Board of Directors Meeting
January 26, 2021

Present: Randy Reznicek, Stephen Hilborn, Harold Ross, Earl Martin, Kathy Dodd and Nanci Essary.

Call to Order: Open Meeting convened at 7:00 pm. Mr. Reznicek presiding.

Public Comments: None

Review and Approve Minutes from previous meeting: Ms. Dodd made the motion to accept the minutes of the December 22, 2020 meeting. Mr. Ross seconded. All approved. Motion carried.

Update from District Engineer: Eddy Daniel explained that the Environmental Report for the loan was being held up by the Texas Historical Commission because they want an archaeological survey done on the sites where Rose Hill is proposing to lay a water main. The requirement is part of the USDA backed loan. Eddy explained that after the archaeological survey was complete that it could be as much as six months to get final approval for the Environmental Report. The board discussed excluding the water lines from the loan and funding them separately. The tank being funded with a CoBank, USDA guaranteed loan and the water lines with Rose Hill's capital improvement funds or a 3-year commercial loan. Eddy stated Rose Hill would have a better chance of getting a categorical exclusion if only the tank on the existing 2 acres was funded by the USDA backed loan. Eddy stated he would be giving Nanci regular status reports on the project going forward.

Possible Sale of RHSUD's 4-1JV Share: Nanci explained that Jana Shelton, City Manager for City of Crandall, sent the draft Consent to Assignment to Gastonia-Scurry SUD and College Mound SUD for their review and comments. No action taken.

Amendment No. 1 to 2021 Budget: Nanci explained she removed the duplicated line item, 6100 System, from the budget but all other numbers stayed the same. She also made some comments on several line items that contributed to the overall 3.3% increase from the 2020 budget. Ms. Dodd made the motion to approve and adopt Amendment No. 1 to the 2021 Budget. Mr. Hilborn seconded. All approved. Motion carried.

Approve Resolution 2021-01: Ms. Dodd made the motion to approve Resolution 2021-01, entering into contract with Kaufman County to hold and administer the Director Election on Saturday, May 1, 2021. Mr. Ross seconded. All approved. Motion carried.

Order of Election: Ms. Dodd made the motion to Order the General Election to be held on May 1, 2021 for the purpose of electing 2 directors. Mr. Ross seconded. All approved. Motion carried.

Appoint Election Agent: Ms. Dodd made the motion to appoint Nanci Essary to serve as Election agent for the May 1, 2021 General Election. Mr. Hilborn seconded. All approved. Motion carried.

Manager's Reports: Ms. Dodd made the motion to accept the manager's reports. Mr. Ross seconded. All approved. Motion carried.

The December 2020 bank statement was with Auditor and will be reviewed at the February meeting.

Ms. Dodd made the motion to adjourn the Open Meeting at 10:14pm. Mr. Ross seconded. All approved. Motion carried.

President, Randy Rezhicek

Sec/Treasurer, Harold Ross