

**CYPRESS RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1**  
**Minutes of February 22, 2018**

A regular meeting of the Board of Directors of Cypress Ranch Water Control and Improvement District No. 1, open to the public, was held outside the boundaries of the District, at the offices of Texas Engineering Solutions, LLC, Barton Creek Plaza III, Suite 300, 3815 South Capital of Texas Highway, Austin, Texas 78704, at 12:00 noon on February 22, 2018. A copy of the Notice of Meeting is attached hereto.

The roll was called of the members of the Board of Directors, to-wit:

Gene Darling	Ronald den Hoed	Joe Peeler
Joanne Molinyawe	Tony Salinas	

All of said persons were present, thus constituting a quorum. Others in attendance included Jeff Monzingo, of Montoya & Monzingo, LLP; Hank Smith and Justin Lange, of Texas Engineering Solutions, LLC; Hal Lanham and Brett Lanham, of AWR Services, Inc.; Richard Hamala and Jonathan Cochran, of Tiemann, Shahady & Hamala, P.C.; and Richard Topfer of Cypress Ranch, LTD.

Agenda items one and two: review and approve the minutes of the previous District meeting, held January 25, 2017, and receive public comments. Director den Hoed made a motion to approve the January 25, 2018 meeting minutes; the motion was seconded by Director Molinyawe, and unanimously carried by the Board. The Board did not receive any public comments.

Agenda item three: consider and take action regarding district meeting places. There was no action taken by the Board at this time on this issue.

Agenda item four: consider and take action regarding a policy and rules for resident access for clearing and maintenance of green space on District property. After consideration, the Board resolved to modify the Clearing Green Space Policy, item #4 (Green Space Tree Trimming) so that it shall stipulate: "Residents of the District may trim, prune, and limb all trees within the prescribed green space clearing area, up to a maximum of six (6) feet above ground level. Pruning and trimming of oak trees shall only be conducted before February 1 or after June 30 during any year. Residents are encouraged to follow the Pruning Guidelines for Prevention of Oak Wilt in Texas at [TexasOakWilt.Org](http://TexasOakWilt.Org). (See Reference #2 below). Residents shall not prune or trim oak trees in the green space from February 1 through June 30 of a given year. Tree trimming shall be permissible in buffer zones; however, the use of herbicides and pesticides shall not be permissible. Residents shall not trim or clear trees in any riparian area of Lick Creek." AWR services will include the newly revised Clearing Green Space Policy with the monthly bill to West Cypress Hills residents in March, 2018.

Agenda item five: Consider and take action regarding a proposal for removal of silt fencing and brush clean-up from District property. Mr. Lange addressed the Board on this item, and estimated the cost to the District will be \$1.25 per foot to remove the silt fencing. The quantity of silt fencing has not yet been determined. Mr. Lange will get a quote from LBS. No other action was taken by the Board at this time.

Agenda item six: consider and take action regarding the District's landscaping contract. Subsequent to the last District Board meeting, and before the February 22<sup>nd</sup> Board meeting, Director Darling conducted a walkthrough of District lands and prepared a map, detailing areas of the neighborhood containing silt fencing and brush piles. The Board discussed the performance of LBS; it was noted, in addition, that LBS was not mowing back around the wells and not mowing twenty feet along the trail. The Board then considered obtaining bids for landscaping services by Perfect Cuts, Capital Land Care, and other companies recommended by the District Engineers. Director Peeler made a motion to obtain bids for landscaping; the motion was seconded by Director Molinyawe, and unanimously carried by the Board. At this time, Cody Greaney of LBS joined the Board meeting, and offered an explanation of the brush piles on District land. The Board considered allowing LBS to resume the landscaping contract with the District. Director den Hoed made a motion to rescind the Board's resolution to obtain bids for a new landscaping contractor; the motion was seconded by Director Peeler, and unanimously carried by the Board. Director Molinyawe and Director Darling arranged to do a walkthrough of District landscaping work with Mr. Greaney at 10:00 AM on March 5, 2018.

