

CYPRESS RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1
Minutes of March 15, 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 March 15, 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, except Director Salinas, 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, Brett Lanham, and Mike Bahmer, of AWR Services, Inc.; and Richard Hamala and Jonathan Cochran, of Tiemann, Shahady & Hamala, P.C.

1. Consider and take action regarding the minutes of the previous Board meeting.

After review, Director den Hoed made a motion to approve the February 22, 2018 minutes; the motion was seconded by Director Peeler, and unanimously carried by the Board.

2. Receive public comments.

There were no public comments.

3. Consider and take action regarding a policy and rules for resident access for clearing and maintenance of District green space.

The ‘Policy for Resident Access for Clearing Green Space’ (the “Policy”) asserts that the allowable green space clearing area shall be limited to 50 feet of the District-owned green space that is adjacent to and directly behind a platted lot. The Board expressed desire to amend this language in the Policy to include, in addition, green space adjacent to and directly on the sides of a platted lot, that shall not exceed one half of the distance between the lots. As it stands, the rear of some lots “T” into the side of another lot. The half of the green space that is on the side of a lot cannot be cleared or mowed. The Board would also like clarification of “riparian areas” and “buffer zones,” phrases used within the Policy, and to utilize the LCRA agreement for specifics. Under the heading “plant waste disposal” the Board would like to delete District sponsored curb side collection (for large brush). The Board would also like to include a provision in the Policy for the chipping, shredding, or sheet composting of plant waste in the green space, as feasible, for residents. The Board also wishes to adopt the WCH HOA trails and greenbelt rules. At a future meeting the District attorneys will present the proposed District trails and greenbelt rules. These proposed rules shall be in addition to and separate from the green space clearing policy.

4. Receive report, consider, and take action regarding the District's landscaping contract.

An LBS representative met with Director Molinyawe and Director Darling on March 5, 2018, to do a walkthrough of certain landscaping issues. The Board resolved that AWR will provide LBS with a comprehensive landscaping agenda, for which LBS will perform all tasks, and at the next Board meeting (April 19, 2018) the Board will assess LBS's progress on those tasks. There was discussion around changing the scope of LBS's contract to focus exclusively on mowing and hiring a different contractor for brush clearing and tree trimming. AWR will provide a list of potential contractors, and this will be a potential agenda item at the April Board meeting, unless it is resolved prior.

5. General Manager's report.
6. Consider and take action regarding facility operation and maintenance, utility service, billing, and collections.

AWR observed the RAS air line stopped operating properly, an essential component. Emergency operations were engaged and contractors were brought in to assist with the removal of sludge from the plant. AWR installed a temporary RAS air feed line to maintain operations until permanent repairs were made. AWR then made permanent repairs to replace the section of failed line and made multiple hauls of sludge from the wastewater treatment plant to sustain operations. During the TCEQ inspection, some areas were noted for additional repair in the District's drip fields for the wastewater treatment plant; AWR has begun making these repairs and is 75% complete. Once all repairs are completed, AWR will notify TCEQ. A total of 92 electronic meters are active in the District. Additional meters have been installed and are being provisioned in the monitoring system. AWR proposes a multi-phase plan for meter replacement to E-Series Ultrasonic Water Meter with Cellular Transmitter at a total estimated cost of \$45,027.93. These E-Series electronic meters are 99.5% accurate, designed to be in place twenty years, and have no moving parts. Additionally, in the event of a drought it becomes much easier to pinpoint exactly how much water a customer is using with electronic meters. Meter and transmitter costs have increased as of January 1, 2018, from the supplier. AWR is in the process of obtaining a cost lock-in through December 31, 2018. The Board discussed changing out some of the meters over 1,000,000 gallons to E-Series Ultrasonic Water Meters with Cellular Transmitters. Director Peeler made a motion to change out the District's 5/8ths meters over 1,000,000 gallons to E-Series, plus Director Den Hoed's and Director Darling's meters to E-Series; the motion was seconded by Director Molinyawe, and unanimously carried by the Board. The Board next discussed changing the amenity pool meter to a one-inch E-Series meter which can be programmed to be monitored four times a day. Director den Hoed made a motion to switch the amenity pool to a one-inch electronic meter; the motion was seconded by Director Peeler, and unanimously carried by the Board.

7. Review and update the District's identity theft prevention program.

Mr. Hamala provided a review and update to the Board regarding the District's identity theft prevention program. The program is designed to detect, prevent, and mitigate identity theft in connection with the District's customer's accounts. To date, the District has not had any incidents of identity theft or fraud to any customer's accounts. Counsel does not recommend any changes to the program. No action was taken by the Board on this item.

8. Engineer's Report.
9. Consider and take action to approve a contract for engineering services for wastewater treatment plant modifications.

