

CYPRESS RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1
Minutes of June 18, 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 Tiemann, Shahady & Hamala, PC, 102 N. Railroad Ave., Pflugerville, Texas 78660, at 1:00 p.m. on June 18, 2020, via video conference call and telephone conference call.

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, except Director den Hoed, thus constituting a quorum. Others in attendance included Jeff Monzingo, of Montoya & Monzingo, LLP; Hank Smith and Xavier Garza, of Atwell, LLC; Hal Lanham and Tammy Hargett, of AWR Services, Inc.; Richard Hamala and Jonathan Cochran, of Tiemann, Shahady & Hamala, P.C; and Todd Nartner, of LBS. Members of the public present at the meeting included Chris Burns, Jacob George, Brad Sullivan, and Angela MaGill.

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

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

2. Receive public comments; receive Director comments for future agenda items.

Director Salinas asked for public comment and Director comments for future agenda items. Members of the public were present at the Board meeting. The first was Mr. Chris Burns of WCH. Mr. Burns is interested in installing a swimming pool at his residence on Chipotle Pass and noted that he has an item on the agenda to request access to District land for swimming pool installation. The second member of the public was Mr. Jacob George of Sola Vista. The third member of the public was Mr. Brad Sullivan of Sola Vista. The fourth member of the public was Ms. Angela Magill of Sola Vista. Ms. Magill stated that she has questions about the tiered water rates and funding for the new water wells. Director Salinas said that these items will be covered under the Engineering report.

3. Receive report and take action as necessary regarding District mowing, greenbelt and landscape maintenance.

Mr. Narter addressed the Board. Mr. Narter stated that all mowing and landscape maintenance is currently on track. No action was taken by the Board.

4. Consider and take action regarding mowing additional tracts owned by the District.

This was an item carried over from the previous Board meeting. Director Molinyawe addressed the Board and asked the Directors if they had a chance to drive by the prospective areas under review to be added to the mowing schedule. Director Kenyon discussed one of the areas on Rock Wren, between the houses. There is concrete washout, possibly from pool construction or home construction. To make that area nice there is some cleanup that needs to be done before it could even be mowed. In general, Director Kenyon said his opinion is that we don't add cost to our mowing contracts in regard to mowing the greenbelt, except the tract Mr. Smith said the District was required to maintain per LCRA standards. Director Molinyawe agreed.

Director Molinyawe next addressed the area at the end of Wild Foxglove where Director Shute owns a house. This area is essentially a field and mowing it would only benefit the one house at the end of that street. The area across the street is a right-of-way area and fits into the mowing map with the other rights-of-way areas the District maintains; the same with the Rock Wren area near the street. Mr. Smith said the mowing map can be updated by Atwell to include any additional rights-of-way in Section 2-5 and 2-6, the areas we've added on most recently. Mr. Smith said in regard to right-of-way areas, the only area he can think to add would be the edges of the street where we've extended Rock Wren down to the cul-de-sac. No action was taken to add the areas on Rock Wren or Wild Foxglove to the mowing schedule and map.

Director Kenyon made a motion to accept the land encompassing the pond in Phase 1, Section 6 to the District land and add the land to the District mowing schedule; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

5. Consider and take action regarding request for access to District land for swimming pool installation.

Mr. Burns addressed the Board and discussed his plans for swimming pool installation. His pool contractor is Cody Pools. They plan to use small Bobcat machinery with rubber tires to minimize disruption to District land. Mr. Burns has paid all necessary deposits and inspection fees, and has completed a revegetation plan. AWR will have the final decision on the refund of deposit. The Board concurred that Mr. Burns has all his ducks in a row and followed all District guidelines and procedures. Director Kenyon made a motion to approve a License Agreement for Swimming Pool Installation for Mr. Chris Burns on Chipotle Pass; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

6. General Manager's report.

Mr. Lanham addressed the Board and introduced Ms. Tammy Hargett, the new CEO of AWR. There are a total of seven write-off requests; three from 2016; and four from 2019, totaling \$947.87. These write-offs are from people who have left the District without paying their bill. Director Molinyawe made a motion to approve the seven write-offs for a total of \$947.87; the motion was seconded by Director Shute, and unanimously carried by the Board.

