

COMUNIDAD DE REGANTES Y USUARIOS FUENTE DEL BADEN

C/. Chillar 2, Local 10 A - 29780 Nerja (Málaga) - Tel. 607 92 43 95

Minutes of the INFORMATIVE MEETING held the 29th March 16

In Nerja (Malaga), at 7 p.m. on 29th March 2016, the Presidents / Directors of the Community of Owners who are members of Comunidad de Regantes y Usuarios Fuente del Baden meet to hold an **INFORMATIVE MEETING** convened by the President, at the headquarters of the Community located at Calle Chillar, 2 in order to discuss the following:

AGENDA

1.- Report of the President and clarification of all the questions about our proper supply of drinking water to and pressures by the Town Council and Aguas de Narixa the Communities are exposed to.

- The following members assist: CDAD. CASAS ADOSADAS 18% President Bill Jlynn, CDAD. CONDAL II NORT President, CDAD. CUESTA COLORADA -President Malcolm Bater, CDAD. NERJAMAR- Administrator, CDAD. PROPIET. ALGARRROBO ROSA, President , CDAD. PROPIET. ALHAMBRA 3-President Pablo, CDAD. PROPIET. ALHAMBRA 1, II – Administrator, CDAD. PROPIET. ALMIJARA 1 - President Jose Antonio Ruiz - CDAD. PROPIET. ALMIJARA II-President Rudi, CDAD. PROPIET. ALMIJARA IV-Administrator, CDAD. PROPIET. CHIMENEA -President Enrique Pluma, CDAD. PROPIET. CONDAL FASE 1-President Bernardo Cortes, CDAD. PROPIET. EL CAPISTRANO-President Taylor, CDAD. PROPIET. JARDINES DE NERJA-Administrator, CDAD. PROPIET. LAS ROSAS DE NERJA-Administrator, CDAD. PROPIET. LOS NARANJOS-Administrator, CDAD. PROPIET. LOS OLIVARILLOS-President Encarna Jimena Cortes, CDAD. PROPIET. PACO ROMO-President, CDAD. PROPIET. URB. LAS JACARANDAS-President Jose Luis Moreu Sant, CDAD. PROPIET. URB. VILLAS ALGARIN-President Gerardo, CDAD. RICO NOGUERA-President Dieter, CDAD. PROPIET. RESIDENCIAL LOS CIPRESES-President Kathrin Sheu Irazo.

LUQUE HUERTAS-Fernando Alvarez de Rivera, MIGUEL PALACIN -representative, Kathrin Sheu Irazo as representative of NICOLETT REBECCA VETTER

1.- The President starts the meeting thanking those present for their attendance, hereafter he exposes all the proceedings carried out by our community and the company Licuas, S.A. that manages the supply of drinking water for human consumption since mid-February.

He points out as very important the meeting maintained with the Hydrographic Confederation of the South (Confederación Hidrográfica del Sur) held the 29th October 2014, at this stage we started to sort out the required paperwork to be able to make water drinkable. After the General Meeting held the 3rd December 2015 – in this meeting was agreed the hiring of the company Licuas and to proceed with the water treatment to obtain drinking water - all the steps taken until today are explained, in particular the last letter sent to the Junta de Andalucía - Sanitary District of the Axarquia and the Provincial Delegation of Málaga of the Health Ministry, where the community communicated all actions taken and letters sent, so the health authority has detailed knowledge of our drinking water supply, while we are waiting for the final approval and registration in the SINAC(web: <http://sinac.mssi.es/SinacV2/>).

It is also explained what has happened to Urb. Condal 1 and 2, both have filed a complaint with the Guardia Civil and have sent a registered fax to Aguas de Narixa, requiring that this company removes the water supply pipe, as no authorization has been given by these communities for the connection and both wish to continue with Fuente del Baden, the term given to Aguas de Narixa finishes the 2nd April 2016, in case that Aguas de Narixa does not fulfil the requirement, legal actions will be taken against the responsible persons of the municipality or of Aguas de Narixa which have participated in this matter.

At this meeting, we are accompanied by Mr. Nicolas Martinez and Mr. Angel Cardenas of the company Licuas, who respond to questions and from concerns the attendees, summarizing the following:

