

**MINUTES OF THE BOARD OF DIRECTORS MEETING
VALLEY MUNICIPAL UTILITY DISTRICT NO. 2
April 21, 2015**

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, April 21, 2015 in accordance with the duly posted notice of said Meeting with a quorum of Directors present as follows:

Richard Lindeman	President
Jim Tipton	Secretary/Treasurer
Clifford Rowell	Director

Directors absent:

Oscar Gonzalez	Director
Roger Nelson	Director

Others present:

Scott Fry	General Manager
Jay Toro	Assistant General Manager
Cindy Rathbun	Alderman
Paul Cunningham	Attorney
Jan Pausewang	River Bend Resident
Jeremy Barnard	River Bend Management
Mark Barnard	River Bend Management
Xavier Montemayor	Rancho Viejo CC Manager

The Meeting was called to order by Mr. Richard Lindeman at 9:25 A.M.

2. Approval of Minutes of the Regular Meeting held on March 21 , 2015.

The Board reviewed the minutes of the previous meeting for approval. Mr. Tipton made a motion to approve the Minutes of the Regular Meeting held on March 21, 2015. The motion was seconded by Mr. Rowell and approved by a unanimous vote of those present.

3. Approval of the Financial Report for the Month of March 2015.

The Board reviewed the Financial Reports for past month. Mr. Tipton made a motion to approve the Financial Reports for the Month of March 2015. The motion was seconded by Mr. Rowell and approved by a unanimous vote of those present.

4. Update, Discussion and Action on Drought Conditions and Drought Contingency Plan.

Mr. Lindeman explained the current Drought situation and the Water Rights Account Allocation status. He stated that the combined water levels in the Rio Grande Reservoirs are at 53.2% and that the District will continue monitoring the levels. No action was taken.

5. Discussion and Action on Request by J.T. Head for a Refund for Fees that he Paid in Conjunction with Subdivisions that were Platted in which Meters were Never Placed.

Mr. Fry explained that J.T. Head is requesting a refund in the amount of \$28,500.00 for fees he paid conjunction with subdivisions that were platted but that meters were never installed. Mr. Cunningham explained that the developer did not want meters installed because of the associated monthly fees. He added that the District agreed not to meter them as well because it would be time consuming and costly to read 258 additional meters. Mr. Cunningham stated that there are two Board members absent who oppose to the refund. Mr. Rowell made a motion to table this item for next meeting, seconded by Mr. Tipton. The motion passed by unanimous vote of those present.

6. Discussion and Action to Amend the District's fee Schedule.

Mr. Fry stated that he placed this item on the agenda in case the Board wanted to make changes as a result of Item 5. No action was taken.

7. Public Input.

Mrs. Pausewang commented that they had always paid tap fees on the home lots, but they had never paid tap fees for the RV lots in River Bend. They started paying tap fees for RV lots when the District required it and meters were placed, but never used.

Mr. Mark Barnard introduced himself and his son Jeremy Barnard as the new owners of the River Bend Resort.

Mr. Montemayor commented that he would like for the District to install brighter lights on the Rancho Viejo water tower. He also commented on the problem with the flooding of the Angel Golf course from Rancho Perdido towards the south. He asked who is responsible for keeping the swales clean. Mr. Lindeman stated that the home owner is typically responsible to put a pipe under their driveway, create a swale and keep it clean. He stated that Miguel Ortiz and Cardenas Development have developed portions of that land in that area which has resulted in some of the drainage problems. Mr. Montemayor mentioned that he will re-grade his swales, but it is of no use if the rest of the owners do not do their part. Alderwoman Rathbun complimented the District on the water level in the resaca and then stated that she wants someone to take charge of these drainage issues. Mr. Fry stated that

he was talking to the Club about contracting a company to bring a motorgrader to re-grade the swales in that area.

8. General Manager's Report

- **Production and Sales Report**-Mr. Fry stated that the unaccounted for water loss for 2015 March 11.79%.
- **RO Production Report**-The report for March 2015 was distributed to the Board before the meeting. Mr. Fry explained the report.
- **Raw Water Report**-The report for March 2015 was distributed to the Board before the meeting. Mr. Fry explained the report.
- **Customer Complaints**-The customer complaints for the month of March 2015 were previously distributed to the Board. Mr. Fry discussed the four complaints.
- **Operations Report**-Mr. Fry reported on the highlights of the monthly operations of the District.
- **Projects/Task List**-Mr. Fry reviewed the task list and gave status updates on various projects.

There being no further business, Mr. Tipton made a motion to adjourn the Regular Meeting at 10:30 a.m. The motion was seconded by Mr. Rowell and approved by unanimous vote of those present.



RICHARD LINDEMAN, PRESIDENT

ATTEST:



JIM TIPTON, SECRETARY/TREASURER