

**REGULAR MEETING
BOARD OF COMMISSIONERS
HOLIDAY ISLAND SUBURBAN IMPROVEMENT DISTRICT (HISID)
SEPTEMBER 28, 2020**

The Regular Meeting was held via Zoom 93594612336 and was called to order by **CHAIR KEN BROWN** at 9:00 a.m.

INVOCATION: Pastor Bradley Rito, Holiday Island Presbyterian Church, gave the invocation.

ROLL CALL: Present for roll call were **COMMISSIONERS KEN BROWN, BILL NOONAN, DAN KEES,** and **DAVID ORR.** **COMMISSIONER NITA HOLLEY** was absent. With four commissioners present, a quorum was declared.

APPROVAL OF AGENDA: **CHAIR BROWN** moved to amend the agenda adding items 3, 4 and 5 under **NEW BUSINESS:** 3) **Meeting Procedures for Nominating Meeting October 19, 2020 at 6:00 p.m.;** 4) **Press Release from Barbara Talbot;** and 5) **How to Request Legal Assistance from Attorney.** **COMMISSIONER NOONAN** seconded the motion. Agenda was approved unanimously as amended.

APPROVE MINUTES: **COMMISSIONER KEES** moved to approve the minutes for the 7/20/20 and 8/17/20 Regular Meetings. **COMMISSIONER NOONAN** seconded. Motion approved unanimously.

CEREMONIAL: None

ANNOUNCEMENTS: **CHAIR BROWN** announced HIHA is sponsoring a meeting and a forum to be held October 6 and 13 at the open space between the pool and fire station. The October 6 meeting guest speakers are from the Committee to Incorporate. The October 13 forum is to meet the candidates for the Town of Holiday Island election. Both will comply with safety precautions. Seating, parking and stage instructions will be publicized. They will both be held from 4:00 p.m. to 6:00 p.m. with rain dates the following day for each.

PUBLIC COMMENTS: 1) Barbara Talbot, 9 Horseshoe Drive: I am filing a formal complaint against District Manager Blood for his actions at a meeting announced on Facebook that "all Holiday Island residents are invited to come out for a 'NO INCORPORATION' discussion at the HI Veterans Park on Friday the 25th. In order to provide opportunities for everyone to attend, we will have TWO sessions. The first will be from 2:00 p.m. to 4:00 p.m. with the second being 6:00 p.m. to 8:00 p.m." The complaint will be read in its entirety during public comments at the end of the meeting. **DISTRICT MANAGER BLOOD** suggested going into Executive Session at the end of this meeting for disciplinary discussion.

2) Susan Rosen, 1 Hickory Lane, also registered a complaint which will be repeated in its entirety during the public comments at the end of the meeting. **DISTRICT MANAGER BLOOD** informed the public the Executive Session is for commissioners only and is for personnel matters. For the record, I called Susan a phony and a fake. She replied that she has four witnesses that will testify.

REPORTS:

A) August Financial Report

DISTRICT MANAGER BLOOD reported the Financial Report had been mailed to the commissioners. **COMMISSIONER KEES** expressed concern regarding Covid-19 effects starting to show up. **COMMISSIONER KEES** moved to approve the August Financial Report. **COMMISSIONER NOONAN** seconded the motion. Motion approved unanimously.

B) Deputy Report

Deputy Ingle gave his report for August 2020. He reviewed the 136 calls for service. He noted that he had additional activities to perform in addition to monitoring speeders on Holiday Island Drive. With three radar machines, he is able to catch speeders, with 90% receiving citations. He also stated that he was a witness to the first accusation filed against District Manager Blood.

C) District Manager Report

DISTRICT MANAGER BLOOD presented a slide show to help the Zoom audience and the Board to clarify his comments. Highlights of this report: Nomination notices and notice of elections have been mailed to all the property owners, including the timeshares. We are keeping a close eye on the assessment revenue leading into the ever-important September/October timeframe. We are a bit ahead of where we were this year, compared to where we were last year and the year before that. If this trend continues, we will likely make our budget on our assessment revenue, being one of the critical vision points we have in our development of the budget. The audit is complete. It is with the auditors now for the review phase and hopefully we will have it at our next meeting. The big news is the pressure reducing valves (PRVs). Once the three PRVs are installed and one at Well 5, we will see a dramatic improvement. Once the high-pressure areas are completed, we will move on to the medium pressure areas and then, phase 3 on the island system. Taking a look at the production line, every month this year, our production has gone down. Production has also continued to drop on Well 5. For the last 8 months, our water loss has dropped to the 64% loss level. **CHAIR BROWN** received a call from a resident asking when the striping will be completed. **DISTRICT MANAGER BLOOD:** It is weather-dependent. Dry weather is required. I have to report that I did not start recording the meeting at the beginning, so you can ask those who made public comments to repeat them again towards the end of the meeting. **CHAIR BROWN** complimented and thanked the staff on installing a window for communication with the public, as office doors at the District Office remain locked.

