

**MINUTES OF THE BOARD OF DIRECTORS MEETING
VALLEY MUNICIPAL UTILITY DISTRICT NO. 2
March 19, 2012**

1. Roll Call/Call to Order

The Board of Directors met at the Valley Municipal Utility District No. 2 Office at 9:00 A.M., Tuesday, March 19, 2012 in accordance with the duly posted notice of said Meeting with a quorum of Directors present as follows:

Richard Lindeman	President
Roger Nelson	Vice-President
Chris Partridge	Director
Jim Tipton	Director
Oscar González	Director

Others present:

Craig Stowell	General Manager
Jay Toro	Assistant Manager

The Meeting was called to order by Mr. Richard Lindeman at 9:00 A.M.

2. Approval of Minutes of the Meeting held on February 21, 2012.

The Board reviewed the minutes of the previous meetings for approval. Mr. Tipton made a motion to approve the Minutes of the Regular Meeting held February 21, 2012. The motion was seconded by Mr. Partridge. The motions passed by unanimous vote of those present.

3. Approval of the Financial Report for the Month of February, 2012.

The Board reviewed last month's financial report. Mr. Nelson made a motion to approve the Financial Report for the Month of February, 2012. The motion was seconded by Mr. Partridge. The motion passed by unanimous vote of those present.

4. Watch Video of Elevated Tank Inspections and Discuss Inspection Report.

Mr. Stowell explained that an inspection was done on the two towers. The inspectors dived in the towers and recorded their finding on video. Mr. Stowell presented to the Board the video and explained in detail the findings of the inspection.

5. Public Input

No Public Input.

6. General Manager's Report

- **Production and Sales Report** The water loss for February 2012 shows a 28.2 % loss.
- **RO Production Report** For February 2012 was distributed to the Board before the meeting. Mr. Stowell explained the report.
- **Raw Water Report** For February 2012 was distributed to the Board before the meeting. Mr. Stowell explained the report.
- **Customer Complaints.** The customer complaints for the month of February 2012 were previously distributed to the Board. There were a total of five complaints.
- **Operations Report** Mr. Stowell reported on Water, Sewer, Distribution and Lift Station operations. He gave an update on safety issues and incentive programs and the Reserve Fund Projects.
- **Projects/Task list** Mr. Stowell presented a task list with priority or complete status updates.

7. Recess into Executive Session Pursuant to Texas Government Code Section 551.072 (Deliberation Regarding Real Property) and Section 551.074 (a) (1) (personnel matters).

- a. Discussion and action on the purchase, exchange lease, or value of real property.
- b. Discussion of evaluation, reassignment, duties and employment of employees.

The Board entered into executive session at 11:48 a.m. and closed out the session at 12:45 a.m.

8. Action on Items Discussed in Executive Session.

- a. No Action.
- b. Mr. Nelson made a motion to hire a temporary employee until Mr. Stowell hires a permanent one. The motion was seconded by Mr. Gonzalez. The motion passed by unanimous vote of those present.

There being no further business to come before the Board of Directors, President Richard Lindeman adjourned the Regular Meeting at 12:52 p.m.



RICHARD LINDEMAN, PRESIDENT

ATTEST:



CHRIS PARTRIDGE, SECRETARY