

**SPECIAL MEETING
BOARD OF COMMISSIONERS
HOLIDAY ISLAND SUBURBAN IMPROVEMENT DISTRICT (HISID)
MONDAY, JANUARY 9, 2023**

The Regular Meeting was held at the District Office and via YouTube. The meeting was called to order by **CHAIR PHYLLIS SARRATT** at 1:00 p.m. She read the purpose and procedures to the public for the meeting.

PLEDGE OF ALLEGIANCE

ROLL CALL: **COMMISSIONER SARRATT, COMMISSIONER BROWN, COMMISSIONER CHILDERS, COMMISSIONER DYAR, and COMMISSIONER STAMPS** present. **CHAIR SARRATT** declared a quorum.

APPROVE AGENDA: **COMMISSIONER CHILDERS** reminded the Board that #12 PUBLIC COMMENTS has been removed from all future agendas. **COMMISSIONER BROWN** moved to accept the amended agenda. Seconded by **COMMISSIONER CHILDERS**. Agenda approved unanimously.

APPROVE MINUTES: **12-19-22 Regular Meeting COMMISSIONER BROWN** moved to approve the minutes, seconded by **COMMISSIONER CHILDERS**. The motion approved unanimously.

CEREMONIAL: None

ANNOUNCEMENTS: None

PUBLIC COMMENTS:

1) Rebecca Sherman, Creekside News Journal, submitted a formal complaint that this meeting was to be a work session with no voting. **CHAIR SARRATT** noted that notifications for the meeting listed it as a Special Meeting.

2) Ken Mills, 20 Rocky Top Circle, asked regarding his analysis of the financial statements compared to the audit, and requested that financial statements posted on the website include a recap of where we are at with building expenses. **COMMISSIONER STAMPS** would also like to see an audit of adjusting entries and an explanation of what those entries are for.

3) Al Selleck, 22 Buckskin Lane, the notice for a special meeting should be addressed to improve the transparency of the meetings. An email was sent to people on a list requesting notice of meetings, but the newsletter was sent on Friday. Carrie Buchanan was asked to respond to the notices. The newsletter is a courtesy from HISID to provide information on Holiday Island events. Special meetings require a 2-hour notice to the Press, while Regular meetings require a two-day notice to those requesting notification. It was because of an error 1-9-23 Special Meeting was not included in the newsletter.

REPORTS: None

BUSINESS:

A) Old Business:

1) Consideration/Action to Amend the Water Rates – Second Reading

CHAIR SARRATT read Chapters 32-47 rates and charges F2 water rates of the code of regulations of Holiday Island Suburban Improvement District number one and for other purposes. The F2 monthly charges billing rate shall be monthly. The monthly rate for water services minimum charge for the first 1500 gallons will be \$19.10. For the next 28,500 gallons is equal to \$7.70 per thousand gallons (\$.0077 per gallon). Rates for 30,000 gallons and above are \$3.85 per thousand gallons (\$.00385 per gallon). All regulations, resolutions, or orders in conflict with this regulation are repealed.

CHAIR SARRATT asked **DISTRICT MANAGER PRESLEY** to explain the new Arkansas legislation Act 605 regarding proper training and operating of each district's water and wastewater systems. Statutory requires the rates to properly maintain a system is 105 percent of actual costs. The extra 5% must go into future infrastructure maintenance. A second requirement of the Act is that public entities must have a rate study done. Our rate study has been scheduled for April 2023 by Communities Unlimited. It is more likely the study will reveal a rate more than the \$5.00 increase we are looking at today. The cost of the rate study is paid by the State.

PUBLIC COMMENT: Kathy Bischoff, 50 Bandy Drive, informed the Board that a fund for debt service had \$1,350,721.96 at the end of 2021. Now, HISID is allowed to bill consumers for the actual cost of the water they use. Any Capital Improvement costs are to be shared by all owners.

COMMISSIONER CHILDERS moved to approve the regulation as presented to increase our water cost by \$5.00 a month. **COMMISSIONER BROWN** seconded the motion. The motion carried unanimously.

2) Consideration/Action to Authorize the District Manager to Proceed with the Construction of the Recreation Center

COMMISSIONER KEN BROWN indicated the need to set golf cart fees right away, but other fees could wait. He expressed his disapproval of continuing with the Rec Center when water should be the primary discussion and expense. **COMMISSIONER CHILDERS** reminded everyone there is \$800,000 in an account for major projects. The Board all agreed to repair existing wells #4 and #5, and the completion of the replacement of the PRVs. **CHAIR SARRATT** reminded the Board that public buildings are infrastructure. She reviewed all the steps taken by the Board to date, including a meeting between District Manager Presley, Chris Johnson, and herself on Friday. **DISTRICT MANAGER PRESLEY** reported on the meeting. Over several meetings, it has been inevitable that the cost of a value-based building has always been between \$225 and \$250 per square foot. **COMMISSIONER DYAR** feels the structure needs to be functional and fairly bare bones. **COMMISSIONER STAMPS** agreed that the plan needs massaging to provide nothing other than a check-in facility.

