

HOLLEY NAVARRE WATER SYSTEM
REGULAR BOARD MEETING
MAY 17TH, 2022
6:00 P.M. - 7:50 P.M.

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- JOE CAMPBELL, PRESIDENT
- MARK MILLER, VICE PRESIDENT
- BILL THIEL, SECRETARY TREASURER
- MIKE KENNEDY, DIRECTOR
- DON LINNELL, DIRECTOR
- DARYL LYNCHARD, DIRECTOR
- JAMES DABNEY, DIRECTOR
- DR. DALLAS PEAVEY, CEO, HNWS
- TY CAMPBELL, HNWS
- EMERALD MCDANIEL, HNWS
- TISHA WATKINS, HNWS
- AMBER BUCHOLTZ, HNWS
- CLINTON WELLS, HNWS
- CORY SNYDER, MESI

ALSO PRESENT:

- WILL DUNAWAY, ESQUIRE
- DEBORAH KHARUF, COURT REPORTER

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

2 MR. JOE CAMPBELL: All right. 6:00
3 o'clock. I will call the meeting to order.

4 Director Miller, would you lead us in
5 prayer?

6 MR. MILLER: Yes, sir. Will you bow your
7 heads and pray?

8 (INVOCATION BY DIRECTOR MILLER).

9 MR. JOE CAMPBELL: And, Director Thiel,
10 will you lead us in the pledge of allegiance?

11 MR. THIEL: Please face the flag and
12 repeat with me.

13 (PLEDGE OF ALLEGIANCE LED BY DIRECTOR THIEL)

14 MR. JOE CAMPBELL: Thank you, gentlemen.

15 All right. We do have a quorum. We have
16 all seven Directors here with us tonight. Thank you very
17 much.

18 Audio and video recorders are in use.

19 And the one member that is in the
20 audience, if you want to address the Board, please fill
21 out the sheet.

22 And what I would like to do beforehand, as
23 we discussed earlier, I would like to add one item to the
24 agenda to new business, if I may, to Number 6. And we
25 are just going to discuss the way forward for the CEO

1 appraisal. No specifics. Just going to talk about the
2 process.

3 MR. MILLER: I make a motion to add
4 that to the agenda.

5 MR. LYNCHARD: Second.

6 MR. THIEL: I will second.

7 MR. JOE CAMPBELL: Any discussion?

8 (NO AUDIBLE RESPONSE.)

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

10 MR. MILLER: Aye.

11 MR. THIEL: Aye.

12 MR. LINNELL: Aye.

13 MR. LYNCHARD: Aye.

14 MR. KENNEDY: Aye.

15 MR. DABNEY: Aye.

16 MR. JOE CAMPBELL: Okay. Thank you very
17 much.

18 All right. Approval of the minutes, April
19 19th. Everybody had a chance to review the minutes and
20 transcripts?

21 Any discrepancies? Anybody have any items
22 they want to discuss?

23 MR. THIEL: I had a couple discrepancies,
24 but I went ahead and corrected them on copies that you
25 should have. They were missing Director Lynchard's name

1 in the original minutes in the title. Now, it's fixed.

2 I move to approve the April 19th regular
3 meeting minutes and transcripts as corrected.

4 MR. LINNELL: Second.

5 MR. JOE CAMPBELL: Don seconded. Any
6 discussion? Any other issues?

7 (NO AUDIBLE RESPONSE.)

8 MR. JOE CAMPBELL: All in favor say,
9 "Aye"?

10 MR. MILLER: Aye.

11 MR. THIEL: Aye.

12 MR. LINNELL: Aye.

13 MR. LYNCHARD: Aye.

14 MR. KENNEDY: Aye.

15 MR. DABNEY: Aye.

16 MR. JOE CAMPBELL: Any opposed?

17 (NO AUDIBLE RESPONSE.)

18 MR. JOE CAMPBELL: Motion carries.

19 Memberships. I am looking at -- it looks
20 like 258 new memberships, 232 cancellations, and one
21 transfer.

22 MR. KENNEDY: I make a motion to approve
23 the 256 new, 232 canceled, and one transfer.

24 MR. LINNELL: Second.

25 MR. JOE CAMPBELL: Any discussion?

1 (NO AUDIBLE RESPONSE.)

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

4 MR. MILLER: Aye.

5 MR. THIEL: Aye.

6 MR. LINNELL: Aye.

7 MR. LYNCHARD: Aye.

8 MR. KENNEDY: Aye.

9 MR. DABNEY: Aye.

10 MR. JOE CAMPBELL: Any opposed?

11 (NO AUDIBLE RESPONSE.)

12 MR. JOE CAMPBELL: Motion carries.

13 No unfinished business. All right. New
14 business. Dallas and Mr. Ty Campbell?

15 MR. THIEL: Sir, I have one request to
16 speak -- I have got something with the Board in reference
17 to financials and then we will discuss it further.

18 MR. JOE CAMPBELL: Will you yield your
19 time to Director Thiel?

20 MR. TY CAMPBELL: Yes.

21 DR. PEAVEY: Yes.

22 MR. THIEL: Do you yield your time to me?

23 DR. PEAVEY: We yield our time to you,
24 sir.

25 MR. THIEL: As you know, me and Director

1 Mike sit in on the Budget O&M Committee every month. And
2 every month, I have the same questions as to why are
3 there so many asterisks involved in it.

4 And the answer is the same every month.
5 It's because of our 1998 accounting system. In order to
6 provide data for our monthly approval, they have to make
7 a bunch of estimated accruals in both the income and the
8 expense side.

9 And so, that results in what you are --
10 what we are really approving is not based upon total
11 factual data. I asked them, the CEO and Tyrus, to --
12 what they could do to fix that. And their proposal this
13 month, which is in your thing, is an attempt to do that.

14 They close out back five days, basically,
15 so the month that we are approving now runs from the
16 24th -- 25th of the previous month to the 24th.

17 So for April -- they are using it as the
18 month that was from 25 March to 24 April. However, that
19 still has some accruals in it because it doesn't cover if
20 things don't come in in time for them to be able to put
21 the package together.

22 So the options are: We can go back to the
23 way we did it, which is just approving stuff that is
24 questionable. But the end result of all this is you have
25 peaks and valleys like you have at the end of the year

1 when you finally true everything up. You had, like, the
2 end of 2020 where you had close to \$1 million dollars in
3 profit in one month. Or 2021, where you lose \$200,000 in
4 one month.

5 And so, there is three possible fixes.
6 One fix is we stay the way we have been doing it. The
7 other fix is we go with this, the way that Tyrus did it
8 this month. And the third option is that we delay the
9 Board approval of -- stay with the calendar month, but
10 delay the Board approval to the second meeting following
11 the month.

12 So, in order words, next month, we would
13 approve April's financial report, and it would be based
14 on -- by that time, they assure me that they are going to
15 have all the hard data in so it will be fully trued out
16 and they won't have to have the thing where now when they
17 get stuff in for April, they roll it into May's
18 financials. And so then you have got a mixed bag in
19 May's approval.

20 Those are the three options. My
21 recommendation is that we forestall any approval of
22 financials this month and go with approving the
23 financials for the calendar month at the Board meeting
24 the second month after the month that we are approving
25 the financials for.

1 MR. LINNELL: I just want to understand,
2 so when we look at the second month, there is not going
3 to be any asterisks?

4 MR. THIEL: Well, there shouldn't be any
5 after that.

6 MR. LINNELL: That's the goal?

7 MR. THIEL: Never say never, but that's
8 the goal. What I will tell you is we will have a whole
9 hell of a lot more factual data in there to base it on,
10 and you won't have -- you won't have the data corrupted
11 by previous months, unders or overs, your estimates that
12 are off being plowed into the month you are looking at.

13 MR. LINNELL: Okay.

14 MR. MILLER: I am not understanding. You
15 know, we meet on the third Tuesday of the month. And so,
16 you know, the books are closed out at the end of the
17 calendar month of April. I am not understanding why we
18 are not able to know.

19 MR. THIEL: All the red arrows indicate
20 the data that they don't have in by the time they are
21 required to start producing the proposal package at the
22 end of the month.

23 This was for the month of March, the
24 meeting was -- they had -- to present the package -- to
25 get it for us so we could have our meeting here, so they

1 have to get it out on the weekend so we can review the
2 financials.

3 MR. MILLER: But that's ten days into the
4 month. You know, ten days isn't enough time to --

5 MR. THIEL: We have got a 1998 accounting
6 system. And the data don't all come in. We have also
7 got the last four days of the month -- yeah, all the way
8 through the end of the month, people have got to pay
9 their bills.

10 So, you know, you probably don't get a lot
11 of payments, I guess, the last week. I am just telling
12 you, there is a whole lot of estimated accruals in both
13 the factual, and you will improve the amount of data --
14 you will improve the quality of the data they are
15 presenting. It will be factual at the -- I would say, a
16 very high percentage rate.

17 I don't know if it will be 100 percent,
18 but it should -- you shouldn't see very many asterisks
19 like we have been seeing. You shouldn't see wide swings
20 in some of your expenses. It will also help the
21 budgeting process. Because next year, not after this
22 first -- the next six months, anyway, the approvals --
23 they will be able to use -- they use those approvals to
24 build the budget. And right now, they are building it
25 based upon a bunch of estimates that we approved that are

1 not actually factual.

2 MR. JOE CAMPBELL: Okay. Any other
3 discussion?

4 MR. THIEL: You will go from accrual --
5 you know, I worked in business a long time, and I am not
6 an accountant. I took Economics classes in college and
7 that's why I didn't become an accountant. I became a
8 fighter pilot instead.

9 But dealing in accruals when I was in the
10 business world is a tough way to do business. Because
11 you are not dealing in real facts. You don't deal with
12 your checkbook with accruals, so --

13 MR. JOE CAMPBELL: Any other questions?

14 (NO AUDIBLE RESPONSE.)

15 MR. JOE CAMPBELL: All right. We have a
16 motion and a second.

17 (NO AUDIBLE RESPONSE.)

18 MR. JOE CAMPBELL: All in favor say,
19 "Aye"?

20 MR. MILLER: Aye.

21 MR. THIEL: Aye.

22 MR. LINNELL: Aye.

23 MR. LYNCHARD: Aye.

24 MR. KENNEDY: Aye.

25 MR. DABNEY: Aye.

1 MR. JOE CAMPBELL: Any opposed?

2 (NO AUDIBLE RESPONSE.)

3 MR. JOE CAMPBELL: Motion carries.

4 MR. TY CAMPBELL: God bless the Board.

5 MR. JOE CAMPBELL: Okay. Keeping that
6 vein, Mr. Thiel, comments on committee updates.

7 MR. THIEL: Okay. Eglin project, we
8 already put up the minutes of that for the Board. I just
9 want to put up the date.

10 But, Director Lynchard, do you have
11 anything to add? Do you want to give them --

12 MR. LYNCHARD: I have nothing really to
13 add to the minutes. Nothing has happened since our Board
14 meeting other than what I believe Will is going to go
15 over here in a few minutes.

16 MR. THIEL: I will keep my powder dry for
17 Will, then. The capital improvements committee, the
18 subcommittee met yesterday, and I wasn't able to be
19 there, so Mike sat in. And there wasn't anything
20 significant that happened other than a few expenditures
21 all within -- pretty much all within budget.

22 The budgeted amount, again, is a five-year
23 plan that we are working on. So costs come in kind of at
24 random times, so everything is kind of on track there, so
25 I don't have any significant things to add there. And,

1 Director Kennedy, do you have anything else to add about
2 the --

3 MR. KENNEDY: Nothing to add.

4 MR. THIEL: We are all updated. That's
5 all I have, Mr. President.

6 MR. JOE CAMPBELL: I was going to ask you
7 about the lift station, but, okay. Any other comments or
8 questions from the Board members.

9 MR. LINNELL: Ask him about the lift
10 station?

11 MR. JOE CAMPBELL: No. It's not
12 important. I think I just --

13 MR. WELLS: Just to update you, you know,
14 we talked about the new pump truck coming in. It came in
15 today.

16 MR. THIEL: All right. So that's a big
17 deal --

18 (SPEAKING OVER EACH OTHER.)

19 DR. PEAVEY: For the CIP?

20 MR. WELLS: Yes.

21 MR. THIEL: What's your question on the
22 lift station?

23 MR. JOE CAMPBELL: That's what you gave up
24 your new Ford 350 for.

25 MR. THIEL: His and the CEO's --

1 (SPEAKING OVER EACH OTHER.)

2 MR. JOE CAMPBELL: Okay. Item 3, customer
3 service, high usage procedures.

4 Is that Pittmann?

5 DR. PEAVEY: It is Mr. Nick Pittmann.

6 MR. PITTMANN: Good evening, my name is
7 Nick Pittmann. I am the field service technician
8 manager. So maybe I can just go through how we do our
9 high usage catching leaks for customers and things like
10 that.

11 So when I am going to look up a customer,
12 I want to check customers that might have some leaks
13 going on so I can contact them or get a service tech out
14 in the field to check it out, see what we can find out.
15 I will go into our analytics program, come to this
16 dashboard. And I click on the report access tab right
17 there, which opens up this page here.

18 So I open that continuous consumption
19 file. This is what it looks like. And I will go back in
20 about two and a half days, pick any cycle I want to. I
21 usually do one route at a time. And then, I will set the
22 low threshold up 10 to 20 gallons for a minimum
23 continuous hours of 24.

24 So, basically, that will show me anything
25 that was pushing 10 to 20 gallons or more an hour within

1 a 24-hour period or higher. So I will pull that report
2 up. This is what it looks like.

3 Meter ID, the radio ID, customer's name
4 and address. And then, so I am going to be looking at
5 this top one right here. Because when I pull this
6 report, I will put them in order from the most usage to
7 the least usage.

