 MR. LYNCHARD: If they will vote for it, I  
9 will say credit. I am sure our members will be happy  
10 about it.

11 MR. JOE CAMPBELL: All right. So did you  
12 say, "Credit"? You will credit their account for --

13 MR. LYNCHARD: I will -- sure, credit  
14 their account.

15 MR. JOE CAMPBELL: Okay. All right. Is  
16 there a second?

17 MR. MILLER: I second it.

18 MR. JOE CAMPBELL: All right. Any other  
19 discussion?

20 (NO AUDIBLE RESPONSE.)

21 MR. JOE CAMPBELL: All in favor say "Aye"?

22 MR. THIEL: Aye.

23 MR. MILLER: Aye.

24 MR. LYNCHARD: Aye.

25 MR. LINNELL: Aye.



1 MR. KENNEDY: Nay.

2 MR. JOE CAMPBELL: No.

3 MR. MILLER: I would just like to say that  
4 once our new permit is issued -- Mike brought up the  
5 point of that -- I would like to look at that and see,  
6 you know, are there any exceptions for pools in the new  
7 permit. And, if so, I want to revisit it.

8 MR. KENNEDY: Sorry, I was a "No."

9 MR. JOE CAMPBELL: No. She got it.  
10 Right?

11 MR. KENNEDY: I was a "No."

12 MR. DUNAWAY: What was the vote count?

13 MR. JOE CAMPBELL: 4 to 2.

14 MR. DUNAWAY: 4 to 2. Okay.

15 MR. JOE CAMPBELL: So just as important to  
16 this, somebody mentioned looking at a rate structure.

17 DR. PEAVEY: Yes.

18 MR. JOE CAMPBELL: Is there a timeline  
19 with that?

20 DR. PEAVEY: We were looking for the third  
21 quarter of this year.

22 MR. JOE CAMPBELL: Okay. All right. Are  
23 you good with that?

24 MR. MILLER: Yes.

25 MR. DUNAWAY: Mr. Chairman, I would --

1 that ends my --

2 MR. JOE CAMPBELL: Mr. Dunaway, do you  
3 still have stuff for us?

4 MR. DUNAWAY: No. That ends my unfinished  
5 business. Thank you.

6 MR. JOE CAMPBELL: Thank you, Mike, for  
7 that.

8 All right. New Business. We have some  
9 young people sitting in front of us. Mr. Jarod Cross,  
10 Intern Program?

11 MR. CROSS: Yes, sir. All right. My name  
12 is Jarod Cross, and I am the Director of Organizational  
13 Resources, and I would like to introduce our 2022 Intern  
14 Program and our current interns this evening.

15 The program itself is set to have young  
16 people come work for the Holley Navarre Water corporate  
17 offices designed to be a community outreach program to  
18 give them experience working in that environment. And  
19 for us to get short-term, part-time help within our  
20 departments.

21 Each of them has a schedule they get to go  
22 work through each different department. Each department  
23 had a task -- to come up with a task list of things they  
24 were going to do.

25 We did not want them digging holes and

1 pulling weeds, but we did want value-added work. So at  
2 the beginning of the program, we got the information. We  
3 set up a normal apply online position. So every one of  
4 them had to go through the normal interview prescreening  
5 process.

6 Our prerequisites were they had to at  
7 least going to be a senior in high school and minimum  
8 kind of recent college graduate. All of the people you  
9 see in front of you, we have someone that is going to be  
10 a senior in the 2022 fall, and we have a recent college  
11 graduate.

12 With that, like we said, we are also  
13 having any openings filled that they would be interested  
14 in. So I am going to introduce our first intern.

15 Mr. Evan Makin. He actually started,  
16 worked about one day in the Engineering Department and he  
17 decided that he would be a great field tech, so Mr.  
18 Makin, if you would please come up here and introduce  
19 yourself?

20 MR. MAKIN: Hello. I'm Evin Makin. I  
21 graduated from Navarre High School last year. And I  
22 would say my future goal is to be able to grow with the  
23 company and learn as I go.

24 DR. PEAHEY: Very good.

25 MR. CROSS: Thank you. They are getting a

1 Holley Navarre Water cup and company gift bag. That way,  
2 they become part of the program, so part of Holley  
3 Navarre Water as a team.

4 Next, we have Isabella Brooks. She has  
5 actually worked for the Club for one week and has now  
6 been working in IT.

7 MS. BROOKS: Hi, I'm Isabella. I  
8 graduated last year from high school along with my  
9 Associate's in Computer Programming. I was able to work  
10 at the Club and really enjoyed it. I am currently with  
11 the IT Department for the rest of the intern, and I just  
12 hope to learn more that can help me.

13 MR. KENNEDY: Excellent.

14 DR. PEAVEY: Very good.

15 MR. CROSS: Thank you so much.

16 Next, I am going to bring up Ms. Courtney  
17 Torres. She is our new member of Customer Service  
18 Department and started this week in the Water Operations  
19 Department.

20 MS. TORRES: My name is Courtney Torres.  
21 I also graduated from Navarre High School and I am  
22 enjoying learning what I am currently learning in Water  
23 Operations and what I learned previously in the Customer  
24 Service Department. I am aiming to work in the  
25 economical side and I am happy to work for you.

1 MR. KENNEDY: Excellent.

2 DR. PEAVEY: Thank you.

3 MR. CROSS: Next I have Mr. Jacob Beloat.

4 He has already been through the Water Operations  
5 Department and is currently working in Engineering.

6 MR. BELOAT: Hello, I'm Jacob Beloat. I  
7 graduated high school earlier this year. Like I said, I  
8 have been in Water Ops for two weeks. I am hoping to get  
9 experience in the professional business side of this job  
10 and I am hoping to grow along with the company.

11 DR. PEAVEY: Thank you.

12 MR. CROSS: Next we have Mr. Rocky  
13 O'Rourke. He has been in Finance and HR and started in  
14 Customer Service.

15 MR. O'ROURKE: Hello, my name is Rocky  
16 O'Rourke. I am a senior at Weber International  
17 University. There I am getting a Criminal Justice and  
18 Business Management degree. I am also the Vice President  
19 of my ACJA Program. And my goal here is to build job  
20 experience and so I can use that to get my dream job at  
21 the police agency that I am hoping to work at.

22 DR. PEAVEY: Thank you.

23 MR. KENNEDY: Thank you.

24 MR. CROSS: And last, but not least, we  
25 have Mr. Ryker Poff, Jr. He is currently working in the

1 SCADA Department.

2 MR. POFF: Hello, I'm Ryker. I am going  
3 to be a senior in high school. I joined the intern to  
4 become an electrician and pursue my career in SCADA.

5 DR. PEAVEY: Thank you.

6 MR. CROSS: We do have one intern that was  
7 unable to be with us today. His name is Caleb Scudiero.  
8 He has already been with the Engineering Team and he has  
9 worked out of the Club. He is actually interested in  
10 kind of coming here part-time over the rest of the  
11 summer. So he is going to be going through missionary  
12 training up in Bethel, New York, I believe, at the end of  
13 this summer.

14 At the end of each week, they have to  
15 write a paragraph about what they learned -- I am looking  
16 forward to hearing -- at their first Board meeting this  
17 Friday.

18 MR. JOE CAMPBELL: Yeah.

19 (EVERYONE SPEAKING AT THE SAME TIME.)

20 MR. CROSS: At the very end of the  
21 program, they will all get letters of reference with  
22 different jobs they did from the different managers to  
23 take with them. Thank you.

24 MR. JOE CAMPBELL: So how did you hear  
25 here about our intern program? Is there somebody in high

1 school? Or did you pass on?

2 MR. BELOAT: Family. So while I was still  
3 going to high school, they did come in the hallways.  
4 They were putting out flyers and such. And also, one of  
5 the workers, Alex Beloat, had recommended me to this job.

6 MR. JOE CAMPBELL: Oh, Alex? Yeah.

7 DR. PEAVEY: An intern from last year.

8 MR. BELOAT: My dad works for the company  
9 and he was just going on about how --

10 DR. PEAVEY: Is that why you want to go  
11 into SCADA?

12 MR. BELOAT: Yeah.

13 DR. PEAVEY: Welcome.

14 MR. KENNEDY: You know, this is great.  
15 You guys are the Class Number 2 of what Dr. Peavey and  
16 staff put together. Jarod, thank you, again, for running  
17 this.

18 What you learn, just from here, is the  
19 foundation of the beginning of your professional careers,  
20 and, you know, this will be one of your, you know, the  
21 baby steps into learning how -- just looking here, you  
22 are seeing adults have to actually work through issues  
23 and come up and compromise and come up with solutions.  
24 So, you know, this is part of it, and we are real excited  
25 to have you here. We are looking for great things and we

1 expect a lot of you.