BUSINESS

OLD BUSINESS: None

NEW BUSINESS:

1) Land Lease Proposal, Unit 10, Parcel K (Discussion Only)

Marina operator Kolin Paulk went to District Manager Blood with a proposal for this parcel of land where the Yacht Club used to be. He was informed that his proposal would have to be approved by the Board. His proposal is for an outdoor space for the community to use with tables, shade, a food truck, dock service, pet-friendly space, a path to the restrooms, etc. for a two-year lease with the Marina. Improvements to the space include landscape and leveling, accent lighting, ambient music, shade coverings and healthy food options. **CHAIR BROWN** asked what would happen to the improvements he made at the end of the contract. Also, would he need a separate license for the alcoholic beverages

planned? He also asked what the capacity of the space would be. **COMMISSIONER KEES** suggested he look into the state laws regarding specialty cocktails that he proposed. He also recommended high-water walkway access from this space to the Marina. **COMMISSIONER ORR** asked if his proposal would include leasing space to additional food trucks. Kolin said the capacity would depend on the landscaping. There would be no additional food trucks allowed, as this is intended to be an income-producing space rather than an expense. All improvements will remain. **DISTRICT MANAGER BLOOD** asked the Board for direction whether to start negotiations. **COMMISSIONER ORR** moved to start discussions with Kolin regarding a land lease of Unit 10, Parcel K. **COMMISSIONER KEES** seconded. Motion approved unanimously.

PUBLIC COMMENTS: None

DISTRICT MANAGER BLOOD informed the Board that the offer up for bid and the contract with Kolin Paulk for the Marina has a no-competitive clause in the contract.

2) Preliminary 2021 Budget (Discussion Only)

DISTRICT MANAGER BLOOD displayed a power point entitled HISID FISCAL YEAR 2021 BUDGET SUMMARY V1 09/24/20. He had been meeting with all department heads to determine existing numbers. He is not asking for approval, as this is a preliminary budget for discussion. He then highlighted each department indicating income, salary expense, operating expense, cash flow before CIP (capital improvements), capital expenses, and net cash flow (showing a surplus or deficit), with an explanation of CIP to come later. Discussion involving questions and answers followed each department budget review.

PUBLIC COMMENTS: None

3) Meeting Procedures for Nominating Meeting October 19, 2020 at 6:00 p.m.

CHAIR BROWN: The election for commissioners to the HISID Board will be held December 1st. Nominations for the two positions up for election (Commissioner Noonan and Commissioner Holley) will be made on Monday, October 19 at 6:00 p.m. Both the person making a nomination and the person accepting the nomination must be present. It was decided that an on-line attendance through Zoom would be acceptable for all participants receiving and making nominations. **DISTRICT MANAGER BLOOD:** Early voting starts on November 16. People will be able to receive their ballot through the window, mark their ballot and then observe through the window their ballot being dropped into the ballot box.

4) Press Release from Barbara Talbot

DISTRICT MANAGER BLOOD read the press release and proceeded to explain his presence at the gathering due to his name being part of the press release. **COMMISSIONER ORR** requested all comments be emailed to him directly and recused himself from the remainder of the meeting. **COMMISSIONER KEES** was also asked by a radio reporter for a response to a different press release. He read his response made after referring with the HISID attorney. He then apologized to the Board for not informing them of his inquiry to the attorney.

5) How to Request Legal Assistance from Attorney

CHAIR BROWN asked for directions for requesting legal assistance from the HISID attorney. Discussion followed resulting in all legal inquiries going through the District Manager.

PUBLIC COMMENTS: 1) Barbara Talbot, 9 Horseshoe Drive, read her complaint and requested her complaint be placed into the minutes.

2) Susan Rosen, 1 Hickory Lane, read her complaint and requested her complaint be placed into the minutes.

3) Barb Kuhn, 62 Holiday Island Drive, said she was present at both meetings.

4) Holly Wescott, Eureka Springs Independent: How does the public know of your available positions you were speaking of during the budget discussions? **DISTRICT MANAGER BLOOD** explained how they advertised through the newspaper. Holly Wescott, Eureka Springs Independent: This is the first we have heard of this at Eureka Springs Independent. My email is hollyrwescott@gmail.com if the commissioners would like to share a comment.

COMMISSIONER COMMENTS: **COMMISSIONER NOONAN** wished to be present at 12:30 for the Executive Session. **COMMISSIONER KEES** indicated he would be present at the Executive Session. **CHAIR BROWN** re-read the invitation to the HIHA upcoming events on October 6 and 13.

COMMISSIONER AGENDA SCHEDULING:

Monday, October 19, 2020	Regular Meeting	9:00 a.m.
Monday, October 19, 2020	Special Meeting	6:00 p.m.

CHAIR BROWN called a recess at 11:00 a.m. to go into Executive Session at 12:30 p.m. today at the HISID office to discuss the concerns voiced this morning. After coming out of the Executive Session, he said the Board would respond to the individuals who complained as soon as is practicable.

ADJOURN: **COMMISSIONER KEES** moved to adjourn the meeting. **COMMISSIONER NOONAN** seconded. Motion passed unanimously. Meeting adjourned at 1:38 p.m.

Respectfully submitted,

David Orr, Secretary, Holiday Island Board of Commissioners