8 So this top count for James Smith was
9 running 346 gallons an hour, roughly, for 54 hours. So
10 when I go back into analytics, I go to device access so I
11 can pull up the customer's account. And so, as you can
12 see, we are looking at April 24 is when that leak started
13 at about 6:00 o'clock that evening and they were
14 averaging anywhere 340 to 390 gallons an hour.

15 So I went into Black Mountain into their
16 billing system. I also go in there and check to see if
17 they have an email alert, if they got that. Then, I will
18 shoot them an email. If they do not not respond and I
19 pull the report again, you know, a couple weeks, a couple
20 days later. If not, if I haven't seen any action taken,
21 I will send a technician out there. If they don't have
22 an email address on the account, I can't contact them
23 that way.

24 Then, I do get this list after I pull all
25 the ones that I have checked and sent notifications to

1 the member portal information. But that will log
2 over-usage so that they can see it and the instructions
3 on how to set up their portal. But if they don't have an
4 email address and I can't contact that way, then I will
5 send techs in the field with this list and they will make
6 contact with the house.

7 You know, if the customer is not there, we
8 will try to call them. If they can't get ahold of them
9 that way, then they will leave a door knocker with the
10 member portal information on that doorknocker, letting
11 them know they have a potential problem on the property.

12 So it looks like this customer did receive
13 that alert and that notification, because they did --
14 looks like they fixed their problem somewhere on April
15 27th.

16 And when I -- when I make contact, when I
17 do email, then I will go in our billing system, put a
18 note on the account. When the technicians, they go out
19 there, they put a service order out. They will put on
20 there if they have spoken to the customer, whether in
21 person or on the phone or if they couldn't make contact,
22 they will note on there that they left the doorknocker
23 with the member portal information.

24 They will also leave the member portal
25 information with the customer if they speak to them in

1 person.

2 DR. PEAVEY: Nick, when they are out there
3 checking, that's when the technician goes to the site,
4 they will also be checking the meter to make sure it's
5 not a meter issue. Correct?

6 MR. PITTMANN: Correct.

7 DR. PEAVEY: Okay. That's part of that
8 identification process.

9 MR. PITTMANN: Yeah. I just want to make
10 sure that there is not an issue going on with that.

11 Ultimately, you know, we want the customer
12 to know that they might have an issue going on. There
13 are ways that they can monitor their usage and get some
14 alerts to help them out.

15 So once they have been alerted, they have
16 got that information from the member portal, they can go
17 in. And when they come up, they will go to this website
18 here, and all of that information is on the member portal
19 information.

20 Water will go in here. And they will
21 click on "Need to set up an account." And they will send
22 them a link. It will be from
23 donotreply@censusanalytics.com or something like that.

24 It's important they check their junk or
25 their spam folder, because, sometimes, a lot of times, I

1 have had customers calling me and be, like, "I am not
2 getting anything."

3 And I asked them to check their junk
4 folder and they had like four links because they tried to
5 go -- I sent them a link and they weren't just getting
6 it.

7 When they saw that, they were able to get
8 in. So they will set that up. They will get their
9 email, click that link, and it will take them to this
10 page. They will put their email address in, their web ID
11 and their account number, which is all of the information
12 as far as web ID and account number is on the customer's
13 bill.

14 If they don't know it, they can call the
15 office. They will set up a password. And there's rules
16 to it, as usual. Once they get that set up, they can log
17 in, and it will come to this page right here. It won't
18 have this information here yet. They will have to
19 actually go in and set the alerts for it to show up.

20 So if I want to do that -- which we
21 encourage they do -- then we will need to come over here
22 on this menu on the side and click on settings tab, which
23 will open this up. And so, they will have a billing
24 cycle usage, daily usage, multi-day, which is a weekly
25 usage, and then, they have vacation set up.

1 So when they log in, their information
2 will show them about how much water they are using on a
3 monthly average. Same thing for a daily average. And
4 then, so on and so on. So what they can do is go in
5 there and set their alerts, what they want to alert them
6 at.

7 So you see here, Amber has hers set to
8 alert her at 4,421 gallons. If she averages 4,461 on a
9 monthly basis, so she wants to get that alert earlier
10 before it hits the 4461.

11 Same thing with the daily average and the
12 seven day. You can set that up. The vacation thing is
13 pretty cool. So, like, if you are going out of town,
14 let's say like May 6th to the 13th or what not, go in
15 here and put that -- those dates in, and set it at five
16 gallons, because if you are not home and nobody is there,
17 you shouldn't have any water going through, so if you are
18 on vacation and get an alert, have a friend or family
19 member, you know, go over and they can check it out and
20 get back with the customer and let them know what is
21 going on. But that's pretty much it as far as the alerts
22 go and how I check those.

23 You know, throughout the week, usually
24 some time, you know, depending on staffing, you know,
25 when people are out of town sick or we have other things

1 going on and resources needed to be diverted in other
2 areas to help out, like it can be anywhere from like five
3 to ten days --

4 DR. PEAVEY: Business days.

5 MR. PITTMANN: -- business days a month
6 that I am able to go through that report -- that
7 continuous consumption report. About two and half of
8 those days, though, at the beginning of the month when I
9 am doing the reads for the previous month, because I do
10 the high read report as I am finishing up reading meters.
11 So that kind of bleeds over into the continuous
12 consumption part throughout the month.

13 DR. PEAVEY: Since we had advertised and
14 put this process in the portal itself, in the paper, on
15 the websites, how many have you had sign up over the last
16 month? Do you know?

17 MR. PITTMANN: So what I can tell and I
18 can find that out for you, but I can tell you the last
19 week, we had a total of 31 people for the whole week.

20 DR. PEAVEY: 31. That's the most --

21 MR. PITTMANN: That's the most for the
22 whole week. But from Friday 13th all the way until
23 Monday morning when I came into work, we had 31 sign ups
24 over the weekend.

25 DR. PEAVEY: An additional 31 over the

1 weekend.

2 MR. PITTMANN: And that's the same amount
3 we had for the whole week last week. And, actually, the
4 numbers, I have been noticing, because I pull the member
5 portal, it is labeled customer service, because that's
6 how census has it -- our customer portal active users.
7 But I pull that report on Mondays, Wednesdays, and
8 Fridays, and I go through there and check to see who is
9 new so I can get those numbers.

10 And I have been seeing those numbers go up
11 slowly. But this past weekend was like the most I have
12 seen over the weekend. Ever.

13 MR. JOE CAMPBELL: Because bills went out.

14 MR. PITTMANN: Probably because bills went
15 out and I would say Facebook and putting it on the
16 website. I have noticed since we did that, it's gone up
17 a little bit as well.

18 MR. THIEL: Of our 17,000 plus customers,
19 how many do you have signed up?

20 MR. PITTMANN: Let's see, yesterday, we
21 had 2,549.

22 DR. PEAVEY: Out of 17,587.

23 MR. THIEL: Yeah.

24 MS. BUCHOLTZ: It's interesting to note,
25 some customers, even after we have spoken to them on the

1 phone or have heard from them and we emailed the customer
2 the member portal information explaining its benefit.
3 They have even asked us to email it.

4 When we go back and check, because we can
5 look in the office to see if somebody has set up their
6 member portal, many of them don't. So we are not sure of
7 the reason for that --

8 DR. PEAVEY: The folks that have had
9 issues that have come to the Board meeting, have they set
10 theirs up, the portals?

11 MS. BUCHOLTZ: I checked a few of them.
12 To date, this afternoon, no. They hadn't set up their
13 member portal even after a period they brought that
14 before the Board.

15 MR. PITTMANN: Another interesting thing
16 that I have noticed as well as told Amber this is some of
17 these people that continuously -- that don't have their
18 alerts set up, they continuously sign in. I can see when
19 they are signing it.

20 I can see the last log-in time and date.
21 And, I mean, I think setting your alerts is the best
22 option, because then, you don't have to keep signing in
23 all the time. You will get that, you know, whenever
24 something happens. But, you know, some people are just
25 proactive, too, just want to see what is going on, so --

1 MR. JOE CAMPBELL: So refresh my memory,
2 my question was how often do you get to run these
3 reports?

4 MR. PITTMANN: I do it -- I actually have
5 it generated so it comes to me at 6:00 o'clock in the
6 morning on Mondays, Wednesdays, and Fridays every week.

7 MR. JOE CAMPBELL: But then you have to
8 sit and analyze it and go through it?

9 MR. PITTMANN: Yes.

10 MR. JOE CAMPBELL: So it may be generated
11 to you, but --

12 MR. PITTMANN: Are you talking about the
13 continuing consumption report?

14 MR. JOE CAMPBELL: Yes. The very first
15 one. Yes.

16 MR. PITTMANN: Yeah. So --

17 MR. JOE CAMPBELL: I mean, if they don't
18 take care of themselves -- right, so you are trying to
19 take care of it for them. So I am trying to get a feel
20 for -- I think the Board would like to know how much time
21 and effort --

22 DR. PEAHEY: How much of your time --

23 MR. PITTMANN: Yeah. So when I pull a
24 report, I go through it and I have to parse through it
25 because I do want to check to see if we have already been

1 per route? Is that what you are saying?

2 MR. PITTMANN: I can do it for all routes
3 at once. I will just go through it and do it per route.
4 It's easier on my eyes to go through the report that way
5 so I am not missing anything. You know, I don't want to
6 miss anything.

7 You know, I make to sure I am being as
8 fair as I can and making sure we can get these customers
9 that are definitely paying a high usage. I mean, some of
10 them will go in, and I can see -- I will pull a report.
11 Then, it will say that they have got really high usage.
12 But then, when I look at it, they are not using water.
13 They were just filling a pool up, you know, a day or
14 prior to when I pulled that report, so it will show me in
15 there.

16 I won't contact that customer because I
17 can already see, you know, within the last day or so,
18 like they are easy to stop. And there was nothing before
19 that that was indicating they had anything off.

20 MS. BUCHOLTZ: And the other reason is
21 it's better to do it by routes is because the area would
22 be grouped closer together. So if you had to send a tech
23 out, you are sending them out to do basically one area.

24 Whereas if you pulled it all together, you
25 could be sending them all over the place to begin with,

1 so that's another reason why we do it in routes.

2 MR. LINNELL: Why would a pool trigger the
3 constant use?

4 MR. PITTMANN: I have seen them filling
5 pools. It will show me 100, 120 gallons an hour, if they
6 run it for a day.

7 MR. LINNELL: And they are running it
8 overnight?

9 MR. PITTMANN: Yeah. I have seen that.

10 (EVERYONE SPEAKING OVER EACH OTHER.)

11 DR. PEAVEY: Continuous use during that
12 period of time. Then, you have a period of hours.

13 MR. PITTMANN: Yes.

14 MR. WELLS: So those are all hoses that
15 are on and that continuous use is what triggers the water
16 report for him to be notified something is going on
17 there.

18 MR. THIEL: And it takes probably a day
19 and a half to fill up a pool, doesn't it, depending on
20 size.

21 MR. WELLS: Depending on the size.

22 MS. BUCHOLTZ: It could be, too, because
23 they have a pool filler and they have a leak in their
24 pool.

25 MR. PITTMANN: That's correct.

1 MS. BUCHOLTZ: And pool fillers
2 continuously are trying to keep up with the water
3 draining out.

4 MR. KENNEDY: I had that problem.
5 (SPEAKING OVER EACH OTHER.)

6 MR. WELLS: When you have a pool filler
7 like that that is automatic, you don't realize it's
8 actually doing it.

9 MR. JOE CAMPBELL: So call me stupid. So
10 you said five to ten business days.

11 DR. PEAVEY: For you, for us.

12 MR. JOE CAMPBELL: Or call me stupid. For
13 us. So for Customer Joe Campbell, how often would you
14 pass by his account to see if he had -- is it every week?
15 Is it every two weeks? You would say, "Okay. He has got
16 a leak."

17 MR. PITTMANN: Every two weeks.

18 MR. JOE CAMPBELL: Okay.

19 MR. LINNELL: So are you talking a
20 different report, because unless something is screwed up
21 on Joe's house, why would you ever see it?

22 MR. JOE CAMPBELL: That's what I am
23 saying. So it may be two weeks before he sees Joe's
24 house.

25 MR. LINNELL: So the assumption that

1 something is wrong, by the end of two weeks you get it?

2 MR. PITTMANN: I could come across it in a
3 week. Let's say the thing is if he has an email, if I
4 come across it two weeks later, "Okay. I sent him
5 information."

6 "All right. He still has got something
7 wrong." I am sending a tech out there that time. And I
8 am trying to keep them out there and keeping my eyes on
9 it, because, you know, this is -- I taught myself how to
10 use this.

11 MR. THIEL: Because if Joe Campbell's
12 house is --

13 (EVERYONE SPEAKING OVER EACH OTHER.)

14 MR. THIEL: -- the system will tell him
15 that next day.

16 MR. JOE CAMPBELL: When I fill up my pool
17 or take a bath.

18 All right. So I guess for the Board here,
19 because the reason this really came up is we had a member
20 that had a leak. So, really, every two weeks -- and the
21 system does not pull automatic like the member list;
22 right?

23 The system does not -- what I see here in
24 the package here, Amber, you have done research of the
25 service provider that -- of the system we use.

1 MS. BUCHOLTZ: So you are asking about the
2 resolution that the Board passed in --

3 DR. PEAVEY: 2014.

4 MS. BUCHOLTZ: -- back in 2014, where we
5 would send a tech out if the reading was 15 percent over
6 a customer's annual average. They would check around the
7 meter to see if there was a leak and report it back to
8 billing. Is that what you are talking about?

