

HOLLEY NAVARRE WATER SYSTEM  
WORKSHOP FOR BOARD OF DIRECTORS  
AUGUST 10TH, 2023

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- MARK MILLER, PRESIDENT
- MIKE MATTHEWS, VICE PRESIDENT
- BILL THIEL, SECRETARY
- JOE CAMPBELL, TREASURER DIRECTOR
- DARYL LYNCHARD, DIRECTOR
- DON LINNELL, DIRECTOR
- DAVID CRUMBLEY, DIRECTOR
- JEFF CRIGLER, CEO HNWS
- EMERALD MCDANIEL, HNWS
- AMBER BUCHOLTZ, HNWS

ALSO PRESENT:

- WILL DUNAWAY, ESQUIRE
- KURT COSBY

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

2 (TRANSCRIBED FROM AUDIO FILE)

3 MR. MILLER: -- sign-up sheet in order to  
4 address the Board. I will say the purpose of this meeting  
5 is a workshop for us to discuss our bylaws and Articles  
6 of Incorporation and potential changes to those as well  
7 as our election timeline, because, you know if we are  
8 going to make changes, that will likely impact our  
9 election.

10 So that's the order of business for today.  
11 We will go ahead and jump right in. There is no  
12 unfinished business. We will jump right into the  
13 Articles of Incorporation update.

14 Mr. Crigler, would you like to open that  
15 up for us?

16 MR. CRIGLER: Yes. I will start us off.  
17 Like Director Miller mentioned, this is the first of  
18 several or many workshops to arrive to where we want to  
19 be probably. I think to kick this off, I think there is  
20 a lot to discuss.

21 Director Miller and I talked about the  
22 scope of this first meeting and things we want to attempt  
23 to constrain it to the discussion of the Articles of  
24 Incorporation depending on time. But we do want to hit  
25 on the election timeline. Also, we want to hit on at

1 least the discussion of some of the bylaw changes  
2 relative to what some other utilities have done.

3           But I think as a first action, our  
4 attorney here has prepared a presentation that I think  
5 lays out some options for how we address the Articles of  
6 Incorporation as a first step.

7           MR. DUNAWAY: All right. Thank you,  
8 Directors. And I am sitting down here because I just  
9 thought it would be easier if I was looking up, as  
10 opposed to coming down across the way. I would want to  
11 note for the record, this was a properly noticed meeting  
12 if the public is available and your members were open.

13           I am making that point simply because when  
14 we are discussing the changing of the Articles of  
15 Incorporation and your bylaws, it's important that we  
16 both follow the actual text of those documents and the  
17 State law according to it.

18           So our situation, and when I say, "Our,"  
19 the company's situation is that it has 1970 Articles of  
20 Incorporation which were approved on the 9th day of April  
21 of 1970.

22           There is an indication, and our records  
23 show that there was one, at least one amendment that  
24 occurred on the -- let me get that date correct --  
25 January 18, 1983. That would have been at the January

1 annual meeting of 1983. That becomes important in a  
2 minute when I talk about a potential way ahead for an  
3 amendment.

4                   Your bylaws, which your Articles of  
5 Incorporation indicate that bylaws of the corporation  
6 shall be made and may be altered or rescinded by a vote  
7 of the majority of the members -- of the membership.

8                   Your bylaws were put in place on October  
9 20th, 1986. And your bylaws indicate that the bylaws can  
10 be amended by a majority of the members present at your  
11 annual meeting. So there is inconsistency.

12                   State law requires that when there is an  
13 inconsistency between bylaws and Articles of  
14 Incorporation that the Articles of Incorporation control.  
15 So that puts us back at the issue of the Articles of  
16 Incorporation, so --

17                   MR. MILLER: I have a question for you.  
18 The Articles of Incorporation were approved in 1970 and  
19 they reference our bylaws. But the earliest evidence of  
20 bylaws we have is 1986, 16 years later. Is there -- I  
21 mean, has -- Daryl, I don't know if you know, has there  
22 ever been any record of any bylaws that were in place  
23 between 1970 and 1986?

24                   MR. LYNCHARD: Oh, yeah. There is. There  
25 is not -- I mean, you have to read the documents to come

1 up with it, but they were amended in 1986.

2 MR. MILLER: The bylaws were?

3 MR. LYNCHARD: Yeah. They were amended in  
4 '86, so, obviously, there was a set prior to '86, so you  
5 had to have something to amend.

6 MR. MILLER: So, at some point, someone  
7 did amend?

8 MR. LYNCHARD: They have been amended two  
9 or three times. I think three times at least.

10 MR. MILLER: Okay.

11 MR. LYNCHARD: -- at one --

12 MR. THIEL: It seemed like it should say  
13 it is an amended version, and it doesn't say that in the  
14 bylaws anywhere.

15 MR. LYNCHARD: I think it does say they  
16 are -- the one in '86.

17 MR. DUNAWAY: Well, the bylaws say -- the  
18 document says, "We certify that the foregoing bylaws were  
19 duly adopted by the members on October," -- and this is  
20 written in -- "October 29, 1986, and that the same are in  
21 full force and effect and have not been amended. Given  
22 this our hand and seal," and it's signed by the president  
23 and the secretary.

24 MR. LYNCHARD: I think it didn't -- wasn't  
25 it the Articles of Incorporation that started off at --

1 with our -- was it the Articles of Incorporation or the  
2 bylaws that stated how many members we had to have to  
3 conduct an annual meeting? Because, initially, that was  
4 50 percent of the membership, and I think it dropped down  
5 to 10 percent.

6 MR. MILLER: Ten.

7 MR. LYNCHARD: Well, yeah. But it was 50  
8 percent of the membership. And then, it dropped down to  
9 50 members or 25 members or maybe 10 percent. And then,  
10 it went to ten members. Or maybe it was 25 members and  
11 it went to ten members.

12 So, right there, you have got three sets  
13 of bylaws that you should have had at some point in time.  
14 But I know we had a fire that destroyed everything, so a  
15 lot of that stuff doesn't exist anymore.

16 MR. DUNAWAY: So as it exists today, we  
17 have Articles of Incorporation that were approved in  
18 1970. We know they were amended at least one time in  
19 1983. And we know that that amendment occurred by a vote  
20 of the members and that vote was where 27 members voted  
21 to amend and zero members voted not to amend.

22 So, in 1983, we also noted you had more  
23 than 54 members. Therefore, we know that. You didn't  
24 have a majority of members. You had a majority of  
25 members present at the meeting and voting. And that

1 was -- that becomes important in the issue as we look at  
2 the different -- as we look at some options going  
3 forward.

4                   That's what we understand. Those are the  
5 governing documents of the organization as they exist  
6 today. It's what you operate under -- your Articles of  
7 Incorporation and your bylaws. And they are in all ways  
8 effective and proper.

9                   There is simply a conflict between the  
10 Articles of Incorporation and the bylaws in this one  
11 particular point. It doesn't prevent you from operating  
12 and there is a possible way forward.

13                   Again, I cite the Florida Statute there  
14 that talks about the issue. This is in different  
15 sections of the bylaws. We have copies of the bylaws and  
16 the Articles of Incorporation in front of you. It's that  
17 one inconsistency between Article 9 of your Articles of  
18 Incorporation, Article 13 of your bylaws.

19                   And then, again, like I said, Florida  
20 Statute says that if there is an inconsistency, your  
21 bylaws can't be inconsistent with your Articles of  
22 Incorporation. Therefore, they control.

23                   All right. So what to do. If it is that  
24 the idea is do we want to get to a point which we can  
25 amend our bylaws, I have three options for you. The

1 first one is going -- well, the first two rely on a case  
2 that I am showing you here. This is the case of Nasarro,  
3 (phonetic). It's a Southern District of Florida Federal  
4 case. It's a Federal case interpreting State law.

5           In that case, they -- because there was an  
6 inconsistency, they looked to the practice of the  
7 corporation. What had the corporation done in the past  
8 and how had the corporation interpreted its own  
9 documents. And here is why I say and I think it is  
10 important for you to look and see in the Articles of  
11 Incorporation -- and it's the page that says at the top,  
12 "To whom it may concern."

13           And that's the one that says, "A motion  
14 was made by James Tolbert to amend Article 11 of the  
15 Certificate of Incorporation of the Holley Navarre Water  
16 System, Inc. to read as follows:"

17           And they amended Article 11. It was  
18 seconded by Mickey Broxson. There were 27 members -- I  
19 am quoting here -- in favor or and none against. "I  
20 certify that the above is a true copy of the amendment  
21 passed by the members of the Holley Navarre Water System  
22 meeting on 1-18-83, signed by James Tolbert, president."

23           So, from that, we can surmise that that  
24 was a meeting of the members and of the majority of the  
25 members present, in this case, all the ones who were



1 present voted to approve. We know you had more than 54  
2 members at that time, and, therefore, the practice here  
3 was the members who were present at the meeting made that  
4 change in the Articles of Incorporation.

5                   We do not have evidence that that was then  
6 presented back to your Board of Directors. We can assume  
7 that that must have happened because it's in force. We  
8 don't know that. But I want to point back to you in  
9 Article 10 of your Articles of Incorporation because  
10 amendments to the Articles of Incorporation may be  
11 proposed to the Board of Directors by a majority of the  
12 members of the corporation.

13                   A majority of the members of the Board of  
14 Directors may approve, amend, or reject the proposal and  
15 shall have the final authority to adopt any amendment.

16                   Okay. So the process, if you were to move  
17 in this direction, would be a proposal that would come  
18 from the members. That would have to be on some ballot.  
19 We would have to figure out a way, which we can talk  
20 about in a minute, that the members would be presented  
21 it. They would be presenting the proposed change. The  
22 proposed change would be to make Article 9 consistent  
23 with the bylaws.

24                   And then, if that were to pass by a  
25 majority of the members present at the annual meeting, at

1 the annual meeting in January of 2024, then it would come  
2 to you as the Board of Directors, and you could approve,  
3 amend, or reject such proposals and shall have the final  
4 authority. Therefore, put that into effect.

5                   So that is Step One, you would have  
6 amended your Articles of Incorporation. They would then  
7 be consistent with your bylaws. Those -- there wouldn't  
8 be an inconsistency. Your bylaws say that you can amend  
9 your bylaws with a majority of the members present at a  
10 meeting, which you would then have to propose changes to  
11 the bylaws, call a special member meeting of the members,  
12 and present that to them for votes up and down.

13                   I went through that a little faster than  
14 the way I had it laid out. But I lay it out in the steps  
15 that you are looking there. Essentially, past practice  
16 was the amendment that we had.

17                   Option 1 is simply to skip all of that and  
18 just say, hey, membership means that it's a majority of  
19 those present. And, therefore, we don't make any  
20 amendments to the Articles of Incorporation and just move  
21 forward, say there is no inconsistency. I do not  
22 recommend this option. Just saying it's there.

23                   Option 2 is the recommended option.  
24 That's the two-step process that I just went through.  
25 And then, Option 3 is to interpret membership and members

1 of the corporation to mean exactly -- you know what you  
2 know it says. And that is it takes a majority of the  
3 membership, the members being the 17,000 and whatever  
4 number you have at whatever date. At which point, you  
5 know, that would -- that would probably be a Herculean  
6 effort to get, you know --

7 MR. LYNCHARD: Can we -- a quick  
8 question --

9 MR. DUNAWAY: Sure.

10 MR. LYNCHARD: I know we are here talking  
11 about, you know, amending the Articles of Incorporation  
12 to make them consistent with the bylaws. I am not okay  
13 with that. Can we amend the Articles of Incorporation  
14 and then still be inconsistent with the bylaws, and then,  
15 us take the bylaws up -- change the bylaws up at some  
16 different time?

17 MR. DUNAWAY: The only inconsistency --  
18 your answer -- the answer is yes.

19 MR. LYNCHARD: Okay.

20 MR. DUNAWAY: The only inconsistency  
21 causing you a problem here is the inconsistency between  
22 the amendment of the bylaws. Because if there was  
23 inconsistencies in any other area, you could amend the  
24 bylaws to not be inconsistent with the Articles of  
25 Incorporation. And you wouldn't have a problem.

1           The only inconsistency causing you, you  
2 know, to not be able to make a move is the inconsistency  
3 that the Articles of Incorporation say that it can be  
4 altered, amended, or rescinded by a vote of the majority  
5 of the membership. And heretofore we have you as the  
6 company.

7           This company has indicated -- that  
8 means -- well, we have 17,000 members, and, therefore, it  
9 would take half plus one of those to make an amendment.

10           What I am saying is -- is that the case  
11 that I am presenting gives us a legal argument that you  
12 could do it that way, you know. It is -- it is not the  
13 be-all and the end-all.

14           Is there some risk? There is always risk  
15 when corporations alter their documents of incorporation.  
16 Because their members ultimately have votes and they  
17 ultimately have rights. And, you know, if they feel  
18 aggrieved, then, the case we are talking about was in  
19 fact an HOA.

20           You know, a portion of the HOA suing  
21 another portion of the HOA because they changed their  
22 bylaws that affected some of their members in a way some  
23 felt wasn't right and they sued. Of course, the court  
24 ruled in favor of the Board of Directors on that case and  
25 moved forward.

1           So I am simply saying that if this is a  
2 route that you want to take, then, there is some legal  
3 guidance and precedent that allows us to make this  
4 decision, because your past governing practices, at least  
5 in the one instance that we have full records of,  
6 indicate that that's the way they did it.

7           They made the change to the Articles of  
8 Incorporation. They did it with a vote of 27 members.  
9 You have to know that that was at our annual meeting.  
10 You know that because it was January. That's when the  
11 annual meetings are. It was 1983. And they made that  
12 change, so --

13           MR. LYNCHARD: One of the -- and we have  
14 got this amendment and that amendment is, historically  
15 speaking, been used for a lot other than what we are  
16 talking about here, and maybe just to get your opinion on  
17 it, that's listed in Article 9.

