

**CYPRESS RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1**  
**Minutes of April 5, 2021**

A special 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 4:15 p.m. on April 5, 2021, 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 and Director Salinas, thus constituting a quorum. Others in attendance included Jeff Monzingo, of Montoya & Monzingo, LLP; Hank Smith of Atwell, LLC; Hal Lanham, Tammy Hargett, and Kim Lucas of AWR Services, Inc.; and Richard Hamala and Jonathan Cochran, of Tiemann, Shahady & Hamala, P.C.

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

Mr. Hamala addressed the Board. Director den Hoed has submitted a water district analysis as part of the public comments. The Board members all received the document by email; we can discuss it at a future meeting when Director den Hoed is present.

2. Consider and take action to adopt a rate order for pass through fees and charges for the Southwestern Travis County Groundwater Conservation District's fees and charges.

Mr. Hamala addressed the Board. There is a \$1,000 connection fee for each new connection and a \$0.20 fee for every thousand gallons of water used by customer. As of April 1, 2021, we are liable for \$0.20 per thousand gallons of water that we pump from the aquifer. As of October 1, 2020, we became liable for any new connections to our system at \$1,000 per connection. They did not start collecting that until our wells received their temporary operating permit, which we received just recently. The conservation district told us we need to pay them for any connections we made since October 1, 2020.

There have been five connections made by Pulte, and five meters have been set in the new section. The District has not yet accepted the new section for operation and maintenance. In January 2021, Pulte came in and bought twenty-one taps for their thirty-five-lot subdivision, but so far only five meters have been set. At this time, we only owe \$5,000 to the conservation district. In regard to the connection fees, moving forward, any time we set a new meter, we are going to collect \$1,000 from Pulte. They have paid for twenty-one taps and we've set five, so there are sixteen they have paid for that have not been set yet. As we set those sixteen, we'll collect \$1,000 each.

With the five we have already set, there is a provision in the Order that we can recover that over a period of twenty months at \$50 a month and add it to the water bill as a going forward rate. Pulte may elect to pay the \$5,000, but if not, we have the ability to set a rate to recover our costs going forward. In regard to the \$0.20 per thousand, we read the meters a few days before the first of the month. We propose we start charging customers as of the next meter reading date. The way the Order is drafted, the District will pay the \$0.20 per thousand gallons for the month of April, then each customer will start paying starting May 1, 2021. This will give us time to communicate to the customers about the new fees.

The Directors concurred that they did not prefer the recovery provision in regard to the five taps we have already set, which says that the District can recover the thousand dollars over a period of twenty months at \$50 a month and add it to the water bill as a going forward rate. This puts the new connection fee burden on the new customer. The Directors concurred that they would rather Pulte pay the \$5,000. Mr. Smith said they know these fees are coming.

After discussion, the Order will strike the recovery charge of \$50 a month for twenty months and will apply to any new connection made after October 1, 2020. This will put the burden on the builder for the five meters already set. We will send Pulte an invoice for the \$5,000. Then, moving forward, we bill the groundwater conservation district fee to the builder as we set meters. Director Kenyon made a motion to approve the adoption of a rate order, as presented, for pass through fees and charges for the Southwestern Travis County Groundwater Conservation District's fees and charges, striking section three; and adding that any new connection made after October 1, 2020 will include a \$1,000 new service connection fee; the motion was seconded by Director Shute, and unanimously carried by the Board.

3. Receive report and authorize the General Manager to comply with Southwestern Travis County Groundwater Conservation District's reporting requirements.

Director Kenyon made a motion to authorize the General Manager to comply with Southwestern Travis County Groundwater Conservation District's reporting requirements; the motion was seconded by Director Shute, and unanimously carried by the Board.

4. Consider and take action to authorize application for renewal of Pedernales Electric Cooperative critical load program.

Director Kenyon made a motion authorize application for renewal of Pedernales Electric Cooperative critical load program; the motion was seconded by Director Shute, and unanimously carried by the Board.

5. 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. We need to send \$5,000 to the groundwater conservation district. Ms. Hargett said that going forward every month AWR will send the conservation district our monthly reporting and once a quarter they will invoice us to pay for the quarter. Director Kenyon made a motion to approve a \$5,000 payment to the groundwater conservation district; the motion was

seconded by Director Shute, and unanimously carried by the Board.

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

We will meet by Zoom on April 22, 2021.

7. Adjournment.

APPROVED April 22, 2021



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Joanne Molinyawe, Secretary

