

CYPRESS RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1
Minutes of July 19, 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 July 19, 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 thus constituting a quorum. Others in attendance included Jeff Monzingo, of Montoya & Monzingo, LLP; Hank Smith and Justin Lange, of Texas Engineering Solutions, LLC; Brett Lanham, of AWR Services, Inc.; Cody Greaney, of Landscape and Business Services, LLC; Richard Hamala and Jonathan Cochran, of Tiemann, Shahady & Hamala, P.C.; and Joe Vickers, of Wellspec.

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. Take action as necessary regarding the preparation and filing of a bond application.

No action was taken on this item.

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

Mr. Greaney reports that the dead tree in the greenbelt behind 22209 Red Yucca has been removed. Additionally, the dead tree on the northeast embankment of the main retention pond has been removed. The dead trees in the greenbelt behind 22116-22120 Rose Grass have been removed by a contractor hired by a homeowner. Mr. Greaney further reports that brush piles have been found off Rock Wren at the edge of the irrigation field and that three dead trees have been found on two irrigation fields. Mr. Greaney will provide the Board with an estimate to remove these additional dead trees and brush piles. Further, Mr. Greaney will do a full survey of all irrigation fields for dead trees and brush piles. The Board further requested that in conjunction with the full survey of the land, LBS shall bring to the next Board meeting, pictures, a total count (of trees and brush piles) and an estimate. As requested by Director Peeler, the greenbelt area right of way at the trail entrance off Rock Wren has been mowed to the back of the property line of the adjacent home. As requested by Director Molinyawe, the brush pile in the greenbelt area located at 5616 Texas Blue Bell has been removed. The Board then considered sending notice to homeowners

regarding the prohibited action of dumping or creating brush piles on District-owned land. A notice to homeowners will be sent out with the next utility bill.

5. General Managers Report

Mr. Lanham reports that in regard to the District's stage II water rate surcharge, the new rates went into effect as of July 2018, and notices were sent to all customers along with their utility bill. In regard to District well analysis and repair, new titanium transducers (that measure water levels) have been installed in the well monitoring system. On well pump number one, the well, cabling, and casing were repaired in May and June. On well no. 5, cleaning and acidizing is complete. On well no. 9, the casing is very corroded and the well is only producing 5-9gpm. The pump is being re-installed; no further work is recommended due to the deterioration of the well. In regard to water treatment plant repairs, AWR is inspecting the operations of the Cla-Val for Booster Pump no. 2. The valves appear not to be opening and closing properly.

6. Consider and take action to authorize repair and replacement of District facilities damaged during a power outage; authorize filing an insurance claim for the damaged District facilities.

During the power outage the backup generator did not come on. A bolt came out of the generator, allowing the generator to shut down. Holt comes out once or twice per year to check on these District facilities. Many customers who receive the IRIS alert were told to boil water. AWR will a reminder with the next bill to sign up for IRIS alerts, as not all residents are signed up. General counsel for the District will submit an insurance claim for the damage to the facilities in the power outage. AWR recommends a District purchase of a power quality monitor and/or a power conditioning system, as a response to the power outage. Mr. Lanham added that a potential power issue with the alarm dialer could be a big problem. Mr. Lanham will look into the purchase of a power quality monitor and/or a power conditioning system and return to the Board with pricing options.

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

No action was taken on this item.

8. Engineering Report.

District Well No. 5: preliminary testing is showing a well yield of 12-13 gallons per minute, which is about double what the well was producing before the treatment program. Currently there are two options: move forward with getting this well back into production with the added production to date. The estimated cost is \$4,280.24, which includes a new pump, motor, and PVC pipe upgrade. District Engineers also recommend additional rehab including a camera survey and sonar jet. The estimated cost to do so will be at least an additional \$7,000.00. Mr. Vickers made a presentation on District Well No. 5. His conclusions are as follows: at this point, it is unclear what is causing the loss of production capacity on Well 5, but a declining water table is a prime suspect. However, it must be considered that some losses may be due to internal problems with the Well itself. Since well construction is rather simple, the screen sections must be considered. It has been documented by the TV survey that the scale coating on the screens is significant. To better define the problem, it is suggested that another TV survey be conducted to see if the treatment program was successful. If it is revealed that a significant scale deposit still exists, further treatment may

be warranted. There are other programs that could be tried, but each alternative should be evaluated to determine if they are suitable for this case. Alternatives include: additional treatment with the same chemicals; alternative chemicals; percussion treatment (sonar jet); additional mechanical treatment (repeat brushing); aggressive mechanical treatment (steel wire brush); liquid CO₂ treatment; and, air jetting. After a discussion by the Board and recommendations by the Engineers and Mr. Vickers, the Board concurred to place the Well back online, with the added options of sonar jetting and further camera testing of the Well. Director Peeler made a motion to place District Well No. 5 back into production at an estimated cost of \$4,280.24, which includes a new pump and motor and upgrading the drop pipe from steel to PVC, and to move forward with the additional rehab including camera surveys and sonar jetting, for an estimated additional \$7,000; the motion was seconded by Director den Hoed, and unanimously carried by the Board. In regard to Well 1 and 9, both of these wells are back in production. In regard to the Coral Bean lift station access road rehabilitation, Holman will complete this work the week of July 23rd.

