

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

STATE OF TEXAS           §  
  §  
COUNTY OF HAYS       §

A regular meeting of the Board of Directors of Reunion Ranch Water Control and Improvement District, open to the public, was held at 2:00 p.m. on February 19, 2019 at Willatt & Flickinger, PLLC, 12912 Hill Country Blvd., Ste. F-232, Austin, Texas 78738, 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:

Vince Terracina – Vice President  
Thomas J. Rogers, Jr. – Secretary  
George “Bubba” Sykes – Assistant Secretary  
Dennis Daniel – Assistant Secretary

thus, constituting a quorum. President Nathan Neese was absent.

Also, present at the meeting were Bill Flickinger, Matt McPhail and Jeniffer Concienne with Willatt & Flickinger, PLLC, Garry Kimball with Specialized Public Finance Inc., Dennis Lozano with Murfee Engineering, Allen Douthitt with Bott & Douthitt, Jesse Kennis with InfraMark, LLC and Mike Moyer with Taylor Morrison.

3. CITIZEN COMMENTS

There were no citizen comments.

4. MINUTES OF PRIOR MEETINGS

Vice President Vince Terracina entertained a motion for approval on the Minutes. Motion was made by Dennis Daniel and seconded by Tom Rogers to approve the January 15, 2019 meeting Minutes as presented. The motion carried unanimously.

5. DEVELOPER'S REPORT ON STATUS OF CONSTRUCTION WITHIN THE DISTRICT, DEVELOPMENT ENTITLEMENTS, PROVISION OF WATER, WASTEWATER AND DRAINAGE SERVICE 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

Mike Moyer discussed the homebuilding metrics within the District. A total of 328 homes have been sold in the District. The average appraised value within the District is \$509,054. Mr. Moyer reported that there have been approximately 5 home sales in the last 30 days.

Mr. Moyer stated that the contractor has broken ground on the last phase in the District and paving is scheduled for mid-July.

The lift station in Phase 2-4 has not yet been accepted for operation and maintenance. The retainage on that project is still being held.

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

Mike Moyer discussed and recommended approval of Amendment No. 2 submitted by Central Road and Utility, Ltd. for Reunion Ranch Phase 2 Section 4 Utilities in the amount of \$3,932.50. After discussion, motion was made by Bubba Sykes and seconded by Tom Rogers to approve Amendment No. 2 as presented. The motion carried unanimously.

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

This item was not discussed.

8. 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; USE OF EFFLUENT TO IRRIGATE RIGHTS-OF-WAY; PROPOSALS FROM DISTRICT ENGINEER IN CONNECTION WITH USE OF EFFLUENT TO IRRIGATE RIGHTS-O-WAY AND TIMELINE FOR SAME

Engineer Dennis Lozano presented and discussed the engineer's report with the Board. A pre-construction meeting for Phase 3-3 was held at the beginning of January. Construction has begun and the contractor is trenching at this time. Phases 2-4, 3-2 and 3-5 have been completed. Mr. Lozano anticipates accepting Phase 2-4 as complete at next month's meeting.

A draft permit was received by the TCEQ for the TLAP major amendment for Plant A. This amendment combines both Plant A and Plant B together. Once the second notice is published, a 30-day public comment period will begin.

The Wastewater Flows and Projections chart as well as the Water Flows and Projections were included with the engineering report. The figures will continue to be monitored.

There was discussion on the GIS Database Development. Mr. Lozano presented copies of the map book for Inframark. All of the utilities were incorporated into the database and mapped. Mr. Lozano has a few minor tweaks that need to be addressed in the system.

9. WASTEWATER TREATMENT PLANT B; PERMIT RENEWAL #WQ001440002

Engineer Dennis Lozano discussed the TLAP renewal for Plant B. If the major amendment goes through the TCEQ, Plant B will go away. However, the District should proceed with its renewal of Plant B until the major amendment to Plant A has been issued and finalized. There was discussion of the water irrigation conversion and its timeline. After discussion, Mr. Lozano presented the Agreement for the Provision of Limited Professional Services in connection with the renewal of the TLAP, Plant B. Motion was made by Dennis Daniel and seconded by Bubba Sykes to accept the proposal submitted by Murfee Engineering, not to exceed \$10,000. The motion carried unanimously.

