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HOLLEY NAVARRE WATER SYSTEM  
BOARD OF DIRECTORS MEETING  
AUGUST 17, 2021  
6:00 P.M. - 6:12 P.M.

- MIKE KENNEDY, PRESIDENT
- MARK MILLER, VICE PRESIDENT
- WILLIAM THIEL, SECRETARY TREASURER
- JAMES DABNEY, DIRECTOR
- JOE CAMPBELL, DIRECTOR
- JO ANN CAVE, DIRECTOR
- DON LINNELL, DIRECTOR
- DALLAS PEAVEY, CEO, HOLLEY NAVARRE WATER
- JASON MONTGOMERY, HNWS
- CHRIS BOND, HNWS, IT
- ASHLEY FERGUSON, HNWS

ALSO PRESENT:

- WILL DUNAWAY, ESQUIRE
- DEBORAH KHARUF, COURT REPORTER

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

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

5 MR. MILLER: Bow your heads and pray with  
6 me.

7 (MR. MILLER GIVES THE INVOCATION.)

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

10 (MR. LINNELL LEADS PLEDGE OF ALLEGIANCE.)

11 MR. KENNEDY: Thank you, sir.

12 We have a quorum. Audio and video  
13 recorders are in use. If anyone would like to address  
14 the Board, please fill out the sign-up sheet.

15 We will move right into the approval of  
16 the minutes. Has everybody had a chance to look at the  
17 July 2021 regular meeting minutes and transcripts?

18 (NO AUDIBLE RESPONSE.)

19 MR. KENNEDY: Any questions?

20 MR. MILLER: I move to approve as  
21 submitted.

22 MS. CAVE: Second.

23 MR. KENNEDY: Okay. Any further  
24 discussion?

25 (NO AUDIBLE RESPONSE.)

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

2 MR. CAMPBELL: Aye.

3 MR. THIEL: Aye.

4 MR. MILLER: Aye.

5 MR. DABNEY: Aye.

6 MS. CAVE: Aye.

7 MR. LINNELL: Aye.

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

9 (NO AUDIBLE RESPONSE.)

10 MR. KENNEDY: Motion carries.

11 Approval of memberships. In July, we had  
12 410 new members, 384 canceled members, and four  
13 transfers. Do I have a motion to approve the memberships  
14 as presented?

15 MR. MILLER: So moved.

16 MR. CAMPBELL: Second.

17 MR. KENNEDY: Any further discussion?

18 (NO AUDIBLE RESPONSE.)

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

20 MR. CAMPBELL: Aye.

21 MR. THIEL: Aye.

22 MR. MILLER: Aye.

23 MR. DABNEY: Aye.

24 MS. CAVE: Aye.

25 MR. LINNELL: Aye.

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

2 (NO AUDIBLE RESPONSE.)

3 MR. KENNEDY: Motion carries.

4 New business. Finance. Ms. Ashley?

5 MS. FERGUSON: This is another fairly  
6 unremarkable month. We were up \$65,000 in total revenue  
7 over last month. There were no other significant  
8 variances this month.

9 Actually, we had an income of \$92,000,  
10 which is significantly up over the prior year. And that  
11 is, you know, also directly due to our expenses overall  
12 in all departments.

13 MR. KENNEDY: Okay. Any questions? Any  
14 questions from the Board?

15 (NO AUDIBLE RESPONSE.)

16 MR. KENNEDY: Director Thiel and I have  
17 our monthly budget -- finance budget meeting. And just a  
18 July summary, so revenue was three percent over budget,  
19 which is good. General expenses were half a percent  
20 under budget, as Ms. Ferguson was referring to.

21 Water expenses were also one percent under  
22 budget, and then, the wastewater expenses were 24 percent  
23 under budget. And that was due to the timing on the  
24 repairs and maintenance. And I agree, it looks like a  
25 good month.

1 Director Thiel, do you have anything to  
2 add?

3 MR. THIEL: No.

4 MR. KENNEDY: Okay. Barring no other  
5 questions, I will entertain a motion for approval of the  
6 July 2021 financial statements.

7 MR. CAMPBELL: I move to approve the 2021  
8 July financial statements.

9 MR. THIEL: Second.

10 MR. KENNEDY: Okay. Any further  
11 discussion?

12 (NO AUDIBLE RESPONSE.)

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

14 MR. CAMPBELL: Aye.

15 MR. THIEL: Aye.

16 MR. MILLER: Aye.

17 MR. DABNEY: Aye.

18 MS. CAVE: Aye.

19 MR. LINNELL: Aye.

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

21 (NO AUDIBLE RESPONSE.)

22 MR. KENNEDY: Motion carries.

23 Under Finance Committee --

24 MR. MILLER: We also need to approve the  
25 taxes.

1 MR. KENNEDY: Yes, sir. So I will  
2 entertain a motion to approve -- for the CEO to sign the  
3 tax returns with MESI and Hidden Creek. If you would  
4 like to?

5 MR. MILLER: I will make a motion that we  
6 approve the tax returns for Municipal Engineering and the  
7 Club at Hidden Creek and authorize the CEO to sign those  
8 and get them submitted.

9 MR. THIEL: For 2020.

10 MR. MILLER: For 2020.

11 MR. THIEL: Second.

12 MR. KENNEDY: All right. Any further  
13 discussion?

14 (NO AUDIBLE RESPONSE.)

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

16 MR. CAMPBELL: Aye.

17 MR. THIEL: Aye.

18 MR. MILLER: Aye.

19 MR. DABNEY: Aye.

20 MS. CAVE: Aye.

21 MR. LINNELL: Aye.

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

23 (NO AUDIBLE RESPONSE.)