2 DR. PEAVEY: What we would like to do, Mr.  
3 President, is to get the interns to come and stand behind  
4 the Board members and get some pictures.

5 MR. JOE CAMPBELL: Okay.

6 DR. PEAVEY: Folks, come on up.

7 (PHOTOS TAKEN.)

8 (SPEAKING OVER EACH OTHER.)

9 MR. JOE CAMPBELL: Make sure you ask a lot  
10 of questions. I can't believe you are only doing a  
11 paragraph, though.

12 DR. PEAVEY: A paragraph a week.

13 MR. JOE CAMPBELL: They are college  
14 students. They are used to more than that; right?

15 DR. PEAVEY: Mr. President and Board, we  
16 would like to recognize two members of our staff for  
17 their contributions, their endless work ethics, their  
18 dedication to the company and to the public members that  
19 we serve. The person that we would like to recognize is  
20 Ms. Amber Bucholtz.

21 (APPLAUSE.)

22 MR. JOE CAMPBELL: When you work with  
23 Customer Service, you will learn people skills like you  
24 have never known.

25 DR. PEAVEY: She is the very best.



1 MR. JOE CAMPBELL: Thank you for what you  
2 do, Amber. We appreciate you.

3 MS. BUCHOLTZ: Thank you.

4 (APPLAUSE.)

5 DR. PEAVEY: The next person is the one,  
6 he is our current General Manager. Clinton is one of our  
7 senior people. The dedication he has shown this company  
8 over the years, and, certainly, currently, with the  
9 changes that we have had over the last year and a half,  
10 Mr. Clinton Wells.

11 (APPLAUSE.)

12 MR. THIEL: Speech. Speech.

13 MR. KENNEDY: Congratulations.

14 MR. WELLS: I will say that 28 years I  
15 have been here have been pretty good. And I built a team  
16 around me that deserves this right here. This isn't me.  
17 This is all the team members that support me.

18 (APPLAUSE.)

19 MR. JOE CAMPBELL: Don't feel bad if you  
20 want to jump out and go and enjoy the rest of your day.

21 DR. PEAVEY: Yes.

22 MR. JOE CAMPBELL: Don't feel you have to  
23 stay, though.

24 INTERN: Ohh --

25 MR. JOE CAMPBELL: You can. We appreciate

1 it. Okay. See how fast they move.

2 MR. KENNEDY: They are quick. Good group.  
3 Good Class Number 2.

4 MR. JOE CAMPBELL: 2022 financials.  
5 Everyone should have one in their packet.

6 MR. TY CAMPBELL: First off, I want to  
7 comment that the extra time has been allotted for us to  
8 close the financials, the actual versus -- it's been  
9 fantastic.

10 We were able to go back through from  
11 January to make sure that we captured every single  
12 solitaires for the pool and so forth and so on. That in  
13 a severe time crunch system was virtually unobtainable in  
14 the time we got it to the Board.

15 So I think this is the cleanest. I mean,  
16 Amber and I sat and talked yesterday afternoon about --  
17 this is probably one of the cleanest financials. I can't  
18 speak to prior to me, but in the time that I have been  
19 here, I feel very comfortable with these financials, plus  
20 talking about wages, the largest financial drivers were  
21 wages were down versus budget about \$58,000 and that is  
22 basically two-fold reasons. Staff and vacancy and lower  
23 overtime hours throughout the entire year.

24 Also, net periodic pension costs which we  
25 budget for prior to the pension cost freeze. The

1 pension, excuse me, the salary increase freeze, it  
2 happened December 31. We are still having actuarial  
3 models run, so there will be some periodic pension models  
4 that will come back in this rest of this year, but we  
5 will bring to the Board and to the O&M and so forth,  
6 those committees, the options to continue our -- there  
7 are, like, three or four sort of funding options.

8                   We will have those. The 401-K happens,  
9 you know, every quarter. We did have a couple of  
10 reclassifications. We had reclassification, water --  
11 there is maintenance on the 87 north of the line break,  
12 9300 and change.

13                   There were no wastewater chemical entries  
14 this month in April. That is due to the fact that our  
15 mobile software group has not submitted the appropriate  
16 bill of lading that we need to process correctly. We  
17 will no longer guess or estimate. We will make all of  
18 our vendors accountable to submitting their documentation  
19 correctly.

20                   Wastewater repairs, we had a reclass of  
21 \$13,000 and change to lift station and capital  
22 improvement project as well as the reclassification of  
23 \$22,000 to the digester CIP. Any questions?

24                   MR. MILLER: I have a specific question.  
25 Then a general question.

1 MR. TY CAMPBELL: Sure.

2 MR. MILLER: I noticed under -- on the  
3 balance sheet for this month for our accounts receivable,  
4 it shows like \$1.5 million in accounts receivable. And I  
5 thought that seems a little high for accounts receivable.  
6 And so, I went back and looked at some prior month's  
7 financials. And prior to -- it might have happened last  
8 month and I didn't catch it, but that category was broken  
9 down into accounts receivable and unbilled accounts  
10 receivable.

11 And the unbilled portion was like \$800,000  
12 or something, just a couple of months ago in one of our  
13 prior meetings. So the total added up to just under \$1.5  
14 million, but I would just like to have a little  
15 clarification as to what -- how do we have \$1.5 million  
16 in accounts receivable?

17 MR. TY CAMPBELL: Considering the GL  
18 system we use, there are classification differences that  
19 at this point I am still struggling with as well. I have  
20 not specifically addressed this number because my focus  
21 was in getting the current period correct and our balance  
22 sheet is reflective of like \$80 million, more or less.

23 I will come back to you with a complete  
24 breakdown and the history of that and how that  
25 attributes. It was something that was on my radar, but

1 there were so many other issues to first tend to in this  
2 income statement in this current year-to-date.

3 I will provide you information --

4 MR. MILLER: I recently just noticed this  
5 afternoon, probably reach out through email and said, why  
6 is this number where it is?

7 But prior to now, it was broken down into  
8 two numbers, so it didn't look as big.

9 MR. TY CAMPBELL: Right.

10 MR. MILLER: Now, it was just kind of --  
11 wait a minute. What constitutes that?

12 MR. TY CAMPBELL: We did do some -- I  
13 wouldn't say collapsing is a correct word, but we did  
14 some processing -- there were general ledgers and stuff  
15 we made to create line items that happened earlier in the  
16 year, but I will address that for you and get you the  
17 information.

18 MR. MILLER: My general comment, and I  
19 will shut up, is especially around the middle of the  
20 year, I like to see a budget versus actual report. Can  
21 we get that added, you know, to our package?

22 MR. TY CAMPBELL: After we have planned  
23 and the Board approved it, we will get that correlated.  
24 So June, you will get the actual to budget comparison in  
25 your packet.

1 MR. MILLER: Okay.

2 MR. TY CAMPBELL: Will that be -- is that  
3 still acceptable?

4 MR. MILLER: Right. That's fine. It's  
5 just where are we in relation to our year to date budget.

6 MR. TY CAMPBELL: Yes, sir. That will be  
7 the June that will be presented in July -- August --  
8 excuse me.

9 Let's get it straight. In August, we will  
10 present the June financials and that will be in that  
11 packet. Sorry. Hard to get my head around this, too.

12 DR. PEAHEY: But we do review that.

13 MR. TY CAMPBELL: We do review that. We  
14 have the information. If you would like the information,  
15 it will be provided. But for processing and for Board  
16 reporting, the Board instructed me that it was fine to do  
17 quarterly. I can -- if you would like that information,  
18 I will be tickled to give it to you.

19 DR. PEAHEY: Because they do present it on  
20 a monthly basis to the O&M.

21 MR. KENNEDY: And so, we also kind of get  
22 it in the big picture there from the revenue there.

23 MR. TY CAMPBELL: Yes. That's true.

24 MR. KENNEDY: And the --

25 MR. TY CAMPBELL: And you do on your

1 second and third pages of individuals, you get it versus  
2 the budget, not versus last year.

3 MR. MILLER: Right.

4 MR. TY CAMPBELL: Just this year, the  
5 budgeted numbers.

6 MR. MILLER: I would like the actual  
7 breakdown so we can see the line items, you know, where  
8 we are relative to our budget. That way, if we have one  
9 particular item that is, you know, way over, we can ask  
10 those questions why it is over.

11 MR. TY CAMPBELL: Absolutely.

12 MR. LYNCHARD: I have got a question.

13 MR. TY CAMPBELL: Okay.

14 MR. LYNCHARD: Under the main category for  
15 electricity, this year we paid zero dollars for our  
16 electricity bill for the pumps.

