

The Board of Directors of the Lubbock County Water Control and Improvement District No. 1 convened in a **CALLED** meeting in the Board Room of the administration building at the entrance to Buffalo Springs Lake in Lubbock County, Texas on **Tuesday, January 9, 2018** with the following persons present:

Board Members Present: Bill Moore, President
Casey Hildebrandt, Vice President
Sandra Lewis, Secretary / Treasurer
Greg Thornton, Director
Tom Keisling, Director

Staff Present: Warren Johnson, General Manager
Heather Purcell, District Secretary
Robbie Green, Utility Superintendent
Roberta Beam, Promotions Director
Sherilyn Toelle, Finance Director

Guests Present: Wendell Bostwick, Resident
Gary Satterwhite, Resident
Koley Schaffner
Gwen White, Resident
Tommy Fisher, Resident
Paul Hodges, Resident
Johnny Stone, Resident
Josh Perry
Cade Copeland
Dustin Williams
Nick Harpsor
Ryan Monk
Ty Ellis
Scott Mann
Michelle Richardson, Resident
Greg Lewis, Resident
Tanya Graves, Resident
Tammy Brewer
Morgan MacKenzie
John Forburger, Resident
John Keys, Sr.
Zac Simmons
Brandon Koehler
Justin Johnson
John Keys, Resident
Shawn Thomas
Daniel Reyna

Call Meeting to Order and Invocation

President Moore called the meeting to order at 9:00 am and Director Hildebrandt gave an invocation.

Public Comment

President Moore opened the floor for public comment with each guest allowed one minute.

Lubbock Bank Liners and Fishing Lubbock to discuss gate fees for fishing tournaments

Zachary Simmons came before the board to represent over 6,000 anglers in the Lubbock community and surrounding. The club has four tournaments at Buffalo every Tuesday in the month from 6 am to 9 am. The club would like discount on the gate admission to enter the lake for the tournaments. President Moore said the Board of Directors would like to work with the club, but cannot give a discount for gate admission. Instead, he recommended each fisherman purchase an annual pass, which would be valid until the end of the year. No Action Taken.

Warren Cat presentation by Koley Schaffner on equipment leases

Koley Schaffner from Warren Cat Leasing/Financial came before the board to discuss working with Warren Cat Leasing/Financial with a governmental rate today at 4.2% and the end of five years the lake would have a positive equity situation where it can be done again.” Director Keisling would like the board to look at facts and figures before making any decisions and discuss it further at another board meeting. Director Lewis thank Mr. Schaffner for coming. No Action Taken.

Terry and King CPA's - Audit Report by Randall Terry

Randall Terry came before the board and presented the audit report and answered questions from the board. No Action was taken.

Opening of Sealed bids for restroom remodel / take action

Two sealed bids were presented to the board; Bid (1) DM Construction- We provide the following proposal as per addendum number 4 for \$142,000.00, (2) Alpha building Corporation for \$142,000.00 and it excludes any asbestos and owner to provide renovation tax exempt certificate. Warren Johnson told the board that he just got the asbestos report this morning and there is no asbestos. President Moore asked why there is really not any detail in here that supports the bids. DM Construction said the proposal was based on everything that's included as the addendum number four set of documents that is the scope of work which that bid is based on and they also included their bid bond. Alpha Corporations bid consists of; removing all the concrete on the interior, a complete demo to the ceiling and plumbing, foot back of new concrete, new ceiling block and ceilings, new plumbing, exterior ramp redo and asphalt, new handrails, and some electrical rework. That was pretty much the extent of it. According to Alpha Corporation the reason the proposal didn't have an itemized section is that typically in a proposal setting that's not allowed to further identify qualifications on a bid proposal and there's a set of architectural provided document that you're supposed to be following for the proposal. The board had not seen the proposed plans for the Marina restroom remodel and therefore was not properly prepared to make a decision. the President Moore thanked both contractors for coming. No action taken.

Lease of Lot 40/41 and Lot 234

Director Thornton made a motion to allow lot lease holder to purchase Lot 40/41 and give one year to sell/transfer Lot 234. Director Keisling seconded the motion. The motion passed unanimously.