18           But in addition to the right -- in  
19 addition, rights and interests of members are not  
20 forfeited upon withdrawal or termination of membership.

21           We have had discussions over the years  
22 about changing the bylaws. But every time we have  
23 brought that up, it's not just the 50 percent or -- that  
24 gave everybody a headache, but one of the things that's  
25 been used by words in management around here is that last

1 sentence to say basically it's not 50 percent of the  
2 17,000 members that we have. It's 50 percent of all of  
3 the members we have ever had based on that sentence right  
4 there.

5 MR. DUNAWAY: Yeah. And you are talking  
6 about Article 11.

7 MR. LYNCHARD: Okay. Article 11. I am  
8 sorry. You are right.

9 MR. DUNAWAY: So Article 11 of the  
10 amendment. Yeah.

11 MR. LYNCHARD: Is that the way you read  
12 that sentence?

13 MR. DUNAWAY: The sentence, and just to be  
14 clear and everybody can look at it, in addition, rights  
15 and interests of members are not forfeited upon  
16 withdrawal or termination of a membership.

17 We -- if you think about what it is that  
18 you do here, membership is based upon getting water. If  
19 you are not getting water, you don't have a membership.  
20 Each month at the start of your meeting, you have the  
21 number of new members and the number of members that have  
22 transferred out. And you make those approvals and they  
23 are gone.

24 I don't think there is any interpretation  
25 or there is any rights that members who had been -- who

1 had water at Holley Navarre, but who have moved to  
2 Detroit or wherever that, one, I don't think the company  
3 tracks it, so I don't think there is any way --

4 MR. THIEL: I think they left out a word.

5 MR. LYNCHARD: Yeah. My --

6 MR. THIEL: They left out a word -- is  
7 they don't have any rights.

8 MR. LYNCHARD: Yeah. I don't think there  
9 is any reason that they have any rights.

10 MR. LYNCHARD: And that's always been my  
11 position, because if you think about it, if we go back to  
12 1970, you would probably calculate 100,000 members, and  
13 50,000 of them are dead.

14 MR. DUNAWAY: Right.

15 MR. THIEL: That's a path of logic.

16 MR. CAMPBELL: But that also could mean if  
17 this Board votes to withdraw a membership, they don't  
18 vote, but we would still provide them water. That's what  
19 I kind of think of that is their rights and interest.  
20 Right?

21 It is either in the bylaws or the Articles  
22 where --

23 MR. THIEL: It's in the bylaws.

24 MR. CAMPBELL: We talked about this Board  
25 could remove a member's certificate so they couldn't

1 vote. But that doesn't mean we would stop providing  
2 water, because that's what we do.

3 MR. DUNAWAY: Well, remember, there is a  
4 third governing document that we haven't talked about.  
5 And that is your franchise agreement. And your franchise  
6 agreement is the document that was granted to you by the  
7 County, which gives you the authority, in fact, gives you  
8 the exclusive authority to provide water and sewer in  
9 your franchise area.

10 And it says that if someone in your  
11 franchise area came to you and wants water, you have to  
12 provide it to them and they become a member. So if they  
13 are not in your franchise area, they are not getting  
14 water from you. They are not a member, in my opinion.

15 So I don't think this means that your  
16 members are every member who has ever been a member and  
17 every member who is currently a member. I don't think  
18 that's --

19 MR. LYNCHARD: I am good with that.

20 MR. DUNAWAY: I don't think that, too.

21 MR. LYNCHARD: I want to put that on the  
22 record so we don't have to deal with it.

23 MR. DUNAWAY: It's not clear to the  
24 records of the company what precipitated the 1983  
25 amendment to the bylaws. But if you read the other one



1 and you look at it, there must have been something that  
2 was --

3 MR. LYNCHARD: I think there was some IRS  
4 regulations in there that hadn't -- that weren't being  
5 met.

6 MR. DUNAWAY: That may have been.

7 MR. LYNCHARD: And it was written to try  
8 and follows those regulations.

9 MR. DUNAWAY: That makes sense.

10 MR. LYNCHARD: That's all I could gather.

11 MR. DUNAWAY: Yeah. So the discussion  
12 that I would encourage us to have is to ask and get  
13 comfortable with if there has been any other practices of  
14 the company that we are unaware of but that may be you  
15 know about or have heard about that we can go research  
16 that gives us more insight like this January 18, 1983,  
17 and if there are other practices like that.

18 Those are helpful. But this one is, I  
19 think, enough if you want to pursue that. But if there  
20 is other, you know, practices that we think we know about  
21 or occurred.

22 MR. LYNCHARD: The only thing I could  
23 think about would be that Boards had tried to amend the  
24 bylaws in the past based on the bylaw change just like  
25 this amendment here. But it's been told by management

1 and attorneys and other people that you can't do that.

2                   So, obviously, you have got the one case  
3 where it did happen. But you have got multiple cases  
4 through time where it wasn't allowed to happen.

5                   MR. DUNAWAY: Right. So what you are  
6 saying, and it's a valid point, is that in the past, the  
7 company and the Board of Directors have made overtures  
8 like we want to change, but have been thwarted by the  
9 simple fact that because there is an inconsistency  
10 between the Articles and the bylaws, there is not that --  
11 there is not that path forward.

12                   MR. LYNCHARD: Well, you just can't get 50  
13 percent of the people voting.

14                   MR. DUNAWAY: That's a valid point.

15                   MR. THIEL: And that's the one thing I  
16 don't -- I am not really a big fan of the way the bylaws  
17 are currently written that you change it with the members  
18 present --

19                   MR. LYNCHARD: No. I'm not --

20                   MR. THIEL: -- at the annual meeting,  
21 because the annual meetings that I have been in, we  
22 got -- we are scratching to get twenty people there.

23                   MR. CRUMBLEY: Yeah.

24                   MR. THIEL: I don't want twenty people  
25 speaking for 17,000. I don't know how you feel like. I

1 think it needs to be a referendum to change it, at least  
2 the people that vote. Everybody that votes gets to vote  
3 for it.

4 MR. LYNCHARD: And that's why I think this  
5 is not necessarily a bad idea for us to amend the  
6 Articles of Incorporation and then still be inconsistent.  
7 Because I would like to see that 25 percent or 10 percent  
8 rather than 50 percent. But I don't want to see the  
9 Articles of Incorporation change to equal what the bylaws  
10 say, which is ten of us can get here in this room and  
11 change the bylaws.

12 MR. THIEL: I concur with that. I don't  
13 agree with --

14 MR. DUNAWAY: Well -- and you might want  
15 to give some thought to the fact that the Articles of  
16 Incorporation, as I said in Article 10, is a two-step  
17 process that any of those amendments, they can be  
18 proposed by the members, but they ultimately are the  
19 Board of Directors.

20 So that's a two-step process. I am just  
21 laying it out as far as, you know, that goes, so --

22 MR. LYNCHARD: As far as being proposed by  
23 the members, each of us on this Board are members, so --

24 MR. DUNAWAY: Are members. Right. Which  
25 is why I was saying that if this Board is not inclined to

1 make change to the bylaws, then, it need not go through  
2 any of these, any of this process. Because the two-step  
3 process is you are going to propose the amendment to the  
4 Articles of Incorporation. Then, that's going to be  
5 presented to you.

6                   If you are going to reject it, well, then,  
7 there is no actual reason to go through that first step.  
8 Right? So --

9                   MR. THIEL: Are you talking about the  
10 bylaws?

11                   MR. DUNAWAY: I am talking about amending  
12 the Articles of Incorporation such that you could amend  
13 the bylaws. If you are not at that point, you don't want  
14 to do that, you want to keep it at status quo, then,  
15 there is no -- what I am saying is -- there is no harm to  
16 have an inconsistency between the -- there is no legal  
17 harm to have the inconsistency between the Articles and  
18 the bylaws.

19                   It just makes it harder to amend the  
20 bylaws. And if that's -- if that is you want --

21                   MR. THIEL: As it is currently written, it  
22 is impossible.

23                   MR. DUNAWAY: Yeah.

24                   MR. LYNCHARD: I am okay with it being  
25 somewhat impossible.

1 MR. CRUMBLEY: Yeah.

2 MR. THIEL: Yeah.

3 MR. DUNAWAY: Yeah. Right now, it does  
4 seem insurmountable. I mean, it's possible, but --

5 MR. LINNELL: If we are talking 10 percent  
6 or 20 percent or any percent, I still think that's  
7 basically impossible. But this year, this year, yeah,  
8 almost 600 people voted?

9 MR. CRUMBLEY: Yeah.

10 MR. LINNELL: At least in my short time  
11 here, this has been a tumultuous time. That's one-third  
12 of 10 percent. You know, that's 10 percent. And we want  
13 to say 10 percent has to vote in order to change --

14 MR. THIEL: No. I would propose --

15 MR. LINNELL: It's just not going to  
16 happen.

17 MR. THIEL: I would propose that anybody  
18 that cares enough to be informed and vote, it would  
19 either be by a referendum or at a meeting. That's how we  
20 can approve the bylaws.

21 MR. MATTHEWS: Jeff, you sent me an email  
22 with other companies. And they were very very similar.  
23 There were just a few things that I saw that --

24 MR. THIEL: Well, any company that has a  
25 Board of Directors can change the bylaws.

1 MR. CRIGLER: Yeah. That was two local  
2 water systems --

3 MR. THIEL: Right.

4 MR. CRIGLER: -- that have recently  
5 changed their bylaws in the last few years. I don't know  
6 what we did with the Articles of Incorporation That was  
7 bylaws. And I haven't spoken to them.

8 That's just information that I found how  
9 they did -- what their process was. And that can  
10 certainly be the next step. But that was really more to  
11 point out what they changed in the bylaws.

12 But it is some good stuff. It's worth it  
13 to look at.

14 MR. MATTHEWS: Yeah. Because I thought  
15 some of the verbiage about what the company was going to  
16 provide its members --

17 MR. CRIGLER: I think they updated that.

18 MR. MATTHEWS: Yes.

19 MR. CRIGLER: Yes.

20 MR. MATTHEWS: And I think that is where  
21 personally --

22 MR. CRIGLER: And that is -- if we want to  
23 change that kind of stuff, from what Will is saying,  
24 that's like Step 3. We are at Step 1, it sounds like,  
25 but --

1 MR. MATTHEWS: Yeah.

2 MR. DUNAWAY: So if you want to proceed to  
3 try and present to the members an amendment to the  
4 Articles, then the process that I would recommend would  
5 be -- well, it has to be very clear. It has to be  
6 written. It has to be provided to the members in this  
7 notice as we are leading up to the annual membership.

8 And then, the recommendation is -- and  
9 Jeff and I talked about this a little bit, and we want to  
10 get your feedback here. It needs to be, if our  
11 interpretation is a majority of the members present at  
12 the annual meeting, you have to give some thought to the  
13 way you conduct your annual meeting.

14 And remember that your practice is we open  
15 the meeting early in the morning on the day of the annual  
16 meeting/election day, and then, we have a formal -- we  
17 open the meeting and then we essentially retire to  
18 voting.

19 And then, that meeting continues to be  
20 open all day long so that members can come in at any time  
21 during that day and vote. And then, at the end of the  
22 voting, we gather again, close the meeting, and then, we  
23 move forward. In order to get a majority of the members  
24 present at that meeting, we would have to have a separate  
25 piece of paper that would be different than the ballot.

1                   And the reason is because you couldn't  
2 vote for the change to the Articles of Incorporation by  
3 proxy or absentee. Because you wouldn't be a member  
4 present at that meeting.

5                   Okay. So that would be a signaling and a  
6 messaging issue that you would have to have to get  
7 full -- to put out. So in order to -- whereas our voting  
8 allows for you to vote absentee. It allows you to vote  
9 early. It allows you to vote by proxy.

10                   None of that would be possible in the  
11 voting on the proposal to change the Articles of  
12 Incorporation. That would have to happen at the meeting.  
13 And, again, your meeting is a 12-hour period. So the  
14 only way that that could happen would be you could show  
15 up on that day and vote. And we would have a piece of  
16 paper separate from the ballot which would say, "I vote  
17 to amend." Or "I vote no to amend."

18                   And then, that would be -- we would count  
19 those and the majority of those who voted, i.e., who were  
20 present at the meeting and voted would be --

21                   MR. THIEL: So what you are saying is  
22 typically, for our annual meeting, for the voting for the  
23 Directors, you can vote three different ways and all  
24 that. But for this, if we are going to have a referendum  
25 in conjunction with that, it only counts for the people



1 that vote on the day of the meeting.

2 MR. DUNAWAY: Because of the case that we  
3 are relying on is interpreting that a majority of the  
4 members present at the annual meeting. And so, I get --  
5 you know, I guess the other option would be you wouldn't  
6 have the all-day meeting. You would just have the annual  
7 meeting and you would have to show up at --

8 MR. THIEL: Could we amend the bylaws?

9 MR. DUNAWAY: Not until you change the --

10 MR. THIEL: But if you change the Articles  
11 of Confederation (sic) could we change the bylaws? That  
12 you could change the bylaws by a referendum in  
13 conjunction with a special meeting where you can vote by  
14 absentee or --

15 MR. DUNAWAY: Well, so if we -- if you  
16 take the step and you move forward and we go through this  
17 process that we are recommending and the members vote to  
18 make this change to the Articles of Incorporation, and  
19 you approve it once it's done at a second meeting, then  
20 you would not have the inconsistencies and you could move  
21 forward with amending the bylaws based on the procedures  
22 laid out in the bylaws.

23 The Articles of Incorporation wouldn't --  
24 unless -- if you changed it in a way that --

25 MR. THIEL: What we are saying, we are not

1 a big fan of the way the bylaws are currently written,  
2 either.