17 MR. TY CAMPBELL: What is that?

18 MR. LYNCHARD: We paid nothing for the  
19 pumps. Year to date is zero. Year to date 2021 was  
20 \$18,000 and change. 2020, it was \$22,400.

21 Under just regular electricity right above  
22 that, it appears that the power company has paid us  
23 \$17,000 this year.

24 MR. TY CAMPBELL: Yes. So they did --  
25 there was unclaimed property --

1 DR. PEAVEY: -- refund.

2 MR. TY CAMPBELL: -- refund. We  
3 attempted, prior to me getting here, I think four times.  
4 Four full times to send the money, argue the point, and  
5 they keep sending it to you.

6 On the fifth time the charm, we took the  
7 refund. And they are adamant it's ours.

8 MR. LYNCHARD: So what about that \$5,000  
9 roughly a month for the pumps, the electricity for the  
10 pumps?

11 MR. TY CAMPBELL: That would be the  
12 portion that exists. I believe that would be the portion  
13 that exists out here that we moved -- that Holley Navarre  
14 pays the electricity for the pumps.

15 DR. PEAVEY: Because it's for the spray  
16 field.

17 MR. TY CAMPBELL: Because it's for the  
18 spray field and it no longer shows up on as a direct bill  
19 that we reimburse here at the Club, so --

20 MR. LYNCHARD: So is this bill still in  
21 Holley Navarre Water System's name? Or is it in the Club  
22 at Hidden Creek's name?

23 MR. TY CAMPBELL: We pay it online. I  
24 believe -- I believe the pump station might still exist  
25 in the Club at Hidden Creek, but the agreement was that



1 we would pay with that electricity, since I have been  
2 here, we have been reimbursing with the option to pay it  
3 directly.

4 DR. PEAVEY: Yeah.

5 MR. LYNCHARD: When did the Board vote on  
6 that?

7 MR. TY CAMPBELL: For the power?

8 MR. LYNCHARD: Yeah.

9 MR. TY CAMPBELL: Since I have been here.

10 MR. LYNCHARD: Did we ever do that?

11 MR. TY CAMPBELL: I don't know, but it  
12 existed when I came here.

13 MR. LYNCHARD: Does any Board member  
14 remember?

15 MR. TY CAMPBELL: It's for the spray  
16 field. I mean, just --

17 MR. LYNCHARD: I wonder because we never  
18 pay it when they work on it. We haven't paid it --  
19 Holley Navarre Water System never paid the bill directly  
20 in the past.

21 MR. TY CAMPBELL: You paid it indirectly.  
22 You were reimbursed.

23 MR. LYNCHARD: No. We did a subsidy. We  
24 did a subsidy to the golf course to pay those bills and  
25 we have told the Board -- the Board has told all of our

1 members that there is no longer a subsidy. Yet, it  
2 appears we are paying \$5,000 a month out of Holley  
3 Navarre Water System's money to directly pay the  
4 expenses.

5                   And what really troubles me is that we are  
6 directing paying the expense for a not-for-profit  
7 corporation for a for-profit corporation, which seems to  
8 kind of -- you know, it seems like it could cause some  
9 problems.

10                   MR. TY CAMPBELL: I can't speak to  
11 anything beyond the ones since I have been here. When I  
12 got here, the modus operandi was that the Club would  
13 submit the power bills to us, and then, the net between  
14 the two, whether there was a subsidy or not, there was  
15 still an exchange of that bill and we netted up. You  
16 were billing them or something along those lines.

17                   MR. LYNCHARD: And then, we were --

18                   MR. TY CAMPBELL: I'm sorry, Daryl, then,  
19 my understanding was that the pump house and something  
20 else comes with the pump house, there is a point. All  
21 right.

22                   So at this point, it is pulled away. My  
23 rationalization is this: If an F-1 tornado took out this  
24 establishment, that is still a spray field. We still  
25 have to have power to it. So power is part of what we

1 are directing from wastewater effluent, I guess, that  
2 goes out of here.

3 That's all I knew. And I kept processing  
4 and that has been what I have known. So I can't answer  
5 your question historically other than my tenure.

6 MR. LYNCHARD: But it wouldn't be a --  
7 it's not necessarily -- it doesn't seem like an ordinary  
8 expense of a non-profit water system --

9 MR. TY CAMPBELL: To pay an effluent spray  
10 field.

11 MR. LYNCHARD: No. To pay the expenses of  
12 a for profit office.

13 DR. PEAVEY: But you would still have to  
14 spray the effluent, dispose of the effluent and that --

15 MR. LYNCHARD: It's the responsibility of  
16 the golf course. If the golf course didn't have those  
17 pumps, it wouldn't be a golf course anymore.

18 DR. PEAVEY: No. Even when this company  
19 was -- the water company was looking to sell the Club, we  
20 were still responsible for those bills, even if there was  
21 no golf course, we would still be responsible for that  
22 spray field.

23 MR. LYNCHARD: Correct. But not as a golf  
24 course. But that's -- I mean, I was just wondering  
25 because it seems -- it's pretty important to tell

1 everybody that we are not, you know, doing a subsidy, but  
2 we are.

3 DR. PEAVEY: I don't think that we are.  
4 It seems that what we are doing is paying for the  
5 disposal of the effluent.

6 MR. LYNCHARD: We are paying an expense  
7 directly from Holley Navarre Water System for the golf  
8 course.

9 MR. JOE CAMPBELL: No. For the spray  
10 field.

11 MR. LYNCHARD: No. It's for the golf  
12 course. I mean, you can't argue that if you didn't have  
13 those pumps pointed in a particular direction, you would  
14 not grow the grass you want for a golf course.

15 MR. THIEL: But you still would have to  
16 spray the effluent.

17 MR. LYNCHARD: You would have to spray the  
18 effluent, but you don't have to cut the grass every  
19 day --

20 MR. TY CAMPBELL: So my only comment of  
21 this is that is clearly not my pay grade.

22 MR. LYNCHARD: I understand it's not your  
23 pay grade. But it's something that has never been done  
24 in the past and that's why I am questioning it.

25 MR. TY CAMPBELL: In my months, that all I

1 can speak to. It's been done for eight months. That's  
2 how I inherited it. So that would have to be a Board  
3 discussion, I am sure.

4 MR. LYNCHARD: I have got one more  
5 question.

6 MR. JOE CAMPBELL: I have got some as  
7 well.

8 MR. LYNCHARD: And on that lease for the  
9 equipment -- this is a question for whoever might know --  
10 when was that lease approved by this Board?

11 MR. TY CAMPBELL: Which lease?

12 MR. LYNCHARD: The lease for the equipment  
13 that they purchased --

14 DR. PEAVEY: The lease was approved by the  
15 Club at Hidden Creek's Board. Because it was already  
16 included in the budget that was approved by that Board  
17 for the previous year.

18 MR. LYNCHARD: Yeah. But --

19 DR. PEAVEY: And it was a replacement of  
20 the previous lease, so it wasn't anything new. It's been  
21 what has been ongoing since we have had the Club in 2012.

22 MR. LYNCHARD: The management agreement  
23 clearly states actions requiring member approval. To  
24 incur any indebtedness on behalf of the company or to  
25 encumber any of the assets of the company, that lease is

1 a debt. This should have been voted on by this Board,  
2 not that one.

3 DR. PEAVEY: If the Board would like to  
4 change and give specific guidance on that --

5 MR. LYNCHARD: It's in the management  
6 agreement.

7 MR. KENNEDY: I have nothing -- I mean, we  
8 would have to take a look at it, if you want to make this  
9 an agenda item for next week, next month.

10 MR. JOE CAMPBELL: Okay. Anybody else  
11 have anything?

12 MR. THIEL: I would like to say something.  
13 But I don't know whether it will be well-received or not.  
14 I would just like to commend the Board for their wise  
15 decision to allow another 30 days to approve -- if the  
16 original April financials were presented last month, we  
17 would have shown -- we would have been approving a 426K  
18 profit for the month. And a 323K profit for the year.

19 When we allowed it to be delayed to put  
20 the actuals in, we show a realistic number, 122K profit  
21 for the April and 20K for the year, which is \$300,000 --  
22 we were approving \$300,000 in bogus. Our management made  
23 a good decision --

24 MR. JOE CAMPBELL: So last month's April's  
25 taps were like way down.

1 MR. TY CAMPBELL: Yes.

2 MR. JOE CAMPBELL: Any historical reason  
3 for that? Or you just --

4 (SPEAKING OVER EACH OTHER.)