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

In regard to the wastewater treatment plant, AWR began draining and cleaning the effluent basins. In regard to Lift Station No. 2, AWR responded to a high-level alarm from the station. One of the pumps was non-operational. An attempt was made to reset the pump, to no avail, and the level in the station was on the rise. AWR then called in a wastewater hauling contractor to pump down the station and haul waste to another site for processing. AWR tried to isolate the pump so it could be removed and the gate valve would operate properly. After pump down, debris and settlement were cleaned from the bottom of the station, and pump lines were cleaned to help ensure there were no blockages in the discharge lines. Once all repairs are made, the station will be operational with three pumps. The total cost of labor and hauling the wastewater is \$20,000. Mr. Lanham will look to see when the last pump-down of the lift station occurred.

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

The silt fence and brush removal will be completed while Holman is mobilized on the lift station access road the week of July 23rd.

11. Consider and take action as necessary to authorize an emergency access easement or license agreement with Lake Travis ISD and an emergency.

The emergency access easement will be an unpaved road, only for emergency usage. The emergency access easement was authorized without an official motion from the Board.

12. Consider and take action as necessary to accept facilities for operation and maintenance, and to authorize permit applications, and trail, drainage, and facility maintenance and construction projects as recommended by the District's Engineer, including ratification of additional costs for access road remediation.

District Engineers recommend that Holman, as part of the access road remediation, rent a steel drum roller and compact the Coral Bean lift station access road, for an additional \$950. The new total for the Holman work on the access road comes to \$3,450. Director Peeler made a motion to approve the access road compaction, and to ratify the Holman payment to a new total of \$3,450; the motion was seconded by Director Salinas, and unanimously carried by the Board.

13. Consider and take action to ratify and/or approve pay estimates and change orders for construction projects as recommended by the District Engineers.

None at this time.

14. Consider and take action as necessary regarding a review of the rates and charges for services provided by the District including water supply, water conservation surcharges, sewer and wastewater treatment, storm water and drainage, maintenance of trails and green space, and service to out-of-district customers.

The District engineers will have more information on this item in August. The Board considered the possibility of hiring outside professionals to conduct a rate study for the District. The Board also considered appointing a Rate Study Committee, possibly comprised of Director Darling, Director Molinyawe, and Mr. Smith.

15. 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.
- Provide for a variance and temporary waiver of water conservation surcharges for revegetation of land owned by the District.

With regard to water use policies, with the new rates in place, the Engineers say the District will likely see a great impact to the number of high users; however, some residents will not follow existing policies that relate to water use. The following modifications may help with compliance: 1. The current deposit for the watering variance is \$2,500. Most of the builders are not following the watering schedule described in the variance. The District could increase the deposit. 2. Implement procedures to ensure that when a new homeowner moves in they have been properly trained on their irrigation system and made aware of the watering rules and restrictions. 3. Guidance on days/times when pools should be filled with water.

16. Quarterly investment report.

Mr. Monzingo presented the quarterly investment report. Director Peeler made a motion to approve the quarterly investment report; the motion was seconded by Director Salinas, and unanimously carried by the Board.

17. 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.

Mr. Monzingo presented these items to the Board. Director Peeler made a motion to approve the bills and invoices and funding of Manager's account; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

18. Consider the list of "action items" from the June 2018 Board meeting.

The Board considered the list of action items. Most have been completed. Items in progress include: 1. Survey the District-owned land for brush piles left by residents and dead trees; 2. The removal of the

remainder of silt fence; 3. Send out a reminder to residents with the next bill to sign up for IRIS alerts; 4. Move rocks out of the main retention pond for more efficient mowing; 5. Send out a reminder to residents with the next bill about leaving brush piles on District-owned land.

19. Discuss and adopt an Order Calling Directors Election to be held November 6, 2018.
20. Consider approval of contract with Travis County for Election Services and Joint Election Agreement for November 6, 2018 Directors Election.
21. Authorize Secretary's Appointment of Agent to perform duties during election period.
22. Authorize the District's attorney to give notice of election.

Agenda items 19-22 were considered by the Board in one motion. Director den Hoed made a motion to approve items 19-22 for the Cypress Ranch WCID No. 1, 2018 election; the motion was seconded by Director Peeler, and unanimously carried by the Board.

23. Consider the root cause(s) over the past few years for issues involving water storage, wildfire mitigation, wastewater treatment and sewer systems, and TCEQ and LCRA inspections.

Please see agenda item 24, below.

24. Executive session for consultation with the District's attorney regarding the root cause(s) for issues involving water storage, wildfire mitigation, wastewater treatment and sewer systems, and TCEQ and LCRA inspections.

The Board met in executive session as authorized by the Open Meetings Act, Texas Government Code Annotated, Chapter 551.

24. Adjournment

The next meeting of the Board of Directors of Cypress Ranch WCID No. 1 is scheduled for August 16, 2018.

APPROVED August 16, 2018



Joanne Molinyawe, Secretary