

**MINUTES OF THE BOARD OF DIRECTORS MEETING  
VALLEY MUNICIPAL UTILITY DISTRICT NO. 2  
May 15, 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, May 15, 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
Oscar González	Director

Directors absent:

Jim Tipton	Director
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Others present:

Craig Stowell	General Manager
Jay Toro	Assistant Manager
Paul Cunningham	Attorney
Kathy Cunningham	Attorney
Jean Hager	Alderman
Clifford Rowell	Resident

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

**2. Approval of Minutes of the Meeting held on April 24, 2012.**

The Board reviewed the minutes of the previous meetings for approval. Mr. Partridge made a motion to approve the Minutes of the Regular Meeting held April 24, 2012. The motion was seconded by Mr. Gonzalez. The motions passed by unanimous vote of those present.

**3. Approval of the Financial Report for the Month of April, 2012.**

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

**4. Discussion and Action on Special Circumstances of Raw Water Raw Water Rates.**

Mr. Stowell stated that the raw water rates were approved in the last meeting. He also explained that David Garza requested water to fill up his Resaca because it has dried up. This Resaca is the same one Mrs. Grasso pumps from for her residence at Villa Drive. The District sold Mr. Garza water but it was not enough to flow over

to Mrs. Grasso. Mr. Stowell explained that she is complaining about this Resaca being too low. Mr. Stowell informed her that the District is not responsible to fill up that Resaca because it is not in the District. Mr. Nelson made a motion to allow the General Manager to keep doing what his doing. The motion was seconded by Mr. Gonzalez. The motion passed by unanimous vote of those present.

**5. Discussion and Action to Approve Resolution Canvassing the Returns and Declaring the Results of the May 12, 2012 General Election to Elect Two Directors.**

Mr. Stowell explained that there are two provisional votes that need to be certified and counted, therefore, this item will be tabled for the special meeting Monday, May 21, 2012.

**6. Elected Director's Taking Oath of Office.**

Item was tabled for special meeting on May 21, 2012.

**7. Election of Board Officers.**

Item was tabled for special meeting on May 21, 2012.

**8. Public Input**

No Public Input.

**9. General Manager's Report**

- **Production and Sales Report** The water loss for April 2012 shows a 15.54% loss.
- **RO Production Report** For April 2012 was distributed to the Board before the meeting. Mr. Stowell explained the report.
- **Raw Water Report** For April 2012 was distributed to the Board before the meeting. Mr. Stowell explained the report.
- **Customer Complaints.** The customer complaints for the month of April 2012 were previously distributed to the Board. There were a total of six 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. He also gave a detailed presentation on the District's past performance and future projections/suggestions on infrastructure, personnel, equipment, file management, and safety.

**10. 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 11:30 a.m. and closed out the session at 11:58 a.m.

**11. Action on Items Discussed in Executive Session.**

- a. (1) Mr. Nelson made a motion to authorize payment to SMRWA in the amount of Three Thousand Twelve dollars and zero cents (\$ 3,012.00), seconded by Mr. Gonzalez. The motion passed by unanimous vote of those present.  
(2) Mr. Nelson made a motion to authorize the general manager to write a letter to ERHWS, seconded by Mr. Gonzalez. The motion passed by unanimous vote of those present.
- b. No Action.

There being no further business to come before the Board of Directors, Mr. Nelson made a motion to adjourn the meeting, seconded by Mr. Gonzalez.

President Richard Lindeman adjourned the Regular Meeting at 12:04 p.m.

  
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RICHARD LINDEMAN, PRESIDENT

ATTEST:

  
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CHRIS PARTRIDGE, SECRETARY