5 MR. JOE CAMPBELL: But we also got the --

6 MR. TY CAMPBELL: I will tell you the  
7 upcoming May is already at like \$300,000 and change, so  
8 it's seasonal.

9 MR. JOE CAMPBELL: Right. And then,  
10 budget expenses were down. Everybody else is talking  
11 about inflation and our expenses were --

12 DR. PEAVEY: Yeah.

13 MR. JOE CAMPBELL: It is what it is. Any  
14 rational thought?

15 DR. PEAVEY: We took measures on the  
16 overtime and we held off on the two vacancies that we had  
17 so that we could maintain the budget and the cost for the  
18 company at a reasonable rate.

19 MR. JOE CAMPBELL: Got it.

20 MR. TY CAMPBELL: We have also taken  
21 steps. For instance, diesel fuel. Instead of retail  
22 diesel, now we are filling the 1500 -- I don't know --  
23 how many gallons -- a 1,000 gallon tank. And let's say  
24 it's a dollar a gallon cheaper than pulling into the Tom  
25 Thumb or something and using that. So we have been

1 looking for every opportunity to mitigate and minimize  
2 expenses with every opportunity.

3 MR. JOE CAMPBELL: Okay. All right.

4 MR. LYNCHARD: We are not arguing about  
5 that.

6 MR. JOE CAMPBELL: Financials. Is that  
7 it?

8 MR. TY CAMPBELL: That's it.

9 MR. JOE CAMPBELL: I will entertain a  
10 motion to approve the April 2022 financials.

11 MR. MILLER: So moved.

12 MR. LYNCHARD: Second.

13 MR. JOE CAMPBELL: Any other discussion?

14 (NO AUDIBLE RESPONSE.)

15 MR. JOE CAMPBELL: All in favor say "Aye"?

16 MR. THIEL: Aye.

17 MR. KENNEDY: Aye.

18 MR. LINNELL: Aye.

19 MR. MILLER: Aye.

20 MR. LYNCHARD: Aye.

21 MR. JOE CAMPBELL: Aye.

22 MR. JOE CAMPBELL: Any opposed?

23 (NO AUDIBLE RESPONSE.)

24 MR. JOE CAMPBELL: All right. Finance  
25 Committee updates. Director Thiel?



1                   MR. THIEL: Okay. They put out the -- I  
2 think you all have had an opportunity to read on the  
3 Eglin project. Director Lynchard, do you have anything  
4 to add?

5                   MR. LYNCHARD: I have nothing other than  
6 we are -- we are still acquiring permits and once -- we  
7 are waiting on a few more permits before we can set  
8 everything out to bid.

9                   MR. JOE CAMPBELL: And nothing more on the  
10 lease?

11                  DR. PEAVEY: No.

12                  MR. LYNCHARD: No. We will want somebody  
13 there so we can sign it.

14                  MR. MILLER: What about the property  
15 acquisition? I know we talked last month. You know,  
16 everyone has 30 days to respond to that. Have we had an  
17 opportunity to take the next step on that if they don't?

18                  But I think I saw something from -- you  
19 were going to send a second letter out. Or are we going  
20 to wait on that until that second letter goes out to see  
21 if we can get responses?

22                  MR. JOE CAMPBELL: I think we have  
23 coordinated the responses. Will, do you want to address  
24 that?

25                  MR. DUNAWAY: Yes. I will be happy to.

1 There -- as we reported in the committee meeting, there  
2 has been contact made with all but two of the property  
3 owners. One changed the address and we sent that package  
4 out last week to the new address.

5 We have heard from three of the property  
6 owners with regards to a right-of-way and we are  
7 negotiating that -- those negotiations are ongoing.

8 Dr. Peavey talked with Commissioner Piech  
9 and it is looking like we will send a second letter. The  
10 County Attorney is out of the office this week. I have a  
11 call scheduled with him on Monday at 10:00 a.m.

12 I anticipate that I will provide a draft  
13 of that letter and that we will send it, and then, we  
14 will send that and that will go as a second letter.

15 MR. JOE CAMPBELL: Thank you. Okay.

16 MR. THIEL: Director Lynchard, do you have  
17 anything on CIP?

18 MR. LYNCHARD: CIP?

19 MR. THIEL: Director Linnell, I'm sorry.  
20 Wrong guy.

21 MR. LINNELL: Well, I was disappointed not  
22 to see the truck come through this morning. I am looking  
23 forward to seeing it next month. I am looking forward to  
24 that.

25 There is some good news. We are moving

1 forward with working with the Boulevard Project. It will  
2 help us on some of the pumps, I guess, we are not  
3 supposed to be using in the future and might not have to.  
4 Not much else going on.

5 MR. THIEL: Okay. And Director Kennedy,  
6 do you have anything else on the budget other than what  
7 we have already discussed?

8 MR. KENNEDY: Not really. Nope. No, sir.  
9 All good.

10 MR. THIEL: That concludes the  
11 presentation of the financial subcommittees.

12 MR. JOE CAMPBELL: Okay. Item Number 4:  
13 CIP RPE System. Dallas and Mr. Campbell -- Ty.

14 MR. TY CAMPBELL: So we are seeking the  
15 Board's approval. Staff is recommending Edmonds Gulf  
16 Tech. We looked at basically at three -- well, we looked  
17 at six, but the three largest players in this space were  
18 Cogsdale, Tyler Technologies, and Edmonds Gulf Tech.

19 Cogsdale and Tyler Technologies -- I am  
20 sorry -- I am not supposed to be using names.

21 DR. PEAVEY: That's correct.

22 MR. TY CAMPBELL: Sorry. The other  
23 entities we looked at were either robustly more expensive  
24 or did not offer the flexibility that we needed to be  
25 completely integrated across everything from procurement,

1 billing, service, fleet maintenance, inventory  
2 financials.

3                   We will take this platform. It has a --  
4 it is a budgeted CIP for replacing the billing software,  
5 which this also replaces -- \$140,000 implementation. It  
6 will be capitalized. It will be 127.

7                   The initial -- the annual subscription  
8 rate is right at \$90,00 a year. The net fiscal impact,  
9 when we do away with the existing platforms of SAGE,  
10 Black Mountain, laserfiche and the billing among other  
11 things, will be a net of about \$50,000 greater expense  
12 for about 40-some-odd-hundred-dollars a month, and that  
13 will bring us into the 21st Century away from a 1998  
14 piece of software that is not integrated nor does it have  
15 any risk mitigation qualities to it whatsoever.

16                   There is a list in there. You will see  
17 that staff recommendation -- there are three slides of  
18 Municipal Water and Utility Authority. This is a very  
19 robust solution that understands since it's analytics,  
20 our billing, very big on customer service.

21                   And if you look on their MPS score, it's  
22 63, which is not something -- Director Kennedy might be  
23 aware of that one. It's a software rating. They are  
24 fairly close to world class. 75 is about as high as you  
25 will ever see.

1 Underneath that slide is the fiscal impact  
2 and we are recommending seeking approval to sign the  
3 contract and move forward with implementation.

4 MR. JOE CAMPBELL: So when you say  
5 customer service, this is a back -- this is not something  
6 our members would see?

7 MR. TY CAMPBELL: Members would -- through  
8 the portal, one of the nice things about this particular  
9 software is that all of the others would require if a  
10 member logged into the portal, let's say, to pay their  
11 bill or if they wanted to go look at your alarms, they  
12 would have to sign back out and sign back in since its  
13 analytics.

14 Edmonds Gulf Tech will have that as a  
15 button on our members portal that will allow them to do  
16 both, pay and/or look at their bill, and, you know, go  
17 through all of their alarms and set all of that without  
18 having to log back out. It will be a single -- a single  
19 stage ID.

20 MR. JOE CAMPBELL: Have we reached out to  
21 any of these to get feedback?

22 MR. TY CAMPBELL: Yes. Absolutely.

23 MR. JOE CAMPBELL: Okay.

24 MR. TY CAMPBELL: We got glowing reports.

25 MR. JOE CAMPBELL: Recommend --

1 (SPEAKING OVER EACH OTHER.)

2 MR. JOE CAMPBELL: Hang on.

3 MR. MILLER: Have we looked at any other  
4 software options? This seems like it has a pretty hefty  
5 price tag to it and it looks like an all-inclusive thing.  
6 But are there other options that are not quite as pricey?

7 MR. TY CAMPBELL: The other options are,  
8 in fact --

9 DR. PEAVEY: Much more --

10 MR. TY CAMPBELL: -- much more impressive.  
11 Tier A is -- the local water authority is two and a half  
12 years into their implementation. It is now \$270,000 a  
13 year in subscription. So, actually, this is probably the  
14 most cost effective with regards to subscription and  
15 implementation together.