3 MR. DUNAWAY: I hear you.

4 MR. CAMPBELL: Well, what I really hear  
5 you saying is if we are going to -- if we decide to move  
6 forward, we would take this precedent of how they did it  
7 with members present --

8 MR. DUNAWAY: -- at the annual meeting.

9 MR. CAMPBELL: -- and then, decide to make  
10 that more -- so we would have to use that as members  
11 present to get the vote to change the Articles of  
12 Incorporation. And then, the Board decide, we don't want  
13 that -- whatever we want in the -- it has to be more than  
14 the members present. If that is what Daryl and Bill and  
15 I kind of agree -- members present at that meeting is not  
16 really what I think it should be. But it shouldn't be 50  
17 percent of the members.

18 If you use some standard deviation like  
19 they do in polls and three percent of the population --  
20 or three percent margin of error for it, so we have to  
21 use this to move forward regardless. This is the  
22 precedent that is set. And the only way we can move  
23 forward, even if we decide after this that more than the  
24 members present, but less than half of the membership is  
25 the way the Board and the members want to go.

1                   MR. DUNAWAY: I think -- let me be clear.  
2 So let's clarify, what I am proposing is that you  
3 eliminate the inconsistency between the Articles of  
4 Incorporation and the bylaws. What it may be that you  
5 are saying and discussing -- and maybe I will let Daryl  
6 clarify that -- in doing so, you would still like to  
7 have something in the Article of Incorporation which  
8 control how you're amending your bylaws.

9                   So he is saying, "Yes." My proposal was  
10 that that was going to be eliminated and you were going  
11 to handle that --

12                  MR. THIEL: In the bylaws.

13                  MR. DUNAWAY: -- in your bylaws such that  
14 you could make changes to your bylaws that say no  
15 amendments to the bylaws, again, after that approval. No  
16 amendments to the bylaws could be accomplished with less  
17 than 20 percent, whatever it is you did.

18                  But the first time you did it, it would be  
19 based on the way the bylaws are written now, which is a  
20 majority of the members present at the meeting. So you  
21 could make any changes.

22                  And what I am saying to you is that is --  
23 that provides -- well, you asked me, "Can we resolve the  
24 conflict between them?" This is the way to resolve the  
25 conflict. But I recognize it opens a Pandora's box. So

1 resolving this conflict opens up the potential to now  
2 move forward with all kind of changes to the bylaws.

3 I am hearing Daryl and he is saying,  
4 "Yes," you want to have a control in the Articles of  
5 Incorporation that makes it a little bit harder but not  
6 impossible to make changes to the bylaws. And that's  
7 possible. We just have to write that in on this  
8 particular one to say more than -- what I was going to  
9 propose is that you would just eliminate that, you know,  
10 the bylaws of the corporation shall be made and may be  
11 altered by a vote of the majority of members. And I  
12 would just add, "Present at the meeting."

13 But what you are saying is you want it to  
14 be something greater than that. And that's fine. We can  
15 put that in. You have just got to tell us what that is.  
16 And now would be the time you would have to tell us.  
17 Because what I am saying is we have to have that written  
18 down. That has to be provided in the notice because it's  
19 got to go to the members so they know and they have  
20 adequate notice of the proposal, and then, they can vote.

21 MR. THIEL: Could we -- once we change the  
22 Articles of Incorporation and it's changed the way you  
23 have got it right now, then, we have some bylaws that we  
24 all have heartburn with. But can we change those, change  
25 the wording in the bylaws so that in order to change the

1 bylaws, it takes a majority of the members voting in a  
2 referendum conducted on whatever?

3 MR. DUNAWAY: Yeah. If we fix the  
4 Articles of Incorporation to remove this restriction that  
5 is preventing you from changing the bylaws now without a  
6 majority vote of all the members, then you can change the  
7 bylaws. And the next step, however you want to, with  
8 whatever it is that -- whatever the criteria is you put  
9 in this limiting -- like, right now, the limiting factor  
10 is by a majority of the membership.

11 MR. THIEL: Yeah.

12 MR. DUNAWAY: If you want to put a  
13 limiting factor that is somewhat less restrictive but  
14 more restrictive than a majority of the members present  
15 at the annual meeting, then, that's what we need to talk  
16 about and put in place now.

17 MR. THIEL: I would be in favor -- or I  
18 would support anyway -- the majority of the people that  
19 vote getting -- and in the annual for the Directors by  
20 600 or something. I think 10 percent is a fairly big  
21 number. I don't think we are able to get to that.

22 MR. LINNELL: I think -- well, what I  
23 think you just said, I think, is what he is proposing, is  
24 that if we change it to the members who voted at that  
25 meeting, that is, assuming everybody --

1 MR. THIEL: We are not talking about being  
2 able to vote absentee. The members who vote during that  
3 voting period.

4 MR. LINNELL: I am saying the absentee  
5 ones wouldn't be able to.

6 MR. DUNAWAY: Right. You have to be  
7 present at the meeting.

8 MR. LINNELL: You have to be present at  
9 the meeting.

10 MR. THIEL: That would change the bylaws.

11 MR. LINNELL: But --

12 MR. CAMPBELL: Right. But you have to get  
13 to changing the Articles of Incorporation first.

14 MR. THIEL: That's right.

15 MR. CAMPBELL: And then, Step 2 would  
16 be --

17 MR. THIEL: And I am in favor of that  
18 because of that.

19 MR. LINNELL: Daryl, what were you going  
20 to say?

21 MR. LYNCHARD: So, you know, I don't know  
22 that we have ever had 200 people to come out to vote on  
23 an election day.

24 MR. MILLER: We had close to 1,000 one  
25 year, I mean, total.

1 MR. LYNCHARD: Not on election day,  
2 because I had 700 proxies.

3 MR. CRUMBLEY: Oh, you are the guy.

4 MR. THIEL: Yeah.

5 MR. LYNCHARD: Yeah.

6 MR. CRUMBLEY: That's what we want to do  
7 away with.

8 MR. LYNCHARD: That's what we want to do  
9 away with. I get it. I tried to do away with it. But  
10 here's the point. Here's the point.

11 MR. COSBY: We don't want those elections  
12 again.

13 MR. LYNCHARD: Let's say 200. Okay.  
14 That's, what, a tenth of a percent of our membership. So  
15 a tenth of a percent of our membership is going to be  
16 able to change our organizing documents that haven't, as  
17 far as our Articles of Incorporation, haven't really  
18 changed in the past 50 years.

19 MR. LINNELL: So, as I understand, that's  
20 not true. They would not be able to change. They would  
21 only be able to present it to us.

22 MR. DUNAWAY: That's not the -- that's the  
23 way the Articles of Incorporation are. That's not the  
24 way your bylaws are. Your bylaws are -- and let's look  
25 at them, because it's important. So let's look at the

1 language in your bylaws. And I presented it in your  
2 package.

3                   These bylaws may be repealed or amended by  
4 a vote of a majority -- let me get to that -- by a  
5 majority of the members present in any regular meeting of  
6 the corporation or at any special meeting that the  
7 corporation called for that purpose. The majority of the  
8 members present at any regular meeting.

9                   So, again, you're -- it's complicated by  
10 the fact -- by the way, the procedure, that you run your  
11 annual meeting. Because you never know how many people  
12 are actually present at the meeting until the end of the  
13 meeting when we count the ballots that were turned in  
14 with Ms. Tappie and her ladies.

15                   So you would have to, you know, if you had  
16 a special called meeting, you know, you could have -- I  
17 mean, you could have ten people show up and six people  
18 could change the bylaws, so --

19                   MR. LINNELL: So just looking at that  
20 conflict, that seems -- I must have misunderstood what  
21 you read or stated before about -- at the meeting, it's  
22 presented and the members would present it to the Board  
23 and we ultimately vote on whether or not to --

24                   MR. DUNAWAY: Right. That's the Articles  
25 of Incorporation.



1 MR. LINNELL: Well, that says Articles of  
2 Incorporation. How are they changed? Oh, they both kind  
3 of go together on that.

4 MR. DUNAWAY: On that, I don't have the  
5 second sentence. But look at your copy of the Articles  
6 of Incorporation, Article 10, because there are two  
7 sentences.

8 And the first sentence: "Amendment to  
9 these Articles of Incorporation may be proposed to the  
10 Board of Directors by a majority vote of the members of  
11 the corporation."

12 Second sentence, "A majority of the  
13 members of the Board of Directors may approve, amend, or  
14 reject said proposals and shall have final authority to  
15 object."

16 So that's why I was saying the process to  
17 amend these Articles is that your members are proposing  
18 it. It will be presented back to you for approval or  
19 amendment or rejecting. And I am saying, if you are  
20 going to reject it, don't go through this process.  
21 Because it doesn't make -- you won't -- it won't make any  
22 sense if you are ultimately going to reject it. Let's  
23 just don't go through it.

24 MR. THIEL: I think we are all in  
25 agreement we absolutely need to fix the Articles of

1 Incorporation. The problem, the can of worms you open up  
2 is how are you going to handle that.

3 MR. MILLER: That first sentence in  
4 Article 10, amendment to these Articles of Incorporation  
5 may be proposed to the Board of Directors by a majority  
6 vote of the members of the corporation. I think we have  
7 got to change that sentence as well as Article 9.

8 MR. DUNAWAY: No. No. We have to change  
9 both of those. Yeah. Yeah. Both of those would have to  
10 be changed. Right. The question is: Changed to what?

11 And what I am hearing is you don't want it  
12 to be changed to what it says in the bylaws, "May be  
13 amended by a majority of the members present at any  
14 regular meeting or meeting of the corporation or special  
15 meeting called for that purpose."

16 You are --

17 MR. MILLER: How do we define that  
18 threshold that we want? Is it a certain number like at  
19 least 500 people? Or is it a -- do we have a percentage  
20 of our membership that's less than 10 percent but more  
21 than 2, you know --

22 MR. LYNCHARD: I mean, 10 percent of the  
23 membership is 1700. I think we have had at least one  
24 election where we had that many people vote.

25 MR. CRUMBLEY: But no matter what number

1 we put out there, it still has to be members present at  
2 that meeting. Correct?

3 MR. MILLER: Or show up during the day to  
4 vote. Because the meeting is open all day.

5 MR. CAMPBELL: That's what he is saying --

6 MR. DUNAWAY: Okay. No.

7 MR. CAMPBELL: The initial vote is yes the  
8 members present, but then the standard we set, we can set  
9 that standard.

10 MR. CRUMBLEY: We can set that later --

11 MR. CAMPBELL: Yeah.

12 MR. CRUMBLEY: That's what I was talking  
13 about in order to change the Articles of Incorporation.

14 MR. DUNAWAY: Well, if you want it in the  
15 Articles of Incorporation, you need to set it now.  
16 Because you won't -- you only want to amend the Articles  
17 of Incorporation once.

18 MR. THIEL: There you go.

19 MR. DUNAWAY: Right. You only want to do  
20 it this one time to make it either -- to make it as you  
21 were trying to do a little less hard but not as easy as  
22 the bylaws. That's what I am hearing you say.

23 You want it to be less hard than it is  
24 now, i.e. impossible, but you don't want it to be so easy  
25 as to six people to be able to show up and make a

1 decision.

2 MR. THIEL: So the vote you are talking  
3 about to change the Articles of Incorporation at the  
4 annual meeting, the only people that would get to vote on  
5 the Articles of Incorporation part of that is the ones  
6 that show up to vote on the day of --

7 MR. DUNAWAY: Correct. You can't do a  
8 proxy or an absentee or an early vote on amending the  
9 Articles, because you would not be present at the annual  
10 meeting. You are going to have to be present at the  
11 annual meeting. To be present at the annual meeting is to  
12 be there after the meeting opens and before it closes on  
13 that day.

14 MR. THIEL: Yeah.

15 MR. CAMPBELL: Jeff and Amber, do we have  
16 numbers on -- I asked why -- yeah.

17 MR. CRIGLER: She has got them.

18 MR. CAMPBELL: Okay.

19 MR. CRIGLER: She will make a copy.

20 MR. THIEL: How many people voted on the  
21 day of the annual meeting?

22 MR. CRIGLER: Yeah.

23 MR. CAMPBELL: 500? 1,000?

24 MR. DUNAWAY: So the other -- let me just  
25 throw this out --

1 (SPEAKING OVER EACH OTHER.)

2 MR. CAMPBELL: Think of a number, though;  
3 right?

4 MR. DUNAWAY: Again, the other option and  
5 I think it may be a good one is that again look at that  
6 second sentence of Article 10 which I am not recommending  
7 you change. Look at that as a possible limiter for your  
8 bylaws such that any amendments that might be proposed  
9 to -- by your members would come to the Board of  
10 Directors for approval or rejection such that the Board  
11 of Directors would always have the control. But if what  
12 you are ultimately trying to do is give the members an  
13 option above you, that would take that away.

14 MR. COSBY: Do you mind if I just butt in  
15 real quick on one little thing?

16 MR. MILLER: Yeah. Go ahead. Come to the  
17 podium.

18 MR. COSBY: I was hoping -- it was exactly  
19 why I am here to talk about the two-step which I agree  
20 with the attorney about the members having it and  
21 bringing it to the Board. Would that --

22 MR. LINNELL: I am sorry. I didn't hear  
23 the start. Would you start again?

24 MR. COSBY: Your lawyer was talking about  
25 amending the corporation, the corporate bylaws -- the

1 Articles of Incorporation. It's been a long day. It's  
2 hot out there.

3 It would become a two-step process where  
4 the members would have to bring it to the Board. Then,  
5 the Board would have to vote.

6 MR. DUNAWAY: Right. That's what it is  
7 now.

8 MR. COSBY: Is there a protection that the  
9 Board being members could bring something and vote on it  
10 in the same day, you know, particularly for the members,  
11 say, if we didn't want something in?

12 We know what the Board used to be like in  
13 the past and get it snuck through. Is there a protection  
14 for us out of this?

15 MR. LYNCHARD: It depends on which way we  
16 go.

17 MR. LINNELL: Well, I think -- what is  
18 going on here, I think anywhere we go, because we are all  
19 trying to figure out how big of a number we would need  
20 that day before it comes to us. So even if one of us  
21 tried to do it, you would still have to surpass that  
22 number.

