

**MINUTES OF THE BOARD OF DIRECTORS MEETING
VALLEY MUNICIPAL UTILITY DISTRICT NO. 2
March 15, 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., March 15, 2022 in accordance with the duly posted notice with a quorum of Directors present as follows:

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

Others present:

Scott Fry	General Manager
Kathy Cunningham	Attorney
Rleigh Seabourne	River Bend POA Board Member
Sylvia Delgado	River Bend POA Manager
Ken Booth	River Bend POA Board Member

2. Public Input.

There was no public input.

3. Approval of the Minutes of the Regular Board Meeting Held on February 10, 2022.

The Board reviewed the minutes of the February 10, 2022 Regular Board Meeting. It was noted that the Agenda item incorrectly showed the date for the Minutes as February 10, 2021. Mr. Rowell made motion to approve the February 10, 2022 minutes. The motion was seconded by Mr. Harse and approved by unanimous vote of those present.

4. Approval of Financial Report for the Month of February 2022.

Mr. Fry reviewed the Financial Report with the Board for the month February of 2022. Mr. Rowell made a motion to approve the Financial Report for the Month of February 2022. The motion was seconded by Mr. Harse and approved by unanimous vote of those present.

5. Discussion and Action on An Order to Declare James Tipton, Richard Harse, and Clifford Rowell Elected, Due to a lack of Opposing Candidates for the May 2022 Election And to Cancel Said Election.

Mr. Fry stated that there was no opposition for the Board Election this May 2022. He presented the Order of Cancellation Document to the Board for approval to cancel the election and certify them unopposed. The Board will assume office in May and will be sworn in the May Meeting. Mr. Pace made a motion to approve the Order of Cancellation. The motion was seconded by Mr. Rowell and approved by unanimous vote of those present.

6. Discussion and Action to Amend the District's Cash Management Policy for Federal Funds.

Mr. Fry presented the Cash Management Policy to the Board for review and approval. He explained that the policy was adopted last year because Mr. Anderson, CPA of Carr, Riggs

and Ingram, recommended that the Board adopt a policy pertaining to cash handling for Projects which receive Federal or State funding. Mr. Fry explained that the only change he made was to the payment days from six to forty five days to allow enough time to pay the vendors. A motion was made by Mr. Pace to approve the amended Cash Management Policy, seconded by Mr. Harse. The motion was approved by unanimous vote of those present.

7. **Discussion and Action on the Project to Replace Utilities Associated with the Town of Rancho Viejo's Street Reconstruction Project.**

Mr. Fry gave an update on the project. He explained that the project is practically complete, but that the contractor stated that Lift Station No.1 cannot be replaced by the end of the project. This had been approved as a change order, but supply chain issues have caused major delays in procurement of the new fiberglass wet well. No action was taken.

8. **Updates and Old Business.**

Mr. Fry gave an update on the following items.

- a. Resaca Dredging Proposed Project – He continues working on the plans and specifications. Based on a previous estimate from a contractor, he estimates a cost of \$24 per cubic yard and with the funds allocated to this project, he can work a 50 feet stretch of dredging of Resaca from Escandon to the end of the street.
- b. Potential Wastewater Treatment services from Neighboring Utilities – No Update.
- c. Ovation and Capella Agreement – Mr. Fry stated that the easement policy agreement documents has been finalized.
- d. River Bend RV meters – Mr. Seabourne from the River Bend POA addressed the Board to inform them that they have contacted the Texas Utility Commission to put their complaint on their objection to the RV Park metering. He also voiced his concern on the water that is coming out from the effluent pond. He stated that the effluent pond is not large enough so the water is coming out and running down the street into the Rio Grande. He is concerned for the public safety and wants the Board to find a solution for this problem. Mr. Fry stated that the overflow was treated effluent and not raw sewage as it has been characterized as. Mr. Fry stated that he would come up with a plan to deal with the effluent.

9. **General Manager's Report**

- **Production and Sales Report-** The reported water loss February 2022 shows a 5.12 % unaccounted for water loss.
- **Production Report-**The report for February 2022 was distributed to the Board before the meeting.
- **Raw Water Report-**The report for February 2022 was distributed to the Board before the meeting.
- **Customer Complaints-** There were no customer complaints for the month of February 2022.
- **Operations Report-** The operations report for February 2022 was explained.
- **Vehicle Maintenance Report-** The report was presented and reviewed.

10. **Adjourn.**

There being no further business, Mr. Rowell made a motion to adjourn the meeting, seconded by Mr. Pace at 10:00 a.m.



ROGER NELSON, PRESIDENT

ATTEST:

A handwritten signature in black ink, appearing to read "Jim Tipton", written over a horizontal line.

JIM TIPTON, PRESIDENT