- a) **What to do if Aguas de Narixa connects without permission to the municipal supply?** - The first step is to lodge a complaint in the name of your community at the headquarters of the Guardia Civil, take photographs of the connection and works carried out, afterwards send the complaint to the Community Fuente del Baden to start the appropriate proceedings.
- b) **Who pays attorneys' fees in case of disputes with the Town Council or Aguas de Narixa?** – All the formalities are carried out by the Community Fuente del Baden.
- c) **What is the price difference between the water of Aguas de Narixa and Fuente del Baden?** - According to the comparison made in case of the Community San Juan de Capistrano, that has received an offer from Aguas de Narixa, resulting that in the 3rd quarter of 2015 Fuente del Baden (applying the new prices) would have invoiced 19.672,00 € for 560 homes and Aguas de Narixa 42.129,36 €, i.e. a difference of € 22.457,36, meaning a difference of more than 86.000,00 € for one year, the attendees indicate that it is worth continuing with Fuente del Baden because this price difference is exaggerated.
- d) **Who can have drinking water from Comun. Fuente del Baden?** – Only the members who were registered at the 31st December 2015 with our community, therefore we can't accept new connections.
- e) **What happens in case that a Community connects with Aguas de Narixa without authorization of Fuente del Baden?** According to our corporate statutes a member of the Community can't withdraw from it without giving up before completely the use of the water and fulfill the obligations that the Community had contracted (Article 212.4 of Royal Decree 849/1986 of 11 April. thereafter RDPH). The expenditures for the improvement of the infrastructure are Members must know that the improvement of infrastructure is financed by all members according to their proportional share in our Community.
- f) **What if the Town Council requires for new constructions and to give the First Occupation licence the connection to the municipal water Aguas de Narixa?** - It is informed that the Comunidad de Regantes y Usuarios Fuente del Baden will issue a certificate to whom it may concern, indicating that the water is safe for human consumption with all the guarantees and therefore the issuing of documents by the Town Council can't be subjected to the connection with Aguas de Narixa.

g) **What to do in case of refusal by the Town Council?** - Contact the Comun. Fuente del Baden to start the appropriate proceedings and send the documentation to our lawyers.

h) **Why Aguas de Narixa requieres that the pipes can't be made of Uralita (asbestos) or other old materials?** - The new legislation is very strict regarding the installation of new supply pipes, so our community will replace the current pipes by other pipes that match with the current legislation fully respect the rules, although because of their age there is no deadline set for change. However, 80% of the municipality has the same pipes as our community and yet no date for the change of these pipes was given, on the other hand the company requires us to change.

i) **If you have any questions, receive any letter from the Municipality or Water Narixa, what shall you do?** The first thing to do is to contact the Community Fuente del Baden and provide a photocopy of the documents received, our Community and the lawyers will take the necessary steps to resolve the situation as soon as possible, but in no case you shall sign any document of the Town Council or Aguas de Narixa, until you have talked to Fuente del Baden.

j) **What are the possible legal actions that the Town Council could take against the communities that do not sign the contract with Aguas de Narixa?** We don't know which actions the Council or Agua de Narixa can take from now. What we can guarantee is that we have the right to be self-sufficient with the grant we have of Confederation (Confederación – Cuenca Mediterránea) and with water suitable for human consumption. Also, in case that one of the two institutions, Council or Aguas de Narixa, takes any legal or technical action against the interests of any of the member communities of Fuente del Baden, we will take as well the legal actions we consider appropriate, advised by the law firm ARAMBURU-MONTERO, one of the best law firms in Andalusia.

k) **To open the pool, is there required a certificate about the quality of water (drinking water)?** There is no problem, the laboratory that is working with our Community will provide the appropriate paperwork and issue the appropriate certificates.

l) **Why the Town Council in the past has not taken the necessary steps to supply water to our urbanizations and homes?** – First of all, because the municipal water network has neither capacity nor sufficient pressure to supply, secondly because they have to perform a pipeline infrastructure, which means an investment of a very significant amount of money and thirdly because tacitly for more than 30 years the Town Council has been given First Occupation Licences to houses supplied with water from Fuente del Baden without any problem so far.

m) **Why does Aguas de Narixa now insist to supply water and not earlier?** The reasons are purely economic, the supply of municipal water is submitted to public regulations that are not applicable to the kind of communities like Fuente del Baden, which are non-profit entities that only can supply its members, it is not a supply company but an entity that can't have benefits, the revenues of its members are used to modernize the network and pay the expenses of maintenance and management.

What would be the consequences of contracting with Aguas de Narixa? Payment of the connection fee, price of water 3 times higher, handing over to Aguas de Narixa of the assets (pipes, tanks, etc ..), PAYING as well to Aguas de Narixa the main meter that would count the loss in the network in case of leaks and so Aguas de Narixa would invoice as well the water that is lost, Aguas de Narixa as well would not repair with the due diligence the leaks as they can invoice for the water that gets lost because of the leak, it is not possible to return to be a member of Fuente del Baden, loss of control of the price of the service that in Fuente del Baden has the assembly of the members.

How do you know if the water is drinking water and is certified? – A sample of water supplied by Fuente del Baden is taken on a daily basis, analysis are made periodically by approved and certified companies to verify that the water meets with all the necessary requirements. Find attached the last analysis that meets with all the requirements.

The meeting is finished at 9.30 p.m. on the day and in the place indicated in the beginning. The Secretary,

See our website with all the information:

<https://fuentebaden.wordpress.com>

<https://fuentebaden.wordpress.com/2016/04/01/acta-de-la-reunion-informativa-29-03-16/>