9 MR. JOE CAMPBELL: No. Not really. But
10 that's what he just provided is how he gets to that;
11 right? What he goes through, he sends a -- because the
12 Board said to do this back in --

13 MR. KENNEDY: But, to your point, it's a
14 manual process. He runs the report. He enters it by a
15 number. And then, he eyeballs it. It's not a, "Hey," --

16 DR. PEAVEY: It is not something
17 automatically generated.

18 MR. JOE CAMPBELL: And there is no system
19 out there in the world that would do that for us --

20 MR. THIEL: Automatically.

21 MR. JOE CAMPBELL: -- automatically? I am
22 asking -- it may be cost prohibitive. I am just --
23 members have come to us, so we want to be able to say we
24 have done our due diligence.

25 Either we have a full-time person that

1 sits there and that's all they do to get the amount of
2 water usage they lost. We don't know how big of a problem it
3 is. It sounds like you are catching quite a few; right?

4 MR. WELLS: Or if they set up their own.

5 DR. PEAVEY: It's better if they set up
6 their own. But there was -- obviously, we only had 2,000
7 out of 17,000 --

8 MR. JOE CAMPBELL: Which is my second
9 question. So you obviously had 60 people, including
10 myself, sign up when we got the member portal things in a
11 water bill.

12 How much does that cost if we send it out
13 every other month or something like that?

14 MS. BUCHOLTZ: With the bills, you mean?

15 MR. JOE CAMPBELL: Yeah.

16 MS. BUCHOLTZ: If we send it out in a
17 separate flyer?

18 MR. JOE CAMPBELL: That costs us a
19 significant amount of money?

20 MS. BUCHOLTZ: I believe just over \$1,000
21 to send that flyer out. But it went out only as a flyer
22 to our paper bill customers. It went out as a pdf in
23 front of their bill. Either way, there is still a cost
24 associated with it.

25 There is a message box on our bills that

1 we can utilize to remind the customer. I find a lot of
2 customers don't look at the bills, though.

3 MR. JOE CAMPBELL: I just look at the
4 price and write the check.

5 MR. KENNEDY: Well, what I -- from my
6 perspective, though, now that you have mentioned there is
7 a cost associated with it, I don't feel that \$1,000 for
8 31 sign-ups is cost effective of our members' money.

9 But that's just me. Right?

10 MS. BUCHOLTZ: But keep in mind, it just
11 went out with this bill.

12 MR. KENNEDY: Sure. So it would be
13 interesting at the end of the month --

14 DR. PEAVEY: And quarterly.

15 MR. KENNEDY: Yeah. If we had a better
16 ratio of --

17 DR. PEAVEY: We just want to get the
18 message out.

19 MR. KENNEDY: Agreed. Oh, I am with that.
20 I am just saying now that we know there is a cost --

21 MS. BUCHOLTZ: And we -- I mean, we used
22 to have a flyer. If you look in your packet, Nick spent
23 a lot of time updating our flyer making it look much
24 better than the one that we had.

25 It's more eye-catching. So we are hoping

1 that more customers will pay attention.

2 MR. THIEL: You periodically send
3 something out because I signed up about a year ago when I
4 got it because I got something in the mail. Well, one of
5 the things. Because I just didn't sign up on my own. I
6 don't go running around the site looking for stuff to
7 sign up for.

8 MS. BUCHOLTZ: We have sent it out in the
9 past, but not recently. This is the first time --

10 MR. THIEL: Yeah. It's been a couple of
11 years ago when --

12 MS. BUCHOLTZ: When we first got the
13 program, we sent out --

14 MR. THIEL: But you don't have a set month
15 and year like once a year? Or anything like that?

16 DR. PEAVEY: No. We haven't yet.

17 MS. BUCHOLTZ: We haven't done that. No.

18 MR. JOE CAMPBELL: All right. Any other
19 questions? Don? Mike?

20 MR. MILLER: I just wanted to say I was
21 impressed with the flyer when I saw it in mine. I signed
22 up for this over a year ago, because, you know, and it
23 actually notified me.

24 We had a fill valve that went bad on the
25 toilet and I got notified like three days in a row that

1 you have exceeded your daily. You have exceeded your
2 weekly. Anyway, we fixed it right away.

3 (SPEAKING OVER EACH OTHER)

4 MR. MILLER: It works.

5 MR. LINNELL: Did you say it was generated
6 on Monday, Wednesday, and Friday?

7 MR. PITTMANN: No. The customer portal
8 users, I do. This continuous consumption, I will just
9 sit down at my desk and I will pull it up like -- like
10 anywhere within those five to ten business days.

11 So, like, tomorrow morning, if I go in, I
12 will just sit down. I have got to manually pull it. I
13 mean, I can have it automatically sent to me, like I do
14 the customer portal or the member portal users.

15 I can set it within that program to send
16 me a report automatically if I wanted to.

17 DR. PEAVEY: But as far as the work, you
18 would have to be there, not be out in the field doing --

19 MR. PITTMANN: Yeah. I will still sit
20 there and do a little.

21 DR. PEAVEY: You still have to go through
22 it manually to see it.

23 MR. PITTMANN: Yes.

24 MR. LINNELL: But the report, you can set
25 the report up to generate automatically and be sent to

1 you?

2 MR. PITTMANN: Correct. Yes.

3 MR. LINNELL: But looking at it --

4 MR. PITTMANN: Until I open it up and look
5 at it.

6 MR. LINNELL: So what we don't have is the
7 ability to analyze it --

8 (EVERYONE SPEAKING OVER EACH OTHER.)

9 MR. LINNELL: We can analyze it
10 automatically. We just can't do anything with it.

11 MR. JOE CAMPBELL: All right. Go ahead.

12 MR. KENNEDY: Did you have something, Ms.
13 Amber?

14 MS. BUCHOLTZ: So I just wanted to let you
15 know that I know in the last meeting that you guys
16 discussed the resolution that was passed at that November
17 2014 meeting. And so, I wasn't aware of it until it was
18 brought to my attention. But when I did the research on
19 it, I emailed our billing software.

20 And I had Nick reach out to our Census
21 Analytics software as well. Both said that that report
22 couldn't be generated.

23 DR. PEAVEY: Then. At that time.

24 MS. BUCHOLTZ: Well, at that time --

25 DR. PEAVEY: Not until this, yeah.

1 MS. BUCHOLTZ: Not before. Our portal
2 came into existence, I want to say, right around 2017.
3 Because I was -- I was new here with the company as well,
4 so I was excited about it.

5 And this, according to Census Analytics,
6 this was created exactly to do what the Board wanted
7 staff to do back in 2014 -- only by members. This is to
8 alert them when their usage goes over whatever alert they
9 set, so that they can receive an email.

10 And instead of getting that in the mail
11 where they are going, "Oh, my goodness. I had something
12 going on, because there is no way I used this much
13 water," they would receive an email alert.

14 Plus, if you think back what you did 30
15 days ago, it's kind of hard to remember, at least it is
16 for me.

17 So I am thinking, "Okay. Did I have
18 company" "Was I doing more cleaning that day?" And
19 those are all of the things we have to remind our
20 customers. Remember, your bill is for this period of
21 use.

22 What were you doing? Did you have a
23 toilet leaking? Because a lot of people don't realize
24 that if they have a toilet leaking, they could be losing
25 a lot of water. So a lot of it is just walking customers

1 through it.

2 But this is designed to do what you guys
3 requested staff to do, basically. Only members have to
4 do it themselves.

5 MR. JOE CAMPBELL: And if I -- so if a new
6 member comes to sign up, though, you actually put this
7 out?

8 DR. PEAVEY: Yes.

9 MS. BUCHOLTZ: We do. And, actually --

10 MR. JOE CAMPBELL: Is this in our welcome
11 packet or whatever?

12 MS. BUCHOLTZ: A lot of our -- almost all
13 of our service that we set up now is either done by the
14 online application which has been awesome. Or even when
15 they come to the office, because we are closed to the
16 public, we ask them to fill out an application and let
17 them know that once we have inputted the information,
18 they will be receiving a completed service agreement
19 along with documents that they really need to look at.
20 And the member portal is one of the documents that we
21 always email out.

22 MR. JOE CAMPBELL: Okay. All right. Any
23 other question to ask?

24 MR. KENNEDY: Yeah.

25 MR. JOE CAMPBELL: All right. Go ahead.

1 MR. KENNEDY: Amber or Mr. Pittmann, you
2 kind of alluded to the fact that you can see people like
3 logging on and logging on and checking and everything
4 like that.

5 You did a great job on the presentation --

6 MR. PITTMANN: Thank you.

7 MR. KENNEDY: -- by the way. And what I
8 was thinking, just as a recommendation, is Mr. Pittmann
9 do a video that is posted on the website of exactly how
10 you set up thresholds.

11 Because I think some people when they get
12 in, they get a little scared. So, you know, I don't know
13 whether to push this button, to push that button. I
14 don't know what that means. I felt comfortable doing it
15 in the vacation thing. Right on. Exactly.

16 DR. PEAVEY: And a suit for a purpose.

17 MR. KENNEDY: And you were very
18 comfortable up there, so I thought --

19 DR. PEAVEY: You did a very good job.

20 MR. PITTMANN: Thank you.

21 MR. JOE CAMPBELL: All right. Moving on.
22 Thank you very much. Any last -- Amber, you are good?

23 MS. BUCHOLTZ: I am good.

24 MR. JOE CAMPBELL: Okay. All right. Item
25 Number 4. Mr. Dunaway. Comments?

1 MR. DUNAWAY: Yes, sir. At the last Board
2 meeting, the Board asked staff to prepare -- to research,
3 prepare a letter to the Water Management District to get
4 clarification on the interpretation of the permit.

5 And so, a copy of that letter is in draft
6 and I wanted you to take an opportunity. I can go
7 through it with you to show you the questions that we are
8 proposing to ask the Water Management District.

9 So the overall issue to remind you is that
10 the permit and the Holley Navarre Water System's 20-year
11 policy regarding it has been -- it requires us to have in
12 place a rate structure which encourages the conservation
13 of water.

14 And so, for 20 years, Holley Navarre Water
15 System's policy has been the way we put that system in
16 place, there is not a penalty per se if you use water,
17 you know, not in conservative way, but rather that we
18 have a structure such that if you get water, you also pay
19 for sewer whether you have sewer connected or whether
20 that meter or whether that water is being used for sewer
21 or not.

22 For instance, if Director or President Joe
23 actually fills his pool, that water counts for sewer
24 also, because that's the process. And that kind of helps
25 you to conserve water or you pay for it, both water and

1 sewer. So that's been the 20-year policy. That's how we
2 have structured, we, the company, has structured its rate
3 system to comply with that.

4 So there are the three conditions that we
5 talked about and there was some discussion back on the
6 Board last month. It's 6, 8, and 9. And then, we lay
7 out what those are, and then, we lay out in there the
8 company's interpretation, i.e. how we interpret those and
9 how we have put those in effect.

10 Then, we go and we say -- we ask some
11 specific questions. Specific questions that the Board
12 had and that some of the members had raised and those are
13 in those six -- those six points. We provide a little
14 background because the context matters. And then, we ask
15 for a clarification.

16 So, for instance, we provide the
17 background on the very first one. We indicate that we
18 had the system that was set up to establish this
19 discounting water for filling of pools. And then, we
20 looked and we decided that that was in violation or that
21 was in counter to our conservation structure. And so, we
22 changed it.

23 So we asked the question. The
24 clarification we were asking is: Does the permit
25 condition allow this Board to establish a policy of

1 discounting water for pool fills or other similar
2 discounts, such as one-time discount for growing sod in
3 on new yard? Or would such a policy be a violation of
4 the spirit and intent of the condition of the permit?

5 So we are asking the question. Again, our
6 interpretation is that it would be in violation of the
7 spirit and intent. We are asking the Water Management
8 District to clarify.

9 Number Two, we are saying our -- the
10 company does not discount sewer charges for water that
11 does not make it back to the sewer system. Just like I
12 was explaining. And those come up in different areas
13 that we articulate there, A through D, pool fields, pools
14 for meters, splash pads, and then, domestic meters,
15 whether they are pressure washing, burning operation,
16 construction water, clean vehicles, boats, spigots, RVs.

17 And so, we simply ask: What is the
18 clarification? May sewer charges be discounted for water
19 not sent to the centralized sewer system for the
20 following meter types?

21 We don't do it. We are asking them if you
22 were to change that policy, would that be in violation of
23 the permit. And then, so forth. And I can go through
24 each of them, 3, 4, 5 and 6. But each of these are
25 either issues that were discussed by members before the

1 Board or that the members discussed or that we had --
2 your staff has had to address in the past year-ish,
3 right, two or so years.

4 And that's why put -- we put them all
5 together in this concise document so that we wouldn't be
6 bombarding the Water Management District with a whole
7 bunch of different questions and that we wouldn't -- we
8 would be providing them with background so they
9 understood why we were coming to them with this.
10 Understand that we are -- we are a member, as you know,
11 Fairpoint Water, it's the Fairpoint Water who has the
12 permit.

13 Other water companies also are members of
14 Fairpoint. And they have different rate structures and
15 they have different procedures. This is the procedure of
16 this company. And this is what we are seeking
17 clarification on. So that's what we have.

18 We can -- you know, I can take feedback
19 from you and modify, ask different questions, ask
20 additional questions, ask less questions, ask no
21 question. You tell me.

22 MR. JOE CAMPBELL: I think we need to ask
23 all of the questions. I know originally I thought it was
24 we already had something from Northwest Florida, but I
25 think this will answer all our questions. Because if you

1 remember last month, we rescinded a policy from 2013, so
2 we may need to go back, if it allows it. There may be
3 another discussion that we need that they come and say
4 something different than what we interpret so --

5 MR. LYNCHARD: And if I am not mistaken,
6 we were told -- the meeting where it was rescinded that
7 it was a violation of our permit to have that policy in
8 place. Not a violation of the spirit of it.