Discussion of cash on hand balances

Director reiterated that the board wanted to keep \$330,000 there in the account and with what the Water District has now and seeing how it trends from January through March; it is not in bad shape, but getting close to that number. He wanted everybody to realize that the Water District spent a lot of our money this year and did some good things; purchased pickups, paved roads, purchased police vehicles and boats. He wanted the Board members to remember that Board of Directors can't continue those trends because that money came from years ago and they can't recreate that this year and keep spending our spending habits. Director Keisling stated he was just concerned and wanted everyone to know. No Action Taken.

Leasehold property conditions

- Warren Johnson said Pretty much everything had been handled either through a sale or through people doing cleaning and/or maintenance.
- Lot 549: The Water District attorney wasn't able to contact him but he came in to pay his lot lease and Mr. Johnson was able to address it then. He indicated that he was getting prices to either have the building raised or to have somebody purchased it and handle it from there. Essentially the police department has had several calls to go up and secure it. People keep breaking into it and it's got; there's holes in the roof and Holes in the Floor. It doesn't look terrible from the outside; it just looks like it needs a little maintenance. It is a health and safety hazard. Mr. Laros is aware of that and he is just trying to figure out which direction he wants to go to address it.
- Lot 80: Warren Johnson said he spoke with him two weeks ago and he has been out of the country. And is supposed to be back this month. President Moore said he owes us a retaining wall on the back of the house. The board talked about that last February or March when he came to us and had a plan. I asked him and he said we will have the retaining wall done by year end and that needs to be his next project.
- Lot 614: Warren Johnson stated the property sold and the new lot lease holder has been given a work order to build his retaining wall. He has purchased the materials and he is just awaiting on there arrival. No Action Taken.

Mike and Marti Greer to discuss camping reservation during the triathlon

Mike Greer came before the board to discuss the people traveling from all over the United States to participate in the Half Ironman Triathlon. A lot of them will go to the host hotel, but there are so many of them that would like to camp." Director Thornton did not think it would be a problem and said they could call Heather and make the reservation. Director Hildebrandt said it will need to be prepaid and if they don't show the money will not be refunded two weeks prior to the event. The board agreed to the following conditions; no cancellations two weeks

before the triathlon, a 2-day minimum reservation, and the reservation can be in any campsite.” Mike Greer said we had a total of 1300 people last year. Mike Greer thanked the board.

Discuss the Drag Boat Races 2018

- **Contract:** Warren Johnson gave the board a copy of the contract. It was change because the SDBA is now an Oklahoma based company. So, they resent that out with all the changes that Jody had ask to be made. The last two changes were sections 11 and 12. They addressed Indemnity for both parties involved and Jody just after they just be taken out, so they took them out. You will see that 11 and 12 are both missing.
- **Budget:** Director Keisling and Director Hildebrandt discussed the budget.
- **Previous Motion:** President Moore said the board made a motion about three months ago to have a boat race and voted to send the \$1000.00 deposit, but the deposit was not sent because of pending changes to the contract. Warren Johnson said the deposit is due by the 15th.

Director Hildebrandt: “I make a motion that we are not having SDBA Drag Boat Race at Buffalo Springs Lake in 2018 based on the information presented.” Director Lewis seconded the motion. Director Hildebrandt, Director Lewis, and Director Keisling voted aye. President Moore and Director Thornton voted nay. The motion passed.

Capital Improvements

- **Old Gate Restroom:** Warren Johnson said that is the biggest thing the maintenance has going on right now is that bathroom remodel. That's the only area that didn't have any traffic. The walls have been demo, they got the new ceiling put in, new insulation, and they should be starting on the shower walls and the toilet partition walls. It is going to be around \$12,000
No Action Taken.