In regard to the Water Treatment Plant SCADA computer system, Mr. Lanham reported that the current SCADA system is running on Windows 7. Mr. Lanham proposes upgrading to Windows 10 and update the SCADA control software. Proposals have been obtained from two contractors. The lowest cost estimate is \$3,818.30 from Central Texas Water Maintenance. Director Molinyawe made a motion to approve an upgrade to the District's SCADA system to Windows 10 and to approve Central Texas Water Maintenance to update the District's SCADA control software for \$3,818.30; the motion was seconded by Director Shute, and unanimously carried by the Board.

In regard to master meters and well meters, AWR coordinated with contractors to conduct annual calibrations at each master meter and well meter site. In addition, one of the master meter locations regularly filled with groundwater making access and reading the meter difficult. AWR then repurposed a sump pump not in use in storage to pump out the chamber when necessary. Additionally, AWR conducted annual testing of the check valve and backflow prevention device at the WTP; it was not functioning properly and required replacement with a PRZ (backflow preventer) to remain TCEQ compliant. AWR is working with contractors to replace the unit.

In regard to wastewater treated effluent disposal, AWR experienced an issue with disposing of wastewater to all zones due to a possible issue with the master control valve. All of the smaller valves have been switched out. After discussions with a wastewater contractor, AWR was informed the issue is possibly due to failing solenoids in the drip fields. Work is almost complete with the replacement of the solenoids the drip fields. Director Salinas suggested the Board make a motion in advance of any work that needs to be done between meetings, so that AWR will have the greenlight to proceed without having to wait until the July Board meeting to seek approval. Mr. Lanham agreed. He said the Board may want to authorize the Board President to allow AWR to take care of this repair/replacement if it becomes an emergency. Director Molinyawe asked if we had a ballpark estimate for this. Mr. Lanham said he really didn't, but will send a report out if an emergency repair is needed and he seeks Director Salinas's approval. Director Shute made a motion to approve the Board President to authorize payment of parts for an emergency repair in regard to the wastewater treated effluent disposal system; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

In regard to electronic meters, AWR ordered thirty new electronic water meters for installation, replacement and stock. In addition, two customer locations were converted from mechanical to electronic. Mr. Lanham recommends ordering another forty electronic meters to have in stock for the new development. Director Salinas asked how many electronic meters the District currently has in stock. Mr. Lanham didn't have a precise number, but said not many, and will come back to the Board with a recommendation as to what the District needs.

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

No action.

8. Consider and take action to prevent future graffiti.

Ms. Hargett addressed the Board. Director Kenyon has removed the previous graffiti. Ms. Hargett has contacted a graffiti removal company for eleven graffiti sites; the estimate to remove current graffiti is about \$690.00. The company uses biodegradable material. Director Kenyon added that one piece of the bid was going to be for the removal company to coat the areas where graffiti had been removed to prevent future graffiti. Mr. Lanham said this bid is just for removal. This item has been tabled for now.

9. Receive update regarding twelve and twenty-four-hour meter readings.

Mr. Lanham addressed the Board. He said they have spoken to Badger about this. The only way to reduce that \$0.89 a month charge is to pay that charge up front for significant time periods. In the first level, even if you paid it up front, it was \$0.81. Badger said they do not recommend the twelve-hour meter reading, and would have to write special software to make it work.

10. Engineer's report.

Mr. Smith addressed the Board. Wells 16-20 have been drilled and completed. Pump tests have been performed and slabs have been poured. All five wells have been set to 20-25 GPM, even though they are capable of producing 40-45 GPM, to limit interference with surrounding wells. In regard to the well schedule, we'll continue with the well connection project and haul road rehabilitation project. We'll perform bacteriological testing on the wells once electricity is available for the well sites. The wells are scheduled for completion in early August.

11. Consider and take action regarding electrical inspection for District wells.

Mr. Smith addressed the Board and said that we need an electrical inspector to inspect the electrical system for the wells. The District has received a proposal for \$1,500 from Chelf Electrical Services. Director Shute made a motion to approve a proposal for \$1,500 from Chelf Electrical Services to inspect the electrical system for the new District wells; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.

