

Minutes of the Board of Directors Meeting of May 21, 2011

Note: Prior to the meeting Chairman Rubinowitz issued an opinion of the Chair that he concurred with the legal opinion of Mr. Deschamps, attorney for the District, that Mr. Schug was required to serve in his capacity as Treasurer and as a Board member until he is replaced. Mr. Schug was asked to participate in the meeting and he agreed to do so.

10:03 AM Chairman Rubinowitz declared that a quorum was present consisting of Director Mainello, Director Arden Schug and Director Rubinowitz. The meeting was called to order.

Pledge of Allegiance

Salute to New Mexico Flag

Motion to approve agenda by Director Mainello, second by Director Schug Motion carried unanimously.

10:05 Reading of the minutes of December 18, 2010.

10:07 Director Mainello moved to approve minutes for December 18, 2010. Second by Director Schug. All voted in favor.

10:09 Directors' Remarks. There were none.

Committee Reports:

Swimming Pool;

Joan Schug reported that tickets were being sold to support the pool at \$5.00 each. The pool will be opening next week and the rates would be the same as last year. She stated that three lifeguards were trained and would be working this year.

Budget Committee;

Mr. Schug announced that the budget committee would be meeting again. Mr. Mainello asked if anything had been done on the budget by the committee since it last met. Mr. Schug stated that a courtesy copy of the last budget prepared by the committee had been submitted to the DFA but nothing else had been done. Chairman Rubinowitz agreed to submit a letter to the receiver requesting access by the budget committee to the financial records of the District so that the Board can comply with the court order to keep the community honestly and fairly informed regarding the status of the District.

Bylaws Committee

Director Rubinowitz reported that the Bylaws Committee had not met since the last meeting of the Board.

Water Rate Committee

The water Rate Committee has not met since the last meeting of the Board.

Unfinished Business

Nothing was brought forward from the previous Board meeting.

New Business

Non-Binding Resolutions

None

Memorials offered by Director Schug.

Slash Pits

Memorial for Timberon Slash Pits

Whereas thinning property is a very important objective for property owners in Timberon, and whereas the slash pits of the only place to put this slash, and whereas in the past if the slash pits were not available the slash was put all over town in ditches, it is imperative for fire safety that the slash pits be maintained properly. Therefore it is important that the slash pits be kept open and maintained. The large lake slash pit is intruding on the grass and if a fire were to start on it the fire could easily spread to the telephone company and to many homes. It is a safety concern and needs to be addressed.

Membrane Filter

Memorial for Membrane Filter

Whereas the membrane filter has sat in the treatment plant for a year and eight months the Board of Directors is requesting that the receiver, manager, or interim manager along with the engineer go to Santa Fe or contact them by phone and get the approval of the plans and get the membrane filter connected and in use. The membrane filters are drying up, the company has not been fully paid, and it is costing us \$2000 a month in extra electrical costs by not having the filter online.

Bonds

After a brief discussion Chairman Rubinowitz agreed to request that the Receiver determine what Board member bonds were due and to ask that they be paid.

Status of the District

Condition of the Golf Course was discussed by Director Schug. He indicated that the employees acting on advice from the operators of the Cloudcroft Golf Course had started watering on a different schedule that was resulting in an improvement of the greens.

Chairman Rubinowitz reported that the District's water rights expired in March and no extension had been filed. He also indicated that the Court instructed the receiver to address the water rights immediately and that it was his understanding that the Office of the State Engineer was giving the District additional time to complete the paperwork.

The resignation of Board member Pete Bowidowicz was read by Chairman Rubinowitz. Director Mainello moved to accept the resignation of Pete Bowidowicz effective May 21, 2011 which was seconded by Director Schug. There was no discussion and the motion was passed unanimously.

Director Schug moved to have the Chairman post a notice for applicants to fill the vacancy. The motion was seconded by Director Mainello and the vote was unanimous.

The Annual Meeting Resolution was read by Chairman Rubinowitz. Director Mainello moved to adopt the resolution and it was seconded by Director Schug. Discussion: Director Mainello noted that there had been no Board meetings since December 18, 2010. Directors Mainello and Schug voted aye. The Chair did not vote. The resolution was adopted.

Secretary of the Board

After a lengthy discussion Board members Schug and Mainello asked the Chair to informally request funds from the Receiver for the purpose of obtaining the services of a Secretary. The Chair agreed to do so.

Public Comments

Mr. Adams pointed out that in his opinion there were discrepancies between the order of the court and what was stated during the Hearing on May 6th and asked the Board Members to review the audio.

Larry Hanson expressed concern about how real property was to be disposed of and by whom.

Eva Dysart discussed the impact that letters from the community had on the proceeding on May 6th.

Joan Schug discussed the letters as well and suggested that the Secretary of the Board could use the recordings of Board meetings to create the minutes.

Dick Dysart discussed the Water and Sanitation District Act, Open Meetings Act and other documents and noted that they were available online.

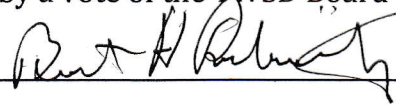
Gwen Adams supported the position of cooperation between the Receiver and the Board of Directors.

B F Adams discussed the PRC Receiver's response to the request for information.
Yvonne Ross discussed the meeting between DTI and Mr. Deschamps.

11:54 AM The meeting was adjourned by a unanimous vote.

Approved by a vote of the TWSD Board of Directors this 18th day of June, 2011.

ATTEST:

A handwritten signature in dark ink, appearing to read "Burt H. Rubinowitz", is written over a horizontal line.

Burt H Rubinowitz
Chairman of the Board