16 MR. JOE CAMPBELL: So go over -- Mike, did  
17 you have something?

18 MR. KENNEDY: Well, I mean, ultimately  
19 what this is is an enterprise resource planning tool.  
20 All right? So right now, they have 18 different pieces  
21 of software doing 18 different things. And then, they  
22 have got to spend all of this resource to try to coalesce  
23 all of that manually.

24 MR. JOE CAMPBELL: Right.

25 MR. KENNEDY: This is a nice all

1 encompassing piece of software for a reasonable price in  
2 the software world.

3 MR. JOE CAMPBELL: But it won't tell us  
4 when somebody has a leak and they are not being charged  
5 for it. It's not that software.

6 MR. KENNEDY: I don't think it's that  
7 software.

8 (SPEAKING OVER EACH OTHER.)

9 MR. TY CAMPBELL: This is in the sense of  
10 analytics. You can log onto your account free in the  
11 member portal --

12 DR. PEAVEY: And set your limitations.

13 MR. TY CAMPBELL: And do the same thing  
14 you were doing. Now, you won't have to. It will be two  
15 buttons. Pay your bill. You know, set your alarms or  
16 whatever.

17 MR. LYNCHARD: Is this a good stable  
18 company --

19 (SPEAKING OVER EACH OTHER.)

20 MR. TY CAMPBELL: Absolutely. 50 years,  
21 if you look at the part of the write-up, it talks about  
22 their length of time in the business. And 50 years of  
23 experience. 1900 local government and utilities. 26  
24 states.

25 As an example, they were the only one of

1 these software vendors to come to the southeast or  
2 northwest -- whatever the Regional Water Authority  
3 mentioned. They are very vested in this.

4 MR. JOE CAMPBELL: So my last question  
5 would be -- this was in the CIP bill --

6 DR. PEAHEY: Yes, sir.

7 MR. JOE CAMPBELL: -- to replace what we  
8 had?

9 MR. TY CAMPBELL: That's correct.

10 MR. JOE CAMPBELL: And this is covered in  
11 the CIP we have already looked at?

12 MR. TY CAMPBELL: That's correct.

13 DR. PEAHEY: Yes, sir.

14 MR. JOE CAMPBELL: Okay. Did that answer  
15 your question?

16 MR. TY CAMPBELL: Yes. It's under budget,  
17 about 13 grand.

18 MR. JOE CAMPBELL: Any other discussion?

19 MR. THIEL: I make a motion to approve  
20 going forward with that piece of software.

21 MR. KENNEDY: I will second.

22 MR. JOE CAMPBELL: Any last discussions?

23 (NO AUDIBLE RESPONSE.)

24 MR. JOE CAMPBELL: All in favor say "Aye"?

25 MR. KENNEDY: Aye.



1 MR. THIEL: Aye.

2 MR. MILLER: Aye.

3 MR. LINNELL: Aye.

4 MR. LYNCHARD: Aye.

5 MR. JOE CAMPBELL: Aye.

6 Any opposed?

7 (NO AUDIBLE RESPONSE.)

8 MR. JOE CAMPBELL: Motion carries.

9 MR. TY CAMPBELL: Thank you, gentlemen,  
10 very much.

11 MR. JOE CAMPBELL: You are welcome. Hope  
12 it works.

13 MR. LYNCHARD: How long will  
14 implementation take?

15 MR. TY CAMPBELL: 9 to 12 months, when we  
16 get on schedule. So it could be three or four months or  
17 so, but I will go tomorrow morning and then tell that the  
18 Board approved. Dallas will, of course, execute or  
19 someone executes the --

20 DR. PEAVEY: Myself and the President.

21 MR. TY CAMPBELL: Dallas and the President  
22 will execute it, and then, we will get on there.  
23 However, I will come back to the Board or Dallas and  
24 communicate back. Someone will communicate back where we  
25 are on the calendar and what our milestone dates are.

1 MR. LYNCHARD: So sometime late 2023?

2 DR. PEAVEY: Right.

3 MR. TY CAMPBELL: To be up and fully  
4 running? Yes.

5 DR. PEAVEY: And implemented.

6 MR. TY CAMPBELL: And implemented. Yeah.  
7 Implementation will take that time.

8 MR. LYNCHARD: Yeah.

9 MR. JOE CAMPBELL: And we won't lose any  
10 data in the transition?

11 MR. TY CAMPBELL: No.

12 MR. JOE CAMPBELL: All right. CIP, the  
13 Boulevard. Mr. Phil Phillips?

14 MR. PHILLIPS: Let's see if I can do  
15 it without choking to death. I am losing my voice.

16 MR. JOE CAMPBELL: Do I need to put the  
17 three minute time on?

18 MR. PHILLIPS: Yes, please. So way back  
19 in the early 2000s, late 1990s, when Fairpoint was  
20 designed and Holley Navarre recognized that where they  
21 were taking water eventually they would need a master  
22 booster pump station and elevated tank to get the water  
23 into the system at the right pressure because we are  
24 losing the ability to use -- or put water into the system  
25 and generate pressure at 1, 3, and 4.

1                   Unfortunately, up until about 2014, there  
2 was nothing done to acquire a piece of property to build  
3 this master boost pump station. The intersection of 98  
4 and 87 being the ideal location for it.

5                   In 2014 and 2015, and I think a part of  
6 2016, staff spent a bunch of time trying to find a piece  
7 of property to build this thing on down there. We never  
8 could. Eventually, we found a piece of property that was  
9 several acres about mid-87, between 98 and Turkey Bluff  
10 Road. And the Board purchased that property.

11                   Fortunately, the hydraulics of Fairpoint  
12 and our system were not quite critical at that point in  
13 time. They have critical sense then. So when 2014,  
14 2015, when we were trying to get property, we did  
15 approach the previous owner of what is now being  
16 developed as the Boulevard. They had no interest in  
17 giving Holley Navarre or selling Holley Navarre part of  
18 that property.

19                   However, when they did sell the property  
20 to the current development group, as it exists today, we  
21 approached them again and they did express an interest in  
22 providing a piece of property for this project. In about  
23 September -- I believe it was September of 2020, this  
24 body approved the terms of a lease for that property.

25                   It was a 99-year lease renewable. The

1 reason it was done as a lease at that point in time was  
2 they didn't want to affect their density for their  
3 development. They didn't want to lose acreage, keep  
4 their density up.

5                   The lease gives them the opportunity to  
6 actually transfer the property to Holley Navarre for free  
7 after the impact fee rebates are given. And they will do  
8 that, because they don't want to pay property tax for  
9 something we are using.

10                   The lease is pretty close to being final.  
11 In fact, the only thing that we were waiting for was  
12 actually a redefinition of the leased area, because we  
13 found that it wasn't exactly what they wanted to give us  
14 the first time.

15                   However, in this latest iteration they  
16 sent back last week, they have also asked us to change  
17 some timing terms in the lease. The lease, in addition  
18 to saying the price that is going to be paid and how that  
19 price is given, it's given in terms of impact fee  
20 discounts.

21                   The other thing the lease does is it  
22 protects Holley Navarre. Our concern all along is that  
23 staff, yeah, they want to give us this piece of property,  
24 but we can't use that piece of property for what we want  
25 to use it for. Until we have a permit with Santa Rosa



1 this point in time. So that we, Holley Navarre, can as  
2 quickly as possible beat the timelines that will be in  
3 the lease. And that is where we are.

4 We actually have a meeting tomorrow to  
5 discuss the terms of the lease amongst ourselves. I  
6 would anticipate we will talk to the other team, the  
7 development team, first of next week.

8 I believe that -- just to go a little bit  
9 deeper -- you know, their concern, their construction is  
10 going to get done. We are going to need to give those  
11 discounts on those impact fees prior to us being ready to  
12 give them.

13 We can deal with that later in another way  
14 to their satisfaction, so we don't anticipate changing  
15 the lease at this point in time. That's where we are --

16 DR. PEAVEY: That's the lease that the  
17 Board -- this Board -- sorry, the previous Board had  
18 approved first quarter of last year.

19 MR. KENNEDY: And, again, just to  
20 reiterate, that is already in our CIP planning.

21 DR. PEAVEY: That's correct.

22 MR. PHILLIPS: Around \$6 million and it's  
23 in the CIP.

24 MR. JOE CAMPBELL: That's where that big  
25 water tank we are going to sell some commercial space.

1 MR. PHILLIPS: It's already sold as part  
2 of the lease agreement. They have the exclusive right to  
3 use the tank for advertising.

