

**SPECIAL MEETING
BOARD OF COMMISSIONERS
HOLIDAY ISLAND SUBURBAN IMPROVEMENT DISTRICT (HISID)
July 29, 2019**

The Special Meeting was held at the District Office and was called to order by **CHAIR LINDA GRAVES** at 9:00 am. Present for roll call were **COMMISSIONERS DAN KEES, LINDA GRAVES, BILL NOONAN, NITA HOLLEY and DAVE MAKIDON**. A quorum was declared with all Commissioners present.

APPROVAL OF AGENDA: **COMMISSIONER KEES** moved to approve the agenda. **COMMISSIONER HOLLEY** seconded. Motion carried unanimously.

APPROVE MINUTES: none

CEREMONIAL: none

ANNOUNCEMENTS: (1) Ken Mills, 20 Rocky Top Circle; Regarding an FOIA issue brought to our attention last week concerning two commissioners being on the Citizens for Incorporation committee. To resolve this concern, Bill Noonan resigned from the Incorporation committee. (2) August 3rd Fire Department Auxiliary Furniture Sale.

PUBLIC COMMENTS: none

REPORTS: none

OLD BUSINESS:

- 1) **Acquisition of Property - 25 Mercury:** **DISTRICT MANAGER BLOOD** recapped the discussion at the last meeting. It is not within HISID purview to do anything. However, due to being a public health issue, the Board wanted to know the cost. Further discussions to be held at Planning Commission's Friday meeting. Deputy Ingle is investigating all avenues available to him.

- 2) **Marina Lease and Operator's Agreement Discussion:** HISID does not have to go out to bid, according to Attorney Matt Bishop. Sec. 2 193 authorizes the **DISTRICT MANAGER** to go out up to \$35,000; over that amount must go to HISID. It is within your purview to renew this contract. **COMMISSIONER KEES:** Board was provided with cash analysis from 2014-19. Taking 2019 out, the 5-year average was \$2,950 positive cash flow after taking out capital investments. **COMMISSIONER MAKIDON:** Taking out floats and gas line and water pumps projects, we make about \$55,000/year. Feedback indicated people do not want to sell. To make money, \$325,000 would be available if HISID ran it themselves. If more docks are added, they need to pay for themselves. We shouldn't put in more docks if we are going to lose money on them. **CHAIR GRAVES:** Marina is an old facility that needs to be upgraded. **COMMISSIONER NOONAN:** Dock #1 needs to be replaced. **CHAIR GRAVES:** We don't have the expertise to run it without a Kolin-type person. Look at numbers next month to determine what it would take to operate it. **COMMISSIONER NOONAN:** Option is to hire Kolin. **COMMISSIONER KEES:** Owner is willing to work extra hours to make a business. Probably would cost more to operate ourselves rather than contract it out.

COMMISSIONER MAKIDON: needs more information. **COMMISSIONER KEES:** See if Kolin is willing to do a 1-year extension to his contract in order to put together a long-term plan with options. **COMMISSIONER MAKIDON:** We are going to have to provide the Corps with a good plan. Kolin: Cannot do a 1-year contract. He was asked if the people on the waiting list for bigger docks are property owners. Kolin: Most are non-Holiday Island addresses, but not sure if homeowners. Replacing Dock 2 with 28-30' slips would be making \$500 more per slip immediately. Cannot add any docks; must replace them or add onto existing docks. They can build out as long as they remain within the leased area. Dock 2 could be extended, providing 6 docks by taking old one out and putting new one in. **DISTRICT MANAGER BLOOD:** Sublease has already been approved by Corps of Engineers. Kolin would determine deadline for contract, the sooner the better.

PUBLIC COMMENTS:

- (1) Barbara Talbot, 23 Oak Point Lane: Urged to go through the bid process. The Marina is the greatest potential income-producing property and promotional opportunity for HISID and the property owners. I recommend a marina operator who has a verified access to capital to significantly improve the asset like other marina's on the lake. I would anticipate the current operator to have an edge up in the bid process given a 5-year history of performance has been established; in addition to the opportunity to present his long-term business plan to ensure maximum public benefit for the property owners. In the event the bid process is declined, it is my understanding the following options may be limited for consideration at this point: 1) renewal (review % of concessions, etc.) 2) Exclude HISID management due to lack of expertise; and 3) to not opt for sale of Marina due to potential of future residents to Holiday Island.
- (2) Al Selleck, 22 Buckskin: I recommend the 3-year contract and make a 5-year plan.
- (3) Jim Hardy, 56 Bandy: Anytime we need help or have a problem Kolin gets it fixed. Do not recommend Holiday Island taking it over. Kolin continued the discussion.

COMMISSIONER KEES moved to extend Kolin's contract for 3 years. **COMMISSIONER NOONAN** seconded. Motion carried with four ayes, one no. Last renewal there was discussion about doing a long-range plan. We need to do it. Can we do it with this year's budget? Kolin: To start with a conversation with Corps of Engineers is easy. They require engineer drawings be submitted. Barbara Talbot: Promotions are the responsibility of the Marina, not the homeowners. To continue in the future, the operator needs a verifiable capital standing. Further discussion regarding fees, slip sizes, demand and spider control ensued.

DISTRICT MANAGER BLOOD: Other terms of the contract need to be adjusted. In the contract, there are services *he must* provide, versus services *he can* provide. **CHAIR GRAVES** asked if there was a possibility for Kolin to participate in compiling the capital improvements. **DISTRICT MANAGER BLOOD** read the contract regarding making money on any capital improvements. Kolin should discuss a different commission regarding said improvements. **CHAIR GRAVES** asked about the crooked walkway. Kolin recommends replacing walkway as the first step in capital improvements. Further discussion continued with Kenny and Kolin to provide estimate to replace.

PUBLIC COMMENTS: none

COMMISSIONER COMMENTS: none

COMMISSIONER AGENDA SCHEDULING:

Monday, August 19th at 6:00 pm

ADJOURN:

COMMISSIONER KEES moved to adjourn. **COMMISSIONER HOLLEY** seconded. Motion carried unanimously.

Respectfully submitted,

Nita Holley, Secretary, Holiday Island Board of Commissioners

Approved: 