Gate Update

- **Code Generator:** Warren Johnson reported that the code generator purchased for \$4,000.00 has a 10,000-code limit on it, which didn't make any sense to me because it's got is a 5-digit code. It turns out the POS System will generate codes, so the Water District spent \$4,000 on the code generator that we didn't need. Robbie has been working with them to get the codes and it's operational now, but they are still not trackable by lot number.
- **RFID Reader:** The RFID reader stop working after you enter one time over the weekend. Yesterday it was working fine going through. We used it perfectly for a couple weeks. Yesterday it worked fine the first time and then circle back around it won't open so those are the kind of issues that we're having. Mr. Johnson requested from Miguel that he send the technician down to troubleshoot this.
- **DRV System:** Director Thornton spoke with a business owner who got the same sales pitch from Micrologic; got the same song and dance on their service. The business owner finally had to bite the bullet and called DRV Systems and they were functional in 5 days. He said they gave him \$30,000 credit for all Micrologics junk. President Moore asked Mr. Johnson to get the information from DRB to help The Board of Directors make an intelligent decision on whether to keep Micrologic System or purchase another system from DRB.

Internet Options - Resound Network

Warren Johnson told the board that he sent out the copy of that contract to them on December 8, 2017 and that he was waiting on the copy of Ransom Canyon's contract that they were supposed to finalize that last week. Ransom Canyon took it back to executive session to negotiate a couple of other terms on it. Mr. Johnson spoke with Elena Quintanilla at Ransom Canyon she seems to think that they had a pretty good deal going and that the Board of Directors might be able to work a little better deal with it. Jody Jenkins said his only concern was the term of the lease was 20 years with 5-year interval to renew. Director Keisling said just let them put a tower up because the Board was just overthinking this deal. Director Keisling suggested agreeing to a 5-year contract and then re-renegotiate at the end of 5 years. Director Hildebrandt said they're asking for very little, but we cannot

make a motion because the contract is not ready to be approved. Director Keisling suggested the water district pursue it with a 5-year deal if they will provide the District office and the campgrounds with internet as part of the lease agreement. He would like the board to make a decision on this on the next month or so.

Admission/Gate Fees, Rental Fee(s), Camping Fee(s), and Party House Fees), Increase

Director Hildebrandt made a motion to raise admission prices as of February 1, 2018 as follows; (1) Campground A: \$25 per night and does not include any gate admission, (2) Campground B, S, V: \$20 per night and does not include any gate admission, (3) Campground C: \$10 per night and does not include any gate admission, (4) Annual Family Pass: \$200 per year, (5) Annual Individual Pass: \$90 per year, (6) Annual Senior Pass: \$60 per year, (7) Annual Watercraft Pass: \$110 per year, (8) Daily Gate Adult: \$11, (9) Daily Gate Child: Leave as Is, (10) Daily Gate Military: \$6, (11) Daily College Student: \$10, (12) Daily Gate Senior: \$6, (13) Daily Non-Motorized Watercraft: \$6, (14) Daily Motorized Watercraft: \$15, (15) Daily UTV, ATV, and Dirt Bike: \$11, (16) Daily Golf Cart: \$6, (17) Overflow Camping: \$15 per night and does not include any gate admission. Director Keisling seconded the motion. Director Moore, Director Hildebrandt, Director Thornton, and Director Keisling voted aye. Director Lewis voted nay. The motion passed.

Director Hildebrandt made a motion to raise the monthly camping rate, beginning November 2018 to \$375.00 per month. Monthly camping rates valid from November through March and includes gate admission. Director Keisling seconded the motion. All board members voted aye.

Director Keisling: "I don't have any information on this party house stuff so I would like to talk about this at the next meeting."

Discuss procuring a water park

President Moore: "I have been working with the guy in Florida about a water park with a 1-3-year contract. I have not seen anything that is palatable enough that I would want to bring here because; (1) the things he has laid out are pretty much higher than last year. We had spoken with previously about running our water park; his weekly operating costs went from \$3500.00 to \$5000.00 and he wants to pay back his cost of the water park that he has laid out which is about \$70,000.00 plus ten grand to get it here and put it up and at the end of the year another ten grand to tear it down. I think it is too much money. What I think we should do and what I wanted to do last year is buy our own park and have him run it. Because then a lot of this cost is going to go away. I don't like for him to bring the water park out here, he buys it, but then we ended up paying for it, which is exactly what his proposition is. Although he was very generous to share the revenue which we would keep ninety percent of the revenue and he would only keep ten. What I really like to see is to think hard about putting back \$7 to \$10 thousand bucks a month and be more prepared to buy our own and just have him run the thing next year. I am not going to belabor this subject right now, but we just don't have a plan that is acceptable financially."