23 MR. COSBY: So the Board would then have  
24 to be basically held --

25 (TALKING OVER EACH OTHER.)

1 MR. COSBY: -- to the same responsibility.  
2 They would have to have X amount of people, members.

3 MR. CRUMBLEY: It sounds like the Board  
4 would have to make a yea or nay decision based on the  
5 proposal brought to the Board from the members at that  
6 meeting.

7 MR. COSBY: But if the Board proposed  
8 it --

9 MR. CRUMBLEY: The Board can't propose new  
10 additional things; right?

11 MR. DUNAWAY: Right. Under your Articles  
12 of Incorporation, it's proposed by the members. But,  
13 again, you are members, so you can -- you are members, so  
14 you can make these proposals. But it comes to you for  
15 ultimate approval, any of these changes. Any changes to  
16 the Articles of Incorporation.

17 That's not the case with the bylaws.  
18 That's not the case with bylaws.

19 MR. COSBY: It's a can of worms. I agree  
20 y'all need to change it. I hope you can. It is just --

21 MR. DUNAWAY: The document that Emerald  
22 just handed out to you actually is very, very helpful on  
23 the argument of your past -- your past actions. Because  
24 it shows that a number of 27 at an annual meeting was not  
25 that unreasonable. And that was in 1983 at 53.

1                   You had 37 present in 2017. So, now, of  
2 course, '19, '20, you had a lot because you had a lot  
3 going on.

4                   MR. THIEL: '21 and '22, you had COVID, so  
5 that's why nobody showed up for the motion.

6                   MR. DUNAWAY: Right. So again, your -- to  
7 make the change, the question that's before you is: Do  
8 you make the change -- what do you set that threshold at?  
9 That limiter?

10                   Do you set it at, you know -- we hope to  
11 achieve it only once ever? Well, that's a whole bunch of  
12 effort to really rally the troops. And so, to get, I  
13 don't know, 300, 400, 500 or --

14                   MR. LYNCHARD: I think it needs to be, you  
15 know, like I said, I think it needs to be extremely hard  
16 and not impossible. And it's not virtually possible at  
17 this point, but I think 500, that is not enough.

18                   I think that if you had 10 percent --

19                   MR. CAMPBELL: So a little statistics,  
20 right, so over the total ballots from 2016 to 2023, there  
21 is 500, right, total average. I discounted the year you  
22 got your 1,000 --

23                   MR. LYNCHARD: Yeah. We got a bunch of  
24 them. Yeah.

25                   MR. CAMPBELL: So with a 95 percent



1 certainty that those 500 ballots would get the same  
2 result as the 17,000, you only have a four percent margin  
3 of error with 500 ballots.

4 MR. LYNCHARD: Okay.

5 MR. CAMPBELL: So depends on if we want to  
6 kind of go that route to say, okay, like they do in  
7 polls, if I get this much. So I just did some math  
8 before.

9 And just what you said, 17,000 members,  
10 500 ballots, 95 percent certainty we would get the same  
11 result if we took -- if everybody voted with a four  
12 percent margin of error.

13 If you go up to obviously more than 1,000,  
14 it would be a 3 percent margin of error. I think that  
15 might be a little high. Which is, you know, 500 isn't  
16 necessarily campaigning. You know, if it is worth doing,  
17 you need to get the word out sort of thing.

18 So, to me, I think that is kind of  
19 reasonable for four percent margin of error. So your 500  
20 number might not be all that --

21 MR. LYNCHARD: You are talking about a  
22 four percent margin of error for an election of the  
23 Board.

24 MR. CAMPBELL: For a change in the bylaws  
25 -- whatever we are talking about doing. If we are

1 looking for 500 people to vote as, right, if that is a  
2 recommended standard, then a margin of error would be  
3 four percent. Right?

4                   If it is 50/49, then, yeah, it's kind of a  
5 toss-up. But I am just -- I did some math to say, hey,  
6 is that reasonable? Is it unreasonable?

7                   MR. LINNELL: Well, for -- my thought is I  
8 am leaning less and less towards 500. More like 750 from  
9 the aspect of, at least several of us have mentioned, we  
10 don't want this to be easy.

11                   And we have got evidence here where we  
12 have been over 500 in any single voting day three times  
13 in the last five years -- sorry, two times in the last  
14 five years. And then damn sure close to it this year.  
15 That's why I would probably recommend 750.

16                   I mean, if we want to get a stretch,  
17 that's -- what is that -- five percent? Roughly five  
18 percent now. It's just going to keep growing, but, yeah.

19                   I am thinking 500 is too little now -- I  
20 have seen these numbers -- if we want to make it, you  
21 know, something that your ordinary vote wouldn't get.

22                   MR. MATTHEWS: You just said it, too. We  
23 set a number and it keeps growing. 750 is not a big  
24 number in ten years; is it?

25                   (EVERYONE SPEAKING OVER EACH OTHER.)

1 MR. LINNELL: Yeah. Ten years, it will  
2 be --

3 (EVERYONE SPEAKING OVER EACH OTHER.)

4 MR. CRUMBLEY: You would almost have to go  
5 with a percent.

6 MR. LYNCHARD: Yeah.

7 MR. CRUMBLEY: You would almost have to.

8 MR. LYNCHARD: But even if we said 500 or  
9 750, that means that 351 members can change the bylaws.  
10 Or not? 750 would be --

11 MR. LINNELL: Yeah. That's correct.

12 MR. DUNAWAY: I don't -- what is build  
13 out; do we know?

14 MS. MCDANIEL: Sorry?

15 MR. DUNAWAY: Do you know what build out  
16 is in the franchise area?

17 MR. LINNELL: I think that will work.

18 MR. MATTHEWS: It's over 50 percent.

19 MR. LINNELL: Well --

20 MR. LYNCHARD: I think the 10 percent  
21 number --

22 MR. LINNELL: I just don't think we will  
23 ever get there.

24 MR. DUNAWAY: I mean, you are constrained.  
25 You have a franchise area. I mean, there was a build

1 out. I was just talking -- you may be at half. We are  
2 not exactly sure.

3                   So, you know, a numbered build out. So  
4 you have a -- the number is not going to go up  
5 infinitely. If it ultimately would cap it at build out.  
6 There is only so much space in your franchise area.

7                   But, I mean, it does make sense -- again,  
8 we don't want to -- we, the company, you don't want to  
9 amend your Articles. You want to do this. Yeah. You  
10 don't want to do it every year. So, you know, just  
11 picking a number like 500 or 750 or 629 or whatever, it  
12 would be better to have a percentage.

13                   The only complication to that is you have  
14 to do the math so staff would have to do the math on that  
15 day. But, you know, that can be done. I mean, it's a  
16 number. But it would grow. Because -- so if your 750 is  
17 not a good number.

18                   It's a good number today. It might not be  
19 in ten years. It might be low. I don't know. I just  
20 throw that out for you to rethink.

21                   MR. THIEL: What is five percent today?

22                   MR. LYNCHARD: Five percent?

23                   MR. CAMPBELL: 750.

24                   MR. LINNELL: 800-something.

25                   MR. THIEL: That's a pretty high bar to

1 get over.

2 MR. LINNELL: It's 850 for just 17,000.

3 MR. CRUMBLEY: Yeah.

4 MR. DUNAWAY: Yeah. That's right.

5 MR. THIEL: 10 percent, I think -- I think  
6 10 percent is much too far. I don't think you will ever  
7 get there. But if we want to change the Articles of  
8 Incorporation, I think we are going to go for  
9 something -- I would think five percent would probably be  
10 the ceiling that I think we would even have a chance of  
11 making. And that would take some heavy lifting.

12 MR. MILLER: Even with that, the number of  
13 people that voted absentee and proxy.

14 MR. THIEL: But they don't count.

15 MR. MILLER: Yeah. Those don't count.  
16 So, you know, while I -- can I finish -- while I agree  
17 that we need to have some kind of standard or minimum  
18 number of votes to do it, you know, that's more than 10,  
19 I think, you know, to set that bar at 1,000 or 750 even,  
20 when we know we don't have that many people come out, I  
21 just think we are setting up ourselves for failure if we  
22 do that.

23 I think 500 members. If 500 members,  
24 which is a pretty good representation of our membership,  
25 and every member is going to know about it because it is

1 going to go out in the election notice, so they will know  
2 about it and have an opportunity to show up.

3                   It's not like they are going to, you know,  
4 just not show up if they really care about it and don't  
5 want it to change. I am in favor of, like, 500.

6                   MR. CAMPBELL: So what I was going to say,  
7 Mark, what I was going to say, Mark, is that to get to  
8 here, it has to be election day. But we, if we decide to  
9 rewrite the Articles of Incorporation, we can change that  
10 so it doesn't have to be on election day. Is that not a  
11 true statement?

12                   MR. DUNAWAY: That's true.

13                   MR. CAMPBELL: So a special meeting. We  
14 could have two weeks worth of voting, whatever we decide.  
15 Does that change your thinking on the numbers? I mean, I  
16 am kind of okay with 500, 600, 750, something like that.  
17 That's four percent of our members right now.

18                   And the margin of error is three to five  
19 percent. Does that change your --

20                   MR. MILLER: Not really. I think if we  
21 had 500 members that show up and agree to a change, the  
22 majority of the members agree to a change, not 500, not  
23 all 500. But if you have got 500 that show up, that's a  
24 pretty good representation of what our members want,  
25 especially knowing that, you know, we are not going to do

1 this behind closed doors. It's going to be put out to  
2 the members before they will have the opportunity to vote  
3 on that.

4 MR. LINNELL: I am good with that number.

5 MR. LYNCHARD: I just don't think we  
6 should -- I think it should be something special. I  
7 don't think it should be a number like 500. And just for  
8 the actual, the absolutely opposite reason that you think  
9 is good. You think 500 is good because that's how many  
10 people we have here every time we have an election.

11 I think 500 is bad because that's how many  
12 people we have here every time we have an election. It  
13 needs to be something special. Something difficult. Not  
14 just something that somebody comes up one night and says,  
15 "I want to do this. Let's all vote on it. And we know  
16 we are going to have the number of votes at the  
17 election."

18 Nobody has got to do anything special to  
19 get them, because that's just consistently the number  
20 that we have. I think it needs to be something to where  
21 this Board or the members that proposed some change to  
22 our bylaws need to get out there and get our members  
23 interested enough to come up here and vote. And if they  
24 don't come up here and vote, I don't think they need to  
25 be changed. That's all.

1 MR. LINNELL: I agree with everything that  
2 Daryl said except we routinely get 500 people out here to  
3 vote, well, based on these numbers. To me, I still think  
4 500 is low.

5 MR. LYNCHARD: I think it is way too low.

6 MR. LINNELL: Well, I am not thinking of  
7 it that way. I mean, we are talking about three percent.  
8 I just think three percent is too low. I still think  
9 five percent would be a better number. Or the fact that  
10 we have never gotten close to that.

11 MR. LYNCHARD: Uh-huh.

12 MR. MATTHEWS: That's where I am at.

13 MR. LINNELL: If we are thinking, it needs  
14 to be difficult, not something easy and ordinary --

15 MR. DUNAWAY: Well, a question -- I am  
16 sorry to cut you off --

17 MR. LINNELL: I was basically done. I was  
18 just going to repeat myself. So knock yourself out.

19 MR. DUNAWAY: As soon as I said that --  
20 no, I am just thinking, it seems like the discussion is  
21 occurring because there is a desire to update the bylaws  
22 at least this once. We need to get the bylaws updated  
23 and then, we get to that, you know, we would want to put  
24 a lockdown on it.

25 I wonder if -- and it would take some



1 faith, but it would take the ideas, if you eliminated the  
2 Articles of Incorporation issue, which is what is  
3 limiting you now. Now you are into the bylaws.

4           The bylaws are something that, you know,  
5 you would expect a corporation to look at, you know,  
6 every 10 or 20 years. And that's not uncommon. You  
7 could put all of those limiters in that first amendment  
8 to the bylaws, again, such that you are just dealing with  
9 the bylaws and you are not having to go back to the  
10 Articles of Incorporation.

11           Because it's the changing of the Articles  
12 of Incorporation that is causing you to have this. It  
13 has to be at a meeting. It has to be. You know, all of  
14 that could change in your bylaws. It's the change to the  
15 Articles of Incorporation that are causing the procedures  
16 of this process.

17           You could change it. You could have your  
18 bylaws and it could be as hard or as easy as you wanted,  
19 if you got it done the first time. But you would have to  
20 get it done that first time.

21           MR. LINNELL: To that, do we -- I thought  
22 a little while ago, you kind of pushed a point, for lack  
23 of a better phrase. Pressed upon us that, hey, if you  
24 are going to put something in the bylaws, let's get in  
25 the Articles of Incorporation now. Let's do it now.

1 MR. DUNAWAY: In the Articles of  
2 Incorporation.

3 MR. LINNELL: Well, no offense. I must  
4 have misunderstood. To me, it sounded like you were  
5 saying just the opposite now. You are saying, don't  
6 worry about a number for the Articles of Incorporation.  
7 Worry about it in the bylaws.

8 And I thought you said before -- let's do  
9 it in the Articles of Incorporation, so --

10 MR. DUNAWAY: Yeah. You know, you are  
11 right. I was listening to the discussion. And the  
12 difficulty of coming up with that number, 800, 1,000,  
13 whatever. And realizing that you might not get it.

14 Therefore, you might not get those changes  
15 to the bylaws that you seek in the first instance. We  
16 could go through all of this, set it to 850 or five  
17 percent and then never get to the point of ever amending  
18 your bylaws even that first time.

19 Which, again, if you are never going to  
20 get to that point, you are at that point now.

21 MR. THIEL: If you set too high a number,  
22 you will never get to that point in the Articles of  
23 Incorporation.

24 MR. DUNAWAY: That's what I am saying.

25 MR. LYNCHARD: But if it's, you know, if

1 it's not important enough a change that you can get 500  
2 people or 1,000 people to come out here and vote on it,  
3 then, in my mind, it's probably not that important of a  
4 change to be changing it all anyways

5 MR. DUNAWAY: I hear you. I just have  
6 heard you say that you have a desire to make changes to  
7 the bylaws.

8 MR. LYNCHARD: Oh, yeah. Definitely.

9 MR. DUNAWAY: So, then, what you are  
10 saying is -- and it's important and we can rally and we  
11 can get the number we need.