9 MR. LINNELL: I have a question --

10 DR. PEAVEY: It was the interpretation
11 that it was a violation of the permit. It was in the
12 interpretation.

13 MR. JOE CAMPBELL: I will get them to sign
14 off on their -- go ahead, Don.

15 MR. LINNELL: I have a question on Number
16 4, background, where it says our policy is for those
17 individual historic meters as another -- we charge for
18 sewer even though you may not have a physical sewer
19 connection to a sewer system before.

20 Am I reading that right? When we know
21 they are not connected to the sewer, we are still
22 charging sewer? Like there is no sewer at the house at
23 all? No sewer connection?

24 MR. SNYDER: So what that usually is for,
25 it's been for mostly a hydrant meter for construction.

1 If we gave them that hydrant meter and that facility is
2 going to be sewer, technically, the way that works is
3 it's a yard meter. We discounted the sewer.

4 MR. WELLS: It's a non-potable use of our
5 water, actually.

6 MR. SNYDER: Right.

7 MR. WELLS: So to discourage the use, we
8 charge a higher rate for that water --

9 MR. SNYDER: And also the sewer --

10 MR. WELLS: -- than what is charged for
11 the water to be used, to discourage use of it.

12 (EVERYONE SPEAKING OVER EACH OTHER.)

13 MR. MILLER: That's not an ongoing use;
14 right?

15 MR. WELLS: That's correct.

16 MR. SNYDER: That's correct. And it only
17 applies to very few accounts where that would be a
18 situation.

19 MR. WELLS: Right.

20 (SPEAKING OVER EACH OTHER.)

21 MR. JOE CAMPBELL: Did you get your
22 answer?

23 MR. LINNELL: I think so.

24 MR. JOE CAMPBELL: Go ahead.

25 MR. MILLER: My comment is going to be

1 that, you know, in our discussion last month, we were
2 told that, yeah, this is a violation of the Water Use
3 Permit because filling a pool is the same as a yard
4 meter.

5 And since then, I have kind of felt like
6 it's not a yard meter. It's not an ongoing use. It's a
7 one-time use. And the way the Water Use Permit says we
8 have to discourage, you know, non-potable use, we have to
9 encourage water conservation and our rate structure does
10 that.

11 There is a higher rate that someone pays
12 if they use more than 10,000 gallons. So we already have
13 a rate structure that discourages excessive use of water.
14 Now, maybe we can improve that rate structure such that,
15 you know, there is even more layers to it to where they
16 have from, you know, 1,000 to 5,000, there is a rate.

17 5,000 to 10,000, there is a rate. And
18 over 10,000. We might be able to improve that. But I
19 think as long as we are encouraging water conservation
20 through our rate structure, we are complying with the
21 Water Use Permit and it specifically excludes filling
22 swimming pools as a non-potable use that is allowed.

23 So I don't think -- I don't think it's
24 fair to our customers that we are charging them sewer to
25 fill a pool one time as long as it is documented and I

1 would like to get a clarification from Northwest Florida
2 Water Management on whether or not we have to change that
3 policy or whether or not we are allowed to go back to
4 doing that again.

5 MR. DUNAWAY: And that's Questions Number
6 1 and Number 2.

7 MR. JOE CAMPBELL: Right.

8 MR. DUNAWAY: And we do do more than the
9 \$10,000. The process is we also charge sewer for water,
10 so that is to further discourage --

11 MR. MILLER: But that is not fair for
12 somebody who is not putting water into our sewer system.

13 MR. JOE CAMPBELL: Okay. We, at least, we
14 will get -- Mike, do you have something?

15 MR. KENNEDY: No. I agree that this is a
16 great starting point in the sense that we will -- I am
17 hoping that they will want to actually weigh in on these
18 questions.

19 DR. PEAVEY: And be specific.

20 MR. JOE CAMPBELL: Did we tell them it
21 would be coming? Give them a heads up?

22 MR. DUNAWAY: We did not. We did not
23 reach out to the Water Management District without, you
24 know, doing it. If you know -- or those of you who
25 recall that Paul Thorpe came with the Director. He is

1 the person who is in charge of water resources.

2 We see him and talk with him on a basis,
3 and we will reach out to say, you know, give him a little
4 bit of context. I tried to make the letter contextual in
5 case, you know, that these become public records.

6 MR. JOE CAMPBELL: Thank you for that.

7 MR. DUNAWAY: Yes, sir. So the
8 authorization that I would seek would be your permission
9 to sign this letter, which I am prepared to do here. And
10 it will go out right away.

11 MR. LYNCHARD: I make a motion for Will
12 Dunaway to sign this letter.

13 MR. THIEL: I second.

14 MR. JOE CAMPBELL: Any discussion?

15 MR. MILLER: My comment is it's a
16 four-page, five-page, well, four pages that were printed.
17 I would have liked to have seen this before tonight. I
18 haven't even had time to read it all, but I will go along
19 with it, because I think we need to do it.

20 MR. JOE CAMPBELL: Okay. Any more
21 discussion?

22 (NO AUDIBLE RESPONSE.)

23 MR. JOE CAMPBELL: We have got a motion
24 and a second. All in favor say, "Aye"?

25 MR. MILLER: Aye.

1 MR. THIEL: Aye.

2 MR. LINNELL: Aye.

3 MR. LYNCHARD: Aye.

4 MR. KENNEDY: Aye.

5 MR. DABNEY: Aye.

6 MR. JOE CAMPBELL: Any opposed?

7 (NO AUDIBLE RESPONSE.)

8 MR. JOE CAMPBELL: All right. Please send
9 it and get clarification.

10 MR. DUNAWAY: Yes, sir.

11 MR. JOE CAMPBELL: All right. Item 5, CIP
12 Eglin Easement Acquisition. Mr. Dunaway?

13 MR. DUNAWAY: Yes, sir. I had a good
14 conversation with the legal office at the County and the
15 update for the Eglin Easement Acquisition, the letters
16 all went out. They all went Certified Mail.

17 On 8 of the 12 letters had the green cards
18 returned. And this, I am speaking to you as of one week
19 ago today.

20 MR. JOE CAMPBELL: What's the green cards?

21 MR. DUNAWAY: The green cards when you
22 send Certified Mail.

23 MR. JOE CAMPBELL: I got it.

24 MR. DUNAWAY: It's a certification that it
25 was received. Two of them had come back the day that I

1 called and was talking. So it is possible that the
2 others have come back.

3 One individual had already contacted the
4 County Attorney's Office and was asking just some
5 follow-up questions and had already engaged their own
6 appraiser, so they were looking to have their -- so they
7 could have their own, which makes a lot of sense. And
8 there was some anticipation that we would be hearing back
9 on a price.

10 Otherwise, we have not heard from -- the
11 County Attorney's Office had not heard from anyone who
12 was, you know, saying, "Yes. Send me a check." But,
13 again, that's where the process was as far as what is out
14 there.

15 The next step, of course, is that we hope
16 some of them, all of them will say, "Yes. Send me a
17 check." And if that's the case, then we need to have the
18 funds available to send them.

19 That's the number that you see on the
20 minutes under \$19,400. That's the total appraised value
21 of all the easements which went out to individuals with
22 letters requesting or notifying them of this process.

23 So, again, they can come back with a,
24 "Yes. I will accept that amount. Please send it. And
25 let's do a closing."

1 that, you know, we had three people who are waiting on
2 their check. That's not the case tonight.

3 But I don't know that in the next month,
4 it might not be at some point.

5 MR. THIEL: What's the percentage, Dallas,
6 that we are going to get back? Do you know off the top
7 of your head?

8 DR. PEAVEY: If you hadn't asked me, Bill,
9 I could have told you. Daryl, do you remember?

10 (EVERYONE SPEAKING AT THE SAME TIME.)

11 MR. LYNCHARD: I think 60. It's 56/44.

12 DR. PEAVEY: 56/44. Yeah.

13 (SPEAKING OVER EACH OTHER.)

14 MR. JOE CAMPBELL: My question, really, to
15 the finance folks is we have this in the bank and this is
16 dedicated to --

17 DR. PEAVEY: For the Eglin project.

18 MR. JOE CAMPBELL: -- for the Eglin
19 project, CIP.

20 DR. PEAVEY: Yes, sir.

21 MR. LYNCHARD: I do have a question.

22 Mr. Dunaway, will we put it -- do we need
23 to put the \$190,000 in your escrow account --

24 MR. DUNAWAY: No.

25 MR. LYNCHARD: -- or in the County escrow

1 account?

2 MR. DUNAWAY: Director Lynchard, that
3 actually had not been determined. Mr. Dannheisser was
4 very clear that he wanted Holley Navarre to handle this
5 process, because he didn't have the staff and -- to be
6 able to do it. And so, the details of that process,
7 but -- are not known.

8 But here is what we do know. And that
9 is -- let's say that none -- we hear back from none of
10 these individuals. That at some point, the County, and
11 this will be the County's decision, I would assume that
12 at some point you would, you know, make a recommendation,
13 if they hadn't made that decision.

14 But the process allows us to on Day 30 to
15 file the complaint. Now, I think they are probably going
16 to want to wait longer than the 30 days because they are
17 going to want to try to -- let's try and work this out.

18 But at some point, let's assume that we
19 don't hear from any of them. The way that works is that
20 we would file the complaint -- and then, I say, "We,"
21 the County would file the complaint that we prepared.

22 And at that time with that filing, we have
23 to also deposit into the registry of the court the good
24 faith estimate for that property that we are taking,
25 which is this figure.

1 So, you know, if we were told on Day 31,
2 "Hey, let's go. Giddy-up." Then, we are going to need
3 that -- those funds to deposit into the registry of the
4 court, not into a legal escrow account.

5 MR. LYNCHARD: I guess that was my
6 question. Could the check come from Holley Navarre Water
7 System? Or was it necessary for it to come from Santa
8 Rosa County since technically Santa Rosa County is the
9 one that's requiring the lease.

10 MR. DUNAWAY: The Clerk of Court will not
11 care.

12 MR. LYNCHARD: Okay.

13 MR. DUNAWAY: Once it's in the court's --
14 once it's in the Clerk's funds, then, it will be -- it
15 will be designated for this case number. And they won't
16 care where the funds came. We will want to maintain a
17 receipt so we can turn it into the County, but it won't
18 matter from a legal perspective.

19 MR. MILLER: What if someone plays hard
20 ball and says, "Okay. We are not selling. We are
21 getting our own attorney. We are going to do this."

22 What is the timeframe, you know, how long
23 can they drag this out?

24 MR. DUNAWAY: Oh, again, again, the
25 process -- this process is the quick take process of the

1 eminent domain. And so, the process is on Day 30, after
2 they receive the notice, they have to have 30 days, but
3 after that, then we could file the suit. There is no
4 dragging it out.

5 The question is: How long will the County
6 want us to continue to work to negotiate before they
7 authorize the filing of the lawsuit.

8 So -- and, again, understand that hiring
9 an attorney, playing hard ball, going, you know, the
10 process, you know, is very variable to the property
11 owners.

12 I mean, we are talking about a jury trial
13 of 12. I mean, that's -- very few things have that. But
14 that's who determines value. But that does not stop the
15 transfer of the property interest.

16 The property interest occurs upon the take
17 order, which, as long as the County proves that there is
18 a public project and that public project is needed by the
19 County, then, unless there is some extraordinary
20 circumstance, that we would expect a Circuit Judge to
21 grant the Order of Take.

22 And upon the Order of Take, the -- we
23 would start processing deeds. We would start processing
24 easements and that would -- then the project would go
25 forward. Then the legal process of determining

1 value could take years.

2 MR. MILLER: Right.

3 MR. JOE CAMPBELL: Okay. So it says
4 approve it. What do you want us to do?

5 MR. DUNAWAY: All I am looking for is the
6 Board to acknowledge and know that this is the number
7 that is the appraised value of the property. And these
8 funds should be available if we were given the
9 determination to file a lawsuit, we would need all of
10 them.

11 If someone, like, for instance, let's say
12 the church, for instance, said, "Okay." Then, we would
13 need \$25,000.

14 MR. JOE CAMPBELL: Got it. Because it's
15 over the CEO spending limit.

16 Go ahead, Mike, make a motion.

17 MR. KENNEDY: I make a motion to provide
18 \$119,400 available for easement acquisition.

19 MR. LYNCHARD: Second.

20 MR. JOE CAMPBELL: Any other discussion?

21 MR. MILLER: Should that be an up-to
22 number, as opposed to the --

23 DR. PEAVEY: Yeah. \$119,400. Beyond
24 that, we need to come back.

25 MR. MILLER: Well, but if somebody says,

1 "Okay. Yeah. Send me a check." Then, it would reduce
2 that amount of money that would have to go to the court.
3 Correct? Because that one parcel is already agreed. We
4 are not -- am I understanding that correctly or not?

5 MR. DUNAWAY: Let's say, for instance,
6 somebody came in and said, you know -- and I don't think
7 there is one like this, but let's just say \$9,400, then
8 we would only deposit \$110,000.

9 MR. MILLER: Right.

10 MR. DUNAWAY: Because we would have
11 already taken care of that parcel. So the only
12 question -- the only time it would go over that would be
13 if someone who -- let's say the church came back and
14 said, "25 seems a little low. We will take 28."

15 That might be something -- and that would
16 have to be something that we would negotiate and agree.
17 And if that was something that you agreed to, then we
18 would have to -- we would spend a little bit more than
19 that.

20 MR. KENNEDY: But right now --

21 MR. MILLER: But if we each reach that
22 agreement, then that money would not go into the escrow.
23 It would go to that particular property owner; correct?