4 MR. JOE CAMPBELL: They do? Or we do?

5 DR. PEAVEY: They do. However, we have  
6 the right, if we object to what they want to put on  
7 there.

8 MR. PHILLIPS: We have some limited  
9 ability to object for moral, and, you know, some of those  
10 reasons.

11 MR. JOE CAMPBELL: Okay. So no action  
12 from us. So we are still looking at a timeframe from  
13 once you are designed and funded and it is still --

14 MR. PHILLIPS: Yeah. We are shooting --  
15 ordinarily, I think this project would be done by the end  
16 of 2023 given the construction community right now. I  
17 would bet that there will be a delay on the start for the  
18 guy that is going to build this pretty big size building,  
19 and tanks are next to impossible to get in line for right  
20 now.

21 I would anticipate four to six months'  
22 delay in starting, which will probably push us into the  
23 first quarter of 2024 would be my guess at this point in  
24 time.

25 MR. KENNEDY: One final question?

1 MR. JOE CAMPBELL: Yes, sir.

2 MR. KENNEDY: And so, the tank, the  
3 benefit to us is we are going to have better pressure in  
4 certain south areas --

5 MR. PHILLIPS: Yeah. Currently --

6 DR. PEAVEY: And this will be our biggest  
7 tank.

8 MR. PHILLIPS: Yes, it will. Currently,  
9 yes, the system is operating on average day, particularly  
10 during the summer months, at less pressure than it would  
11 have operated before we were taking so much water from  
12 Fairpoint.

13 This will restore our ability to fill  
14 tanks 1, 3, and 4 for the vast majority of the day. In  
15 other words, the system will continue to operate and flow  
16 where we want it to flow.

17 MR. KENNEDY: Got you. Thank you.

18 MR. JOE CAMPBELL: Any other questions  
19 for --

20 (NO AUDIBLE RESPONSE.)

21 MR. JOE CAMPBELL: Okay. Now, we are back  
22 onto engineering reporting.

23 MR. PHILLIPS: I don't believe I have  
24 anything. I&I went away. I usually talk about that. We  
25 have no I&I this month.



1 I believe we beat everything else to death  
2 unless someone has a question about something.

3 MR. MILLER: Water loss was up a little  
4 bit.

5 MR. PHILLIPS: I get to claim no  
6 responsibility whatsoever for water loss, but my buddy  
7 right here --

8 MR. LYNCHARD: We have had most of it on  
9 the street right there beside my shop.

10 MR. WELLS: We do our best to keep track  
11 of all of the line breaks that we have throughout the  
12 month so we can accurately report water loss, Mark. But  
13 we have had a meter calibration check done. And we have  
14 had a couple of meters that were off by several --

15 DR. PEAVEY: Percentages.

16 MR. WELLS: -- percentages. Yeah. So  
17 those meters are being restored back to 99.9 percent or  
18 as close as we can get to it. So, hopefully, next month,  
19 you will see that drop, I am hoping.

20 MR. JOE CAMPBELL: Okay. And it's the  
21 unaccounted loss that we care about.

22 MR. MILLER: Right.

23 MR. JOE CAMPBELL: Any other questions for  
24 Mr. Phillips?

25 (NO AUDIBLE RESPONSE.)

1 MR. JOE CAMPBELL: Okay. Last additional  
2 item: 8459 Navarre Parkway review. I am going to take  
3 this actually, because I got all the staff inputs and I  
4 actually spoke to Mr. Dabney this afternoon.

5 So, basically, if you remember, this is  
6 where we couldn't find taps. We knew the taps were  
7 there. There wasn't taps. Nobody knew.

8 And then, end of the day, staff could not  
9 find anything saying that there was this or wasn't there  
10 or who took it off. All we know is we took the meter out  
11 in 2008.

12 Staff did go out. They did find taps that  
13 were connected to a disused water line. And not the  
14 current water line. The fact that there is no drawings  
15 in there, who knows, it could have been in 2004 when Ivan  
16 came through and people went in and had to replace roads  
17 washed out. We really have no idea.

18 So that's where we are at. So, basically,  
19 I had a discussion with Mr. Dabney this afternoon. He  
20 couldn't make it. So, again, it's a case of staff has  
21 recommended that we get the development plans to ensure  
22 proper permitting and make sure the place we are using is  
23 valid.

24 So that's up for discussion. So that's my  
25 input. Dallas, is there anything else you want to add to

1 that?

2 DR. PEAVEY: No, sir. You have  
3 covered it.

4 MR. MILLER: Speaking of backup, you know,  
5 we do see there was evidence of having, you know, water  
6 and sewer service to that location.

7 MR. JOE CAMPBELL: I do agree with you,  
8 there was no water. They had sewer, but there was no  
9 water.

10 MR. MILLER: So they had sewer without  
11 water?

12 MR. JOE CAMPBELL: You tell me --

13 MR. MILLER: Let's use a little bit of  
14 common sense and say they had water and sewer there.  
15 Okay? They got some ERUs to their credit. Okay?

16 I think we do have to see a set of plans  
17 before we can restore that. I think, you know, we have  
18 got to at least give them the financial benefit for the  
19 fact that there was water and sewer service there and  
20 that they had a certain amount of ERUs that could be used  
21 to offset whatever new development they want to make.

22 MR. JOE CAMPBELL: That's the point.  
23 There was -- because staff found the line. But nobody  
24 knows when they were taken up. There is nothing --

25 DR. PEAVEY: Or by whom.

1                   MR. JOE CAMPBELL: Or by whom. The fact  
2 that in the past, in our current policy, which the Board  
3 voted on in 2018, it says that developers are responsible  
4 for testing all commercial property. I did add -- I  
5 don't know the legalese, does that mean that is right? I  
6 don't know. So, I guess, my --

7                   MR. THIEL: I will make a motion.

8                   MR. JOE CAMPBELL: Go ahead.

9                   MR. LYNCHARD: I was just wondering, I  
10 mean, I understand that, you know, we talk about a lot of  
11 this stuff, if our mains are cut, we are going to know  
12 about it. Right?

13                   If somebody goes out there and cuts off a  
14 main so they can part off part of the pipes and put more  
15 in there, we are going to know about it. We should have  
16 some records of somebody doing something out there.

17                   It wouldn't just be something under the  
18 dirt that nobody has ever seen before. This would be  
19 something that somebody did intentionally that Holley  
20 Navarre Water System was well aware of when it happened.

21                   But we are kind of tiptoeing around it  
22 saying that it's not our fault. We didn't know anything  
23 about it. We knew exactly when it happened.

24                   MR. JOE CAMPBELL: If you show us --

25                   MR. LYNCHARD: No. I mean, staff should

1 know exactly when it happened. But I understand records  
2 aren't here. They were burned --

3 (SPEAKING OVER EACH OTHER.)

4 MR. LYNCHARD: Just like Mark said a while  
5 ago, you have to say they had water. That's just a  
6 little bit of common sense, just like it's common sense  
7 that those pipes weren't put under there by --

8 MR. JOE CAMPBELL: You have a motion?

9 MR. THIEL: I am ready to make a motion.

10 MR. JOE CAMPBELL: Okay.

11 MR. THIEL: I make a motion that upon  
12 submission of the documents that Holley Navarre Water  
13 System would require of any other individual or  
14 commercial entity or establishment, the request for water  
15 and sewer --

16 MR. JOE CAMPBELL: What are those called?  
17 Development application? Is that what they are --

18 DR. PEAVEY: Development application.

19 MR. THIEL: Upon submission of those and  
20 our evaluation goes satisfactory and in compliance with  
21 all of the State and local and our regulatory commission  
22 that we install a water tap and meter and meet the demand  
23 free of charge for the water tap.

24 MR. LINNELL: I will second that.

25 MR. KENNEDY: Mr. President?

1 MR. JOE CAMPBELL: Yeah?

2 MR. KENNEDY: No. I would -- we still  
3 have no evidence that says that we did or didn't do  
4 something. And so, saying that we are going to give  
5 someone who happens to be a Board Director a free water  
6 tap, I am fine if we would re-review the whole system --  
7 actually, I am not.

8 Mr. Dabney needs to go through the  
9 paperwork. Period. I am not in favor of we are just  
10 going to give him a free water tap.

11 MR. MILLER: Bill's motion says upon  
12 submission of the proper paperwork --

13 MR. THIEL: Submission and approval --

14 MR. KENNEDY: I agree. I am with you.  
15 But, again, this Board is -- and I will use what was  
16 mentioned last week, this is now a favor. There is no  
17 factual evidence either way that we have done something  
18 wrong or anyone has done something wrong.