12 MR. LYNCHARD. Uh-huh.

13 MR. THIEL: The biggest change to the  
14 bylaws that I have heard and everybody wants is do away  
15 with proxy voting. So, you know, I think -- I know in  
16 order to change the Articles of Incorporation, I think we  
17 should make that as easy as possible to get that changed  
18 and then we can deal with the bylaws.

19 I know it opens up a can of worms and we  
20 are going to have to be careful of it. We will have to  
21 deal with it at that time.

22 MR. LYNCHARD: In reality, we can just  
23 change -- we are talking about changing the Articles of  
24 Incorporation. Throw a line in that one and say, "Proxy  
25 voting shall not be allowed at Holley Navarre Water



1 it to say, not the process. Not the -- and that's -- we  
2 seem to be talking a whole lot about the process, if you  
3 will. And how we are going to make a change. And we  
4 can't do that.

5 We have to have a majority of the members  
6 at the meeting, I think, have to present it to us, and  
7 then, we vote. I mean, correct me if I'm wrong, but  
8 that's it. That's what has to happen this year.

9 MR. DUNAWAY: Right. And you may -- you  
10 may or may not get a majority of the members who vote at  
11 the annual meeting approving it, at which point, it won't  
12 pass. But the question -- we have -- we have moved  
13 actually past that point to what is it that you want them  
14 to say?

15 Because you are going to be amending them.  
16 So what is it that you want them to say? All you would  
17 have to do to have them consistent with the bylaws is to  
18 eliminate that vote of the majority of the members.

19 Then, what Director Lynchard says is, no,  
20 he wants to put in there a limiting factor in the  
21 Articles of Incorporation, and that's what you have been  
22 discussing. And that's what we are talking about.

23 We are -- the process we are talking about  
24 is amending the Articles of Incorporation. Now, what do  
25 you want the Articles of Incorporation to be amended to

1 say? Do you want them to say, "The bylaws can be amended  
2 the way the bylaws say they can be amended."

3 Or do you want them to say, "The bylaws  
4 can only be amended if five percent of the members," --  
5 or do you want them to say, "No proxy voting." And that  
6 is really what you were after?

7 MR. LINNELL: That's not the only thing we  
8 are after.

9 MR. DUNAWAY: Yeah. I know.

10 MR. LINNELL: I would rather ignore  
11 everything you said. How many people need to vote on a  
12 change? That would be my reservation for now. And --

13 (EVERYONE SPEAKING OVER EACH OTHER.)

14 MR. THIEL: That's what we are talking  
15 about.

16 MR. MATTHEWS: That's where I am at.

17 MR. MILLER: Let's go down the line.  
18 Throw out numbers or percentage of what you would like to  
19 have as a minimum present to vote --

20 MR. THIEL: -- to change the Articles of  
21 Incorporation.

22 MR. MILLER: Daryl, what number would you  
23 be comfortable with?

24 MR. LYNCHARD: 10 percent is my minimum --

25 MR. MILLER: 10 percent.

1 MR. LYNCHARD: -- that I would like to  
2 have.

3 MR. LINNELL: Five.

4 MR. MILLER: Five percent? David?

5 MR. LINNELL: I will retract that. What  
6 do we got now?

7 MR. CRIGLER: 17,500.

8 MR. LINNELL: Four would be 720.

9 MR. CAMPBELL: Five percent is 850.

10 MR. LINNELL: I will stay with five.

11 MR. CRIGLER: Five percent?

12 MR. MILLER: David, where are you on it?

13 MR. CRUMBLEY: I would say five percent.

14 I was going to also maybe interject and say, you know, to  
15 get people to come out and vote, you can give them as  
16 much information as you want to give them. But if they  
17 are not inclined to try to make a change, they are just  
18 not going to come out and vote.

19 And you are looking at these election  
20 ballots. I was even going to suggest maybe taking the  
21 highest number in the past ten years and increase that by  
22 20 percent. We have got 590 election day ballots here in  
23 2019.

24 You could throw another 20, 25 percent on  
25 top of that and see if that's a good number. Because

1 that's going to show how many people are really going to  
2 be involved in that process and really care about this  
3 process and care about the water system.

4                   So I am okay with five percent. I think  
5 either way, we are kind of around the same --

6                   MR. MILLER: It should be right about  
7 there if you moved the five to four.

8                   Mike, what about you?

9                   MR. MATTHEWS: Five percent.

10                  MR. MILLER: Okay. I am probably slightly  
11 less than five percent. But I think I would go with five  
12 percent.

13                  MR. LYNCHARD: Nope.

14                  MR. THIEL: I think 500 is a good enough  
15 number for the Articles of Incorporation. But if five  
16 percent is the consensus, that is fine with me.

17                  MR. CRIGLER: Five. When I did the math,  
18 it was about three.

19                  MR. MILLER: Three percent?

20                  MR. CRIGLER: Yeah.

21                  MR. MILLER: Joe?

22                  MR. CAMPBELL: Yeah. Five percent, 850  
23 might come in, total apathy. But I kind of agree, if it  
24 is worth doing, it needs to be a two-week period, you  
25 know, and it generate not just on election date.



1                   So we are not talking about not just  
2 election day and having a -- here's why we want to do it.  
3 Here is why it's important.

4                   MR. THIEL: They have to show up on  
5 election day.

6                   MR. CAMPBELL: No. No. We don't. That's  
7 my point. The first part is to get it on to change it,  
8 yes, it has to be election day.

9                   But what is in there and what the members  
10 vote on could be --

11                  MR. CRUMBLEY: I thought we are talking  
12 about the election day, the first step, the change in the  
13 Articles of Incorporation. Like Will said, there is no  
14 reason for us to discuss anything else.

15                  MR. CAMPBELL: Well, what I am hearing him  
16 say, David, is that by precedent, what happened in 1983,  
17 the reading is members present on election day  
18 authorized -- can authorize to change the Articles of  
19 Incorporation.

20                  MR. CRUMBLEY: Right.

21                  MR. CAMPBELL: And then, we think, okay,  
22 those 27 people making a decision is probably not a good  
23 thing for the system. We think it ought to be X. And  
24 then, that's what we would vote on if the members present  
25 it to us.

1                   And that could be anything from two week  
2 open period or just one special meeting or whatever the  
3 case may be. Right? Am I reading that right?

4                   MR. DUNAWAY: Right. Because what I am  
5 hearing you say is that's what you would do. And let's  
6 look at it together with Article 9 with the Articles of  
7 Incorporation.

8                   Article 9, you would say your -- this  
9 would be your proposal that the members would vote on.  
10 And the members who would vote would be the members  
11 present at the annual meeting in January of 2024. And  
12 they would vote on -- something -- it would say -- you  
13 would amend Article 9 to read thus.

14                   The bylaws of the corporation shall be  
15 made and may be altered or rescinded by a vote of five  
16 percent of the total members of the company on the day of  
17 the annual meeting.

18                   MR. LINNELL: Say that one more time?

19                   MR. DUNAWAY: Five percent of the total  
20 number of members of the company on the day of the annual  
21 meeting.

22                   (SPEAKING OVER EACH OTHER.)

23                   MR. LINNELL: I want to make sure that  
24 what it is actually saying is at least half plus one of  
25 the five percent. I think that's what -- that's what I

1 am talking about. Unless we can get 850 people out  
2 here --

3 MR. DUNAWAY: Okay.

4 MR. CRIGLER: What you are saying it would  
5 only be --

6 MR. LINNELL: 426 people would have to say  
7 yes.

8 MR. CRIGLER: I got what you are saying.

9 MR. LINNELL: So that's -- if we weren't  
10 all thinking -- that's certainly what I was thinking.  
11 So, for me, my five percent meant five percent had to  
12 vote. And 50 percent plus one had to say yes.

13 MR. DUNAWAY: Okay.

14 MR. MILLER: That's correct.

15 MR. THIEL: Yes, that's right.

16 MR. CRIGLER: You are not talking about  
17 1200 yes votes, then?

18 MR. MILLER: No. No.

19 MR. LINNELL: No. I was not. I was not.

20 MR. THIEL: No. I was not, either.

21 MR. LINNELL: None of us were.

22 MR. CAMPBELL: But whatever is proposed by  
23 the members to the change of the Articles doesn't  
24 necessarily have to reflect on election day.

25 MR. DUNAWAY: Okay. All right. Well,

1 what Director Linnell just said -- what you were saying  
2 is you are saying that it would be a majority of the  
3 members who voted, as long as 850 voted.

4 MR. THIEL: Yeah.

5 MR. CRUMBLEY: Yeah.

6 MR. THIEL: That's right.

7 MR. LINNELL: Or I am fine with saying 2.5  
8 percent plus one must say yes.

9 MR. DUNAWAY: Right. Which gets you to  
10 the three percent. Well, 2.5. I mean, the number being  
11 because what you -- because what this would allow you to  
12 do, again, the only time unless you want it to remain  
13 this way, the only time you have to have the situation  
14 that it's the members who were present at the meeting is  
15 this amendment.

16 MR. LINNELL: Right.

17 MR. DUNAWAY: If we write it such that you  
18 can vote any way the way you vote for the subsequent  
19 changes, then you don't have to be present at the  
20 meeting.

21 MR. LINNELL: Right.

22 MR. DUNAWAY: So that's why a vote of --  
23 and if you -- if it is half of five percent, it's  
24 actually two percent, 2.5 percent of the members.

25 MR. LINNELL: Plus one.

1 MR. DUNAWAY: Okay. Of the total members  
2 of the company because -- so you are talking about you  
3 want, if 850 is the number -- is five percent of the  
4 total membership, you want at least half of those?

5 MR. LINNELL: 426 have to say yes. So I  
6 think it would be difficult based on -- I mean, we just  
7 had 500 show up twice is all in the last eight years.  
8 And all of those -- almost all of them would have to say  
9 yes.

10 And if almost all of them said yes, I  
11 would probably be okay with it. But like I said, I would  
12 still like a larger number. So if 426 say yes, that's --  
13 I would hate for it to only be 426, but --

14 MR. LYNCHARD: You have to have people  
15 with objection --

16 MR. LINNELL: A minimum --

17 (SPEAKING OVER EACH OTHER.)

18 MR. LINNELL: I don't know. That 400 --

19 MR. LYNCHARD: 426 people have to say  
20 yes.

21 MR. LINNELL: 426 people that say yes. So  
22 there are -- to Daryl's point, there are questions. Do  
23 we have to have a minimum number of people that vote? Or  
24 a minimum number of people that say yes?

25 MR. LYNCHARD: That's what we are

1 determining right now.

2 MR. DUNAWAY: Right. Because the way you  
3 vote, the only thing your members vote on are Directors.  
4 Okay. So that's all -- you have never had a situation  
5 that they voted on anything else except for the one time  
6 in 1983 that we know they voted to amend the Articles.

7 So that happened at an annual meeting. So  
8 if what you are saying is that you want to have at  
9 least -- what is the half plus one?

10 MR. LINNELL: 2.

11 MR. DUNAWAY: 2.5 percent plus one vote.  
12 Then, you could do that. And, again, you don't have to  
13 have them present at a meeting. That only happens this  
14 time.

15 If you want to amend it, it could just be  
16 a vote of the membership. I mean, you know, and you have  
17 a percentage of the members who can approve something.

18 And the question is: What is that  
19 percentage if you want -- if it is -- if you want it to  
20 just be five percent. Don't say five if you meant --  
21 when you were saying, "Five," you meant that's the total  
22 number of people you want voting.

23 MR. LINNELL: Yeah.

24 MR. DUNAWAY: Not the total number of  
25 people you want to approve it.

1 MR. MILLER: Right. But the language is  
2 going to be a whole lot clearer. And if we keep it at,  
3 you know, a majority of the members present at the annual  
4 meeting, provided that no less than five percent of the  
5 total membership of that.

6 Because if we say the 2.5 percent plus  
7 one, well, what if you have four percent of the  
8 membership vote "Nay"? You have met that threshold with  
9 2.5 percent plus one. So I think you have got to put  
10 that stipulation in as a percentage of the total  
11 membership provided that no less than five percent of the  
12 total membership cast their ballots or cast their votes.

13 MR. THIEL: The majority of people voting.

14 MR. MILLER: Right. The majority of those  
15 members, provided that no less than five percent of the  
16 total membership cast their ballots.

17 MR. DUNAWAY: It's just typical that you  
18 don't, in elections, you set a threshold for what you  
19 want it to be to approve. You don't set the threshold of  
20 the number of people you want to vote and then a  
21 percentage of the majority of those -- you typically  
22 don't do that.

23 That's what is complicated about it right  
24 now. Because that's what has got you into this  
25 situation. It has to be a majority of the members

1 present at the meeting to get you out of this conundrum.  
2 I am trying to get you out of every conundrum of being --  
3 having the majority of the members present at the  
4 meeting.

5                   Because we determined that that is  
6 problematic. So the same thing is accomplished, if what  
7 you meant when you were saying five percent, five  
8 percent, five percent, or 10 percent, in the case of  
9 Daryl, you meant you want that many people participating  
10 in a vote but what you really meant is you want half of  
11 those plus one approving it.

12                   Well, you get to that point. You get to  
13 that by saying how many people you want to approve it.

14                   MR. LYNCHARD: But, then, you only have to  
15 have 2 and a half percent plus one of that to vote.

16                   MR. DUNAWAY: Correct.

17                   MR. LYNCHARD: Now, we only have to have  
18 400 people came out to vote.

19                   MR. DUNAWAY: That's correct. But they  
20 have to vote all yea.

21                   MR. LINNELL: I think we are all thinking  
22 we want 850 to show up.

23                   MR. DUNAWAY: Okay. Well, then, you want  
24 to keep -- so you want -- okay.

25                   MR. MILLER: Yeah. We want --



1 MR. LINNELL: Happenstance is two and a  
2 half plus one is all that need to say yes if we get five  
3 percent out to vote.