24 MR. DUNAWAY: Correct.

25 MR. MILLER: Right?

1 MR. DUNAWAY: Right.

2 MR. THIEL: \$119,400 covers -- would be
3 allocated to cover the easements. Period. Regardless of
4 where the money goes.

5 DR. PEAVEY: Yes.

6 MR. THIEL: If it goes to the individuals,
7 because they agreed right away, it comes out of there and
8 it goes to the court. They only get what is left.

9 MR. DUNAWAY: Right. And the only time it
10 would be more is if you agreed to pay someone more than
11 the appraised value.

12 MR. THIEL: You would just come back to
13 the Board for that; wouldn't you?

14 MR. DUNAWAY: Right.

15 MR. THIEL: Okay.

16 MR. JOE CAMPBELL: Okay. Motion and a
17 second. Any other discussion?

18 (NO AUDIBLE RESPONSE.)

19 MR. JOE CAMPBELL: All in favor say,
20 "Aye"?

21 MR. MILLER: Aye.

22 MR. THIEL: Aye.

23 MR. LINNELL: Aye.

24 MR. LYNCHARD: Aye.

25 MR. KENNEDY: Aye.

1 MR. DABNEY: Aye.

2 MR. JOE CAMPBELL: Any opposed?

3 (NO AUDIBLE RESPONSE.)

4 MR. JOE CAMPBELL: Motion carries.

5 Okay. Item Number 6. CEO Appraisal. You
6 should have got the email. And Emerald has packets
7 there. It's a big old thing like this.

8 We owe it to our CEO to give some
9 feedback. So at the very back of that, there is a whole
10 lot of finance in there, but at the very back of that,
11 there is a proposal that the HR folks put together for
12 CEOs.

13 So what I would ask the Board to do is
14 look through that, submit any notes you have. We might
15 be able to get it to you in Word document so you can make
16 changes on your computers. Get it back to me to compile.
17 And then, once we all agree that's what it is, obviously,
18 sit down with the CEO, get the buy-in, there it is. And
19 then, we can move forward.

20 And then, at some point, the Board will go
21 ahead and individually appraise that. We will get
22 together with a closed meeting. And the president gets
23 the honor of sitting down and presenting our views on the
24 performance to the CEO.

25 MR. LYNCHARD: So will we all have a -- I

1 guess we all have a Board meeting?

2 MR. JOE CAMPBELL: We will get to -- you
3 will be able to -- everybody will rate individually.

4 MR. LYNCHARD: All right.

5 MR. JOE CAMPBELL: Then, I will collate
6 them all together.

7 MR. LYNCHARD: Okay.

8 MR. JOE CAMPBELL: I will rate a 1. You
9 will rate a 10. That means a 5. Whatever.

10 MR. LYNCHARD: Will we come together and
11 do that?

12 MR. JOE CAMPBELL: We will all sit
13 together and be all collective and then --

14 MR. KENNEDY: I guess my question is --
15 are we only --

16 MR. JOE CAMPBELL: No. If there is
17 anything else that is not in there, because there are
18 some percentages in there that you may not agree with
19 or --

20 MR. KENNEDY: Right. I guess my question,
21 though, is -- are we only giving feedback to the
22 questions? Are you actually wanting to do an evaluation
23 in the middle of the year?

24 MR. JOE CAMPBELL: Well, first of all,
25 until we all agree that that's the -- what we are doing,

1 because we owe it to the CEO. He should be able to look
2 at it and say, "Yeah. You know, that is a fair
3 assessment." Not the rating, but what I am being rated
4 on.

5 MR. KENNEDY: There you go. That's where
6 I am making sure we are agreeing that we are --

7 MR. JOE CAMPBELL: 100 percent performance
8 is -- 95 percent, or whatever the case may be, so,
9 really, I am looking for the Directors' feedback to put
10 together on what HR started, and then, we all agree on
11 that, and then --

12 MR. KENNEDY: And then, you will meet with
13 the CEO to make sure --

14 MR. JOE CAMPBELL: Right. Here is what
15 we --

16 MR. KENNEDY: -- agreed.

17 MR. JOE CAMPBELL: And then, we will --
18 this is all based on job description and contract.

19 MR. KENNEDY: Yeah.

20 MR. LYNCHARD: Okay. Wait. Wait a
21 second. So are we going to -- we are going to do our
22 part individually on these?

23 MR. JOE CAMPBELL: Right.

24 MR. LYNCHARD: We are going to send them
25 to you?

1 MR. JOE CAMPBELL: Right.

2 MR. LYNCHARD: And then, once you have
3 compiled them, we, as the Board, are going to have a
4 meeting?

5 MR. JOE CAMPBELL: Check.

6 MR. LYNCHARD: Okay. So it's not that
7 once this is compiled --

8 MR. JOE CAMPBELL: You are not rating --
9 you are not rating him now. You are looking at what HR
10 put together.

11 MR. LYNCHARD: Exactly. Exactly. But
12 that's not what --

13 MR. THIEL: We are rating the rating
14 checklist, and once that is done, then we will all get
15 together.

16 (SPEAKING OVER EACH OTHER.)

17 MR. MILLER: We are going to provide
18 feedback on what we think the criteria should be?

19 MR. THIEL: Yeah.

20 MR. JOE CAMPBELL: Based on the job
21 description and what HR put together.

22 MR. THIEL: Yeah.

23 MR. KENNEDY: Yeah.

24 MR. JOE CAMPBELL: Okay. How is next
25 Tuesday to meet? Not enough time?

1 MR. KENNEDY: Yeah. Can we go one more
2 week out?

3 MR. JOE CAMPBELL: Okay. Two weeks from
4 today?

5 MR. KENNEDY: Yeah.

6 MR. JOE CAMPBELL: Whatever that is --
7 because of Memorial Day Weekend. Right?

8 MR. LYNCHARD: Uh-huh.

9 MR. JOE CAMPBELL: How about 1 June?

10 MR. KENNEDY: Yeah.

11 (SPEAKING OVER EACH OTHER.)

12 MR. KENNEDY: At what time do you think it
13 will be? 6:00 o'clock or in the morning?

14 MR. THIEL: It will be a noticed meeting.

15 MR. KENNEDY: Well, we are shooting for --

16 MR. JOE CAMPBELL: Are you saying it for
17 the meeting?

18 MR. KENNEDY: 1 June. Yeah.

19 MR. JOE CAMPBELL: I was asking to -- just
20 so I can collect it.

21 MR. KENNEDY: Oh, so our delivery date for
22 our actions on these --

23 MR. JOE CAMPBELL: If you can have it to
24 me by next Tuesday, then we can look at a 1 June meeting.

25 MR. MILLER: That's fair enough.

1 MR. JOE CAMPBELL: All right. Let's do
2 that, then. So next Tuesday.

3 (SPEAKING OVER EACH OTHER.)

4 MR. LYNCHARD: Even if we are going to do
5 this, do it this way, send it all to you, can we get --
6 can staff email us the packages so we can --

7 MR. JOE CAMPBELL: I am sure that
8 Emerald -- do you think Dallas and staff would be able to
9 get us the Word documents so we can make any changes on
10 them?

11 DR. PEAVEY: I can talk to HR and make
12 sure. I haven't seen it, so --

13 MR. JOE CAMPBELL: All right.

14 Okay. Engineering report.

15 MR. SNYDER: I am going to fill in for
16 Phil. So on your first page for water loss, you see that
17 it's about 8.1 percent, which has been pretty consistent
18 with the past months.

19 Then, over to the plant operations page,
20 I&I, let's see -- I don't know if y'all have this --

21 MR. THIEL: We had I&I in there --

22 MR. SNYDER: Well, I&I was pretty much
23 break even this month. It was about a negative 7,000
24 gallons for the total month. That is probably accounting
25 for lack of rain and any kind of infiltration. So it

1 just didn't show up. But that's also probably
2 contributing from some work that has been done over the
3 last six months. I think we have seen a decrease in I&I
4 overall.

5 There is still a little bit of the issue
6 there, but only dry months like this, it is just not
7 going to show its head anymore.

8 MR. WELLS: We did have a short spot after
9 that heavy rain, but it was brief. And it seems like it
10 was close to the plant, so we are moving forward with
11 clearing easements there in Woodlawn so we can access
12 that gravity sewer system back there. And we anticipate
13 we are going to find some issues there that need to be
14 corrected and negate those spikes of influx. That's what
15 we are hoping for.

16 MR. SNYDER: Yeah. Fingers crossed.

17 MR. MILLER: The water loss, I know in the
18 past months we have, before we had some water line breaks
19 and things like that, and that's where a lot of the water
20 loss came from, but we are still at 8 percent and total
21 water loss was 13. So I am just a little bit concerned
22 that the numbers --

23 MR. SNYDER: Well, the true number is 8
24 percent. The open items are our own accounts, so like
25 the wastewater treatment plant or lift stations and

1 things like that, so it was actual water use, so that was
2 not lost water.

3 But that 8.1, that is pretty standard.
4 7 is really good. I don't know if there was a big leak
5 this month. Was it?

6 MR. WELLS: Cory, we had --

7 MR. SYNDER: There was some small leaks,
8 but it wasn't a major one.

9 MR. MILLER: What do we shoot for?

10 MR. SNYDER: 7.

11 DR. PEAVEY: 7 or below is what we shoot
12 for. On this 8.1 percent, one of the things that Clinton
13 and his team are going through now is taking a look at
14 each and every one of the meters on the wells, determine
15 if those are correct.

16 We did fine on -- was it --

17 MR. WELLS: Fairpoint had two well meters
18 that were acting up. We have been -- we have a device
19 that cost us quite a bit of money, but we put it on there
20 and check calibration of the meters. And the one we had
21 before was out of date, couldn't be updated, and, of
22 course, with everything going on, it took us several
23 months to get this new one in. And we just received it
24 last week, so they are up there checking some of the
25 meters now.

1 We have found two that are faulty, kind of
2 a parameter more than what we like them, so we are
3 correcting those issues. We will work our way down here
4 to Holley Navarre and check a couple down here that are
5 suspect and then, we will probably tighten the numbers up
6 even more.

7 MR. THIEL: Could we make sure we get the
8 I&I as part of our packages in future months?

9 MR. SNYDER: So the report can't be done
10 until bills are released and that's on the 10th, so it's
11 usually made on the 10th. I was out until this past
12 Monday. That's why you didn't get them.

13 MR. THIEL: Okay. But we have been
14 getting them every month except for the last two, so I
15 just kind of --

16 MR. SNYDER: We will get it.

17 MR. THIEL: Okay. Thank you.

18 MR. JOE CAMPBELL: Okay. Anything else?

19 MR. SNYDER: Development projects, that is
20 a tough one, so it's been busy for future projects.

21 MR. MILLER: Job security.

22 MR. SNYDER: Until they are completed.

23 MR. MILLER: Yeah.

24 MR. JOE CAMPBELL: Okay. Member Forum.

25 Mr. James Dabney?

1 MR. DABNEY: I feel like Emerald --

2 (PASSING OUT PAPERS TO BOARD)

3 MR. DABNEY: James Dabney, 8495 Highway
4 98, Navarre Parkway. I come before you guys tonight
5 asking to figure out how we have come to the conclusion
6 that I do not have taps on property that was purchased
7 on -- in 2014.

8 I have spoken with Dallas, several other
9 people, trying to figure out, Emerald, and they have
10 informed me that my taps on the property were removed
11 and -- I think 2008 was the date that I was told.

12 I have previously spoken to the previous
13 owner of the property, which was the Pullums. And
14 purchased the property with the assumption that those
15 meters were there, being that he said they were there.

16 So I come in front of the Board tonight to
17 find out what is going to be done to get these taps put
18 back in.

19 I gave you the service orders that were
20 presented to me in an email -- showed that in that
21 service order, the meter was to be pulled. Nowhere in
22 that meter -- or in that form does it say that taps are
23 to be removed.

24 I gave you a note or letter from Bart
25 Pullum stating that those taps were there on the property

1 from him. And that they had never given permission for
2 those taps to be removed. And I wrote a letter that says
3 that I never gave those -- permission for those taps to
4 be removed.

5 So I come before you guys to tell me where
6 the taps are.

7 MR. JOE CAMPBELL: So you purchased in
8 2014 and was it -- was Bart Pullum the owner or was it
9 his dad?

10 MR. DABNEY: They were the owners. They
11 were a corporation.

12 MR. MILLER: Do you know why the taps were
13 removed? Does anybody have any background or history on
14 why the taps were pulled?

15 DR. PEAVEY: All we have, Mark, is a copy
16 of the service order that September 16, 2008, a
17 technician went out and pulled those and removed those
18 because it said it was a vacant lot.

19 MR. LYNCHARD: But do we normally pull
20 taps on vacant lots?

21 DR. PEAVEY: I can't tell you what
22 happened in 2008. The only thing I can tell you is what
23 is in the copy that I have.

24 MR. LYNCHARD: We wouldn't do that today;
25 right?

1 MR. WELLS: We would not, not that I am
2 aware of. I would not.

3 MR. SNYDER: You can't --

4 MR. WELLS: No. The only thing I can add
5 to what little bit of history that I have been told about
6 is the line over there had to be relocated due to a
7 traffic signal. And after the line was removed,
8 apparently it was in the portion that might have had the
9 sewer tap attached to it.

10 And with commentary from Ken Walker --

11 DR. PEAVEY: Yesterday.

12 MR. WELLS: Yeah. He was in touch with
13 somebody and someone said apparently it was going to be a
14 parking lot so nothing there was reestablished.

15 DR. PEAVEY: The discussion with Mr. Ken
16 Walker yesterday said they were notified that the
17 property was going to be a parking lot and that the meter
18 was being pulled. He said they will take the meter out
19 and disconnect it and not put it back unless there was a
20 reason for it to be valid -- with the intent that it was
21 never going to be used again.