19 So it is not beholding to Holley Navarre  
20 Water System to provide a member with free taps. I am  
21 with you, Bill, on the fact that he has to -- he has to  
22 submit a -- he has to submit the paperwork, but, no.

23 MR. LYNCHARD: I have got a problem here.  
24 We are not talking about a free tap. This tap has been  
25 paid for. It's been there for years. There is evidence

1 that it's been there for years. So no way is this Board  
2 giving a Board member a free tap. That's not something  
3 that should ever be done.

4 But any member, if we allow their taps to  
5 be removed without their knowledge, we should go back and  
6 install that tap.

7 MR. KENNEDY: We have already determined  
8 that no one can answer that yes or no with clarity, with  
9 definitive evidence. Whether or not it is -- in other  
10 words, again, there is no evidence one way or the other  
11 the while -- go back to what Mr. Dabney said.

12 Oh, yes, sir. This place has been the  
13 wild wild west. We don't work off of wild wild west. We  
14 work on what facts are presented to us. I am -- again,  
15 I -- your motion stated that you -- that this company  
16 would provide and pay for his taps.

17 That's where I have a problem with that,  
18 because we have no clue what that means.

19 MR. LYNCHARD: We are paying to replace  
20 the taps that were already there that we had something in  
21 that being removed from a private piece of property.

22 MR. THIEL: They were not transferred to  
23 the new water line.

24 MR. LYNCHARD: And we knew that water line  
25 was going in.

1                   MR. KENNEDY: Well, again, I mean, that's  
2 just my statement. Your motion is your motion. Run with  
3 it.

4                   MR. JOE CAMPBELL: So you said once the  
5 development application is submitted and approved --

6                   MR. THIEL: Yeah.

7                   MR. JOE CAMPBELL: -- that we would  
8 consider? Or we are just going to out and out pay, no  
9 matter what --

10                  MR. THIEL: We are going to provide a tap  
11 upon approval of the developmental application.

12                  MR. MILLER: Well, can we say that if  
13 there is an additional amount owed on the tap, in other  
14 words, when they calculate the ERUs, because it's over  
15 and above what is already paid for, he has to pay that  
16 additional amount? But we pay for the reinstallation of  
17 those taps.

18                  MR. JOE CAMPBELL: Who pays for the  
19 initial installation of the taps? Holley Navarre Water  
20 System?

21                  MR. LYNCHARD: No.

22                  MR. JOE CAMPBELL: Okay. It's the  
23 developer.

24                  MR. LYNCHARD: Uh-huh.

25                  MR. THIEL: And you pay for one meter --



1 (SPEAKING OVER EACH OTHER.)

2 MR. THIEL: -- and he already did that  
3 one.

4 MR. KENNEDY: And I am comfortable with --

5 MR. JOE CAMPBELL: Hang on, hang on. We  
6 are all talking.

7 MR. KENNEDY: I am comfortable with,  
8 again, Bill's motion that Mr. Dabney needs to do the  
9 paperwork. And if we want to revisit this when we get  
10 the whole paperwork done, that's fine. I still don't  
11 think we have evidence from my perspective be it -- be  
12 saying we are giving anybody anything free.

13 MR. JOE CAMPBELL: Because we don't --

14 MR. KENNEDY: But right now the motion  
15 states he has got to do the paperwork, and then, if he  
16 does it and it is approved, then we are going to do the  
17 free tap, and that's what I am not --

18 MR. JOE CAMPBELL: Is there a fluctuation  
19 of the cost of the taps? Are we signing a blank check if  
20 we go with this motion?

21 MR. LYNCHARD: One ERU, one unit.

22 MR. JOE CAMPBELL: But if we are  
23 installing the taps, there are costs in there. The  
24 actual cost of installing is a different --

25 MR. KENNEDY: Yeah. Do we have a clue

1 what --

2 DR. PEAVEY: Clinton, do you know about  
3 that?

4 MR. WELLS: I have no idea what it costs.  
5 We have to hire a contractor.

6 MR. JOE CAMPBELL: Would you consider  
7 amending yours to go with Mike that says once the  
8 application is approved, we can reconsider it at that  
9 time.

10 MR. LYNCHARD: I thought that's what he  
11 said.

12 MR. JOE CAMPBELL: No. He said pay for  
13 it.

14 MR. THIEL: All right. I will amend it to  
15 say we will reconsider it. He can come to the Board for  
16 consideration of determining if there is a cost  
17 associated with the installation.

18 MR. LINNELL: I will second that motion.

19 MR. JOE CAMPBELL: Okay.

20 DR. PEAVEY: Yeah.

21 MR. JOE CAMPBELL: All right. So any  
22 other discussion?

23 MR. KENNEDY: Yes, sir. How about a  
24 timeframe? Do we --

25 DR. PEAVEY: For him to complete the

1 application?

2 MR. JOE CAMPBELL: It's up to the owner to  
3 whenever they submit, I mean, just like any other  
4 builder, developer, whenever they submit, we wouldn't act  
5 until they submit the plans.

6 So if the owner decides, you know what, I  
7 am going to sell and move to Tahiti, and it's a done  
8 deal --

9 MR. KENNEDY: Okay. Anyway --

10 MR. JOE CAMPBELL: Am I right? I mean, we  
11 wouldn't act until the plans are up and -- I was looking  
12 at the two or three people over there.

13 MR. WELLS: Yeah. I mean, when the  
14 business comes up and says --

15 MR. JOE CAMPBELL: Setting a timeline to  
16 me is --

17 (SPEAKING OVER EACH OTHER.)

18 DR. PEAVEY: Hold on --

19 MR. DUNAWAY: Would it be a property right  
20 that would transfer? Or would it be --

21 MR. JOE CAMPBELL: That's --

22 MR. DUNAWAY: Or would it be subject to  
23 this owner?

24 MR. MILLER: We have always allowed taps  
25 to transfer to the new owner.

1 MR. JOE CAMPBELL: See, that's where I had  
2 an issue with, you know, it's --

3 MR. KENNEDY: I think there is a lot more  
4 that would come from the application that would provide  
5 the Board with more information. And then, you could  
6 say, yes, no. To answer Mr. Dunaway's question on  
7 transfers.

8 That's why for me, it's a hard no. I am  
9 giving someone immediate free anything without first  
10 knowing what we are even giving an application to --

11 MR. JOE CAMPBELL: And Bill --

12 (SPEAKING OVER EACH OTHER)

13 MR. KENNEDY: I heard you. I agree. I am  
14 good with Bill's motion.

15 MR. JOE CAMPBELL: All right. And who  
16 seconded?

17 MR. LINNELL: I did.

18 MR. JOE CAMPBELL: And did you second the  
19 amended --

20 MR. LINNELL: Yes. I will again.

21 MR. JOE CAMPBELL: All right. Any other  
22 discussion?

23 MR. DUNAWAY: Can we restate the motion  
24 just so we are clear on it?

25 MR. JOE CAMPBELL: I would look at the

1 court reporter, but you said when the owner submits all  
2 required development plans that the Board -- once that  
3 happens and that is approved, the Board can consider  
4 reinstallation of taps.

5 DR. PEAVEY: Can we ensure a proper  
6 permitting at ERU validation?

7 MR. JOE CAMPBELL: Right. Is that what  
8 you said?

9 MR. THIEL: Yes.

10 MR. JOE CAMPBELL: Are we in agreement?  
11 Any other discussion?

12 (NO AUDIBLE RESPONSE.)

13 MR. JOE CAMPBELL: All in favor say "Aye"?

14 MR. MILLER: Aye.

15 MR. LINNELL: Aye.

16 MR. LYNCHARD: Aye.

17 MR. THIEL: Aye.

18 MR. KENNEDY: Aye.

19 MR. JOE CAMPBELL: Aye. Any opposed?

20 (NO AUDIBLE RESPONSE.)

21 MR. JOE CAMPBELL: Motion carries by six.

22 All right. Member Forum.

23 Anything else from the Directors?

24 Okay. Ms. Suzie Kennedy, do you still  
25 want to speak?

1 MRS. KENNEDY: Yes.

2 MR. JOE CAMPBELL: You are on the clock.

3 MRS. KENNEDY: No problem. First, Mr.  
4 President, can you clarify the vote about the change --  
5 I'm sorry -- about crediting the people that came here?  
6 Can you just say that again?

