

Board of Directors Meeting  
May 23, 2023

**Present:** Kathy Dodd, Harold Ross, Jay Schenkel, Nanci Essary and Steve Farabaugh.

**Guests:** Lesa Schenkel, Bobby and Janette Simons.

**Call to Order:** Open Meeting convened at 7:00 pm. Ms. Dodd presiding.

**Public Comments:** None

**Review and Approve Minutes from the previous meeting:** Mr. Ross made a motion to accept the minutes of the regular meeting held on April 25, 2023, and the special meeting held on May 16, 2023. Mr. Schenkel seconded. All approved. Motion carried.

**Update from Engineer:** Steve provided some guidance material for when a professional engineer needs to be involved in a project. He explained that Rose Hill SUD, a public entity handling and spending public funds, has to comply with various state statutes specifically on when engineers need to be involved. TCEQ also mandates that projects be stamped by a licensed professional engineer. Steve went on to discuss the benefits of wholesaling water. He also explained the benefits and reasons behind installing Variable Frequency Drives on the Pump motors. Mr. Schenkel asked if the same results could be achieved using valves much like those to pressurize refrigerant. Steve said he was unfamiliar with the concept but would investigate and have a response by the next board meeting.

**VFDs for Pump Motors:** Mr. Schenkel asked if the 60hp VFDs were large enough considering Rose Hill is evaluating and planning to wholesale water to Gastonia-Scurry SUD. Steve said he would review Rose Hill's hydraulic model and the data on the proposed VFDs and get back to Nanci with his recommendation. Mr. Schenkel made a motion to table the item until next month. Mr. Ross seconded. All approved. Motion carried.

**Facility Driveways:** Steve explained the necessity for concrete driveways, especially at the pump station. The original task order presented at the April meeting was for supporting Rose Hill in procuring contractors for concrete driveways because it is the only material Atkins Engineering firm recommended. Steve stated he spoke with his colleague, who is a road engineer, to get his professional opinion on the best type of material. His colleague agreed that concrete was the best considering everything that will and might need to drive on it. Nanci stated that after the April meeting, she returned to Steve and asked him to get quotes for three different types of material per Mr. Reznicek's request. During that conversation, Steve told Nanci that the \$15,000 engineering fee he already quoted would need to increase because the scope of the engineering work would increase, plus Steve said Atkins would not cost something that they do not believe will hold up or work. Nanci asked Steve to elaborate on that conversation so the board could benefit from hearing what he had told her. Mr. Schenkel made a motion to approve the engineering cost for the concrete driveways. Mr. Ross seconded. Motion carried.

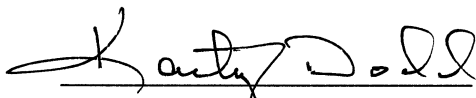
**Revised Water Supply Contract:** Nanci stated that Rose Hill's attorney, Drew Miller, was reviewing the contract and had some comments for NTMWD's attorney. The item would need to be tabled until next month. Mr. Schenkel made a motion to table the item. Mr. Ross seconded. All approved. Motion carried.


**Replacement of Roof for Office Building:** Nanci presented a proposal for roof replacement on the office building. Nanci stated the material in the proposal is 30-year, impact-resistant shingles that can withstand 3" diameter hail. The roof replacement program is administered through the insurance company whereby they contract with a third party to handle getting quotes, vetting and managing the overall project through completion. If there are unforeseen costs when the repair is underway, the third-party contractor handles it directly with the insurance company. All Rose Hill has to do is pay the deductible and work with the contractor to schedule the work to be completed. Mr. Ross expressed concern that the quote for the roof was too high. Ms. Dodd stated that Rose Hill is only out of pocket for the deductible, which would be the case even if Rose Hill found its own contractor for the job. Mr. Schenkel made a motion to approve the proposal. Mr. Ross seconded. All approved. Motion carried.

**Notice of Intent to Fill Vacancies:** Nanci stated that the attorney sent over a notice that Rose Hill could use to post on the website and in the local papers to advertise the board vacancies. Nanci commented that she liked the idea of posting the notice, so everyone has an opportunity to apply. The attorney also provided an application for those wanting to apply for the appointment of director. Nanci followed up on a question from the previous meeting on whether or not a person can hold two public offices, specifically director for the district and council member for a city. The short answer from the attorney was, "no". Lesa Schenkel suggested that information be included in the notice. Mr. Schenkel made a motion to approve the notice with changes and application for use to fill the board vacancies. Mr. Ross seconded. Motion carried.

Mr. Ross made a motion to accept the manager's reports. Mr. Schenkel seconded. All approved. Motion carried.

Mr. Schenkel made a motion to adjourn the meeting at 10:03 pm. Mr. Ross seconded. All approved. Motion carried.

  
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President, Kathy Dodd

  
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Secretary/Treasurer, Harold Ross