PUBLIC COMMENT: 1) Janice Murphy, manager of the Recreation Center, confirmed a need for bathrooms, a storage or break room for equipment, retail, and cleaning supplies with a sink and refrigerator, not a "kitchen". She explained the need for a washer/dryer, cancer-preventing shade, and returning the Island Room to a community center for rent. 2) Dan Eddy asked the plan be made

available to the public. 3) Nanette Barnett, 84 Bandy Drive, recommended an indoor recreational center. 4) Mavis Wilkes, 29 Venus Avenue, told the Board the "spending has to stop". 5) Bruce Larson, 37 South Hills Loop, asked how we keep accumulating money and our reserves are right at rock bottom (35%). 6) Al Markovich, 22 Mission Hills Lane, asked if the plans for building the Recreation Center have gone through governmental approval yet. **DISTRICT MANAGER PRESLEY:** Our city's building inspector will look at it. It also will be looked at by a structural engineer. The question of whether the architect is a structural engineer will be asked. 7) Steve Crow, 6 Horseshoe Drive, suggested using cameras to minimize the need to watch the pools since there are no lifeguards. When the grass doesn't get cut, the "sizzle" of a nice Recreation Center is unnecessary. 8) Linda Graves, 29 Table Rock Drive, said the Board needs to plan for the future. First, we need a foundation on the ground between the two pools, so the dirt does not blow into the pools. The building could be put up in phases with shade being a real necessity.

COMMISSIONER CHILDERS moved to authorize the District Manager to proceed with the construction of the recreation center. There being no second of the motion, it failed to pass. Further discussion to improve the negotiation of changes ensued.

B) New Business:

1) Consideration/Action to Establish Amenity Rates for 2023

COMMISSIONER BROWN commented on the recent golf study performed. A consensus of the Board was that the golf study was interesting, but not feasible. The cost of the study was \$5,000.00 which was requested by the Board. **DISTRICT MANAGER PRESLEY** and the golf manager will review the non-financial aspects of the report to suggest improvements in operations. Renaming the Rec Center to Sports Plaza was discussed but no decision was made.

PUBLIC COMMENTS: 1) Vernon Anderson, 60 Shields Spur, spoke on behalf of HIPRO. Golf courses are ranked among the top four reasons to go to a community. Punch cards and discounts need to be reconsidered. For the sake of property values, the golf courses should not be closed. 2) Bruce Larson, 37 South Hills Loop, agreed with Mr. Anderson about various good points vs. the local residents, especially under newly trained staff. Comparing our course with multi-million-dollar courses in larger vacation venues was a bit unrealistic. 3) Al Selleck, 22 Buckskin Lane, commented on social media suggesting closing the golf courses and dropping assessments to \$480. Other suggestions seemed to be counter-productive and just as costly. 4) Pat Elwood, 14 Holiday Island Drive - This golf course is not deteriorating, as its staff has improved it 100%. I will talk to Loren Bernstein, Golf Manager, about bringing in more outside play since raising the costs significantly resulted in lost members. And putting carts in the little barns every time would be ridiculous because they will not fit. 5) Loren Bernstein, Golf Manager asked if the fees were to be set before April 1. **COMMISSIONER BROWN** reminded the Board that several years ago Marilyn Clave said when we raise fees 5%, we lost 5% of the golfers. Having one price for all golfers would simplify things, or buying an annual membership for golf, reviewing the price difference between the 9-hole and 18-hole courses, offering one price for both courses, cost comparisons between Cassville, Monett, and Berryville, setting a monthly fee for unlimited play, putting together a golf committee to report on other courses in the area, the fees they charge this year, cart storage fee, trail charge for those with their own cart, review the pricing of food at the grill, were suggestions to bring to the Board of the January 23 meeting. A motion to increase our annual cart fee from \$210.00 to \$250.00 and allow the clubhouse to begin selling as soon as possible

was made by **COMMISSIONER BROWN** and seconded by **COMMISSIONER DYAR**. The motion passed unanimously.

COMMISSIONER COMMENTS: **COMMISSIONER DYAR** read a statement. (See Attached) **CHAIR SARRATT** thanked everyone present for having good discussions and appreciated their comments at today's Special Meeting. **COMMISSIONER BROWN** reminded everyone only three people were running for two positions on the Board with two of us as incumbents winning.

AGENDA SCHEDULING:

Monday, January 23, 2023 Regular Meeting 9:00 a.m.

ADJOURNMENT: **COMMISSIONER DYAR** moved to adjourn the meeting. Seconded by **COMMISSIONER BROWN**, the motion passed unanimously. The meeting adjourned at 4:27 p.m.

Respectfully submitted,


Larry Stamps, Secretary, Holiday Island Board of Commissioners