7 MR. JOE CAMPBELL: Right. Prior to the  
8 May 16th reversal of the previous Board's motion on the  
9 policy that their account would be credited for sewer.  
10 Those that came before -- approached customer service --

11 DR. PEAVEY: No. It was all.

12 MR. LYNCHARD: Anybody that had  
13 approached.

14 MR. JOE CAMPBELL: It was four to two.  
15 Mr. Kennedy and myself were nays.

16 MRS. KENNEDY: Anybody that came forward,  
17 which was two?

18 MR. JOE CAMPBELL: There were two at that  
19 meeting. Yes.

20 MRS. KENNEDY: Okay. So, I guess, with  
21 all of the discussion about fair, I was wondering why it  
22 would just be the two that came to the meeting. Because  
23 there is a lot of people that don't come to the meeting  
24 and just kind of, okay, I get it, and probably have the  
25 same situation.

1 MR. THIEL: Anybody that came to the water  
2 company requesting --

3 MRS. KENNEDY: So it is going to be more  
4 than two?

5 MR. THIEL: Yes. Anybody that came and  
6 requested it.

7 MRS. KENNEDY: In that timeframe. Okay.  
8 Thank you. Also, in light of fairness that is said over  
9 and over about the sewer, being charged for sewer when I  
10 don't use sewer, my sense of having sat through the last  
11 two meetings was I sense that last month it was a  
12 knee-jerk reaction, my words, to the motion to not allow  
13 the people to get their pool filled.

14 And I still, myself, I am just saying, you  
15 are looking to spend the same. You guys all -- you guys  
16 voted to not allow free pool fills on the sewer  
17 portion.

18 So I guess if you really want to solve the  
19 water conservation problem, which was the main goal, why  
20 wouldn't we be looking for a better rate structure and  
21 charge the homeowner who has sewer that extra money for a  
22 pool fill?

23 If I have got a pool and I am on my  
24 septic, sorry, if I am on septic and I want to refill my  
25 pool, from a conservation standpoint, charge me more once

1 I get up to that 4,000 or 5,000. So I am saying charge--  
2 you are going to review the rate structure. Charge  
3 everybody more for filling pools.

4 That's what I am getting at. Instead  
5 of -- okay, so we had a meeting and we reserved it, which  
6 brings me to the next point.

7 MR. JOE CAMPBELL: In May, when we changed  
8 the policy, then we let staff go back and research what  
9 the interpretation with Northwest Florida is actually  
10 reading, and then, it got -- but you also heard staff say  
11 they are going to review the rate structure and have it  
12 to us by the third --

13 DR. PEAVEY: End of third quarter.

14 MR. JOE CAMPBELL: Does that answer your  
15 question?

16 MRS. KENNEDY: Yes, it does.

17 But, nonetheless, it was a little bit of a  
18 reaction to what you understood, which still lacks some  
19 clarification. And I still feel like we need that  
20 tonight, and it wasn't unanimous again. And, again, and  
21 I am not clear about just reversing the roles.

22 So what are you doing going forward?

23 MR. THIEL: We have not changed the policy  
24 that we did in May. In other words, right now, the new  
25 policy is in effect where you pay for water and sewer, if



1 you are on sewer for filling your pool.

2 MRS. KENNEDY: Okay.

3 MR. THIEL: The only exception we make is  
4 those customers who had read the old policy and made a  
5 valid request -- to go back and we credit them for --

6 MRS. KENNEDY: I just want to go back  
7 again. To change the focus is not reacting to  
8 individuals, but reacting to the situation.

9 And the situation was more about water  
10 conservation and work on the rate increase. And increase  
11 it for both people -- I know you said -- you said you  
12 were going to do that -- I am just being real clear.

13 So that everybody that fills a pool gets  
14 charged more.

15 MR. THIEL: Hopefully, that's what the  
16 rate structure will come up with.

17 MRS. KENNEDY: So in light of that, too, I  
18 would hope, again, I saw a little -- before we change  
19 policy, is there a way for us to kind of step back before  
20 we implement policy?

21 So, in other words, a month ago, you made  
22 a policy change and you seemed to implement it right away  
23 and then, those people, no, they would have to pay.  
24 Correct?

25 MR. LYNCHARD: No. We told them two

1 months before we changed the policy that they had to  
2 pay.

3 MRS. KENNEDY: Oh, so they knew two months  
4 before?

5 MR. LYNCHARD: Uh-huh.

6 MR. JOE CAMPBELL: So what is your point?

7 MRS. KENNEDY: The policy changed --  
8 okay --

9 MR. JOE CAMPBELL: Members came. Those  
10 were the issues. We researched it. We did the issue.  
11 We then said, you know what, hang on a second. We need  
12 to step back because we don't know if this is staff's  
13 interpretation or actually a regulation.

14 We had staff then look and we have gone  
15 back and done our due diligence, and now, we have come  
16 with a -- the Board voted not to move forward with -- not  
17 allowed the fill of the pool, but to Director Lynchard's  
18 credit, before that policy was changed, those members  
19 deserved what the previous policy was.

20 MRS. KENNEDY: Okay. I see the confusion.  
21 Because staff made the change before, two months before.  
22 Got it.

23 Staff made the change, and then, two  
24 months later you guys said, wait, what about -- or people  
25 came up here. It wasn't you -- I got it.

1 MR. JOE CAMPBELL: What else do you got  
2 for us?

3 MRS. KENNEDY: Actually, I wanted to thank  
4 you all for volunteering for the Board.

5 And for -- the first rule of a lot of  
6 people that have been trained is showing up, so thank you  
7 for the Board that shows up.

8 And thank you for this staff for  
9 supporting the Board and all of the data and analysis and  
10 possibly emotional support for them. And you do a good  
11 job of holding back your emotion you have, because I am  
12 watching and you are doing a good job, so thank you.

13 I wanted to -- I really want to appreciate  
14 everybody for the fact that I can turn on a faucet and  
15 get water. I know just from having watched Yellowstone  
16 recently, just my brother Michael just happens to be out  
17 there. And just the fact of what happened to them and  
18 they didn't have -- they couldn't turn on a faucet and  
19 get water. So thank you for my water.

20 MR. JOE CAMPBELL: Thank you. All right,  
21 Board. Anything else?

22 One other thing, so we have talked -- and  
23 I apologize to the Board, I have been trying to close out  
24 my real job in investigations and I need to finish before  
25 I can fully retire. So I did not get to the HR -- the

1 appraisal for the CEO.

2                   So in that light, I will add -- I am going  
3 to ask to have a Board of Directors' executive session  
4 next Tuesday the 28th at 6:00 p.m. here.

5                   There is that and some other legal issues  
6 and Mr. Dunaway will join us.

7                   MR. KENNEDY: Tuesday the 28th?

8                   MR. JOE CAMPBELL: 28th. Right.

9                   MR. KENNEDY: At 6:00 p.m.?

10                  MR. JOE CAMPBELL: At 6:00 p.m.

11                  MR. THIEL: Please make sure that is  
12 noticed, please.

13                  MR. JOE CAMPBELL: And the secretary will  
14 take notes.

15                  MR. MILLER: We were given a new copy of  
16 this. Are we supposed to --

17                  MR. JOE CAMPBELL: No. That is something  
18 different. I will talk to you offline about that.

19                  MR. MILLER: Okay.

20                  MR. JOE CAMPBELL: There is an evaluation  
21 here.

22                  MR. LYNCHARD: I saw it.

23                  MR. JOE CAMPBELL: All right. Then, the  
24 next regular scheduled meeting is July 19th, 2022, at  
25 6:00 p.m.

1 Now, anybody want to adjourn?

2 MR. LYNCHARD: Yes.

3 MR. JOE CAMPBELL: Director Lynchard makes  
4 a motion. Does anybody want to second?

5 MR. KENNEDY: Second.

6 MR. JOE CAMPBELL: All in favor say "Aye"?

7 MR. KENNEDY: Aye.

8 MR. LYNCHARD: Aye.

9 MR. LINNELL: Aye.

10 MR. KENNEDY: Aye.

11 MR. THIEL: Aye.

12 MR. JOE CAMPBELL: Aye.

13 Any opposed?

14 (NO AUDIBLE RESPONSE.)

15 MR. JOE CAMPBELL: Motion carries. Thank  
16 you.

17

18 WHEREUPON, THE MEETING ADJOURNED AT 7:48 P.M.

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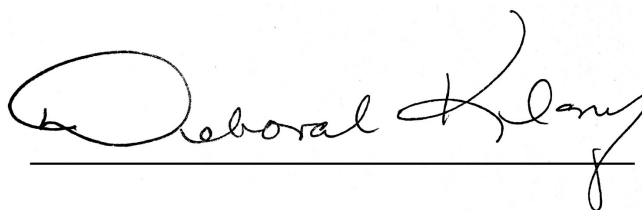
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CERTIFICATE OF REPORTER

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 Holley Navarre Water System Board of Directors meeting 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 6th day of July, 2022.



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