

THE STATE OF TEXAS
THE COUNTY OF LUBBOCK

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 **Thursday, August 3, 2017** with the following persons present:

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

Staff Present: Warren Johnson, General Manager
 Heather Purcell, District Secretary
 Sherilyn Toelle, Finance Director
 Stewart Naron, Police Chief

Guests Present Johnny Stone, Resident
 John Forburger, Resident
 Chris Turner
 Ron Adams, Resident
 RT Trammel, Resident

1. Call meeting to order and Invocation
President Moore called the meeting to order and 9:00 am and gave an invocation.

2. Public Comment
Johnny Stone commented on the facebook page; comments about employees. President Moore stated the board has no authority to confine or restrict any board member about comments made on facebook. The board stated there will be no more discuss at a board meeting with any one board member during a board meeting. The board will not address this or fix it. The board can accept public comment but cannot have discussions on the public comment because it is not an agenda item.

Roger Trammel commented on the new gate arm purposes. Warren Johnson said it was to help with accountability and not allow people to run the gate.

3. Approve minutes of June 20, 2017
Director Keisling made a motion to approve the minutes of June 20, 2017, as written. Director Hildebrandt seconded the motion. The motion passed.

4. Approve minutes of July 3, 2017

Director Keisling made a motion to approve the minutes of July 3, 2017, as written. Director Hildebrandt seconded the motion. The motion passed.

5. Approve minutes of July 6, 2017

Director Keisling made a motion to approve the minutes of July 6, 2017, as written. Director Hildebrandt seconded the motion. The motion passed.

6. Approve minutes of July 27, 2017

Director Keisling made a motion to approve the minutes of July 27, 2017, as written. Director Hildebrandt seconded the motion. The motion passed.

7. Discuss and consider Air B & B, update from Jody Jenkins

President Moore read Jody Jenkins response to the Air B & B at Buffalo Springs Lake which stated in part; "The tenant is prohibited "from conducting any business, trade, occupation, profession or any commercial, business or industrial activities on the premises." President Moore stated: "However I also read that not all the leases say that so I guess what the board will have to do is decide if we want to allow property owners to do that and then make some modifications in our rules of order that allow this to happen, contradictory to the leases some of these people have signed." Warren Johnson: "Ultimately I the board decide to do it we do it on a case by case basis. I don't think we need to go in and revise all the leases. I think that is just a giant head ache to know that some people are not going to want to participate. If there is some interest then we can cuss and discuss and work that out. The other issue is giving people access to the lake coming through the gates. That is something we would have to work out. Maybe we can issue them a separate Air B & B pass if they are going to have someone out that need to be tied to that resident. I know we have had a couple of people ask questions and I know there was some good feedback from people that use Air B&B and they seem to really enjoy it. It brings in a little higher level of renter because they are looking for something special and not just a hotel that they are going to go and camp out at, just something to consider." President Moore: "Well I guess the question is are we ready, willing, and able to make whatever concessions or changes in documents to allow this kind of program to continue on, which what I think what I am hearing is it is just an amendment to the lease or Jody would have to answer that. We need to decide whether we need to pursue what we are going to have to do to allow them and their guests to come in." Director Keisling: "I don't think it has anything to do with the lease really. I think we can just make a motion to allow Air B&B rentals on a short term basis. I don't know why we would want to change a bunch of leases for an exception. We can do it with a motion I believe." Warren Johnson: "Another thing; the Board of Directors position is temporary, for lack of a better word. The Board can make a motion than any board member that comes in afterword that does not like it can come in and change it. If it is in the lease it makes it a little harder to change, just something to think about. I see benefits. I see pros and cons to it either way. It is a matter of how much interest is there in this deal from the residents and then do we want to approve it." Director Hildebrandt: "I am fairly interested. I don't

