

VISTA REDONDA MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION  
(VRMDWCA)

MINUTES OF BOARD MEETING

Monday, June 4, 2018 -- 4:00 PM

Rule Home – 105 Paseo Encantado S.W.

1. **Call to Order:** D. Rule called the meeting to order at 4:04 PM.
2. **Certification of Quorum:** S. Rule certified that 8 of the 9 board members were present. A quorum was met.
3. **Board Members Present:** David Rule, President; Chris van Schayk, Vice President; Susan Rule, Secretary and Treasurer; Directors: Peter Frank, Bill Berra, Harvey Simon, Nirvair Khalsa, Audrey LaFehr

**Board Members Not Present:** Phil Marineau, Director

**Community Members Present:** Valerie Arnett, Laurent Cavalie, José Lopez, Judy Simon

**Others Present:** None

4. **Approval of Minutes of the March 13, 2018 Board Meeting:** Simon made the motion to approve the minutes, S. Rule seconded, and all approved.
5. **Financial Report:** S. Rule presented the financial statements and noted that we have been cashing in CDs to get ready for the tank project and are therefore over our FDIC limits. She recommended we move this money into a money market account. Van Schayk moved to approve this suggestion, Berra seconded, and all approved. S. Rule further reported that we need a new banking resolution. Berra made the motion to proceed with the new resolution, D. Rule seconded, and all approved.
6. **Budget Report:** D. Rule presented the budgets and noted that everything was as expected with the exception of two items. 1. Consulting – After studying our costs for the past year, D. Rule decided to convert our System Manager from a monthly rate to an hourly fee. 2. System Maintenance – we spent more than projected on Well #6 which was not functioning properly. Cameras showed that

it was clogged and tests are being run to determine if there is contamination and what further steps are needed to bring it back on line.

**Proposed Operating Budget:** D. Rule proposed that we keep the annual assessment the same, by cutting back on our Consulting costs while factoring in additional costs for increasing Loren Allen's role in maintaining our water system. Van Schayk moved to approve the amended budget as discussed, Frank seconded, and all approved.

**Proposed Capital Budget:** Frank moved to approve the Capital budget as submitted, van Schayk seconded, and all approved.

7. **Tank Project:** D. Rule reported that we made the decision not to award the contract for the tank project as the bids we received were unacceptably high. Though we went back to the community in May for a vote on the increased scope and cost of the project, it wasn't clear at that time how overheated the construction market currently is. D. Rule recommended that we defer the awarding of the contract and not force this discretionary work through this summer at inflated prices. In the meantime, we will have divers inspect the older tank and keep the money in the budget for when it makes sense to go forward with the project.
8. **Annual Meeting:** S. Rule reported that El Nido has agreed to be the venue at no cost for our Annual Meeting on Monday, July 16, at 4:00 P.M. She further noted that the Annual Meeting Package of financial statements, proposed budgets, proxies, and slate of proposed directors would go out to the community by June 15.
9. **Nominating Committee Report:** Van Schayk presented the proposed slate of board of directors for the coming fiscal year 2018-2019:

David Rule, President

Chris van Schayk, Vice President

Susan Rule, Secretary and Treasurer

Directors: Bill Berra, Peter Frank, Nirvair Khalsa, Audrey LaFehr, Phil Marineau, Harvey Simon

Adjunct Directors: Laurent Cavalie, José Lopez

S. Rule made the motion to approve the slate, Simon seconded, and all approved.

10. **New Business:** Simon asked the Board to consider how we can distribute the responsibilities for running the community more equally. He suggested holding an informal, non-board meeting to inform and educate interested community members about our water system and its history, with the goal of getting more of our neighbors involved. To be discussed after the Annual Meeting in July.
  
11. **Adjournment:** van Schayk made the motion to adjourn, D. Rule seconded, and all approved. The meeting was adjourned at 5:19 PM.

Respectfully Submitted,  
Audrey LaFehr  
Director and Acting Secretary