22 That's what he was told and that's why
23 they did that.

24 MR. DABNEY: Going back to exactly what it
25 says. It says the meter. It does not say it is a tap.

1 The taps are not to -- you don't take
2 something out that you don't own. The owner of the
3 property owns the taps, whether it's myself or any other
4 member on this -- in this system.

5 The member pays for the taps. The members
6 pays for the installation of those taps. Therefore, that
7 property is -- the taps belong to the property and the
8 member who owns that property.

9 MR. KENNEDY: Mr. Dabney, so you are
10 asking for the taps to be --

11 MR. DABNEY: I want the water -- the taps
12 to be reinstalled and let me set up the account for the
13 meter to be hooked up.

14 DR. PEAVEY: Were they -- but the taps
15 weren't there when you bought the property in 2014.

16 MR. DABNEY: The taps were there according
17 to Bart Pullum.

18 MR. KENNEDY: It couldn't have been.

19 DR. PEAVEY: It says it was taken out in
20 2008.

21 MR. DABNEY: Who does?

22 DR. PEAVEY: It says that the meter --

23 MR. DABNEY: Meter? There is a
24 difference --

25 (SPEAKING OVER EACH OTHER.)

1 DR. PEAVEY: The meter and the tap was
2 taken out in 2008. Because it was a parking lot and it
3 was --

4 MR. DABNEY: Nowhere on this service order
5 that you read from, Mr. Peavey, does it say -- anywhere
6 on here does it say to remove the tap.

7 Nowhere on this service order does it say
8 that.

9 MR. KENNEDY: Mr. President --

10 MR. JOE CAMPBELL: Go ahead.

11 MR. DABNEY: It's a contradicting
12 statement.

13 MR. KENNEDY: I mean, obviously, we are
14 just looking at this.

15 MR. DABNEY: Right.

16 MR. KENNEDY: Is this where we can have
17 staff provide us with information and/or back-up and/or
18 recommendation?

19 I mean, I wouldn't -- I don't feel that
20 there is any information for me to be able to make a
21 decision one way or the other right now. I mean, I just
22 have your side of it, so --

23 MR. DABNEY: You have got a service order
24 in front of you. You have got a statement from
25 Mr. Walker. The two contradict each other.

1 They do not say, "Take the tap out."

2 It says, "Remove the meter." So unless
3 Mr. Walker can remember 14 years ago or 20 --

4 (SPEAKING OVER EACH OTHER.)

5 MR. DABNEY: If he can remember 14 years
6 ago, but we can't remember 30 days for some of the stuff
7 that we do, there, I have a problem.

8 MR. DUNAWAY: So who is Mr. Walker?

9 DR. PEAVEY: He was the previous General
10 Manager.

11 MR. THIEL: It says, "Pull meter at MRU
12 station." What is that?

13 MS. BUCHOLTZ: MS --

14 MR. THIEL: MSU. What is that?

15 DR. PEAVEY: That is the metering device.

16 MR. THIEL: Okay.

17 MR. LINNELL: Well, aside from
18 something -- comments from Mr. Walker, this sheet that we
19 were given, Dallas, I don't know if you got a copy or
20 not. Is this --

21 DR. PEAVEY: I don't have a copy. I don't
22 know what it is.

23 MR. DABNEY: This is the one that you
24 emailed me, what I received, the email.

25 MR. LINNELL: Is this the only thing we

1 had in our system?

2 DR. PEAVEY: Yeah. You have all this
3 information.

4 MR. THIEL: Yeah. He tells us that in our
5 packet.

6 MR. KENNEDY: Okay. It's in the Manila
7 folder.

8 MR. MILLER: You know, normally, when you
9 have a member forum and a customer come to us, our
10 position as a Board is to ask staff to, you know, provide
11 us with more information before we make a decision.

12 So while I am inclined to think that there
13 were taps there before, Holley Navarre Water System owes
14 you taps if they were pulled for a valid reason or
15 whatever reason they were pulled.

16 If the customer didn't ask for them to be
17 pulled, then, you know, I am inclined to think we should
18 put them back. But I am not going to make that decision
19 not having all the information, so --

20 MR. DABNEY: Well, that was the whole
21 point of me trying to get this done before I got on the
22 Board. And then, everything that I got from engineers,
23 from staff, from Dallas, you know, it's just -- you know,
24 "Hey, we are just -- this is what you have got to do."

25 No. This isn't what we have got to do.

1 You bring it in front of the Board. You bring it in
2 front of us. And you say, "Hey, this is the problem."

3 And then, I come to you as a member to ask
4 you to fix the problem. And I think over the past three
5 months that I have been at these meetings, there has been
6 a problem every single time. And all we do as a Board is
7 give it back to the staff

8 What are we here for, guys? Are we here
9 to make decisions? If we are a Board and we are here to
10 make decisions, then, damn, make a decision.

11 Don't kick it down the road to the next
12 person. Oh, back on the road again.

13 MR. JOE CAMPBELL: We have to do due
14 diligence of what it is. You got an email from --

15 MR. DABNEY: I understand.

16 MR. JOE CAMPBELL: -- Bart who says, "We
17 believe they were still in place." You bought the
18 property six years after. Was there any -- you say that
19 they were there, but you didn't check. You didn't know
20 they were there. Right?

21 MR. DABNEY: Well, let's put it this
22 way --

23 MR. JOE CAMPBELL: I would rather give you
24 the benefit of the doubt and do the due diligence and
25 look through the package we just got from staff and we

1 just got from you, as opposed to make a hasty decision
2 one way or the other.

3 MR. DABNEY: Let's put it this way, on at
4 least five different occasions, five different occasions,
5 employees from Holley Navarre Water come out looking for
6 that tap. So if they had documentation in 2008 that said
7 that tap was removed, don't send nobody out.

8 Because you just wasted a whole lot of our
9 money. On at least five different occasions. That tap
10 is there. That tap is there. Guess what, guys? It
11 ain't there.

12 MR. KENNEDY: Well, I mean, if -- Dr.
13 Peavey, if I am looking at this now, the correct
14 documentation you have laid out, Mr. Dabney, the next
15 steps --

16 DR. PEAVEY: Yes.

17 MR. KENNEDY: -- too -- so we are not
18 going to perform any work for commercial developments,
19 blah, blah, blah, blah, blah.

20 Mr. Dabney, the steps that were laid out
21 by Dr. Peavey, you -- again, since we are just now
22 looking at this, you find them -- that you cannot comply
23 with the next steps?

24 MR. DABNEY: It has nothing to do with the
25 next steps. I don't have to do the next steps if the

1 existing. Correct? So now, when something doesn't
2 exist, you have to now follow a process to put one back.

3 MR. SNYDER: You have to get a permit
4 through DEP and all that for sewer, engineer.

5 MR. KENNEDY: Okay.

6 MR. DABNEY: It's a good thing that we
7 have got our own engineering company. You save a lot of
8 money.

9 MR. KENNEDY: So, I mean, again, it looks
10 like --

11 MR. DABNEY: You are looking at \$20,000 if
12 you had to go through the steps of everything that they
13 are looking for -- site plans, this, that --

14 DR. PEAVEY: That we would require from
15 any other customer.

16 MR. THIEL: And then, if we were going to
17 put it back in, we have to do it.

18 DR. PEAVEY: If we did it.

19 MR. THIEL: Yeah. If we decide to put
20 them back in, we have to --

21 MR. JOE CAMPBELL: So do we have any
22 record before 2008 when this service order was -- any
23 customer service record that they have ever used water or
24 had water?

25 DR. PEAVEY: No.

1 MR. MILLER: That's where Trader Vic's
2 was; right?

3 MR. DABNEY: No. That's Captain Bubba's.
4 There's multiple taps that I will come back at a later
5 date and I am going to get those taps, too, because
6 there's multiple taps that belong to that piece of
7 property under multiple different addresses.

8 It ain't just before that they are saying
9 that is you. There are several other addresses that had
10 taps --

11 DR. PEAVEY: All we have is the service
12 order, then the discussion with the previous General
13 Manager. We don't see anywhere in our records that it
14 was used prior to that -- or certainly after that period
15 of time.

16 MR. JOE CAMPBELL: So we don't have any
17 customer --

18 DR. PEAVEY: -- so that would be 2008
19 until Mr. Dabney bought the property in 2014. There was
20 certainly no taps there. Nobody -- no use for them.

21 MR. JOE CAMPBELL: Before 2008, was
22 there -- how far do our records go? What was there? I
23 don't know what was there.

24 MR. DABNEY: The hurricane took out that
25 building in --

1 MR. SNYDER: 2004-05.

2 MR. DABNEY: -- 2004. And it sat vacant.
3 It sat vacant for -- I don't know how long was it
4 destroyed.

5 MR. THIEL: Do we have any records that
6 indicate that we had provided water and sewer to that
7 site before 2004? Or do we go further than that? That's
8 way back there.

9 DR. PEAVEY: Yeah.

10 MR. KENNEDY: Is there a --

11 MR. MILLER: If there was a restaurant in
12 operation there, we were obviously providing water and
13 sewer.

14 MR. DABNEY: Well, the sewer -- the sewer
15 actually -- the sewer tank is still sitting there, still
16 sitting there.

17 MR. KENNEDY: I mean, Mr. President, I
18 would ask Legal here if --

19 DR. PEAVEY: Would you review this, Legal
20 Counsel?

21 MR. KENNEDY: Have you taken a look at
22 this? I guess the question is what we have is a member
23 is stating his taps are gone, and now, there needs to be
24 a process to get them back.

25 And I don't feel that we should be making

1 that decision right here right now. I mean, I have no
2 clues if there are any legal ramifications, whether we
3 are taking on the burden. Do you have any sage advice?

4 MR. DUNAWAY: So if the question is, is
5 the company responsible for replacing taps from a legal
6 perspective? I mean, commercial property is sold caveat
7 emptor, right, buyer beware. So the question is that
8 were there taps there in 2014?

9 If the -- the question then becomes if
10 they were, how -- who removed them between 2014 and
11 today? The company has no record of removing taps since
12 2014.

13 MR. DABNEY: Or 2008.

14 MR. DUNAWAY: The question then becomes
15 did the company illegally trespass upon someone else's
16 commercial property and remove their tap?

17 I don't know the answer to that. There is
18 no evidence that indicates that that's the case.

19 Mr. Dabney is asking for the company to replace private
20 taps that were on commercial property that he bought and
21 he stated when he started that he purchased the property
22 in 2014 with the understanding that the taps were in
23 place.

24 If he has now determined that the taps are
25 not in place, he has a legal recourse to the seller of

1 the property or he can come before the Board, as he has
2 today, and ask you to do him a favor.

3 MR. MILLER: But don't we have a record of
4 every tap and the ERUs that they paid to get that tap for
5 commercial property? Isn't that a part of our
6 recordkeeping or not?

7 MR. DABNEY: Yeah. It states right here
8 in the paperwork that I was provided that property -- and
9 I don't have my glasses -- but back in 1997, it was a tap
10 for -- it was a \$1,000 tap paid on that property and the
11 property adjacent to it as a 230-C tap fee.

12 MR. LYNCHARD: I mean, I think if we took
13 it out and we don't have a signed work order, we should
14 put them back. And I don't think that -- this is one of
15 those things that is kind of like another one we had in
16 the past where we really got the wrong person up there
17 having a complaint -- because it's a shame it's a Board
18 member -- but if any other member of this system has the
19 same problem, I think we should do something for them as
20 well.

21 We can't just pull a tap. Everything that
22 we have ever been told up here is that the taps stay with
23 the property. That's why whenever you move a restaurant
24 from here to over there, you can't move that tap fee.
25 Because that tap stays there.

1 So if, you know, obviously, I think if the
2 tap has been removed, I don't know that anybody other
3 than Holley Navarre Water System could have removed it.
4 And if we did indeed remove it, then we should have a
5 piece of signed paperwork saying so.

6 MR. KENNEDY: Well, Daryl, I mean, the
7 only paperwork we have is that we pulled a meter. We
8 didn't say we pulled the tap. Right? So why do we
9 assume that we pulled -- why would we take on the
10 assumption and the liability?

11 MR. DABNEY: Go back to --

12 MR. LYNCHARD: How can you pull a tap?

13 MR. DABNEY: Go back to what was said
14 previously, Mike, where a new line had to be installed.
15 Well, that new line gets installed, you reinstall the
16 tap. You just don't install the line.

17 MR. KENNEDY: Okay.

18 MR. JOE CAMPBELL: And, obviously, this
19 Mike and Ellen Barr (phonetic) is long since gone. We
20 have no clue to who they are back in 2008?

21 DR. PEAVEY: No.

22 MR. JOE CAMPBELL: So we are trying to
23 solve sins of the past.

24 MR. DABNEY: Who was on the Board at this
25 time in 2008?

1 MR. LYNCHARD: James.

2 MR. JOE CAMPBELL: But the other question
3 I have, because somewhere along the line, it was -- did I
4 not hear somewhere that there was a construction in 98?
5 Did Cory or somebody mention that?

6 MR. SNYDER: Clinton.

7 MR. WELLS: From what I understand, there
8 was a construction on 98 put to a red light.

9 MR. SNYDER: That red light.

10 MR. JOE CAMPBELL: So --

11 MR. WELLS: 87 used to go down. It didn't
12 have a light. It didn't go straight through like it does
13 now. And there were stop signs at each end.

14 MR. JOE CAMPBELL: So they were supposed
15 to have construction plans and permits and everything to
16 do that. Would there not be something in the County
17 records that said this was -- there was a line there it
18 had to be removed?