Agenda item seven: consider and take action to amend the District's rate order to add a deposit for access to District land for resident construction projects. It was noted by the Board that a resident is constructing a new swimming pool at Texas Blue Bell and Rock Wren. AWR will investigate to determine if the resident is accessing District land for construction. As a side note, in regard to the development of Colina Commerce Park, it was noted by the Board that Mr. Lehne has left depressions in the ground from the installation of a wastewater line, which needs to be filled in. As to the District's rate order, the Board resolved to add a deposit fee for access to District land for resident construction projects in an amount of \$5,000.00, plus a \$400.00 non-refundable inspection fee. The \$5,000.00 deposit shall consist of \$2,500.00 contributed by the resident, and \$2,500.00 contributed by the contractor. Director den Hoed made a motion to approve the amendment to the District's rate order; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

Agenda item eight: consider and take action regarding the LCRA annual maintenance inspections for West Cypress Hills. The Board considered the annual LCRA inspections conducted on February 5<sup>th</sup> and 14<sup>th</sup> of 2018. LBS completed the work outlined in the February 5<sup>th</sup> LCRA inspection report, for a total bid of \$387.00. LBS estimates that to complete the work outlined in LCRA's February 14<sup>th</sup> report will cost the District an estimated \$8,317.00. The Board requested an itemized bid for this work. Director Peeler made a motion to approve TES to get an itemized bid of \$8,317, and for LBS to perform the remediation required by the LCRA inspection of February 14<sup>th</sup>, 2018; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

Agenda items nine and ten: receive General Manager's report; consider and take action regarding facility operation and maintenance, utility service, billing, and collections. In regard to well analysis and repair: AWR, contractors, and TES coordinated to perform analysis of several District wells. AWR replaced corroded well transducers with corrosion resistant specialized transducers. Additional testing was performed on well casing condition and pump performance. In regard to the TCEQ water treatment plant inspection, AWR personnel were on-site with the TCEQ inspector to provide facility operations information. TCEQ requested additional information regarding pump specifications and operation, which AWR assembled and provided. AWR is awaiting the final TCEQ report. In regard to TCEQ's inspection of the wastewater treatment plant, extensive records and information regarding testing and calibration of equipment were provided to TCEQ, and AWR is awaiting the final TCEQ report. Further, AWR

performed a chemical treatment of the wastewater treatment plant; chlorine injection; cleaning of filters; manual wasting (to help control biological development in the facility); replaced a section of air-line that feeds to the clarifier basin at the plant; and replaced approximately 90 feet of half-inch chemical feed line due to deterioration and obstruction. In regard to lift station number 2, AWR responded to an auto-alarm for seal failure. Manual operations ensued, and the pump and alarm were reset. Operations were monitored for several cycles and placed back on auto. In regard to resident pool construction and District land access, AWR continues to monitor District property. When construction deposit fees are received they are deposited and held, pending re-vegetation of District property and final inspection.

Agenda item eleven: Engineer's report. In regard to 5900 Sabino: as of February 15<sup>th</sup>, the site has not been revegetated after pool construction, and silt fence has not yet been installed on the down slope side. In regard to 5425 Coral Bean Cove: the residents were granted access for pool construction; lumber behind their lot that appears to have been discarded after pool construction but never removed. In regard to 6012 Cassena Cove: this resident is constructing a deck and the contractor has been using District land as a staging area. Mr. Greaney had previously added soil/seed to this area in effort to get it established. Additionally, a small amount of base-type material was dumped in this area. In regard to the transducers, AWR is coordinating with the contractor to get these ordered and installed. In regard to the wastewater treatment plant, air lines are in disrepair. AWR has temporarily fixed the issue and the plant is operational, but repairs of the air system are required. TRC will provide a proposal to prepare plans and specs for the remediation, not to exceed \$15,000. Director Molinyawe made a motion to allow TES to have TRC provide a proposal to prepare plans and specification for the remediation, up to \$15,000; the motion was seconded by Director Peeler, and unanimously carried by the Board.

