

CYPRESS RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1
Minutes of June 21, 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 June 21, 2018.

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 Directors were present, except Director Salinas, thus constituting a quorum. Others in attendance included Michele Louis, of Montoya & Monzingo, LLP; Hank Smith and Justin Lange, of Texas Engineering Solutions, LLC; Hal Lanham and Brett Lanham, of AWR Services, Inc.; Cody and Nicole Greaney, of Landscape and Business Services, LLC; Richard Hamala and Jonathan Cochran, of Tiemann, Shahady & Hamala, P.C.; and Garry Kimball, of Specialized Public Finance, Inc. Mr. Greg Jungens, a member of the public, was also present.

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

After review, Director den Hoed made a motion to approve the May 17, 2018 minutes; the motion was seconded by Director Peeler, and unanimously carried by the Board.

2. Receive public comments.

None.

3. Receive report from the District's financial advisor and take action regarding preparation of a bond application.

Mr. Kimball, of Specialized Public Finance, Inc., addressed the Board. Director den Hoed made a motion to authorize Mr. Kimball to work on preparation of a \$3,000,000 bond application; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

4. Consider, discuss and take action to hire an auditor for preparation of the District's audit report for the fiscal year ending September 30, 2018.

Director Peeler made a motion to hire McCall Gibson Swedlund Barfoot PLLC to prepare the District's audit report for the fiscal year ending September 30, 2018; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

5. Receive report and take action regarding the removal of dead trees on District-owned land.

Mr. Lanham, Mr. Greaney and Ms. Greaney addressed the Board. The tree in the greenbelt adjacent to 6012 Sabino was removed on May 25, 2018, as directed by the Board. In regard to a survey of disposal

fields and District-mowed property for dead trees that need to be removed, LBS has provided details of what they discovered and a cost estimate for removal. For the removal of a dead tree at the right-of-way at 22209 Red Yucca and removal of a dead tree on the Northeast embankment of the main retention pond, the proposed cost is \$245.00. For the removal of fallen trees in the greenbelt behind 22116-22120 Rose Grass Lane, the proposed cost is \$1,500.00. Director den hoed made a motion to approve LBS to remove the dead tree at the right-of-way at 22209 Red Yucca and remove the dead tree on the Northeast embankment of the main retention pond for \$245.00, and to remove the fallen trees in the greenbelt behind 22116-22120 Rose Grass Lane for \$1,500.00; the motion was seconded by Director Peeler, and unanimously carried by the board.

6. Consider, discuss and take action regarding brush piles and oak debris on District-owned land.

Mr. Greaney said that he has noticed a few more accumulating lately. He noted the left and right of the sports field as an example. Director Peeler said that on the Rock Wren trail, near the property line, weeds have grown up and need to be cut back several feet on the right side. Mr. Greaney said it would be attended to. Director Darling suggested moving rocks out of the main retention pond so that mowing can be done.

7. Receive report regarding coordination with the HOA mowing contractor.

Mr. Greaney met with the HOA landscape company, LandCare, on May 22, 2018, to review mowing boundaries and to create a channel of communication moving forward. As directed at the May board meeting, LBS mowed the northeast embankment on the main retention pond on May 22 and it will be maintained moving forward.

8. General Manager's Report

In regard to District wells, new titanium transducers (which measure the water level in each well) have been installed and are being calibrated and integrated into the well monitoring system. Well No. 9's casing is very corroded and is a low producer (5 to 9 gpm). The pump is being re-installed, as more work is not recommended due to a deterioration of the well. Well pump no. 1 failed; the pump was pulled and an attempt was made to clean it, but the District needed water due to customer demand, so the pump was re-installed along with new PVC piping to replace the corroded steel piping and put into service. In regard to wastewater treatment plant repairs, AWR, the District Engineer, District Attorney, and contractors are working to complete improvements to the cistern controls for the Type-210 system. The proprietary controls are in the process of being replaced with non-proprietary equipment that can be more easily repaired and maintained by more than one qualified technician. AWR is also working with District Engineers to upgrade the remote access to a more capable software "Team Viewer" which also provides a higher level of security. A \$400 pass-through cost will be charged to the District for the water treatment plant and wastewater treatment plant; a total of approximately \$800 for one year of service. In regard to lightning protection, AWR worked with contractors to install additional lightning protection for the Rock Wren Cistern as approved by the Board.