4 MR. THIEL: So it's a majority of the  
5 people --

6 MR. DUNAWAY: A majority --

7 MR. THIEL: Assuming that -- with the  
8 caveat that at least five percent --

9 MR. MILLER: Of the total membership --

10 MR. THIEL: -- of the total membership has  
11 to vote.

12 MR. DUNAWAY: So it's --

13 MR. THIEL: Or however you say that in lay  
14 terms.

15 MR. DUNAWAY: It's by a majority of at  
16 least five percent of the members --

17 MR. THIEL: Participating.

18 MR. DUNAWAY: -- of the company. Because  
19 we have got to determine when. On the day -- because the  
20 staff will have to determine what is the number, the  
21 total number. It changes daily. Right.

22 So by a majority of at least five percent  
23 of members --

24 MR. CRIGLER: Would it be prior --

25 MR. CRUMBLEY: The previous fiscal year

1 like December 31st for the fiscal year. Because we vote  
2 in January. Right?

3 MR. CRIGLER: If you vote on the 21st,  
4 though, the -- you have got 18 days of moving in and out  
5 and that number is going to change.

6 MR. LINNELL: Yeah. But what we are  
7 talking about is --

8 MR. CRUMBLEY: It's small.

9 MR. LINNELL: What we are talking about,  
10 though, is that we wouldn't have to wait for the annual  
11 meeting to make changes. I mean, we have talked, hey, we  
12 can do this over a couple week period with a special  
13 referendum.

14 MR. DUNAWAY. Correct. It would have to  
15 be the number on the day of the election. Because you  
16 might not have the election in January. You might have  
17 it in June.

18 So by vote of the majority of at least  
19 five percent of the members of the company on the day of  
20 the election. A majority of at least five percent of the  
21 members of the company on the day of the election.

22 MR. LINNELL: That doesn't sound right.  
23 To me, that says you have to have five percent.

24 MR. CRUMBLEY: The majority of those  
25 voting --

1 (SPEAKING OVER EACH OTHER.)

2 MR. DUNAWAY: A majority is half plus one.

3 MR. LINNELL: Right.

4 MR. DUNAWAY: So the bylaws of the  
5 corporation shall be made and may be altered or rescinded  
6 by a vote of a majority of at least five percent of the  
7 members of the company on the day of the election.

8 MR. LINNELL: So what prevents 500 people  
9 coming out and all saying, "Yes"? What prevents them  
10 from meeting that requirement?

11 MR. CRUMBLEY: Five percent.

12 MR. DUNAWAY: 500 is not five percent of  
13 the company on the day of the election.

14 MR. LINNELL: It doesn't say anything in  
15 there from what I heard about five percent having to  
16 vote. Just that a majority of five percent of the  
17 company of members have to say yes.

18 MR. MILLER: It says at least five  
19 percent --

20 MR. THIEL: At least five percent of the  
21 membership votes on the day of the election.

22 MR. LYNCHARD: Figure out the way to word  
23 it.

24 MR. LINNELL: I was just going to say --

25 MR. LYNCHARD: One sentence just said a

1 majority of the members present on the -- at the -- at  
2 that day or that annual meeting.

3                   The second sentence that says, you know,  
4 it has to be five percent, a minimum of five percent of  
5 the membership has to participate for it to be a valid  
6 vote.

7                   MR. LINNELL: I am fine with having --

8                   MR. DUNAWAY: I actually like -- I think  
9 that makes it the simplest -- two sentences that say a  
10 valid vote requires at least five percent --

11                   MR. THIEL: Participation --

12                   MR. DUNAWAY: -- participation of the  
13 members.

14                   MR. THIEL: On the day of the election.

15                   MR. CAMPBELL: The only thing I don't like  
16 about that is on the day of the election. I know the  
17 initial vote will be that. But stipulating after that in  
18 order to have any chance, I just think one day, unless  
19 absentee ballots or whatever the case may be, so special  
20 meeting. Am I the only one seeing that?

21                   MR. CRUMBLEY: No. I agree with you.

22                   (SPEAKING OVER EACH OTHER.)

23                   MR. MILLER: I don't see us ever being  
24 able to get five percent of the membership to any special  
25 meeting. We will get them out for the election --

1 MR. CAMPBELL: I get that. So I guess  
2 what I am --

3 MR. MILLER: That would have to happen at  
4 an annual meeting.

5 MR. CAMPBELL: So what I am hearing you  
6 saying -- okay, so the election is 1 January, but we are  
7 going to allow absentee ballots two weeks prior. That  
8 doesn't necessarily have to be in there. Is that kind of  
9 where you were thinking?

10 MR. THIEL: Yeah.

11 MR. CRUMBLEY: He is trying to get us out,  
12 like he keeps saying --

13 MR. CAMPBELL: No. We can change it so  
14 that absentee ballots do count after this initial.

15 MR. MILLER: After this initial.

16 MR. CAMPBELL: So what he -- what I  
17 thought Will was drafting was our intent after the --  
18 hey, would you like us to change -- and this election  
19 day, whoever is in the audience gets to say, yes, we want  
20 you to change it to this preferred verbiage, which is  
21 what he is drafting. Right? Is that how I am  
22 understanding?

23 So we would stipulate and ask the  
24 membership, does this make sense to you? Instead of  
25 saying, hey, I can't make that. So absentee ballot

1 and --

2 MR. THIEL: Will, if I understand what  
3 your verbiage says here for this initial one to change  
4 the Articles of Incorporation, all they are going to be  
5 voting on is the new wording; right?

6 MR. DUNAWAY: Correct.

7 MR. THIEL: If 27 people show up in  
8 January, well, it will be more than that -- say 500  
9 people show up. It's just a majority of whoever shows up  
10 on January 16th or whenever it is this next year is going  
11 to vote to change to this wording.

12 MR. DUNAWAY: Yeah. This change will be  
13 the easiest vote getting --

14 MR. THIEL: Yeah.

15 MR. DUNAWAY: -- that is available, which  
16 is why I am --

17 MR. CAMPBELL: You would recommend keeping  
18 it the same and make the bylaws difficult. Is that what  
19 I think you --

20 MR. DUNAWAY: That's what I was saying.  
21 But, again, you have that -- you would have that risk of  
22 that first change.

23 MR. LYNCHARD: I think you need to have a  
24 base amount to change that.

25 MR. LINNELL: But what?

1 MR. LYNCHARD: Or just leave it.

2 MR. CRUMBLEY: I don't understand it now.

3 MR. LYNCHARD: Well, we have talked about  
4 using a percentage but I think the initial discussion  
5 with regard to right now is just removing that sentence  
6 from the Articles of Incorporation and then it's just  
7 whatever the bylaws say.

8 MR. THIEL: So removing it and replacing  
9 it with this new sentence. That is --

10 MR. LYNCHARD: I thought that was in the  
11 Articles of Incorporation. Yes.

12 MR. THIEL: Yeah.

13 MR. DUNAWAY: Okay. So --

14 MR. LINNELL: So the five percent would be  
15 in the Articles?

16 MR. THIEL: Uh-huh.

17 MR. LINNELL: Okay. Now, I'm --

18 MR. LYNCHARD: Whenever we initially sat  
19 down, I think what Mr. Dunaway just presented to us is to  
20 remove that --

21 MR. DUNAWAY: Right.

22 MR. LYNCHARD: -- and then, we have gotten  
23 from removing that sentence to we are going to modify it.

24 MR. DUNAWAY: Correct. And the question  
25 now is how to modify it.

1 MR. LYNCHARD: Now, we have got to work  
2 out how we are removing it.

3 MR. LINNELL: Talking about removing it  
4 again. That's where we are at right now.

5 MR. DUNAWAY: So are we at -- "The bylaws  
6 of the corporation may be made and may be altered or  
7 rescinded by a vote of a majority of the members."

8 Actually, we can say, "By majority," yeah.  
9 So by a majority of members of the company on the day of  
10 the election. Period.

11 Second sentence: "A valid vote to change  
12 the bylaws requires at least five percent of the members  
13 of the company to vote."

14 MR. MILLER: I think you need the word  
15 "Present," in the first sentence. Present on the day of  
16 the election.

17 MR. DUNAWAY: Yeah. That was what we were  
18 trying to eliminate.

19 MR. CRUMBLEY: Because otherwise --

20 MR. DUNAWAY: We are going to do it. It's  
21 required to do that now where we were trying -- we were  
22 trying to get to a point in which you might want to have  
23 members voting on things, you know --

24 MR. THIEL: Absentee --

25 MR. DUNAWAY: -- absentee and -- or,



1 again, it doesn't have to be.

2 MR. THIEL: Well, I would like to see that  
3 when we put changes to the bylaws that everybody who  
4 votes on the day of the election, like a referendum, like  
5 we do in our state laws.

6 If you want to vote, you have referendum  
7 items that go up. Changes to the bylaws that you can  
8 vote or against and then, you also look for the  
9 direction.

10 (SPEAKING OVER EACH OTHER.)

11 MR. THIEL: I'm sorry.

12 MR. LYNCHARD: Don't you have to have like  
13 a million signatures to get it on the ballot? You were  
14 talking about State elections changing our State  
15 Constitution. In order for it to be on the ballot, you  
16 have to get a million votes prior to getting it on the  
17 ballot.

18 We are saying that there is no such thing  
19 leading up to this. We are just going to put it on the  
20 ballot and people are going to vote.

21 MR. THIEL: Well, it has to be proposed by  
22 the members.

23 MR. LYNCHARD: Yeah. But only one of  
24 them.

25 MR. THIEL: Well --

1 MR. LINNELL: Yeah. So what am I missing?  
2 What? That is something we can take up  
3 when we start discussing the bylaws.

4 MR. LYNCHARD: That's the Articles of  
5 Incorporation.

6 MR. THIEL: A million members to get it on  
7 the ballot is only like one percent of the Florida  
8 population, too.

9 MR. MILLER: We are at 6:30 and we have  
10 also got to discuss our election timeline. So we have  
11 got to get to a --

12 MR. DUNAWAY: So what I have written now  
13 is -- "The bylaws of the corporation shall be made and  
14 may be altered or rescinded by vote -- by a majority of  
15 the members of the company on the day of the election."

16 Second sentence: "A valid vote to change  
17 the bylaws require at least five percent of the members  
18 of the company to vote."

19 MR. THIEL: Yeah. That's good.

20 MR. DUNAWAY: So five percent have to  
21 vote. A majority of them have to vote to approve.  
22 Otherwise -- and that would get you to your half plus one  
23 of 850.

24 MR. MILLER: I think your first sentence  
25 still says a majority of the members of the corporation,

1 which would be 8,501.

2 MR. CRUMBLEY: We clarified that in the  
3 second sentence.

4 MR. MILLER: Well, the second sentence  
5 says a valid vote requires at least five percent of the  
6 membership. But, you know, the first sentence says, "A  
7 majority of the members of the corporation," which is  
8 8,501. I don't like that language.

9 MR. DUNAWAY: You are right. You are  
10 right.

11 MR. LINNELL: A majority of the members  
12 who voted. Something like that.

13 MR. DUNAWAY: Right.

14 MR. LYNCHARD: Or a majority of the  
15 corporation --

16 (EVERYONE SPEAKING OVER EACH OTHER.)

17 MR. DUNAWAY: Yeah. By a vote of the  
18 majority of the members voting.

19 MR. CRUMBLEY: So long as --

20 MR. DUNAWAY: -- on the day of the  
21 election. A valid vote by a majority of the members --

22 MR. THIEL: Voting in the election.

23 MR. DUNAWAY: -- voting on the day of the  
24 election. A valid vote to change the bylaws requires at  
25 least five percent of the members of the company to

1 vote -- voting -- to vote.

2 MR. LYNCHARD: One thing --

3 MR. MILLER: I like that.

4 MR. LYNCHARD: In my mind -- can we  
5 discuss this at our next Board meeting next week and let  
6 everybody know? Because it sounds like a real crowd out  
7 there. And half of our audience has already left.

8 There is only one person --

9 MR. MILLER: Well, this is just a  
10 workshop.

11 MR. LYNCHARD: I know. We need -- the  
12 members need to be part of this workshop because, you  
13 know, I think that the members need to understand what is  
14 going on, at least more informed than what they are right  
15 now, obviously.

16 MR. MILLER: Why don't we give Will some  
17 time to refine that language and let's put it on our  
18 agenda for next Tuesday. I mean, you know, we are five  
19 days away from that at this point, so -- and we would be  
20 doing it in front of a larger portion of our membership  
21 or Tuesday, anyway, if we make that --

22 MR. LINNELL: Do you think five percent of  
23 our membership is already watching us on lifestream?

24 MR. LYNCHARD: I don't know. But I think  
25 we have got a lot -- enough older members that have been

1 around long enough, they might decide that five percent  
2 is not enough.

3 MR. MILLER: Well -- and if they show up  
4 and convince us otherwise, then, you know, that may  
5 change.

6 MR. COSBY: This whole process doesn't  
7 sound easy.

8 MR. MILLER: It's not. No. Trying to get  
9 850.

10 MR. COSBY: I have one dumb question. I  
11 think y'all keep referring to the vote. Do you have to  
12 vote to then also fill out a ballot for change?

13 Or could I just say walk in and why would  
14 I change the way you do the bylaws. But I don't feel  
15 like voting today. So would I be excluded?

16 MR. DUNAWAY: No. The proposal would be  
17 you would -- if you would come in to vote, you, the staff  
18 would now have to have two pieces of paper. There will  
19 be a ballot for Directors and there would be a ballot for  
20 the proposed change.