see a big problem with it. It is not much difference if someone is renting the house and staying there to enjoy the weekend versus whoever owns the house staying there that weekend. It is not like activities there will be a negative impact to the lake. I think the people that are coming in for the weekend to rent a house should be responsible for the gate fees for however long they are here. That is just part of their deal; they have to pay a gate fee. I think as far as the lease goes; I do like what you said about modifying the lease. If someone is interested in long term they may want the lease modified to allow it. I think that would be to revise the lease and they are wanting to lease their house for that purpose it should be their fee or their cost of whatever Jody would charge to revise their individual lease so should be the responsibility of the leaseholder.” Warren Johnson: “I agree with that.” Director Hildebrandt: “They are going to have some profit in that if they are leasing their house out.” Director Keisling: “If you do it in a motion the next board could come in and change it, but why would they change it, because it might not be working. If we sit here and put it in the lease and it does not work.” Director Hildebrandt: “It would be case by case.” Director Keisling: “You have a problem if it does not work. Again this would be a question for Jody. I just think it would be better to put it in a form of a motion and allow it on a short term basis. There might be something come up that we are not even thinking about.” Director Lewis: “What about neighbors? It could cause a problem for neighbors. You are there for a weekend and you are there to party.” Director Keisling: “I think it is like Casey said, you get good people.” Director Hildebrandt: “We have rented a house on the coast for twelve years.” Director Lewis: “That is you. You are not like everybody. There a lot of people that doesn’t care.” Director Keisling: “There is an accountability system. We use that in our condo in Ruidoso.” Director Lewis: “I am not against it. I just want to go in with our eyes open.” Director Keisling: “I really think just ask Jody about the thoughts on the motion because that is something that could be changed at a later date if we see a big issue. I hate to change that. Why go to all the expense and trouble. We are just over thinking the deal really.” President Moore: “I agree. Conceptually sounds like a decent thing to do.” President Moore: “Let’s put this in motion and let him tell us.” Director Lewis: “And then we could do a motion with the intent of trying it period and then put it in people’s leases.” President Moore: “I think our leases in some aspects should be consistent with rules and regs that we hold our residents too. If we are going to do this, because you could have a potential problem of just making a motion and then the next board retracts it and you have a one year contract with a B&B that contradicts with the change the board makes and what kind of problems would that cause for the tenants.” Director Keisling: “If another board comes in and retracts that would be because of a problem. It would not be because it is working well. I would think.” President Moore: “The leases would all need to be consistent and to me if we are going to do this that statement in the lease needs to be retracted.” Director Keisling: “Let’s ask Jody and go for there. It is not a pressing issue.” Director Lewis: “I would not want to change our leases to allow businesses within properties.”

8. Drag Boat Races

A. Discuss and consider date(s) for 2018 Drag Boat Races

Rae Beth Fauks emailed a revised schedule to the board with three available dates for 2018, but does not include the Marble Falls race the second weekend in August. The three dates available are; April 7 & 8, May 19 & 20, August 18 & 19. Warren Johnson recommended to the board August 18 & 19, 2018. President Moore stated he had real concerns about spending \$75,000.00 to watch two boats race two or three more times in a weekend. Director Keisling agreed and said we make \$40,000.00 in camping on a given weekend. Director Hildebrandt said the top fuelers are a huge draw and wanted to know if the board would be opposed to them if sponsorship was available. He also stated if we are consistent each year with the races they could possibly make money. President Moore stated that the year this was done right \$20,000.00 was taken in just on the RV's parked by the water and would like to ease into the boat races. Director Lewis stated that the sponsorship was harder to get if the lake did not have the big boats.

Director Keisling made a motion to approve the boat race date of August 18 & 19, 2018 with the SDBA. Director Hildebrandt seconded the motion. The motion passed unanimously.

B. Discuss and consider financing the director(s) travel, accommodations, and expenses for world finals in November 2017

President Moore opened a discussion on board members going to the National Boat Races at Thunderbird Raceway in Phoenix, Arizona. The flight and hotel costs will be approximately \$900.00 per person, plus food, etc. Director Keisling wants the general manager and the promotions director to go to the races and not the board members. Director Lewis would also like Heather to go since she plays a big role in the boat races. President Moore said the board would like to send Warren, Heather, and Roberta to see the races and how they work and what people you can spend some time with to optimize the amount of money the water district is going to spend.