9. Consider and take action regarding the annual consumer confidence report.

Director Molinyawe made a motion to approve the Consumer Confidence Report; the motion was seconded by Director Peeler, and unanimously carried by the Board.

10. Consider and take action regarding facility operation and maintenance, utility service, billing, and collections.

In regard to notification to residents via IRIS email, Director den Hoed received some complaints that not all residents were receiving the email notifications. Signing up for IRIS is voluntary and not all residents sign up for the IRIS emergency notification system, which includes email. AWR recommends that it sends out another opportunity for residents to sign up for IRIS and that it continues to mail all customers (via First Class Mail). In regard to 22108 Rock Wren, the pool installation and revegetation was completed and meets the District's policy. The customer's deposit has been refunded.

11. Engineer's Report

Mr. Lange delivered the Engineer's report. Well No. 5 rehab is still underway. Joe Vickers reports that the program the District used did not increase well capacity as much as hoped for and the well is pumping at approximately 12 gallons per minute. To date, the rehab is \$1,000 over the estimated cost. The Engineers will provide pricing for additional rehab as recommended by Mr. Vickers. The engineers recommend replacing the entirety of the drop pipe with PVC, at a cost of \$764.48. This item was not included in the original estimate. In regard to Well No. 9, while this well is not historically a good producer, the engineers recommend putting this well back into service without doing rehab. During the summer, it will be good to have as much water possible available to the system. Director Peeler made a motion to place District Well No. 9 back in service at a cost of \$1,255.43; the motion was seconded by Director den Hoed, and unanimously carried by the Board. In regard to water demand, during the last week of May and the first week of June, there was very high demand on the system: 3 wells were non-operational; during the 7-day period ending June 8, the system demand averaged 290,000 gallons per day, which is now the highest historical 7-day average for the system.

12. Receive report regarding the wastewater treatment plant rehabilitation plans.

TES and AWR have received the 60% draft. A meeting is scheduled for next week to discuss the rehabilitation plans. TES will give its notes at that meeting.

13. Receive update regarding the removal of silt fence and brush clean-up from District property.

There is an additional 1,627 feet of silt fence that was discovered down by the creek behind Texas Bluebell that was not included on original silt fence map. Holman offered a proposed amount of \$3,900 to remove this silt fence. Additional silt fence has been discovered: first, near the corner of the wastewater treatment plant and main irrigation field. There is also silt fence behind the houses on the east side of the cul-de-sac on Rock Wren that is closest to Rose Grass Lane. Director Peeler made a motion for Holman to remove the additional silt fence in an amount not to exceed \$5,000; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

14. Consider a request for out-of-district wastewater service.

No action was taken at this time on this item.

18. Consider, discuss and take action regarding rules and rates for District services, including:

- Require advance notice when filling a swimming pool.
- Increase the deposit for an irrigation variance.
- Regulate irrigation system adjustments.

No action was taken by the Board; this agenda item has been postponed to the next Board meeting.

19. Consider the list of “Action Items” from the May 2018 Board meeting.

Most of the action items were discussed throughout the Board meeting. The remainder of the action items will be discussed at the next Board meeting.

20. Receive a 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.

Director Peeler made a motion to approve the bills and invoices; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

21. Consider, discuss and take action regarding a change of bank account numbers.

Ms. Louis, of Montoya & Monzingo, LLP, addressed the Board. Frost Bank notified the District that an unauthorized access had occurred to their customer’s account and that a check issued by the District’s bank, ABC Bank, was involved. AWR notified the District’s accountant and ABC Bank, which is monitoring the District’s account. Director Molinyawe made a motion to approve opening new bank accounts for the District; the motion was seconded by Director Peeler, and unanimously carried by the Board.

22. Consider, discuss and take action regarding water levels and well production within the District.

No action was taken by the Board; this agenda item has been postponed until the next Board meeting.

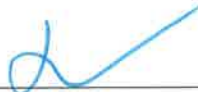
23. Consider and take action regarding the November 2018 Directors election.

There will be three Director positions available for the November 2018 election: they are the seats of Director Darling, Director den Hoed, and Director Peeler.

24. Adjournment.

Director den Hoed made a motion to adjourn the Board meeting; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

APPROVED July 19, 2018



Joanne Molinyawe, Secretary