

MINUTES OF REGULAR MEETING  
OF  
REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT

STATE OF TEXAS           §  
  §  
COUNTY OF HAYS         §

The regular meeting of the Board of Directors of Reunion Ranch Water Control and Improvement District, open to the public, was held on January 20, 2015, at 2001 North Lamar, Austin, Texas 78705, pursuant to notice duly given in accordance with law.

1.     CALL TO ORDER

The meeting was called to order.

2.     ROLL CALL OF DIRECTORS

A roll call of the Directors was taken. The Directors present were President Nathan Neese, Vince Terracina, David Bosco and Bubba Sykes, thus constituting a quorum. Joel DeSpain was absent.

Also present at the meeting were Dennis Lozano, Mike Willatt, Bill Flickinger, Mary Bott, Scott Manuel, Jeniffer Concienne, Michael Slack, Frank Krasovec and Ashlee Martin.

3.     CITIZEN COMMENTS

No citizens were present.

4.     MINUTES OF PRIOR MEETING

The minutes of the prior meeting were included in the agenda package for consideration. President Nathan Neese entertained a motion for approval. Motion was made by David Bosco and seconded by Vince Terracina to approve the minutes of the December 16, 2014 meeting as presented. The motion carried unanimously.

5.     DISTRICT'S AUDIT PREPARED BY MAXWELL, LOCKE & RITTER

Ashlee Martin, the Senior Manage with Maxwell Locke & Ritter presented the District's annual audit and required communications. The District received a clean, un-modified opinion, which is the best given. Ms. Martin discussed the audit in detail with the Board. There were no misstatements in the audit and no disagreements with management in preparing the audit. After discussion, motion was made by Vince Terracina and seconded by President Nathan Neese to approve the audit and authorize the execution of the Annual Filing Affidavit. The motion carried unanimously.

6. DEVELOPER'S REPORT ON STATUS OF CONSTRUCTION WITHIN THE DISTRICT, DEVELOPMENT ENTITLEMENTS, PROVISION OF WATER, WASTEWATER AND DRAINAGE SERVICES WITHIN THE DISTRICT, SALES OF LOTS TO BUILDERS, HOMEBUILDING WITHIN THE DISTRICT, STATUS OF DEVELOPMENT LOANS AND ACTIONS OF THIRD PARTIES OPPOSING OR SUPPORTING DEVELOPMENT WITHIN THE DISTRICT

Michael Slack reported on the sales within the District. There are a total of 86 homes sold. The bridge construction is a little ahead of schedule. The remainder of the boulevard and Phase 2 Section 1 utilities are tracking along on the same pace. All of this should be completed in March. Ms. Slack stated that the trenching is being done in Phase 2, Section 2. That section will consist of 140 lots. Frank Krasovec inquired as to when those lots will be sold. Mr. Slack said they will start pre-sales by April. There will be a preconstruction meeting for the lift station on January 29<sup>th</sup>. Mr. Slack is also working with Mr. Krasovec on his 39 lots located in Phase 2, Section 3. President Nathan Neese asked about the status of the amenity center. Mr. Slack reported that the stone work is being completed on the outside of the building. The parking lot should be completed in February and hopefully will all be finished in April.

7. ENGINEER'S REPORT ON STATUS OF CONSTRUCTION WITHIN THE DISTRICT, DEVELOPMENT ENTITLEMENTS, PROVISION OF WATER, WASTEWATER AND DRAINAGE SERVICES WITHIN THE DISTRICT, SALES OF LOTS TO BUILDERS, HOMEBUILDING WITHIN THE DISTRICT AND PAST, PRESENT AND FUTURE BOND ISSUES

Engineer Dennis Lozano reported that the lift station on the southside is on track. The two wastewater treatment permits have been issued by the TCEQ. The District can now move forward on the amendment to consolidate the two permits into one.

8. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 1<sup>ST</sup> BOND ISSUE

Engineer Dennis Lozano reiterated that they are close to filing the bond application with the TCEQ. It will likely be filed next week.

9. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant
- C. Wastewater Grinder Stations
- D. Effluent Irrigation System & Fields
- E. Distribution and Collection System

Scott Manuel discussed the letter from the West Travis County PUA regarding a temporary change in the water disinfection process from chloramines to free chlorine. This water treatment is

to keep water distribution systems clean and free of potentially harmful bacteria throughout the year. Mr. Manuel advised that during this burn out, the customers might notice an odor or different taste in the water, but he does not expect issues. The burn out should be around January 22<sup>nd</sup>, however he heard they may have already started the process. The PUA will revert back to chloramines on March 3, 2015. Vince Terracina suggested that the residents be notified of this burnout because several months ago, that is what we informed them would happen. Mr. Manuel said he would get a door hanger done tomorrow.

There was a alarm of the plant failure, but no issues were found. It could have been caused by the heavy rains. During this period, Mr. Scott reported that the District had a 68% water accountability. He recommends a leak detection test to be performed, which will consist of a 3 day meter reading. That test should run about \$500. Then, a physical test can be performed, which will be another \$1,500. All of the meters have been audited, so it is most likely a leak. Bubba Sykes was concerned because last month there was only a 5% water loss. Mr. Manuel believes he over guessed on flushing last month.

Mr. Manuel reported on the TCEQ violations letters that were received. He stated that all of those were due to lack of data entry at the TCEQ and has been assured that the issues have been corrected. The violations were removed from the database and the District should not be receiving any other erroneous notices. Bubba Sykes was also concerned with having these violations noted against the District. Mr. Manuel said he would double check with the TCEQ and get back with the Board on this to confirm all has been taken care of.

10. BOOKKEEPER'S REPORT ON THE FINANCIAL AFFAIRS OF THE DISTRICT, INCLUDING AUTHORIZATION OF PAYMENTS OF BILLS

Mary Bott discussed the financials with the Board. She will void the per diem check for Joel DeSpain due to his absence. Included in the invoices were the appraisal fees from the last quarter of 2014 and the first quarter of 2015 and the current bond application fees. 61% of the District's taxes have been collected. There are two transfers that need to be made. One being into the bookkeeper's account and the other from TexPool. After discussion, motion was made by President Nathan Neese and seconded by David Bosco to approve payment of the per diems, fund transfer and invoices as presented. The motion carried unanimously.

11. APPROVAL OF CONSTRUCTION PLANS AND PAY ESTIMATES, CHANGE ORDERS AND ACCEPTANCES OF COMPLETION WITH RESPECT TO CONSTRUCTION CONTRACTS

Michael Slack discussed and recommended approval of the following change order:

Change Order No. 1 in the amount of \$62,000.00 in connection with the Reunion Ranch Phase Two, Section One, Street Excavation, Water, Wastewater, Drainage and Erosion Control submitted by Central Road and Utility, Ltd. This change was due to a bid error resulting in extra

depth manholes due to change in grades near the end of Reunion Boulevard. After discussion, motion was made by President Nathan Neese and seconded by Vince Terracina to approve the change order as presented. The motion carried unanimously.

12. ADVERTISEMENT FOR BIDS AND APPROVAL, AWARD, RECOMMENDATION AND ADMINISTRATION OF CONSTRUCTION CONTRACTS


This is a standing item and there was no discussion.

13. ADJOURN

President Nathan Neese adjourned the meeting.

  
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Vince Terracina, Vice President  
Reunion Ranch WCID

ATTEST:

  
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David J. Bosco, Jr., Secretary  
Reunion Ranch WCID