9. Discuss and consider policy of how to replace the blue coupon system for residents and resident's guests with the POS system for residents and resident's guests

President Moore opened a discussion on how to accommodate the resident's family and friends access in an orderly fashion. Some residents have large groups of family which are concerned about the fee for the coupons. The water district initial plan was to give each resident twenty free access codes. Past that we need to find out how to deal someone that says twenty is not enough. Director Keisling made a motion to sell unlimited codes for \$1.00 each. Director Hildebrandt seconded the motion. Director Hildebrandt and Director Keisling voted aye. Director Lewis and President Moore voted nay. The motion did not pass. Warren Johnson suggested going to a single use code, with the same principal as the blue coupon that puts the burden on the residents to distribute them. The office / gate does not need to keep track of codes in the office or gate.

The residents guest does not need to have a ticket with a code on it. The resident(s) can give the phone over the phone or text it to the guest. The residents guest(s) can put the code in the kiosk and get the non-paying people out of the paying lines. Director Hildebrandt stated that each code is per entrance into the lake or per vehicle to go to a resident's house. Director Lewis stated that the intent was not a blue coupon for each person or child it was to show that the guest has permission to enter.

Director Keisling made a motion to sell unlimited codes to the residents for \$.50 each. Director Hildebrandt seconded the motion. The motion passed.

Director Keisling would like accountably for abuse of the code system and being able to revoke the resident(s) opportunity to use codes for a specified amount of time. If the guests go onto the lake and does not have a pass it could be a red flag for Stewart. President Moore stated that if the person redeeming the code is pulling a boat it is a problem, but a boat ride with the resident that allowed them to come in would not be a problem. Director Lewis said the board just needed to worry about the people that are coming in paying.

RIFD Tags: Tabled.

10. Discuss and consider property conditions from previous letter sent to residents

- **Lot 614-** Leaseholder ask for time to sell the lot. Director Hildebrandt stated that the resident has come to several board meetings and has not done what he said he would do. The board is concerned about the lease holder selling the lot with a failing retaining wall and would like all potential buyer(s) disclosed. Director Lewis stated that the rules should not be changed because a "for sale" sign was put in front of the lot and wants the current lot lease holder to fix it or lose the lot. Warren Johnson would like the lot lease holder to bear the burden of fixing the retaining wall, rather than the Water District. Director Hildebrandt wants the expectations of this lot clearly defined with consideration of purchase. Director Keisling ask the board to give the lot lease holder six months to see if it sells and if it does not the water district can lawyer up. The board thought six months was too long.

Director Keisling made a motion to give the current lot lease holder ninety days to get the issues fixed and if not corrected in ninety days foreclose on the property. Director Hildebrandt seconded the motion. The motion passed.

- **Lot 565-** The yard has been cleaned up and the lease holder committed to painting the house before the 20th. The property will be put on the market shortly after that.
- **Lot 568-** Leaseholder finished painting the house. Mr. Johnson will go look at the retaining wall to make sure there is no issue.
- **Lot 549-** Considered hazardous and unsecured. The house is structurally unsafe. A travel trailer has been parked behind the home. The police

department has been called out several times because people go in to the back door of the home. The roof has major leaks and the floor has structural issues. The whole place is trashed. Letters need to be sent to this leaseholder.

11. Discuss and consider July 3, 2018 fireworks show cost and shooting location(s)

Warren Johnson said with the fireworks being on a Tuesday in 2018 he sees no need in doing anything crazy or changing anything. Mr. Johnson recommended spending a little more money on the show to get a better view with higher shell shots, one location, and the same shooting location. The board agreed to spend \$17,500.00 for 2018 fireworks show.

12. Building Permits

A. Discuss and consider proposed storage building at Lot 305

Proposal for a pre-engineered metal building, a water table, brick to match his home, and a R-panel. It will still have exposed walls up above and is a cheaper way to cover the walls. The storage building will be on the right side of the house when facing the house close to the property line on Palomino Road. The Board approved the building permit for Lot 305.

B. Discuss and consider proposed retaining wall at Lot 180

The retaining walls will wrap around and a storage area will be installed, which is twenty feet with a water table. It will not block anyone's view. The board approved the building permit with the general managers approval.

13. Financial report by Sherilyn Toelle- Mrs. Toelle went over the July financials. No Action taken.

14. Police Chief report by Stewart Naron – Chief Naron reported on police department activity/reports for July 2017. No Action Taken.