19 MR. DABNEY: That traffic light is still
20 there.

21 MR. JOE CAMPBELL: No. No. I know.

22 MR. DABNEY: The traffic light popped
23 where the ground structure --

24 MR. WELLS: DOT probably has some type of
25 records, the plan they did back in the day.

1 MR. JOE CAMPBELL: All right. I am kind
2 of like Mike. I want to delve into it a little more to
3 do the right thing. I get what Legal is saying. You
4 purchased a commercial property as is. The fact that
5 Mr. Pullum says that they believed they were still in
6 place when he sold the property --

7 MR. LINNELL: He says he did not ask him.
8 He did not ask for it to be removed. So to their
9 knowledge --

10 MR. JOE CAMPBELL: 2008, that is what, 13
11 years ago?

12 MR. KENNEDY: Would taps only be removed
13 by the Water System? By Holley Navarre Water System?

14 MR. JOE CAMPBELL: I just want to be fair
15 to --

16 MR. WELLS: Yeah. If we weren't doing the
17 work, but it's our lines, and the contractor was doing
18 it, we would have to tell them not to put something back,
19 like as, you know, in kind. You know, they are moving
20 out their sewer line or whatever is there.

21 (SPEAKING OVER EACH OTHER.)

22 DR. PEAVEY: We would have told them what
23 was there.

24 MR. SNYDER: When we would have relocated
25 the line, we reestablish service.

1 MR. KENNEDY: I mean, I just want to
2 mention that in our thought processes that if something
3 was moved and a new line was put in, you are saying a new
4 line was put -- a new service line.

5 MR. DABNEY: There is a fire hydrant still
6 there.

7 MR. WELLS: So, Mike, when this happened,
8 you know, way back then, I will share that Holley Navarre
9 did relocation of the lines before the State had somebody
10 contracted to do it, but, you know, a lot of water under
11 the bridge.

12 MR. DABNEY: I am just trying to think
13 when the traffic light signal was put in. That thing is
14 old old.

15 MR. WELLS: Yeah. A long time ago.

16 MR. DABNEY: That was back in '90
17 something.

18 MR. MILLER: Well, the restaurant was
19 there since then, so the tap would have had to have been
20 there for the restaurant to operate.

21 MR. LYNCHARD: Uh-huh.

22 MR. DABNEY: If the light base is still
23 there, if the light base is still there, then where did
24 the taps go? Because the line was relocated in the 90s.

25 The restaurant was operating in 2004.

1 MR. WELLS: The restaurant was
2 operational, but I can't remember when Captain Bubba's
3 got knocked out in the hurricane --

4 MR. DABNEY: September 14, 2004.

5 MR. WELLS: The building that you have now
6 is --

7 MR. DABNEY: Yeah. But that is a
8 different property. There's two different properties
9 owned.

10 MR. WELLS: The property you are talking
11 about is the west far side -- far far west side.

12 MR. DABNEY: Next to the apartment
13 complexes. The actual -- the actual Captain Bubba's
14 property and Philips -- Phillips -- Philip Bernard's
15 place (phonetic).

16 MR. WELLS: Right. That's the liquor
17 store on the --

18 MR. DABNEY: But that's the property that
19 is in question.

20 MR. LINNELL: So a couple of us had
21 mentioned that we are not necessarily making a decision
22 now. I would like to get some more information.

23 So my question is: What's the other
24 information that we need? What needs to be done to come
25 back? Or either for our staff to make a decision or for

1 us to make a decision? What's the other stuff that we
2 need done?

3 MR. JOE CAMPBELL: I would like a
4 timeline. I would like for the construction plans and
5 the permits to be looked at, you know, this Mike and
6 Ellen Barr, I mean --

7 MR. KENNEDY: Is staff recommendation
8 still with what you sent him on the letter?

9 DR. PEAHEY: Yes.

10 MR. KENNEDY: So staff's recommendation is
11 if you read it on the letter -- he has to go through the
12 whole process. That's staff's recommendation.

13 MR. LINNELL: That's why he is here.

14 MR. JOE CAMPBELL: And the cost of this is
15 around 20 grand, James, you said?

16 MR. DABNEY: By the time you do
17 everything, site, engineer, whatever you do, that's what
18 I will be spending for the tap. I had a guy come out. A
19 tap is a six-inch line. I think the sewer is 6. Water
20 is 8.

21 MR. WELLS: No. Water is 6.

22 (SPEAKING OVER EACH OTHER.)

23 MR. JOE CAMPBELL: Go ahead, Mike.

24 MR. KENNEDY: Either way, somebody has to
25 go do the full process --

1 MR. JOE CAMPBELL: Uh-huh.

2 (SPEAKING OVER EACH OTHER.)

3 MR. DABNEY: It will take that to make a
4 tap --

5 MR. WELLS: The taps were established
6 there and the lot was vacant, so I do want to say there
7 was a process.

8 MR. LINNELL: And the service line is
9 underground?

10 MR. WELLS: Yes.

11 MR. SNYDER: That is a single service
12 development. They would still have to provide a meter
13 assembly. It's a much scaled-down process than full
14 development.

15 The reason that that is so intensified is
16 because you have to have the DEP permit and that requires
17 an engineer's signed and sealed plans and permit.

18 MR. DABNEY: And that is what is going to
19 be required here.

20 MR. MILLER: Well, since we are replacing
21 something already there, I mean, I am not sure why you
22 need a new --

23 MR. SNYDER: So DEP looks at it like it is
24 a whole new application. If it was sticking up out of
25 the ground, it would be a different story.

1 MR. DABNEY: All right. I am not opposed
2 to sending someone out there with a few shovels. I mean,
3 I just can't see them being gone, I am being honest with
4 you.

5 I know we have used this telegraphic thing
6 and I just can't see, with all the stuff that is there,
7 somebody did not come in there and start digging. There
8 is -- there is fiber optics --

9 MR. JOE CAMPBELL: So we have already
10 looked for the lines?

11 DR. PEAVEY: We have.

12 MR. JOE CAMPBELL: We have? And you can't
13 find anything?

14 DR. PEAVEY: No.

15 MR. DABNEY: I mean, we are talking about
16 a three-quarter inch service line with a little brass cap
17 on the end of it. Because if they are taking the taps
18 and the meters -- the meter and whatever else they took
19 out, you are looking for a three-quarter inch line with a
20 brass cap on the end of it.

21 MR. KENNEDY: And for me, Mr. Dabney,
22 where I have a -- I mean, I understand the problem 100
23 percent and I sympathize with you. But where I have a
24 problem is we have no documentation that says that the
25 tap -- we removed the taps.

1 DR. PEAVEY: Nor do they.

2 MR. KENNEDY: Nor do you have that
3 documentation that says that we removed the taps. So we
4 would all be going on the assumption then that we should
5 incur the costs. And that's where I have the problem.

6 MR. DABNEY: And here's the problem with
7 that, Mike, as simple as this is. And it is pretty
8 simple in my eyes. Nobody is going to go dig a shovel on
9 Highway 98 without a permit and damn sure not going to go
10 into our lines without one of us being notified somehow
11 way or form, that, "Hey, you digging a shovel on 98 six
12 and a half feet in the ground?"

13 Six and a half feet in the ground. Now,
14 tell me how we didn't do that?

15 MR. KENNEDY: I understand. But that
16 should be the normal process.

17 MR. DABNEY: Six feet underground is how
18 deep that water is.

19 MR. KENNEDY: I understand. I know.

20 MR. DUNAWAY: Before or after 2014?

21 DR. PEAVEY: Right.

22 MR. DUNAWAY: That would be the question.

23 That would be the next question.

24 MR. DABNEY: The next thing I will do is I
25 will bring Bart Pullum up here and he can stand in front

1 of this thing and say to y'all that y'all didn't have
2 permission to do it.

3 So what are we going to do here? Are we
4 going to kick the can down the road again?

5 DR. PEAVEY: Is that the original owner?

6 MR. DABNEY: The original owner.

7 DR. PEAVEY: Or the son?

8 MR. DABNEY: That's the son, which is
9 still the same original owner.

10 MR. WELLS: And it was a corporation.

11 MR. DABNEY: Corporation.

12 It was an LLC. It was a --

13 MR. KENNEDY: Mr. President, I would still
14 like to ask some pointed questions to staff and/or Legal,
15 myself. I would not be interested --

16 MR. JOE CAMPBELL: I agree. These
17 permits -- the permits for the construction plans are
18 interesting because you should be able to -- well, sorry,
19 this is Santa Rosa County. You shouldn't be able to do
20 anything without a permit. Right?

21 MR. DUNAWAY: DOT doesn't.

22 MR. JOE CAMPBELL: So somewhere,
23 somewhere, okay, here is the line. Here is where we are
24 putting this line. Here is where -- oh, there is a water
25 line. We need to remove it --

1 MR. DABNEY: But here's the problem with
2 that. That light was installed prior to 19 -- until
3 2008, it was installed prior to that. You are talking
4 about the 1990s.

5 So that line, that new line that we are
6 having the discussion about, was installed in the 90s.

7 So from the 90s to 2008, 2014, 2022, where
8 did the taps go? Who took them out?

9 MR. KENNEDY: Agreed. That is the
10 question.

11 MR. DABNEY: I can show you a property
12 owner document and go ahead and say, "Hey, go ahead and
13 take my tap. I paid \$1,000 for it, but you can have it.
14 Don't worry about it."

15 MR. KENNEDY: Okay.

16 MR. DABNEY: Because today's value is
17 \$12,000.

18 MR. JOE CAMPBELL: What I would like to do
19 is --

20 MR. DABNEY: And there is two taps --
21 water and sewer. So those two taps were well exceeding
22 \$10,000.

23 MR. JOE CAMPBELL: Okay. Nobody is
24 willing to make a motion? I would like -- I would like
25 some more detailed information, timeline down, you know,

1 the legal reading there is it was purchased -- what was
2 the word you used, Mr. Dunaway?

3 MR. DUNAWAY: Caveat emptor. Buyer
4 beware.

5 MR. JOE CAMPBELL: As-is?

6 MR. DUNAWAY: As-is.

7 MR. MILLER: But do you expect a buyer to
8 go out and dig six feet in the ground to see if there is
9 a tap there for -- you know there was a restaurant there.
10 You know they had water service. You were told there is
11 a tap --

12 MR. JOE CAMPBELL: On all your documents
13 that you signed it, says what is there and what is not
14 there?

15 MR. KENNEDY: Isn't that why we have a
16 house inspection?

17 MR. MILLER: You don't dig down to your
18 water lines and look and see what you have.

19 MR. DUNAWAY: You do with commercial
20 property.

21 MR. MILLER: You have got to be
22 reasonable.

23 MR. KENNEDY: He said you do with
24 commercial property.

25 MR. MILLER: You are going to do down?

1 MR. DUNAWAY: No. We are going to --
2 staff is going to do exactly what the majority of the
3 Board tells us to.

4 MR. MILLER: Right.

5 MR. DUNAWAY: You are asking me what is
6 the legal position that we are in right now. The legal
7 position that we are in right now is Mr. Dabney bought
8 commercial property that he believed had a tap on it.

9 It does not have a tap on it, it appears.
10 Mr. Dabney has told us that it -- the previous owner told
11 him it had a tap. That seems to be incorrect. And
12 Mr. Dabney had said that the previous owner says he
13 didn't authorize it to be removed.

14 All we know is a small note from Ken
15 Walker, the previous administrator, who said the tap --
16 the meter was removed. We know the meter was removed.

17 The tap was removed because it is going to
18 be a parking lot that the previous --

19 MR. DABNEY: Whoa, whoa, whoa, whoa, whoa.
20 Nowhere in that mail that you have, Mr. Dunaway, does it
21 say the tap is to be removed. Nothing that you have in
22 front of you says that.

23 MR. DUNAWAY: Okay.

24 MR. DABNEY: So reiterate what you just
25 said.

1 MR. DUNAWAY: Okay. I stand corrected.
2 In fact, Mr. Dabney has provided a report that says the
3 meter was removed.

4 MR. WELLS: Uh-huh.

5 MR. DUNAWAY: The indication from
6 Mr. Walker was that the tap was removed.

7 MR. DABNEY: Does Mr. Walker work here
8 anymore?

9 MR. DUNAWAY: I am just --

10 MR. DABNEY: Does he have documentation
11 that says that the tap was to be removed?

12 MR. DUNAWAY: I am stating the facts --

13 MR. DUNAWAY: If you can take a man's
14 word, then you are going to take my word. No. I said
15 you couldn't. So put it back.

16 MR. JOE CAMPBELL: Calm down.

17 MR. DUNAWAY: And that's exactly what a
18 tryer of fact would do. It would evaluate the two, the
19 witnesses, access the credibility and make a
20 determination.

21 That's what Mr. Dabney is asking the Board
22 to do. So for staff's purposes, certainly from Legal, we
23 would need your direction. And I heard you say you want
24 a timeline, which we can certainly provide.

25 And we can provide whatever else that you

1 need to provide this decision. Ultimately, it will be a
2 decision that Mr. Dabney is asking you to --

3 MR. JOE CAMPBELL: In that, you have
4 already given it, but if you can put obviously your legal
5 opinion, because there is a difference between what is
6 legal and what is right --

7 MR. LINNELL: I would like to have a
8 clarifying point.

9 MR. JOE CAMPBELL: Go ahead.

10 MR. LINNELL: Well, I think I just heard
11 Will say that the note from Ken says the tap was to be
12 removed. Did I hear that correctly?

13 MR. DUNAWAY: Well, let me ask the --

14 DR. PEAVEY: What Ken Walker said was
15 that, yes, they removed the meter and the tap because it
16 was going to be a a vacant lot.

