

CYPRESS RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1
Minutes of March 26, 2020

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 Atwell, LLC, Barton Creek Plaza III, Suite 300, 3815 South Capital of Texas Highway, Austin, Texas 78704, at 1:00 p.m. on March 26, 2020, via telephone conference toll-free call-in number: 888-204-5987; Access Code: 6152889.

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

Ronald den Hoed
Rick Shute
Joanne Molinyawe
Tony Salinas
Richard Kenyon

All of said Directors were present thus constituting a quorum. Others in attendance included Jeff Monzingo, of Montoya & Monzingo, LLP; Hank Smith and Xavier Garza, of Atwell, LLC; Brett Lanham, of AWR Services, Inc.; Richard Hamala and Jonathan Cochran, of Tiemann, Shahady & Hamala, P.C; and Todd Nartner, of LBS.

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

Director den Hoed made a motion to approve the minutes of the previous Board meeting; the motion was seconded by Director Shute, and unanimously carried by the Board.

Director den Hoed then addressed a photo of a potentially dangerous tree in the District and suggested its removal. Director Molinyawe agreed that the tree should be removed. District Counsel will provide the details of the location of the tree to Mr. Narter, and he will provide a price for removal of the tree at the April Board meeting.

2. General Manager's report.

Mr. Lanham addressed the Board. In regard to the new WWTP, AWR coordinated with the District's Engineer to provide wastewater flows and other applicable data from the WWTP operations for continued analysis by the District Engineer and James Miertschin. A meeting has been requested with James Miertschin, the District Engineer, and AWR staff to discuss progress and issues.

In regard to water leaks, AWR responded to a customer call for a possible water leak; upon arrival and visual inspection, AWR determined the issue was at the source point of the PRV. AWR provided recommendations to the customer to contact a licensed plumber. The customer requested

assistance with isolating the line and knowledge of the location of the cut-off and actuate until the plumber was scheduled.

In regard to District Facility Endpoint Security, AWR coordinated with IT vendors and conducted initial research on endpoint security options for the District's WTP and WWTP computers to help protect from cyber intrusions.

In regard to a District generator maintenance plan with Holt Cat, AWR intends to schedule a conference call with Director Kenyon, AWR, and Holt Cat, to ensure that the District is getting the optimal tier level of plan that best suits the District.

In regard to the Badger electronic meters, last month the Board considered buying electronic meters in bulk to have on hand, in order to replace the traditional water meters in the District. Mr. Lanham has recently reached out to a local vendor with a distribution center south of Austin; because of the coronavirus, they are on minimal operations at present.

Mr. Lanham explained that a few years ago AWR got an estimate for 74 electronic Badger meters for \$45,000; the cost of the meters is trending up. 104 electronic meters would replace all the traditional meters outstanding in the District. Mr. Lanham suggested purchasing meters at a "development pace" as new homes are built in the neighborhood. The meters are covered by a twenty-year warranty. If an electronic meter needs to be repaired and cannot be, it will be replaced with the newest Badger model and technology.

Mr. Lanham will contact Badger and obtain an estimate to build a small essential inventory. Then compare the estimate to available District funds to see if the District can pursue that option. Mr. Lanham estimates fifteen electronic meters of 5/8 and 3/4 inch to be \$20,000. Mr. Lanham will finalize the Badger estimate into a proposal email to the President, Account, and General Counsel. Director Molinyawe made a motion to approve an amount not to exceed \$20,000 for fifteen electronic Badger water meters and transponders; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

Mr. Narter addressed the Board. All mowing and landscape maintenance throughout the District is on schedule. Mr. Narter noted that there are leaks in the District's irrigation system. LBS will identify and flag the flooded areas for repair. Of the six leaks as of last week, 4 have been fixed and two LBS is troubleshooting and will have fixed soon.

Director Molinyawe sent an email to LBS regarding the water quality median; the grass is getting tall and weeds are sprouting. Mr. Narter said the median isn't scheduled to be mowed until April, 2. Director Molinyawe asked if the date could be advanced; Mr. Narter said yes, Monday or Tuesday, March 30th or 31st. Director Salinas requested the dead branches be trimmed back around the electrical boxes on Rose Grass. AWR will reach out to the customer in regard to trimming these branches; it's on their property in a public utility easement, Mr. Lanham added.

3. Consider and take action regarding a coronavirus response policy.

Mr. Lanham addressed the Board. AWR provided a Covid-19 coronavirus response plan. The executive summary is that AWR's office is closed to the general public and limited to AWR staff. Customer payments are being received by credit card by phone, autopay, and by check in the mail. AWR recommends a temporary moratorium on delinquent account penalties and disconnects.

Under Stage One, AWR personnel will be physically present in the office; no customers will be permitted in the office. Under Stage Two, AWR will work remotely. No AWR staff or customers will be permitted in the office. Under Stage Three, AWR will complete essential operations only. Non-essential operations include general customer questions, leaks adjustment requests, water bill questions. Essential operations include all customers have potable water and treated wastewater.

If the District is under Stage Three, it will mean the United States is very much shut down. AWR will ensure all customers have essential services. In the event AWR moves to Stage Two or Stage Three, it will immediately contact the Board and the consultants and send notice to customers via an IRIS alert.