15. Manager Report by Warren Johnson

- Association of Water Board Meeting was beneficial for Mr. Johnson and he discussed the smart meter information he received at the AWBD meeting.
- Mr. Johnson discussed the erosion issues around the shorelines and different ways to handle it, including concrete estimates.
- ADA Stalls at the Marina Restrooms need to be addressed. Mr. Johnson engaged an architect to give some plans not only for the restrooms, but also handicap parking spots and ramp going up to the bar. None of which are ADA compliant. Director Lewis recommended locking the doors on the restrooms and putting portable toilets at the Marina until the board figures out what to do.
- The maintenance department is building a machine to help with cattail control and test it during the winter months.

- President Moore ask the general manager to look up grant information for restrooms.
- The new promotions director, Roberta Beam will start working for the water district on August 14, 2017.
- Quotes were received for one maintenance vehicle and one general manager vehicle. Both dealers gave approximately the same numbers for Chevy Pickups and Toyota Pickups. Ford Pickups were about \$5,000.00 less than the other quotes. All the trucks are four-wheel drive and four door trucks. The used vehicles with ten to fifteen thousand miles were about \$5,000.00 cheaper than the new ones. All the vehicles are LT's with cloth seats. Director Hildebrandt suggested purchasing a year older vehicle when the new models of vehicles are on the showroom floor to get a discount. Director Keisling suggested checking into municipal discounts. No Action Taken.
- Department heads were asked to put budgets together for the board and capital improvement ideas. The board asked to look at budget items and come up with a list of items for the budget and get them to the manager via email by the 10th of August. Mr. Johnson suggested the board meet again on August 22 to approve the budget. President Moore stated the budget could be completed in August and on September 5 the finance department and department heads will have spending numbers ready to provide the board for review and a week from that put together a bottom line budget with three major components. Director Keisling suggested emailing budget items instead of having another meeting on August 22nd. President Moore stated he is trying to have a final budget review by September since the budget should be complete by the end of September. Director Keisling stated he will be out of town on August 22nd and President Moore said to move the meeting to August 21st. Director Hildebrandt suggested adopting a basic operating budget and based on that determine if there is a surplus and then from that point in time determine how we want to invest that surplus. President Moore said we could fix the deficit or one of the two. Director Hildebrandt again suggested instead of coming up with a whole bunch of projects the board does not even know if they can afford and then work on the front end if the board does not even know if they will have the money to do anything with. President Moore said the board tried that last time and it took six or seven iterations by David to finally get it. Director Hildebrandt said that was an issue with the office. President Moore said during those meeting the board will not be able to take those issues and say we would like to do, or we cannot afford, or we don't have enough information, and the board will send Sherilyn and Warren back to the drawing board to come up with a different set of data and come back at the next board meeting. Director Hildebrandt said the operating budget is not going to change. That should be the same. President Moore said that is what he is trying to get to on the 22nd. Director Keisling said the board President is not listening to Director Hildebrandt and wasting time on extra meetings. President

Moore said the same approach was tried before and it took two or three months to get the budget approved. Director Keisling said to come up with an operating budget and then the board will know what is excess to do different plans and that is the general managers job, with input from the board time to time. Director Lewis agreed with Director Keisling and would like to figure out what is in the pot and what will help the board to generate more money. Director Keisling said the board cannot run the budget with each person having their own agenda and he has faith that the general manager and finance director can come up with an operating budget the board can live with. Director Hildebrandt said then the board can set a reserve. Director Keisling said the operating budget should not include a zip line or other projects but should include if more staff is needed. The operating budget should be set and then what is left over the board can approach those projects. President Moore ask the manager to work on that. Mr. Johnson asked the board again to get their capital ideas to him soon instead of the end of the process, which can cause the staff to scramble. President Moore agreed.

16. Public Comment

- John Forburger stated he has never seen the board operate this well and got a lot accomplished in one meeting.
- Johnny Stone requested Lot 35 receive a clean-up lot letter because there is a diesel tank on the property, which is a hazard.

17. Adjourn

The Board of Directors adjourned.