17 MR. LINNELL: Okay.

18 MR. THIEL: Well, he said it verbally that
19 the documentation only shows the meter being removed.

20 MR. WELLS: That is correct.

21 MR. JOE CAMPBELL: The quote he said is
22 here: "Property to be a parking lot. Meter set-up
23 pulled per Ken."

24 I have no clue what that means, but --

25 MR. MILLER: What is your timeline, James,

1 on this?

2 MR. DABNEY: I have already had to pay a
3 plumbing guy to come over to run water --

4 (EVERYONE SPEAKING OVER EACH OTHER.)

5 MR. MILLER: I can't hear you.

6 MR. LINNELL: I didn't get my question
7 answered. I'm sorry. I didn't get my question answered.

8 MR. JOE CAMPBELL: Hang on. Go ahead.

9 MR. LINNELL: I don't think I got my
10 question answered. I have heard two different things
11 now. This is the information we had from Ken. I am
12 going to read it. Now, I can't find it again.

13 It says, "The meter to be removed.
14 Property is to be a parking lot. Meter set-up pulled per
15 Ken."

16 What I am hearing, I don't know if this
17 was verbal. I thought I heard that there is a note from
18 Ken saying meter and tap were going to be removed.
19 That's what I am asking -- is there such a note?

20 And was it from 2008? Or was it something
21 you just recently got from Ken?

22 MR. DABNEY: As of yesterday.

23 MR. DUNAWAY: I am going to defer on that.
24 I may have misstated. Let's get the facts on that.

25 DR. PEAVEY: The 2008 note says, "Meter

1 per Ken."

2 The discussion with Mr. Walker yesterday
3 was the tap and meter.

4 MR. LINNELL: Okay.

5 MR. MILLER: But no reason from him for
6 pulling the tap?

7 MR. THIEL: According to Mr. Walker --
8 (SPEAKING OVER EACH OTHER.)

9 MR. MILLER: But there was no reason why
10 the tap was removed.

11 DR. PEAVEY: As Daryl stated earlier, we
12 would not have removed it without instructions.

13 MR. MILLER: Right. And my concern is a
14 tap is a tap into a line. So how do you remove that and
15 there not be evidence there was not a tap there. Do you
16 know what I mean? Unless you replaced the whole line or
17 pipe.

18 MR. KENNEDY: It would be something
19 sticking up there; right?

20 MR. MILLER: Well, there is connection
21 into the pipe somewhere. So you have got to cap it off
22 or else you are going to have water coming out, you know.
23 I don't know.

24 I don't know how y'all do all this and how
25 all of it works, but there should still be something on

1 the pipe.

2 MR. JOE CAMPBELL: What I don't hear is
3 anybody wanting or willing to make a motion. I really --
4 James, to be fair to you, I want more than just this,
5 that, hearsay and that.

6 If that means dragging in Ken Walker and
7 two of us sitting there and interrogating him or
8 whatever, before I make a decision.

9 We know the legal opinion is you are not
10 entitled to it because it's as-is. That's not the right
11 answer for you. So I would just want to know what is the
12 right thing to do based on what the Water System did or
13 didn't do.

14 That's what I would like to do. And not
15 hearing another motion --

16 MR. MILLER: I didn't hear James answer my
17 question.

18 MR. JOE CAMPBELL: I'm sorry. Go ahead.

19 MR. MILLER: What is your timeline?

20 MR. DABNEY: Oh, I have already had a
21 plumber run water to that side of the property so that we
22 can continue on with the project that we had going.

23 So I wanted it done two and a half months
24 ago, when we started this project.

25 MR. MILLER: You know, another month, is

1 that going to kill you? Or is that --

2 MR. DABNEY: No. I will leave it like --
3 saying it like this, you know, at the end of the day, if
4 any one of our members comes in and pays for something,
5 whether it's me, John Doe down the road, or whoever, at
6 the end of the day, that meter belongs to them.

7 That documentation for that, here, it has
8 been paid for. Shows on the document, the paperwork I
9 have provided that y'all have copies of.

10 Why didn't we, as a multi-million dollar
11 company, document and put the paperwork in place and walk
12 down to Mr. Pullum or Mr. Bart Pullum and say, "Hey, I
13 need you to sign saying we are going to take this tap off
14 this line."

15 MR. JOE CAMPBELL: I hear you. But,
16 obviously, in 2008 that didn't happen, so we can't go
17 back there. But what you just said is key to me.

18 So in your documents that you purchased
19 this property, I would love you to show us, hey, there is
20 the water meter tap is part of what I purchased in my
21 property in 2014.

22 MR. DABNEY: All I can show you -- all I
23 can tell you is what I have given. All I can tell you,
24 as Mark is a realtor --

25 MR. JOE CAMPBELL: But you haven't

1 provided that here. You know, to me, the property says
2 there in 2014 that there were taps and meters in parts of
3 this property.

4 MR. DABNEY: If you buy a piece of
5 commercial property, you don't have a listing saying that
6 the tap was there. Okay?

7 MR. JOE CAMPBELL: Okay.

8 MR. DABNEY: And you don't have that.
9 It's not on there. Am I correct, Mark?

10 MR. MILLER: Yeah. I mean, it's
11 not part --

12 MR. DABNEY: It's not something you go and
13 ask. Because there was a previous business there.

14 MR. JOE CAMPBELL: Right. So I am kind of
15 going to go back to Will. Is not, then, part of this --
16 not just against the Water System but against the
17 sellers?

18 MR. THIEL: Previous owner.

19 MR. JOE CAMPBELL: The previous owner
20 because they said --

21 MR. DABNEY: The previous owner provided
22 you with a copy of a letter stating that he did not give
23 authorization to remove it.

24 MR. JOE CAMPBELL: No. I am talking the
25 legal documents when he sold the property in 2014. There

1 is a difference between him writing an email here that
2 says that.

3 That's not legally binding. What is
4 legally binding is those documents when you closed on the
5 property.

6 He says, "Here is what's here. It's
7 as-is." Whatever the case may be. We would love -- I
8 would love to be able to see that, if you are willing to
9 provide it.

10 MR. DABNEY: Going back to what you just
11 said. Binding document. You have a document in front of
12 you that says you can remove the meter. Legally binding.

13 MR. JOE CAMPBELL: What document? There
14 is no document here that says that.

15 MR. DABNEY: Right in front of you. There
16 is a work order. It says it right here. It says you can
17 remove a meter.

18 No matter what Mr. Walker wants to put on
19 paper, you don't have a document saying you didn't take
20 the meter out, the taps out. You didn't have permission
21 to take them.

22 MR. LINNELL: So we are going, as we often
23 do, in circles. So moving down a little bit further, I
24 will make a motion and vote on it and see where we go
25 from there.

1 But I am going to make a motion that based
2 on everything that I have heard tonight, I move that the
3 Water District be required to reinstall that tap or
4 install the tap, whichever is the correct phrasing,
5 whether we find out there is one there or not and bear
6 the cost for it.

7 MR. LYNCHARD: I will second it.

8 MR. JOE CAMPBELL: Okay. Any other
9 discussion?

10 MR. KENNEDY: Absolutely not.

11 MR. JOE CAMPBELL: All right.

12 MR. MILLER: My discussion is I like the
13 idea of sending some guys out there with shovels and look
14 for it, see if it is still there, you know, and just
15 under the ground. I mean, I don't know --

16 MR. DABNEY: I mean, Clinton would know --
17 he was back in the day, he would remember if it was a
18 black PVC pipe --

19 MR. KENNEDY: One of the reasons I --

20 MR. DABNEY: I don't know if you pick that
21 up or not --

22 MR. KENNEDY: One of the reasons I would
23 say absolutely not with that motion is I can have any
24 homeowner come in and say anything they want with that.
25 And this Board is going to, "No. Sure. We will pay for

1 it."

2 MR. LINNELL: No. We are not --

3 MR. LYNCHARD: No. We are not.

4 MR. KENNEDY: No backup. No nothing. No
5 discussion, so --

6 MR. JOE CAMPBELL: Okay. Any other
7 discussion?

8 MR. DABNEY: I will just throw it out
9 there just so to tell you how long I have been here.

10 Back in the day when I was here, you can't
11 believe it, the Holley Navarre Water System guy is
12 driving the truck down the road.

13 And this man right here will tell you,
14 "Hey, you want to sign up for your sewer?"

15 "When are you going to have it?"

16 "We are not sure yet, but it's going to be
17 \$700."

18 "Well, you want to do that? We will give
19 you that. By the way, we don't have that no more -- that
20 you signed up for. You are good to go."

21 That's how it was done back in the day.

22 MR. KENNEDY: I did want to point out,
23 Don, your motion said the Water District is what you
24 said?

25 MR. LINNELL: I did.

1 MR. WELLS: Yeah.

2 MR. KENNEDY: I don't know if you wanted
3 to say Holley Navarre Water System. Just as a
4 clarification.

5 MR. LINNELL: Sorry. I will amend it. So
6 instead of the Water District, the Holley Navarre Water
7 System be required to reinstall the tap or install it and
8 bear the cost.

9 MR. JOE CAMPBELL: All right. Motion and
10 a second. Any other discussion?

11 MR. LINNELL: No.

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

13 MR. MILLER: Aye.

14 MR. LINNELL: Aye.

15 MR. LYNCHARD: Aye.

16 MR. KENNEDY: Nay.

17 MR. THIEL: Nay.

18 MR. JOE CAMPBELL: Nay. Okay. It does
19 not --

20 MR. LINNELL: What was the count?

21 MR. JOE CAMPBELL: 3, 3.

22 He is obviously going to --

23 MR. LYNCHARD: So we have got 3 -- does
24 the president vote if there is not a tie?

25 MR. KENNEDY: No.

1 MR. LYNCHARD: Okay.

2 MR. JOE CAMPBELL: So I still would like
3 to move forward with more information. I don't know
4 that --

5 MR. KENNEDY: I agree with you 100
6 percent. For tonight, I am not going to say, yes, but I
7 would agree.

8 MR. JOE CAMPBELL: Okay.

9 MR. DABNEY: If there is a tie --

10 MR. LYNCHARD: If there is not a tie,
11 evidently.

12 I thought it was only if it was a tie.

13 MR. DUNAWAY: No vote was 3. No action.

14 MR. KENNEDY: I think the question is --
15 is he, the president, allowed to vote?

16 MR. DUNAWAY: Yes.

17 MR. MILLER: But that doesn't mean the
18 issue is resolved. It just means that --

19 MR. JOE CAMPBELL: No. It means that
20 motion did not pass. That is a true statement. I would
21 still want -- I still -- I am asking staff to go ahead
22 and build a timeline with the legal opinion.

23 And if we can get it -- you are saying the
24 permits and plans was too far gone. If you do have any
25 of those sale documents, I would love for that to be in

1 the package.

2 MR. KENNEDY: Mr. President, maybe we
3 could come together as a Board in a closed legal
4 discussion about this, if need be.

5 MR. JOE CAMPBELL: Okay.

6 MR. KENNEDY: I don't know. Later on,
7 before the next meeting, if needed.

8 MR. JOE CAMPBELL: If it becomes a legal
9 matter, yes, we can do that.

10 MR. MILLER: And just as a matter of
11 record, I assume you abstained from that vote since you
12 are representing yourself there?

13 MR. DABNEY: If I could vote, I guess I
14 would vote yes. But how do you get away from that?

15 MR. MILLER: I think you are required to
16 abstain yourself.

17 MR. DABNEY: Yeah.

18 MR. JOE CAMPBELL: Okay. We will talk
19 about it again next month.

20 MR. THIEL: It's not tonight.

21 MR. JOE CAMPBELL: It's not tonight,
22 either. Thank you. Okay. Any other business?

23 (NO AUDIBLE RESPONSE.)

24 MR. JOE CAMPBELL: Any other member forum?

25 (NO AUDIBLE RESPONSE.)

1 MR. JOE CAMPBELL: I will entertain a
2 motion to adjourn.

3 MR. LINNELL: Motion to adjourn.

4 MR. LYNCHARD: Second.

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

6 MR. LINNELL: Aye.

7 MR. LYNCHARD: Aye.

8 MR. DABNEY: Aye.

9 MR. THIEL: Aye.

10 MR. MILLER: Aye.

11 MR. KENNEDY: Aye.

12

13 WHEREUPON THE HOLLEY NAVARRE WATER SYSTEM

14 BOARD OF DIRECTORS MEETING ADJOURNED AT 7:49 P.M.

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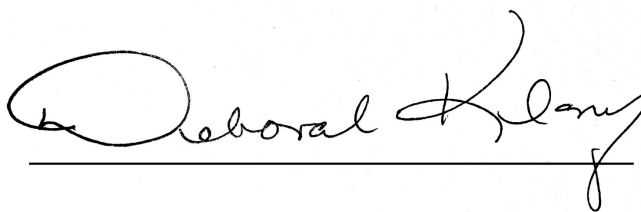
1 CERTIFICATE OF REPORTER

2
3 STATE OF FLORIDA

4 COUNTY OF SANTA ROSA

5
6 I, DEBORAH G. KHARUF, Court Reporter and
7 Notary Public, State of Florida at Large, hereby certify
8 that I was authorized to and did stenographically report
9 the foregoing Board of Directors meeting for the Holley
10 Navarre Water System and the transcript is a true record
11 of said meeting. I further certify that I am not a
12 relative, employee, attorney or counsel of any of the
13 parties, nor am I a relative or employee of any attorney
14 or counsel connected with the action; nor am I
15 financially interested in this proceeding or its outcome.

16 Dated this 4th day of June, 2022.

17
18 A handwritten signature in black ink, reading "Deborah G. Kharuf", is written over a horizontal line. The signature is cursive and includes a large initial "D".
1920
21 DEBORAH G. KHARUF

22 Court Reporter and Notary Public,

23 State of Florida at Large.

24 Commission number GG 310633

25 My commission expires July 6, 2023.