In regard to the wastewater treatment plant, TES has requested that TRC provide a proposal to perform engineering services for the WCH wastewater treatment plant improvements. The engineering services include replacing the aeration piping and equipment within the two aeration basins to include header piping, air drops, diffuser heads, and airlift pump; route a chlorine feed pipe from the chlorine feed system to the return activated sludge RAS pipe; replace the check valves on the plant effluent pumps with slow-closing check valves; clean and repaint the existing piping; modify the treatment basins to expand the digester and convert the existing digester to the chlorine contact basin; replace the existing alum feed line; valve replacement to accommodate parallel flow through the aeration basins, to allow a basin to be removed from service; repair/modify clarifier floor and/or sludge scrapers. The cost to provide the engineering services from TRC is \$66,138.00 (lump sum basis). Director Molinyawe made a motion to approve the engineering services from TRC for \$66,138.00; the motion was seconded by Director Peeler, and unanimously carried by the Board.

10. Consider and take action regarding the LCRA annual maintenance inspections for WCH.

Earlier this year, the LCRA conducted inspections of WCH to protect water quality of the Highland Lakes and contributing drainage areas. In the LCRA correspondence with the District from February 5, 2018 and February 14, 2018, LCRA noted the maintenance items which need to be addressed. LCRA inspection reports were attached to the aforementioned correspondence. LBS is scheduling this work based on the LCRA requests, and TES will provide an update at the next Board meeting as part of the engineering report.

11. Consider and take action regarding a proposal for removal of silt fencing and brush clean-up from District property.

LBS has provided the District with a proposal for this work. For removal of 5,875 feet of silt fence, LBS will charge \$7,343.75. For removal of brush piles, LBS provided two options. Option one: chip the brush piles and leave chippings at WCH, for a cost of \$9,600.00. Option two: haul the brush off site, for a cost of \$14,400.00. After Board deliberation, Director den Hoed made a motion to approve the removal of 5,875 feet of silt fence for up to \$7,400.00 and the removal of brush piles off site for up to \$14,400.00, by any contractor recommended by TES and approved by Director Darling; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

12. Consider Lower Colorado Regional Water Planning Survey.

Mr. Lange went over the survey for the Lower Colorado Regional Water Planning Area (Region K) with the Board. The survey is intended to collect information on the District's water supply sources and potentially feasible strategies for the 2021 Regional Water Plan. Director den Hoed made a motion to approve the District's completed survey and forward it to the Region K offices; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

13. Consider and take action as necessary to accept facilities for operations and maintenance, and to authorize permit applications, and trail, drainage, and facility maintenance and construction projects as recommended by the District's Engineer.

Mr. Lange discussed some of the ongoing projects within the District. Camera testing will take place at wells 5 and 11. On well 15 the new pump has been installed and is producing approximately 50 gpm, a significant increase. Wells 13 and 14 may be able to increase the pump size slightly to gain an additional 10 gallons per minute, per well; TES and AWR will monitor the aquifer level through the summer with the well 15 production increase. Pump tests for wells 13 and 14 will cost \$15,000, an expenditure the District may want to consider down the road, possibly in the fall of 2018. In regard to Lehne Commercial, revegetation is being monitored. TES has notified the owner that there is sediment accumulation in the silt fence in the pond. In regard to site inspections, the water treatment plant and wastewater treatment plant inspections were performed by TCEQ. TES is working with AWR to provide the requested information.

14. Consider and take action to ratify and/or approve pay estimates and change orders for construction projects as recommended by the District's Engineer.

None.

15. Receive report from the District's accountant and consider and act on approval of bills and invoices, ratification of payments, and funding of Manager's account.

Mr. Monzingo delivered the financial report to the Board. Additionally, Mr. Monzingo would like to open two money market accounts for assigned funds (contractual capacity fees) and capital improvement projects. Director den Hoed made a motion to approve opening two money market accounts with ABC Bank for assigned funds and capital improvement projects; the motion was seconded by Director Peeler, and unanimously carried by the Board. Additionally, Director Peeler made a motion to henceforth address Mr. Monzingo as "accountant" on the District's monthly notice/agenda and minutes; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

16. Approve an amended rate order for the district.

Director den Hoed made a motion to approve an amended rate order for the District; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

17. Adjournment.

Director Peeler made a motion to adjourn the meeting; the motion was seconded by Director den Hoed, and unanimously carried by the Board. The next meeting of the Board of Directors of Cypress Ranch WCID No. 1 shall be April 19, 2018, at 6:30 PM, at West Cypress Hills Elementary School, within the boundaries of the District.

APPROVED April 19, 2018



Joanne Molinyawe, Secretary