12. Consider and take action regarding payment applications for District wells.

Mr. Smith addressed the Board. We have an invoice from SKE for \$450.00 for the VFD (variable frequency drive) design and a pay application from Liberty Civil Construction for \$313,273.80, for well construction work on Wells 16,17, and 20. Director Molinyawe made a motion to approve payment to SKE for \$450.00 for the VFD design and to approve payment of a pay application from Liberty Civil Construction for \$313,273.80, for well construction work on District Wells 16,17, and 20; the motion was seconded by Director Kenyon, and unanimously carried by the Board.

13. Receive update, consider and take action regarding an easement agreement with Lake Travis ISD.

Mr. Hamala addressed the Board. The agreement has, for the most part, been ironed out. Director Molinyawe made a motion to approve an easement agreement with Lake Travis ISD in substantially the same form as presented to the Board; the motion was seconded by Director Kenyon, and unanimously carried by the Board.

14. Consider and take action regarding improvements for wastewater facilities.

Mr. Smith addressed the Board. The design work for the new BioDAF WWTP has been submitted to TCEQ for approval.

Mr. Brad Sullivan, a member of the public, addressed the Board. Mr. Sullivan recently moved to Sola Vista from Houston. Since moving to Sola Vista, he has noticed high water bills for his home. His last few bills have been in the \$500 range. His neighbor, Mr. Jacob George's water bill was \$700; another neighbor was over \$1,000. The lots are larger in Sola Vista. Ms. Angela McGill added that last summer she had two months of water bills that were \$2,000 and \$1,000, respectively; she does have a pool and an acre and a half. Her biggest frustration is that she feels she's being penalized for having a bigger lot and can't be expected to use the same amount of water as WCH. She let the grass die after the large bills. Her main questions are when the new wells will come online and when the tiered rates will go away. Mr. Smith said the new wells coming online will not affect the rates. Mr. Smith added that the in-District residents (WCH) pay property taxes to the WCID that the residents of Sola Vista do not pay.

The average usage in Sola Vista Phase 2 at the peak of last summer was 19,000 gallons per month, so the average usage is below where we start our tiered rates. In the winter time, the average usage for Sola Vista is 8,000 gallons per month. The average yearly usage across all of Sola Vista last year was 13-15,000 gallons. The average usage for the whole year is below the threshold for where we have the tiered rate structure. Director Kenyon said that he may be on the higher end of the water usage for WCH to keep his pool full and grass green, but he also pays almost \$4,000 for property taxes to the District, which those in Sola Vista don't pay, which is why they are getting the higher rate. Director Molinyawe added that part of living in or around the District is that at this time of year parts of the yard will be brown; the water is finite, and living adjustments have to be made when you move out here.

Ms. McGill said that she was told last year that every week we are at risk of running out of water if people don't water according to their schedule, the wells would literally run dry; why are we building more houses when there is not enough water for the current residents. Mr. Smith said there is plenty of water if people use a reasonable amount of water. Last year in August the average usage of Sola Vista was 19,000 gallons, a reasonable amount, and below the tier threshold. Mr. Hamala added that the water system is designed for household use, not for irrigation. There is a state criterion for how much water you have to have per connection, 200,000 gallons per connection; we vastly exceed the state requirement. The intent of the rate structure is to encourage people to use a reasonable amount of water through a financial incentive. Mr. Smith added that as we're adding new homes, we're also adding new wells to keep up with the demand for water.

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

Mr. Garza addressed the Board. The well contractor has mentioned seeing a lot of residents near the well construction. Atwell recommends changing language on the signage at the termination of Cypress Ranch Blvd. to clarify that trespassing is not allowed. Constant foot traffic from residents is a safety concern and a liability near the new construction projects. The Board concurred that the developer should pay for any changes to the language on the signage because the trespass is occurring on Cypress Ranch Ltd. (developer) land.

16. 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 delivered the financial report. Director Kenyon made a motion to approve the payment of bills and invoices, ratification of payments, and funding of Manager's account; the motion was seconded by Director Molinyawe, and unanimously carried by the Board.


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

The next meeting will be on July 16, 2020. Likely the meeting will be by Zoom video conference call again next month.

18. Adjournment.

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

APPROVED July 16, 2020



Joanne Molinyawe, Secretary