10. AGREEMENT FOR PROFESSIONAL SERVICES SUBMITTED BY MURFEE ENGINEERING FOR THE DISTRICT'S 5<sup>TH</sup> BOND ISSUE; BEGIN PREPARATION OF AN APPLICATION FOR BOND APPROVAL TO THE TCEQ IN AN AMOUNT NOT TO EXCEED \$5,000,000

Engineer Dennis Lozano discussed and presented the Agreement for the Provision of Limited Professional Services in connection with the District's 5<sup>th</sup> bond issue. Financial Advisor Garry Kimball reported that over \$25,000,000 has been added to the District's value. The bond issue will not exceed \$5,000,000. Director Dennis Daniel discussed the District's taxing limits. After discussion, motion was made by Bubba Sykes and seconds by Tom Rogers to accept the proposal submitted by Murfee Engineering as presented. The motion carried unanimously.

11. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 5<sup>TH</sup> BOND ISSUE

No further discussion was had.

12. COMMITTEE REPORTS

- a. Trail/Map/Ownership committee
- b. PUA rate committee

Committee Member Dennis Daniel reported that the committee did not meet this month.

13. TRAIL SYSTEM WITHIN THE DISTRICT; MAP OF THE DISTRICT/HOA PROPERTY; CONVEYANCES, EASEMENTS AND/OR LICENSE AGREEMENTS TO THE DISTRICT OR HOA FROM DEVELOPER

This item was not discussed.

14. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant
- C. Wastewater Grinder Stations
- D. Effluent Irrigation System & Fields
- E. Distribution & Collection System
- F. Billing Adjustments
- G. Delinquencies
- H. Customer Meter Issues
- I. Customer Complaints
- J. Stormwater conveyance and pond maintenance
- K. Landscaping
- L. Notices to residents on water quality

Manager Jesse Kennis presented an Executive Summary of District matters. Mr. Kennis discussed the excursion that occurred at the wastewater plant. The ground storage tank will be cleaned out tomorrow to remove the sediment. The TSS average for January exceeded the permit. Pump and haul will need to be increased. Also, as discussed at last month's meeting, Mr. Kennis reported that the EQ basin was cleaned.

The District's landscaper performed additional mowing at the drip fields, to maintain the rye grass.

Mr. Kennis reported there is a total of 338 connections, 327 of which are residential. The delinquencies for January are as follows: seven letters were mailed out, five door tags were hung and there was one disconnect for non-payment. The disconnected account has been restored due to payment. Director Dennis Daniel inquired about repeat offenders.

The Water Quality Monitoring are at normal levels.

There was a 3.85% water loss in January.

The wastewater plant is operating at 70% capacity and is in full compliance.

Also, as discussed previously, the Fall Hazard signs have been erected around the Katie Pond. Once the land dries up, the ponds will need to be cleaned and repaired. Mr. Kennis stated that the stormwater pond sign in Section 2-4 has been replaced and now includes the correct contact number.

15. EXPENDITURES, CONTRACTS, REPAIRS, REPLACEMENTS AND MAINTENANCE RELATED TO OPERATIONS AND MAINTENANCE REPORT IN ITEM 14 ABOVE

This item was not discussed.

16. BOOKKEEPER'S REPORT ON THE FINANCIAL AFFAIRS OF THE DISTRICT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS

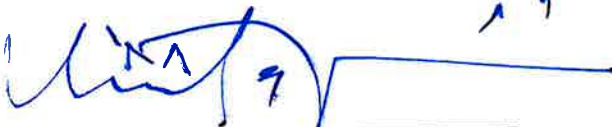
Bookkeeper Allen Douthitt discussed the financials with the Board. Today's consideration will include payment of vendor invoices and per diems and authorization of two transfers. Mr. Douthitt stated that President Nathan Neese's per diems would be voided due to his absence. The District is on plan to date in regard to the budget. After discussion, motion was made by Vince Terracina and seconded by Tom Rogers to approve payment of the vendor invoices and per diems and authorize the fund transfers as presented. The motion carried unanimously.

17. GENERAL COUNSEL AGREEMENT WITH WILLATT & FLICKINGER, PLLC


Attorney Bill Flickinger discussed his general counsel agreement with the Board. Mr. Flickinger explained that the general partnership was converted to a PLLC when Mike Willatt became ill and then passed away. The agreement does not call for a rate increase. After discussion, motion was made by Bubba Sykes and seconded by Tom Rogers to approve the general counsel agreement with Willatt & Flickinger, PLLC as presented. The motion carried unanimously.

18. ADJOURN

Vice President Vince Terracina adjourned the meeting.

  
\_\_\_\_\_  
Vince Terracina, Vice President  
Reunion Ranch WCID

ATTEST:

  
\_\_\_\_\_  
Thomas J. Rogers, Jr., Secretary  
Reunion Ranch, WCID

[SEAL]

Reunion Ranch minutes 02-19-19  
3/14/19