Update/ settling of contract with Built Rite Construction

Warren Johnson: "We have one of our contractors who has been out here this week wrapping up a few things and we have pricing on replacing the lights with the LED lights that were supposed to be put in the eaves and we should be done." President Moore: "Is there more to that? When are is the settlement happening? Has it come to that?" Warren Johnson: "It has not come to that yet. Once we have those final numbers in place we will send them over to Jody and let Jody handle it." President Moore: "Alright." No Action Taken.

Police Department Report by Chief Naron

- **Lowering the Speed Limit from 30 to 20 mph:** The Board did not vote in favor of lowering the speed limit to ask Chief Naron to look into getting prices for more lighting in that area.
- **Minors operating vehicles on the trails:** Director Thornton: "We leased that to Parks and Wildlife and it is for kids to go play on the trails and their stuff. That is what it is there for." Director Keisling just ask the police department to use common sense.
No Action Taken.

Financial Report by Sherilyn Toelle

Sherilyn Toelle said she did not have much else to add, since had already spoke during the Audit Report. She said she handed out the cash projection early because the board members said that they did not have a cash

projection and typically one of these is done every month. It does project out using last year's numbers what we will end up with by the end of the year, so I think we're going to make it through the winter. The major other thing is that LP&L sent us a letter in October saying that their rates are going up twelve and a half percent beginning in January 2018. Director Keisling reminded the board that they decided to pass through the water increases and the motion is already on the books. No Action Taken.

General Manager Report by Warren Johnson

- Lot 349: Art Cuevas talked to the board a couple weeks ago about the utilities on it and then having all that re-drawn and re-platted. We kind of got some rough measurements on that and I spoke to Art about it yesterday, basically re-platting that lot and pro-rating that lot we would give him a discount on the land that he would be giving back to the water district. It was purchased for \$15,000.00 and he wants a little bit of money back because they are going to have to reduce the size. The utilities are not where they are supposed to be so it changes the easements in the buildable area. Director Thornton suggested giving him all \$15,000 back at get the lot back and re-sell it for 30,000.00. It is roughly 2000 square feet. He asked for \$1,260.00 refunded. Director Hildebrandt stated that he was with Greg on that. If you want it. If it is that big a deal here is your \$15 grand and we will sell the lot. Director Keisling directed Warren Johnson to see what Mr. Cuevas comes back with.
- Police Department Full-Time Officer: Chief Naron would like to move Matt Howard from part-time to full time. Director Hildebrandt stated his biggest concern is what is our commitment to having presents on the water with doing something like that. That was our original intention on budgeting more police salaries; presents on the water. Warren Johnson said that Chief Naron would present a schedule to the board with proposed additional staff and the board could make a decision at that time.
No Action Taken.

Promotions Director Report by Roberta Beam

- Trained in the Administration Office; lot lease payments, utility billing and payments and Micrologic programming.
- Business Expo: The Business Expo is in January this year and the water district has a booth.
- The new website is live.
- Revamped the lake map and put the boat rules on one side.
- Mud Volleyball contract signed.
- Talked to local businesses about sponsorship for the boat races.
- Reported on the new text messaging system and how administrators can be added.

RECESS INTO EXECUTIVE SESSION

The Board of Directors met in Executive Session as authorized under Article 6252-17, Section 2 Paragraph (f) & (g).

The Board convened into Executive Session.

1. Section 551.074- Personnel
2. Section 551.0725- Contracts

TAKE ACTION IF REQUIRED ON ITEMS DISCUSSED IN EXECUTIVE SESSION

Director Hildebrandt: "I am going to make a new motion. I make a motion to terminate Warren Johnson's employment with the Water District. That is the end of my motion." **Director Lewis:** "I second his motion." **Director Moore, Director Hildebrandt, Director Lewis, and Director Thornton** voted aye. **Director Keisling** voted nay. The motion passed.

The Board of Directors adjourned.