Agenda item twelve: consider and take action to award a contract for grounding protection of District facilities. In regard to the grounding protection at the Rock Wren site, four bidders were contacted to solicit bids and two proposals were received. TES recommends awarding the project to TTE for \$22,100. Director den Hoed made a motion to award the grounding protection project to TTE; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

Agenda item thirteen: consider and take action to accept facilities for operations and maintenance, authorize permit applications, and trail, drainage, and facility maintenance and construction projects, as recommended by the District Engineers. Geo Cam Services conducted a downhole video survey of well 9. Results of the survey displayed sections with heavy scale and other sections with extreme corrosion damage; blockage prevented a survey of total depth. In addition to casing and screen damage, several joints of galvanized drop pipe are severely corroded and need replacing. Centex proposes to flush and air jet the well, brush the casing and re-video. After completion of the aforementioned work, there still may be considerable cost to rehabilitate well 9, a lower-producing well. In lieu of spending the money in this fashion, TES recommends camera testing on steel-cased, higher producing wells 11 and 5, with a video test cost of approximately \$1,200 per well. In regard to well 15, Central Texas Drilling performed a pump test, returning positive results. This well produces 23gpm historically, and is capable of producing approximately 44gpm. Central Texas Drilling estimates that replacing the pump, replacing the drop pipe with PVC (now allowed by TCEQ), and sanitization prior to placing well 15 back in service, will cost the District \$5,748.31. In regard to wells 13 and 14, production may be increased, and a proposal for a pump test is an option at \$15,000 for both wells, but TES has been advised to wait until after high-use season to see what impact the increase of well 15 has on the aquifer. Director Molinyawe made a motion to approve camera testing on wells 11 and 5, at \$1,200 per well, and to approve Central Texas Drilling to replace the

pump on well 15, replace the drop pipe with PVC, and sanitize prior to placing the well back in service, at a cost of \$5,748.31; the motion was seconded by Director Salinas, and unanimously carried by the Board.

Agenda item fourteen: consider and take action to ratify and/or approve pay estimates and change orders for construction projects as recommended by the District's Engineer. There was no action on this item.

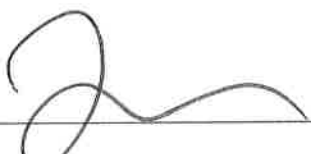
Agenda item fifteen: consider and take action regarding the District's quarterly investment report. Director Peeler made a motion to approve the quarterly investment report; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

Agenda item sixteen: receive a report from the District's bookkeeper and consider and take action to approve bills and invoices, ratification of payments, and funding of the Manager's account. Director Molinyawe made a motion to approve the payment of bills, invoices, and funding of the Manager's account; the motion was seconded by Director Peeler, and unanimously carried by the Board. Mr. Monzingo inquired as to opening a separate money market account for the assigned contractual capacity fees. Director Salinas made a motion to approve the opening of a separate money market account for the assigned contractual capacity fees; the motion was seconded by Director Peeler, and unanimously carried by the Board. Mr. Monzingo inquired as to opening a separate money market account for capital projects in the amount of \$40,013. Director den Hoed made a motion to approve opening a separate money market account for capital projects in the amount of \$40,013; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

Agenda item seventeen: consider and take action regarding the annual review of the District's investment policy. Director den Hoed made a motion to approve "no changes" to the investment policy; the motion was seconded by Director Peeler, and unanimously carried by the Board.

Agenda item eighteen: adjournment. The next regular meeting of the Board of Directors of Cypress Ranch Water Control and Improvement District No. 1, will be held on March 15, 2018.

APPROVED March 15, 2018.



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Joanne Molinyawe, Secretary