

**MINUTES OF THE BOARD OF DIRECTORS MEETING  
VALLEY MUNICIPAL UTILITY DISTRICT NO. 2  
June 21, 2022**

**1. Call to Order of the Regular Meeting.**

The Board of Directors of the Valley Municipal Utility District No. 2 held a Regular Meeting at 9:00 A.M., June 21, 2022 in accordance with the duly posted notice with a quorum of Directors present as follows:

Roger Nelson	President
Jim Tipton	Vice-President
Richard Harse	Director
Pat Pace	Secretary

Absent:

Clifford Rowell	Treasurer
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Others present:

Scott Fry	General Manager
Kathy Cunningham	Attorney

**2. Elected Directors Take the Oath of Office.**

Kathy Cunningham administered the Oath of Office to Jim Tipton since he was not present at the meeting on May 17, 2022.

**3. Election of Board Officers.**

Mr. Nelson stated that all positions for Board Officers were open. Mr. Tipton nominated Mr. Nelson for President, Mr. Pace for the Vice-President, himself for Secretary and Mr. Rowell for Treasurer. Mr. Pace made a motion to declare the officers elected as nominated. The motion was seconded by Mr. Harse and approved by a unanimous vote of those present.

**4. Public Input.**

There was no Public Input.

**5. Approval of the Minutes of the Regular Board Meeting Held on May 17, 2022.**

The Board reviewed the minutes of the May 17, 2022 Regular Board Meeting. Mr. Pace made motion to approve the May 17, 2022 minutes. The motion was seconded by Mr. Harse and approved by unanimous vote of those present.

**6. Approval of Financial Report for the Month of May 2022.**

Mr. Fry reviewed the Financial Report with the Board for the month May 2022. Mr. Pace pointed out an apparent error in the Committed Fund Report. Mr. Fry acknowledged the error and stated that he would have it corrected. Mr. Tipton made a motion to approve the Financial Report for the Month of May 2022. The motion was seconded by Mr. Harse and approved by unanimous vote of those present.

**7. Update, Discussion and Action on the District's Valve and Hydrant Maintenance Program.**

Mr. Fry explained that the District had begun a program to exercise valves and hydrants several years ago. When the project to replace the water and sewer lines began, the District

personnel slowed down on the maintenance work to assist the contractors on the Water and Sewer Line Replacement Project. Now that the Replacement project is coming to an end, the District has reinstated the program and exercised over 40 valves along with several hydrants. Mr. Fry stated that he received two new hydrants that will be used to replace the non-functional ones and will salvage parts from the old hydrants to utilize them for repairs of other hydrants. No action was taken.

**8. Updates and Old Business.**

Mr. Fry gave an update on the following items.

- a. Resaca Dredging Proposed Project – Mr. Fry stated that he has nearly completed the plans and specifications. He will have Mr. Carlos Reyes review them and get them out by the end of the week.
- b. Potential Wastewater Treatment services from Neighboring Utilities – Mr. Fry stated that he spoke with Marie Leal with the Brownsville PUB who indicated that they have not yet finalized the wholesale wastewater rate study.
- c. Ovation and Capella Agreement – Kathy stated that she has not heard from Mr. Franklin and that she is ready to send the legal demand letter to him. The Board directed her to send out the letter informing them that the water will be disconnected.

**9. General Manager's Report**

- **Production and Sales Report-** The reported water loss May 2022 shows a **16.04 %** unaccounted for water loss. He stated that this is a normal water loss amount.
- **Production Report-** Mr. Fry discussed the improved production of the R.O. Plant.
- **Raw Water Report-** Mr. Fry discussed the raw water report.
- **Customer Complaints-** There were no customer complaints for the month of May 2022.
- **Operations Report-** The operations report for May 2022 was explained.
- **Vehicle Maintenance Report-** The report was presented and reviewed.

**10. The Board Entered into Executive Session as Allowed By Government Code 551.074 to Discuss A Personnel Issue and/or Section 551.071(1)(A) to Discuss Pending Litigation.**

Mr. Tipton motioned to enter Executive Session at 9:51 a.m. The Motion was seconded by Mr. Harse and approved by a unanimous vote of those present. The Board Exited the Executive Session at 10:04 a.m.

**11. Discussion and Action Relative to the Executive Session.**

No action was taken with regard to items discussed during the Executive Session.

**12. Adjourn.**

There being no further business, Mr. Pace made a motion to adjourn the meeting, seconded by Mr. Tipton at 10:05 a.m.

  
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ROGER NELSON, PRESIDENT

ATTEST:

  
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PAT PACE, VICE-PRESIDENT