24 MR. KENNEDY: Motion carries.

25 Director Thiel, I will turn it over to

1 you, sir.

2 MR. THIEL: Okay. We have already talked  
3 about the budget and doing everything from the Finance  
4 Committee. That was covered in the budget.

5 Director Campbell, do you have anything on  
6 Eglin?

7 MR. CAMPBELL: Nothing new to report.  
8 Still on track. Hope to have it awarded by the end of  
9 the year.

10 MR. THIEL: Okay. And how about the CIP?

11 MR. CAMPBELL: Capital improvements, the  
12 same. We had our meeting last week, last Thursday.  
13 Still on track. No issues.

14 MR. THIEL: Okay.

15 MR. CAMPBELL: No concerns.

16 MR. THIEL: Finance, do you have anything?

17 MR. MILLER: Nothing new.

18 MR. KENNEDY: And the budget, we already  
19 talked about, so that completes it. I don't have  
20 anything to add.

21 MR. KENNEDY: Thank you, sir. Does the  
22 Board have any questions on the financing?

23 (NO AUDIBLE RESPONSE.)

24 MR. KENNEDY: All right. Thank you,  
25 Director Thiel.

1 MR. THIEL: Uh-huh.

2 MR. KENNEDY: Which leads us to  
3 engineering.

4 DR. PEAVEY: No updates, other than what  
5 was given on the Eglin project. Work is steady on that.  
6 There is nothing else in addition to that report, sir.

7 MR. KENNEDY: Very good.

8 MR. MILLER: I had a question on  
9 engineering. I know Phil is not here, but I&I was a lot  
10 higher last month than it has been --

11 DR. PEAVEY: Because of the rain.

12 MR. MILLER: Because of all of the rain?

13 DR. PEAVEY: Because of the rain.

14 MR. THIEL: They have identified a bunch  
15 of things that they are going to correct over time and  
16 that will bring it down hopefully. I asked that  
17 question.

18 DR. PEAVEY: Yes. That discussion was had  
19 during the CIP on Thursday. That was the biggest expense  
20 to date outside of the generator that was purchased for  
21 the month of July -- was the I&I. We have got to get  
22 that down, irregardless even with Eglin coming online, we  
23 have got to get the I&I down.

24 MR. MILLER: And I did see in Phil's  
25 report, he mentioned that, you know, they had identified



1 some issues that will help correct that, so --

2 MR. THIEL: And it's a better way because  
3 it creates more wastewater so you have more effluent,  
4 so --

5 MR. KENNEDY: Very good. Any further  
6 questions?

7 (NO AUDIBLE RESPONSE.)

8 MR. KENNEDY: Thank you, sir.

9 Well, I believe that concludes our  
10 business, which moves us to member forum. Jason, do we  
11 have --

12 MR. MONTGOMERY: No one.

13 MR. KENNEDY: We are done with member  
14 forum. All right. Then, that leaves us with  
15 adjournment.

16 I will entertain a motion -- yes, sir?

17 DR. PEAVEY: Mr. President, I would  
18 like -- I just have one quick comment. On October 1st,  
19 we expect to begin the construction for the new building  
20 across the road and the renovations that the Board had  
21 approved for both sites, across the street and here.

22 So we are hoping to have those contracts  
23 back before the end of September. Construction will  
24 start around the 1st of October. The reason that I bring  
25 that up is the Board has approved that three years

1 running, I guess, so that hasn't changed.

2                   What I wanted to notify the Board is after  
3 the September meeting, then, what we expect to do,  
4 because we are going to start in the customer service  
5 area, we will move the customer service folks here, and  
6 so the Board meetings for October, November, and December  
7 will be held at the Club.

8                   MR. KENNEDY: At the Club at Hidden Creek.

9                   DR. PEAVEY: At the Club at Hidden Creek.

10                  MR. KENNEDY: All right. Thank you, sir.

11                  DR. PEAVEY: We had no choice. It's  
12 either that or construction trailer. We don't want to  
13 pay for that.

14                  MR. KENNEDY: Understood.

15                  MR. THIEL: We can do it in the parking  
16 lot.

17                  DR. PEAVEY: We could, but I am not sure  
18 the ladies would appreciate that.

19                  MR. KENNEDY: I would not. All right.  
20 Great. Any further discussion?

21                  (NO AUDIBLE RESPONSE.)

22                  MR. KENNEDY: Great. Motion for  
23 adjournment?

24                  MR. MILLER: I make a motion that we  
25 adjourn.

1 MS. CAVE: And I second.

2 MR. KENNEDY: Any further discussion?

3 (NO AUDIBLE RESPONSE.)

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

5 MR. CAMPBELL: Aye.

6 MR. THIEL: Aye.

7 MR. MILLER: Aye.

8 MR. DABNEY: Aye.

9 MS. CAVE: Aye.

10 MR. LINNELL: Aye.

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

12 (NO AUDIBLE RESPONSE.)

13 MR. KENNEDY: Meeting adjourned.

14

15 WHEREUPON, THE BOARD MEETING OF THE HOLLEY

16 NAVARRE WATER SYSTEM CONCLUDED AT 6:12 P.M.

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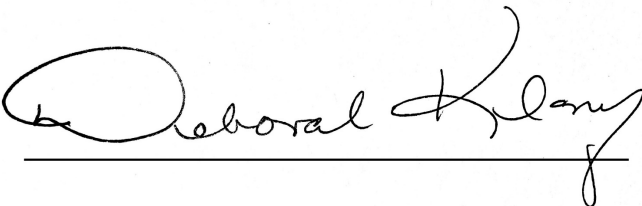
CERTIFICATE OF REPORTER

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STATE OF FLORIDA  
COUNTY OF SANTA ROSA

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

Dated this 30th day of August, 2021.



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