

Cypress Cove Water Supply Corporation Spring Branch, TX 78070

BOARD OF DIRECTORS MEETING MINUTES

June 9, 2020

In attendance – Shelly, Eric, Angie, Sid, Gordan, Mike, Shannon

AGENDA

1. Call to order and Open Meeting – Shelly
Call to order at 6:29pm
2. Invocation - Sid
3. Public input to any current agenda item: questions, comments and constructive suggestions are welcome. If subject is not on current agenda, board can't discuss, otherwise it can be added to future agenda if approved.

Marty reserved right to ask questions.

4. Review & Approve May 12 monthly meeting minutes
Motion – Sid, Second – Eric, All in favor. Accepted 6:32pm.

5. Review Financial Reports & Budget – Shelly
 - a. Kubota Payoff Jan 2021

Expenses over 50%. Income not over 50%.

We are committed to pay off Kubota 40k

Angie – comparison mileage vs gas comparison

Shelly – truck paid 7k, saved 3k

Income not expected or what we want/need it to be

NEW BUSINESS

6. Discuss and approve new Board Member application; Shannon Michelle
Shelly introduced Shannon
Motion – Sid, second – Eric, All in favor to add
Motion – Sid, second – Mike, All in favor to take over the role of Secretary/Treasurer

7. President's Report – Shelly

No longer have water operators. Lot of problems with maj of work. Warranty work.

- a. Discuss changes to the CCWSC over the past few weeks
Discussed the pipe break at the ranch station. Gilead did a walk through but area where the pipe burst would have been buried and difficult to know the pressure plate was missing at the 60% angle of the pipe. Discussed hiring someone to take a look at the Ranch station due to all the issues we've been having. Discussed not using the contractor in the future and recoup costs of repairs that should have been warranty but also to have someone more qualified to complete the work.
- b. Update Covid-19 Impact
No other impacts. We still have some SBA money. Angie will look at it before we lose it. \$\$ can be used for salaries. If we repay, it's at 1%.
- c. Discuss Mike Lucci's Email
 - i. Casing on Wells #1 and #4 be brought up to an elevation above the flood plain similar to Well #5 – Add to Project List
Gordon – not sure if casing is required. Wells put in 1018, now down to 1008. Shelly – add to project list. Gordon – talking with Mike and he's not sure of the elevation.
- d. Discuss Laptop for WO; Do we still need a laptop?
Did not get laptop from Gilead. Don't need.
- e. Discuss Board Member and Employees/contractor Bios
Picture and mini bio, send to Shelly.

- f. Discuss Single Phase – Three Phase at Pump Station I
 - i. PEC options 1 & 2
 - Two options for bringing 3-phase to well #5. Short way = easement and cut down trees. They will charge for cutting trees. Gordon – goes thru reserve, we'll have to talk with CCMA Board. Shelly to pursue bids with PEC and Gordon to discuss with property owners as a courtesy.**
 - g. TCEQ FMT meeting update
 - i. Drought Contingency Plan
 - Per Gilbert with TRWA, our system is small enough that we don't need a drought contingency plan**
 - ii. Weekend Coverage
 - Found that we are not required to have weekend coverage**
 - iii. Licensed Water Operator Requirements
 - Found that we only need a Class C Operator here to perform required tasks, could have Class D do work under Class C**
 - iv. Funding
 - Gilbert provided recommendations for funding**
8. Utility Manager Report - Gordon
- a. Water Operator related report
 - Utility Manager needs a monthly budget for work that is planned and unplanned emergencies. Agreed to follow board assignment document for utility manager responsibilities**
 - b. Discuss any incidents from previous month
 - Overflow at Ranch due to instrument failure.**
 - c. Update on current/pending projects
 - Need to find a subcontractor to put in taps.**
9. Office Manager Report – Angie
- a. Update on Vendor list creation
 - Shelly – asking Angie to create a list of vendors and what type of work they do.
Name, phone [cell or land], email**
 - b. Check Signers
 - Gilead was a check signer, and he's no longer on board. Shannon needs to be approved.
Approved check signers – Shelly Ludwig, Shannon Creager, Walter Jones, and Angie Price [motion – Sid, second – Eric, All in favor]
Remove from check signers – Gilead Ziemba**
 - a. Taps process –According to our tariffs, we must deliver taps within 5 business days from payment. Area must be marked where the taps are to be installed. Gordon to work with Angie on marking location.
 - a. Gordon – suggest that the board have only one fee for a tap [long or short]; easier for Angie to track and to save arguments about whose tap each is.
Angie – long includes an extra 1500 compared to the short price. Shelly – we will review the tariff. Angie – we must be able to go back to invoices and explain the costs.
 - b. Gordon will mark the taps placements the day before or with the crew.
 - c. Leaks and repairs.
 - a. Street cut repairs – Discussed that we have a contractor who can repair for \$500 each but Eric V. will review the needs to see if he's able to help. We have ~20 to do which will cost \$20k+