Additionally, a resident of the District proposed a scavenger hunt on District property for the kids in the District. After discussion, the Board unanimously considered the scavenger hunt to be too much of a risk, considering the social distancing protocol put into place by the federal government.

Director Molinyawe made a motion to approve AWR's coronavirus response plan, with coordination between the Board President and General Counsel prior to any communication with customers; and also, to deny the resident request to organize a neighborhood scavenger hunt; the motion was seconded by Director Shute, and unanimously carried by the Board.

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

Mr. Lanham addressed the Board. In regard to the coronavirus, AWR would like Board direction to not make any utility disconnections for non-payment of account balances; late accounts will temporarily be held in abeyance. AWR suggests coordinating with the President and General Counsel in making that determination.

Director Molinyawe made a motion to approve AWR to coordinate with the President and General Counsel to review conditions and situations of residents affected by the coronavirus in order to not issue a disconnection of services; the motion was seconded by Director Shute, and unanimously carried by the Board.

5. Engineer's report.

Mr. Smith addressed the Board. In regard to well road maintenance work, this is an ongoing item. The project went out for competitive bid. A bid of \$143,013.25 was submitted by Holman Services. Work is proposed to be done in two phases to avoid conflict with the upcoming well connection work. Atwell is coordinating with Holman Services on scheduling to ensure that road maintenance work will not interfere with the well connection project.

In regard to well connection work, Notice to Proceed on the connection of wells #16, #17, and #20 has been issued. Atwell is coordinating with the contractor on submittals and getting ready to mobilize. Preconstruction meetings are to be determined. Atwell is coordinating with contractors to set up erosion controls and stake the Limits of Construction to set up a pre-con with Travis County and LCRA.

In regard to a well O&M plan, comments from Atwell were sent to Joe Vickers. Atwell also sent comments to Mr. Vickers. All comments have been combined from Atwell and AWR for Mr. Vickers to produce a final report. A final draft has been provided by Mr. Vickers; Mr. Smith is reviewing currently, and will have it ready for the April meeting. Mr. Vickers sent his invoice to the District.

Director Molinyawe made a motion to approve Mr. Vickers's Operation and Maintenance Plan for District wells for \$4,000; the motion was seconded by Director den Hoed, and unanimously carried by the Board. Director Molinyawe made a motion to approve Atwell to work with District Counsel on the language for a one-page letter necessary for the District to obtain critical infrastructure status; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

In regard to parking in the water quality median, Travis County Traffic Engineering has been contacted. They do not recommend installation of no parking signs in the median. They provided recommendations, which include installing "Keep Off Median" signs, installing curb cuts, and placing "Do Not Park" signs on H-frames in advance of school events.

In regard to well electrical issues, SKE has provided electrical plans for installing the variable frequency drives and is working on pricing. SKE's estimate is \$12,000 per well. Additionally, Atwell has applied to the PEC on behalf of the District for Critical Load Status. PEC has replied that they will make their determination on or before May 15, 2020.

In regard to the new BioDAF WWTP is under design. The engineer on the project has requested a survey and wastewater flow information be conducted necessary to complete the CAD drawings. Mr. Smith asked AWR to provide flow and quality data. Last month, the Board approved Atwell conduct a survey not to exceed \$5,000.00.

In regard to Lake Travis ISD, Atwell has revised the alignment of the emergency access road. Design for the construction plans is ongoing. Atwell will coordinate with LTISD throughout the design process.

6. Consider and take action as necessary regarding facility maintenance and construction projects as recommended by the District's Engineer.

No action.

7. Adopt a resolution authorizing transfer of funds to the Manager's account and payment of District expenses by the District Accountant.

Mr. Monzingo addressed the Board and discussed the resolution. As to the \$100,000, that is in reference to the maximum amount the Accountant can have in the Manager's Account at any time, for Mr. Monzingo to pay District expenses and invoices. Usually the maximum in the account is \$60,000, but that's under normal circumstances when we know we'll have a monthly face-to-face Board meeting and we can more easily handle the payment of District expenses.

As to Board approval for paying/withdrawing funds out of the Manager's Account, Mr. Monzingo will send the Board a list of all expenses and invoices he proposes to pay. Nothing will be paid without prior approval. Under the Resolution, the Accountant will send the payments to all of the Board for review. The President can then give Mr. Monzingo the approval to pay the District invoices and expenses. If Director Salinas is unavailable, then the Vice President can approve. If the Vice President is unavailable, you the Secretary may approve the payments. In this way if the District can't have a Board meeting, the invoices and expenses of the District can still get paid and the District can continue to operate. This Resolution is a safeguard to help keep the District operational.

Director den Hoed made a motion to approve a resolution authorizing transfer of funds to the Manager's account and payment of District expenses by the District Accountant; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

8. 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 addressed the Board and discussed the District invoices and financial reports. Director Molinyawe made a motion to approve the bills and invoices, ratification of payments, and funding of Manager's account; the motion was seconded by Director Shute, and unanimously carried by the Board.


9. Discuss and take action regarding future meeting dates, and such other matters as may come before the Board.

The next meeting of the Board of Directors of the District will be April 16, 2020.

10. Adjournment.

Director Molinyawe made a motion to adjourn the meeting at 2:40 p.m.; the motion was seconded by Director den Hoed, and unanimously carried by the Board.

APPROVED April 16, 2020



Joanne Molinyawe, Secretary