21 MR. COSBY: I just heard the word coming  
22 in to vote and --

23 MR. THIEL: And that could be yes or no or  
24 abstain.

25 MR. LYNCHARD: Yeah.

1 MR. DUNAWAY: Well -- so it would have  
2 to -- but it would have to be exercised -- it would have  
3 to be -- you have to turn something in because the only  
4 way you are going to count your five percent is because  
5 some piece of paper happened.

6 MR. MILLER: Right.

7 MR. DUNAWAY: They could turn it in and  
8 say abstain and that would count towards the five  
9 percent.

10 MR. MILLER: That would still count.  
11 Yeah.

12 MR. DUNAWAY: But it wouldn't if you  
13 didn't turn something in.

14 MR. THIEL: I have got a question. The  
15 majority of the five percent, you have to have the yes?

16 MR. DUNAWAY: Correct.

17 MR. THIEL: Okay.

18 MR. DUNAWAY: Because a majority of those  
19 voting on that day, it takes five percent to make it  
20 valid. So you have to be able to document five percent.  
21 The only way you are going to be able to document five  
22 percent is you are going to have 850 pieces of paper.

23 And on those pieces of paper, it's either  
24 going to have a vote of yes or no or I don't want to  
25 vote.

1 MR. MILLER: Abstain.

2 MR. CAMPBELL: I have got to clarify. So  
3 the first, this time going up will be the simple majority  
4 of members present.

5 MR. DUNAWAY: Correct.

6 MR. CAMPBELL: They will say, do you want  
7 this -- that if you get the majority of the people  
8 present, and it's a majority of one, they say yes to  
9 that.

10 Moving forward, then, it would go on the  
11 electoral ballot like you, right, because I read ahead  
12 where it would -- any changes would be on the ballot. So  
13 if they proxy -- sorry -- absentee or on the day on the  
14 ballot, so it would be counted just like Tappie counts  
15 the rest. So it would be -- am I --

16 MR. MILLER: I think you are right. I  
17 think if we make this change to the Articles of  
18 Incorporation, we are changing the bylaws --

19 MR. CAMPBELL: So for the first one, yes,  
20 whoever is on the day, the 1 January is going to be. But  
21 if the members agree that it makes sense to move forward,  
22 then moving forward, it would be just like you would go  
23 for a referendum and be on the ballot, simple language  
24 that says you want to remove proxy voting. Or you want  
25 to do this. Or we don't -- or membership or whatever.

1 MR. MILLER: Yes.

2 MR. CAMPBELL: Okay. I just wanted to  
3 make sure I was understanding.

4 MR. DUNAWAY: It would have to be -- yeah,  
5 each of those things would have to be very clearly laid  
6 out.

7 MR. CAMPBELL: Right.

8 MR. DUNAWAY: Because, you know, you  
9 couldn't every -- you know, the way y'all can propose  
10 a motion and then you can have a friendly amendment.

11 I mean, you wouldn't be able to have all  
12 of that. It would be an up or down. It would be up or  
13 down vote, based on what you presented and put on the  
14 ballot.

15 If you overwhelm the ballot, it's going to  
16 be the same way when you are voting on Constitutional  
17 amendments, you know, in Florida. It just gets hard.  
18 But you would just have to consider that.

19 But understand that the very first time,  
20 the January 2024, which will just be this language, this  
21 could get approved with a majority of the people who show  
22 up.

23 And if only as did in 2017, 37 people  
24 showed up, you know, half plus one of those could approve  
25 this. But I am hearing you say that's okay because it's



1 still -- the only reason we are getting to this point is  
2 because you're exercising this process through this legal  
3 case that gives you some indication that you can do it  
4 this way. But you want to make it harder in the future.

5 MR. LYNCHARD: Just so I am thinking  
6 right, let's say your scenario happens that we get to  
7 January with our annual election and 30 people show up  
8 and vote. Even if they vote to, you know, vote it up.  
9 They vote to pass it. Then, it gives --

10 MR. DUNAWAY: It comes back to you.

11 MR. LYNCHARD: It comes back to the Board  
12 for us to approve.

13 MR. DUNAWAY: Yeah.

14 MR. THIEL: Yes.

15 MR. LYNCHARD: Okay. I think at that  
16 point, it's -- I think this Board should look at 30  
17 people voting and say, "That's not a high enough vote,"  
18 and reject it.

19 MR. MILLER: Well -- and it may not be  
20 these seven people that would be --

21 MR. LYNCHARD: Yeah. Well, it wouldn't be  
22 these seven people. Or whoever gets elected. It would  
23 be after the election.

24 MR. THIEL: Yeah.

25 MR. LYNCHARD: It wouldn't even be

1 approved on that night. It would have to be another  
2 meeting.

3 MR. THIEL: Another Board meeting. Yes.

4 MR. LYNCHARD: So after the election of  
5 officers.

6 MR. MILLER: All right. So I think we  
7 have got a good consensus or an idea of what we want to  
8 move forward with on Tuesday. Is that fair enough so  
9 that we can move on?

10 I know Amber is probably biting through  
11 her tongue right now.

12 MS. BUCHOLTZ: No.

13 MR. MILLER: This is a lot to incorporate.

14 MR. LYNCHARD: Well, it's a big deal.

15 MR. MILLER: And I agree.

16 MR. LYNCHARD: Hopefully, we will have a  
17 lot of members come out and we can talk about it.

18 MR. MILLER: Hoping we can move on to  
19 the -- all right. Next on the agenda is our election  
20 timeline. We will start with Mr. Crigler, and then, if  
21 you want to --

22 MR. CRIGLER: To be clear, Will is going  
23 to draft something and we are going to vote on it Tuesday  
24 night?

25 MR. MILLER: Yes.

1 MR. LINNELL: What? Hold on. At least we  
2 are going to get it on the agenda --

3 MR. DUNAWAY: You are wanting me to come  
4 back with the language that you just put in place. And  
5 you are going to --

6 MR. MILLER: We will discuss it and vote  
7 on it --

8 MR. DUNAWAY: This is a workshop. We are  
9 going to present.

10 MR. MILLER: This is a workshop. We want  
11 to do it in front of the membership.

12 MR. LYNCHARD: But I think this is one of  
13 those things that have to be approved by -- or has to be  
14 presented by a member, right, so --

15 MR. MILLER: Well, we are a member.

16 MR. LYNCHARD: Yeah. But I don't think it  
17 is something that the Board needs to vote on. I think we  
18 can all sit up here and agree with him and one person put  
19 it in and stuff.

20 MR. MILLER: Yeah. But we are going to  
21 vote on the language that is going to be on that ballot  
22 in January.

23 MR. CRUMBLEY: That's all we are voting on  
24 is the language.

25 MR. MILLER: Yeah. Right. Okay?

1 MR. CRUMBLEY: Okay.

2 MR. MILLER: Jeff, you look confused.

3 MR. CRIGLER: I am. I got it.

4 MR. LINNELL: I think what we are voting  
5 on next Tuesday, as I understand it, is what it is going  
6 to say and that it is going to be on the ballot, not what  
7 night it goes on the ballot. So if that is not what  
8 everybody else is thinking, let me know.

9 MR. MILLER: It won't be --

10 MR. LINNELL: That's what I think we are  
11 voting.

12 MR. MILLER: It won't be on the ballot for  
13 the election of Directors. It will be a separate ballot.

14 MR. LYNCHARD: The day of.

15 MR. MILLER: Right.

16 MR. LINNELL: But it will be put for a  
17 vote in January.

18 MR. LYNCHARD: Yes.

19 MR. LINNELL: Voting day.

20 MR. MILLER: Yes.

21 MR. LINNELL: What are we voting on for  
22 next Tuesday?

23 MR. MILLER: But Director Lynchard is  
24 absolutely correct is that -- remember, look at Article  
25 10. Amendments to these Articles of Incorporation may be

1 proposed to the Board of Directors by a majority vote of  
2 the members of the corporation.

3           So what you're voting on is a proposal  
4 that you are going to present to the members to propose  
5 back to you for approval. Okay? So that's what you are  
6 voting on. And so, you are asking.

7           You're -- what you are doing is you are  
8 inviting a majority of the members who come to the  
9 meeting to propose back to you this -- the wording that  
10 you are going to approve on Tuesday. That's what is  
11 happening.

12           You are not approving that language. You  
13 are approving the language that you are asking a majority  
14 of the members to propose back to you, which is why I put  
15 the point to you early on in the discussion, if you are  
16 going to reject it, don't go through this process.  
17 Because that won't make any sense.

18           MR. LYNCHARD: I think the only reason we  
19 would reject it is if nobody shows up.

20           MR. DUNAWAY: You don't get participation.  
21 All right. I got it.

22           MR. MILLER: Okay. All right. Moving on.

23           MR. CRIGLER: Yeah. So the original  
24 reason we had this on the agenda is I was incorrectly  
25 under the impression that this ballot that we had go out

1 for early voting would have the Articles of Incorporation  
2 question on it.

3                   That was incorrect, so -- but I think this  
4 is still a relevant topic. Staff has some really good  
5 reasons why they want to adjust this timeline. Most of  
6 those revolve around the holidays. And ordering the  
7 ballots around Thanksgiving has caused some issues.

8                   With that, I will let Amber go over the  
9 proposed timeline. I think it makes a lot of sense.

10                   MS. BUCHOLTZ: So it's just basically  
11 moving everything back by about a month. So instead of  
12 ordering -- it was moving --

13                   MR. LINNELL: Moving it sooner?

14                   MS. BUCHOLTZ: Yes.

15                   MR. LINNELL: Okay. I get it. I like  
16 that word.

17                   MS. BUCHOLTZ: Okay. So instead of  
18 ordering -- having the Board approve the candidates and  
19 then having to order the ballots the day after, which  
20 falls on Thanksgiving and Black Friday, which also not  
21 only is Holley Navarre Water closed, but Tappie and her  
22 group, they have time off as well. And the place where  
23 they order the ballots.

24                   And so it's caused a lot of stress making  
25 sure that the ballots would be here in time for the early

1 voting to start. So by pushing our timeline and making  
2 it sooner, it just alleviates that holiday rush. It  
3 starts early voting earlier. And I believe it lasts a  
4 little bit longer than our typical timeline.

5                   And then, also, around the Christmas  
6 holiday with the absentee ballots, there is a lot of  
7 delays with the mail and getting those back. So it just  
8 alleviates some of the issues that we have been having.  
9 So we are proposing the 24th timeline. And you can  
10 compare it with the one that is typical for what we have  
11 done in the past.

12                   MR. LINNELL: So under -- so what you  
13 would like to see is the far right column for what we  
14 would go forward with.

15                   MS. BUCHOLTZ: Correct.

16                   MR. LINNELL: And you are saying the  
17 middle column is what we would typically have done?

18                   MS. BUCHOLTZ: Right.

19                   MR. LINNELL: It just doesn't look -- it's  
20 not the same, relatively the same between press release  
21 publication date and candidate ask for policies release  
22 on request between '23 and '24.

23                   In '24, you show three weeks, but in -- I  
24 mean, '24, typical, you show a three week gap. But, in  
25 '23, you only show like five days. So I am just thinking

1 the dates -- I like this schedule on the right.

2 I am just thinking the typical '24  
3 schedule doesn't jive with 2023 one. That's all. Just  
4 in those. At the very least in those two numbers. So  
5 it's Row 1, 2, 3, and 4.

6 3 and 4 between '23 and the '24 typical,  
7 relative time lapses don't match up. One is five days  
8 and the other is three weeks.

9 MR. CRIGLER: Yeah. Between when you make  
10 a press release and when the applications are released.

11 MR. LINNELL: And it's really -- Mike is  
12 next to me -- it doesn't matter -- the third column, you  
13 want us to look at. I am okay with that one.

14 MR. LYNCHARD: The one -- you want me  
15 to --

16 MR. THIEL: I don't care.

17 MR. LYNCHARD: The one that I don't like  
18 and I think that we should really change, this whole  
19 thing about early voting getting shorter and shorter  
20 every year.

21 In other words, five years ago, early  
22 voting ended on the Friday before the election. And  
23 then, five years ago or so, it changed to be a week  
24 before the election.

25 And now, we are moving it back to before



1 Christmas is when it ends. I wasn't good with going back  
2 a week. I think we should run it right up until the end.

3 MR. CRUMBLEY: If I am reading this right,  
4 Daryl, I think it is going to start on November 1st and  
5 it goes for eight weeks.

6 MR. LYNCHARD: Yeah. But I am talking  
7 about it ends before Christmas.

8 MR. CRUMBLEY: Okay.

9 MR. LYNCHARD: Yeah. It should end before  
10 the -- right before the election, not, you know, a month  
11 prior to the election.

12 MR. THIEL: Yeah. But I don't think it  
13 should be -- I don't think you should extend it the extra  
14 week, either.

15 MR. LYNCHARD: Well, I am okay with the  
16 one week gap. Well, are you talking about --

17 MR. THIEL: Yeah. I don't think it should  
18 be. I think eight weeks is too long.

19 MR. LYNCHARD: I am fine with that. I am  
20 just talking about when it ends. I don't think we  
21 should, you know, for that --

22 (SPEAKING OVER EACH OTHER.)

23 MR. THIEL: I was thinking we would start  
24 it by the middle of November.

25 MR. LYNCHARD: -- for the next three

1 months, and you would be done with it.

2 MR. CRUMBLEY: I see what you are saying.

3 MR. CRIGLER: But you have to have a  
4 canvassing committee meeting in between the end of voting  
5 and election day.

6 MR. LYNCHARD: We have always had it on  
7 Monday.

8 MR. CRIGLER: Or a Tuesday?

9 MR. LYNCHARD: Uh-huh.

10 MS. BUCHOLTZ: Monday, the office is  
11 closed.

12 MR. LYNCHARD: I am just saying we can --

13 MS. BUCHOLTZ: Yeah.

14 MR. LYNCHARD: That's why it was on  
15 Monday. The office was closed.

16 MS. MCDANIEL: That information has to be  
17 in the packet for the annual meeting packet. So that is  
18 the next day.