- b. Shelly asked Angie to send the daily leak report weekly instead and not to the new water service company
 - d. Texas State Univ Labs = past 2 years we've sent payment to credit our account. Today, Angie received an invoice for over \$800. Angie – pay invoice, or pay for credit? Gordon – samples are done two or three times a month. Shelly – pay monthly for now since we are working on well 4.
 - e. Two locations where we have potential backflow. Jerel noted that meters are rolling backwards. Two locations have been looked at and they are fairly new builds. Try replacing the meters to see if that resolves the issue
- 10. Discuss and take action on Rate Increase
 - a. Discussed the proposed rate increase of \$40 base with \$.25 and \$.35 cent increases on different usage buckets. After a lengthy discussion:
 - i. Sid motioned, Eric 2nd, Sid, Eric, Shelly and Shannon in favor, Mike V opposed to increase base rate to \$45, .20/gal for 0-10,000 gallons usage and \$.35/gal for 10,001 and above usage.
 - ii. Will review R&R campground for commercial meter charges
- 11. Discuss Tariff changes related to the using a water service company
Don't need to make any. Angie still waiting on a quote from Joe.
- 12. Discuss and take action on Repairs needed to company vehicle – Mike
 - a. Discussed repair needs for the company truck, motion was made by Mike and second by Eric to use the bid for \$6,100 to replace motor in the truck
- 13. Gift Card for Gordon
Shelly – giving a \$100 gift card for help to Gordon.

OLD BUSINESS

- 14. Discussions with CCMA – Tabled until after CCMA Election Process Completed
 - a. Attorney Fees from Lawsuit
Tabling
- 15. Fire Station Building
 - a. Discuss who will take over this project
Sid will follow up on this item
- 16. Discuss: Credentials Committee: 3rd Member - Sid
 - a. Need one possibly two Water Board Members
No open board member positions
- 17. Update: Camera Status; unable to view cameras on app – Michael
Mike – all but one, password changed
- 18. Update: PUC Docket 48317: Broussards vs. CCMA dba CCWS_ Shelly
There are no updates as our suit was not discussed at the last meeting as planned
- 19. Discuss and take action on: Proposed director assignments_ Shelly
None
- 20. Discuss and take action on approving to hire Gordon Swan as a part time utility manager (does this have to be in a closed session?)
Hire Gordon at \$30 per hour for 20 hours, no overtime = \$600 per week. No benefits. No contract. Part-time employee.

Motion – Sid, Second – Mike, All in favor

21. Public input: questions, comments and constructive suggestions are welcome. If subject is not on current agenda, board can't discuss, otherwise it can be added to future agenda if approved.

Marty – two pumps in each station? Street repairs covered in tap costs? YES One the 3 phase, it will go over some lots. There are utility easements on each. Should not have any problem

22. Closed Session

Not needed

23. Set date for next monthly meeting in July.

July 14, 2020 at 6:30pm

24. Close and adjourn.

Motion – Sid, Second – Mike, All in favor to adjourn at 8:27pm.

The Board of Directors may retire to executive session regarding any matter listed on the agenda at any time between the meeting's opening and adjournment for the purpose of consultation with legal counsel pursuant to Chapter 551.071 of the Texas Government Code; discussion of personnel matters pursuant to Chapter 551.074 of the Texas Government Code; and/or real estate acquisition pursuant to Chapter 551.072 of the Texas Government Code. Action, if any, will be taken in open session.