19 MR. CRIGLER: The Thursday before.

20 MS. MCDANIEL: The Thursday before.

21 MR. CRIGLER: And the candidates had to be  
22 before that.

23 MS. MCDANIEL: Right. And that's a lot.

24 MR. LYNCHARD: I am fine with -- I am not  
25 fine with -- again, I am only one Board member, so --

1 MR. LINNELL: What was the issue with  
2 having only one week this year? There was --

3 MS. MCDANIEL: Uh-huh.

4 MR. LYNCHARD: What was it?

5 MS. MCDANIEL: It is a lot of information  
6 to process within that timeline.

7 MR. LYNCHARD: How did they process it in  
8 a weekend in the past? And now, it's --

9 MS. MCDANIEL: They worked the weekend.

10 MR. LINNELL: Pay extra.

11 MR. LYNCHARD: Well, if they got it done  
12 in a weekend, they should be able to get it done in a  
13 work week.

14 MS. BUCHOLTZ: So the early voting ends on  
15 the 22nd. The office is going to be closed the 25th and  
16 the 26th. That is only going to be the extra three days.  
17 And then, the office is closed again.

18 And so, it gives time for the canvassing  
19 committee to meet on January 3rd. It enables us to get  
20 everything ready for the packet due the 11th and also  
21 prepare everything for the election that will happen on  
22 the 16th with the office being closed on the 15th.

23 MR. LYNCHARD: I personally think it  
24 should -- the typical schedule is what I would agree  
25 with.

1 MR. LINNELL: So I can appreciate what  
2 Daryl is saying. I don't have any big problem with the  
3 22nd. My -- between the two timeframes, I don't know if  
4 that is exactly what Bill said, but between the two, I  
5 don't see the need to have eight weeks of early voting.  
6 That seems excessive to me.

7 MS. BUCHOLTZ: We would just try to make  
8 it more convenient for the members, to give them longer  
9 to request their absentee ballots, to get them back to  
10 the office.

11 MR. THIEL: But if you start by the middle  
12 of November, that still gives them six weeks. I mean --

13 MS. BUCHOLTZ: Yeah. I mean, we don't  
14 have to start --

15 MR. CRUMBLEY: Yeah. I was going to say,  
16 it's not going to hurt anything.

17 MS. BUCHOLTZ: We don't have to start  
18 early voting earlier. We can limit it to the five weeks  
19 or the four weeks that was always done. We can push the  
20 early voting back.

21 But we are looking at the holidays,  
22 getting those ballots ordered. By having that process  
23 start early, by having the Board approve the candidates  
24 in October, it means that we can order the ballots.

25 MR. THIEL: I don't have a problem with

1 any of that. It is just my problem that the eight weeks  
2 of early voting is excessive.

3 MS. BUCHOLTZ: You just want to shorten  
4 the early voting?

5 MR. THIEL: We can still order the  
6 ballots, I mean.

7 MR. LYNCHARD: Uh-huh.

8 MR. MILLER: So when would the early  
9 voting start if we shorten that?

10 MR. THIEL: My proposal would be like the  
11 middle of November. It would make it six weeks long.

12 MR. CAMPBELL: Well, keep in mind that if  
13 somebody asks for an absentee ballot, staff has to get  
14 it, validate it, and mail it to them. Hopefully, they  
15 get it. Right. And then, get it back.

16 So part of that eight weeks is not I can  
17 send in a ballot. It's I have to request it. Validate  
18 it is a valid request. And then, staff gets it to them.

19 At least, that's how it worked last year  
20 if I remember. Am I right?

21 MS. MCDANIEL: Yes.

22 MR. LINNELL: When can they start  
23 requesting?

24 MR. THIEL: If you request it by phone, I  
25 am sure you could get it in two days.

1 MS. BUCHOLTZ: It would be November 1st.

2 MR. CAMPBELL: Not with our mail.

3 MS. BUCHOLTZ: They can start requesting  
4 their absentee ballot or the proxies on the first of  
5 November.

6 MR. CRUMBLEY: I am fine with that. Give  
7 them -- everybody more. We are talking about how many  
8 people don't vote. You know, one, I give them an extra,  
9 a couple of weeks. It's not going to hurt anything.

10 MR. LINNELL: But I don't see why or where  
11 it matters.

12 MR. CRUMBLEY: It doesn't matter. But it  
13 gives the staff more time to process this. And some  
14 people will go and do that early November. And you will  
15 get those, as opposed to getting a whole bunch of lump  
16 mail.

17 MS. BUCHOLTZ: And by ending the early  
18 voting on the 22nd, it gives us time to also get those  
19 ballots back that come in late and contact the members  
20 and let them know we did not receive their absentee  
21 ballot or their proxy in time for it to be counted with  
22 the early voting, but they are still able to come to the  
23 election.

24 MR. CRUMBLEY: The day of. Or if they  
25 make a mistake, you contact them and let them know that.

1 MS. BUCHOLTZ: Correct.

2 MR. CRUMBLEY: Seems like you guys put  
3 enough effort into it. I am cool with what you got.  
4 That's my little --

5 MR. THIEL: I am okay if they want to  
6 leave them a day early. That's the vast majority. I am  
7 only one vote, so --

8 MR. MILLER: Is it eight weeks or --

9 MR. LINNELL: I am okay with leaving it at  
10 eight.

11 MR. MILLER: Okay.

12 MR. THIEL: Yeah.

13 MR. LYNCHARD: The more -- I think it  
14 should be more.

15 MR. CRUMBLEY: No harm, no foul. It can't  
16 be a bad thing. It can't be a bad thing as long as all  
17 the information is out there that they can -- as soon as  
18 they get that ballot, they can vote on the candidates.

19 The bios are going to be out there.  
20 Everything is already going to be given out.

21 MS. BUCHOLTZ: And by starting our process  
22 earlier, we will be able to get it on the September bill,  
23 the October bill, the November bill, the December bill,  
24 and the January bill. With our annual notice going out  
25 in December.

1 MR. LINNELL: Oh, water bills.

2 MR. CRUMBLEY: Yeah.

3 MR. LYNCHARD: Bills. Contact with bills.

4 MS. BUCHOLTZ: Yes. We will be able to  
5 get the information out --

6 MR. LYNCHARD: I know it's longer --

7 MS. BUCHOLTZ: Longer for our members.

8 MR. CRUMBLEY: In that case, you have got  
9 more mail going out. You have got more time for us to  
10 get that information out about the --

11 MR. THIEL: I make a motion we approve the  
12 2024 proposed schedule.

13 MR. CRUMBLEY: I second it.

14 MR. MILLER: All right. Any other  
15 discussion?

16 (NO AUDIBLE RESPONSE.)

17 MR. MILLER: All in favor say "Aye"?

18 MR. THIEL: Aye.

19 MR. CAMPBELL: Aye.

20 MR. CRUMBLEY: Aye.

21 MR. LINNELL: Aye.

22 MR. MATTHEWS: Aye.

23 MR. MILLER: Nays or abstentions?

24 MR. LYNCHARD: Me.

25 MR. MILLER: Okay. Motion carries.



1 MR. LINNELL: Are you -- not --

2 MR. MILLER: Did you vote "Aye"?

3 MR. LYNCHARD: No. I did not.

4 MR. MILLER: No. I am asking Don. Did  
5 you vote "Aye"?

6 MR. LINNELL: Yes. I voted "Aye."

7 MR. MILLER: Okay.

8 MR. CAMPBELL: So this doesn't talk about  
9 the packets; right? We are going to talk about that  
10 later?

11 MS. BUCHOLTZ: It will be in your packets  
12 for the Tuesday next Board meeting all the documents to  
13 be approved.

14 MR. CAMPBELL: All right.

15 MR. MILLER: With the exception of this  
16 addition to the change to the Articles of Incorporation,  
17 that won't be ready by Tuesday, I guess?

18 MS. BUCHOLTZ: Correct.

19 MR. MILLER: We will add that on later?

20 MR. DUNAWAY: No. I will have it.

21 MR. MILLER: All right. But, I mean, will  
22 it be in a form of an election ballot?

23 MR. CRIGLER: No. We won't have the draft  
24 ballot.

25 MR. DUNAWAY: We won't have the draft

1 ballot, but we will have the language for you to approve.

2 MR. LYNCHARD: Mr. President, quick  
3 question: Shouldn't we vote on this at the regular  
4 meeting, as opposed to a workshop?

5 MR. MILLER: Well, that's kind of what I  
6 was thinking. We had a motion and a second. We have got  
7 a quorum. So, you know, we --

8 MR. LYNCHARD: I don't think -- well, you  
9 are the President.

10 MR. MILLER: Yeah. It's --

11 MR. LYNCHARD: But you have never wanted  
12 to do this before. And you have always been a stickler  
13 for never doing this before.

14 MR. CAMPBELL: Just add it to the agenda.

15 MR. THIEL: Add it to the agenda, then.

16 MR. MILLER: Yeah. We will do a full  
17 approval on it. I think this is just to get us set up  
18 here.

19 MR. CRIGLER: The intention was  
20 informational.

21 MR. MILLER: Yeah.

22 MR. CRUMBLEY: Okay.

23 MR. CRIGLER: To approve it.

24 MR. CAMPBELL: So there was one thing last  
25 year we tried to get and I would like this Board to

1 consider again is we published the bios, but we don't  
2 publish the application, and the application says why do  
3 you want to be on the Board, that sort of thing.

4 MR. CRIGLER: The question and answer?

5 MR. CAMPBELL: Yeah. I think probably  
6 because some Board members were running, they didn't --  
7 all they put was, yes, no. They didn't want that out  
8 there for -- so I would like at least for this Board to  
9 consider somewhere asking the applicant taking, can we  
10 publish your application and your answers of why you want  
11 to be on the Board with the bio?

12 MR. LYNCHARD: If we want to do it  
13 beforehand, I am perfectly fine with it. Changing it  
14 after the fact --

15 MR. CAMPBELL: Check. I got it. I agree  
16 with that.

17 MS. BUCHOLTZ: That's included. That will  
18 be included in your package under the documents to  
19 publish your answer. So, yeah, under the candidate  
20 approval, the sample, it's on there on the bottom.

21 MR. MILLER: Okay. Are we done on that  
22 agenda item? We have one more thing. Just a quick  
23 discussion on the bylaw changes.

24 Number 3?

25 MR. CRIGLER: Oh, I think we have already

1 kind of hit on this.

2 MR. MILLER: There is some backup  
3 information on how to implement a successful campaign for  
4 changes to bylaws. Maybe if everybody just wants to look  
5 over that.

6 MR. CRIGLER: Yeah, then, we included an  
7 example of two local offices and the change to their  
8 bylaws.

9 MR. MILLER: But realistically, we are  
10 looking at 2025 on being able to actually change the  
11 bylaws unless we can get a special meeting.

12 MR. THIEL: Special meeting.

13 MR. CRIGLER: Special meeting in '24.

14 MR. MILLER: Yeah. But can we get 800  
15 people at a special meeting?

16 MR. CRIGLER: Probably not.

17 MR. MILLER: Probably not.

18 MR. CAMPBELL: That's why I go back. We  
19 have some change to make sure it doesn't say election  
20 day.

21 MR. MILLER: Well, we can try it, but I'm  
22 just saying --

23 MR. CAMPBELL: That's what I am saying.

24 MR. MILLER: The threshold would be very  
25 high for a special meeting.

1 MR. THIEL: You mean to get 800 people  
2 voting --

3 MR. MILLER: Yes.

4 MR. CRUMBLEY: Is there a limit to how  
5 long a meeting can last? Usually just one day?

6 MR. DUNAWAY: I think --

7 MR. CRUMBLEY: So many hours?

8 MR. DUNAWAY: Right. I think that -- I  
9 don't think that that's really been interpreted. But I  
10 think that we would be pressing it if we went more  
11 than -- if we opened a meeting and left it, you know,  
12 overnight and all of that.

13 I think, I mean, the way you do your  
14 election is valid and fine. And that's a full day. I  
15 can research if you want it?

16 MR. MILLER: No. No.

17 MR. CRUMBLEY: No. I think I am in line  
18 with Joe over there. Getting that many people to  
19 participate in one day is going to be very, very  
20 difficult.

21 MR. MILLER: Any other discussion? Or  
22 does somebody want to make a motion to adjourn?

23 MR. CRUMBLEY: Yes. So moved.

24 MR. LYNCHARD: Second.

25 MR. MILLER: All in favor say, "Aye"?

1 MR. MATTHEWS: Aye.

2 MR. THIEL: Aye.

3 MR. LYNCHARD: Aye.

4 MR. LINNELL: Aye.

5 MR. CAMPBELL: Aye.

6 MR. CRUMBLEY: Aye.

7 MR. MILLER: Meeting adjourned.

8

9 WHEREUPON, THE WORKSHOP FOR THE BOARD OF  
10 DIRECTORS OF HOLLEY NAVARRE WATER SYSTEM CONCLUDED.

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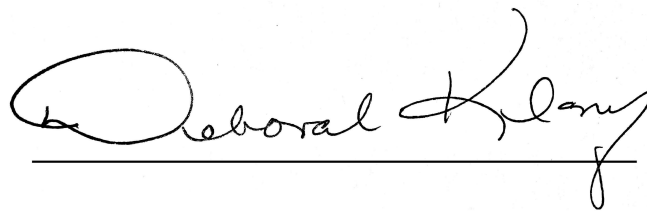
## 1 CERTIFICATE OF REPORTER

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 workshop of the Board of Directors for  
10 Holley Navarre Water System. Transcript is a true record  
11 of said proceedings. 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 15th day of September, 2023.

17  
18 A handwritten signature in cursive script, reading "Deborah G. Kharuf", is written over a horizontal line. The signature is positioned in the center of the page, between lines 18 and 20.19  
20  
21 DEBORAH G. KHARUF

22 Court Reporter and Notary Public,

23 State of Florida at Large.

24 Commission number HH 387801

25 My commission expires July 6, 2027.