

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 was held at 3:00 p.m. on March 15, 2022 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:

Dennis Daniel – President
Ron Meyer – Secretary
Tom Rogers – Assistant Secretary

thus constituting a quorum. Vice President Terri Purdy and Assistant Secretary Nathan Neese were absent.

Also present at the meeting were Bill Flickinger, Hunter Hudson and Jeniffer Concienne with Willatt & Flickinger, PLLC, Andrea Wyatt and Evan Parker with Murfee Engineering, Allen Douthitt with Bott & Douthitt, Ronja Keyes with Inframark and Jimmy Romell with Maxwell Locke & Ritter.

Attending via Zoom were Mike Moyer with Taylor Morrison, Jason Baze with Murfee Engineering and residents Leslie Daniel, Gray Grass and Mark Olsen.

3. PUBLIC COMMENTS

No public comments were made.

4. MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained a motion for approval of the minutes. Motion was made by Tom Rogers and seconded by Ron Meyer to approve the Minutes of the February 15, 2022 meeting as presented. The motion carried unanimously.

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

Bookkeeper Allen Douthitt discussed the financials and updated cash activity report with the Board. Mr. Douthitt also included an executive summary on the variances in the financials. The per diems for Terri Purdy and Nathan Neese will be voided due to their absence. Mr. Douthitt informed the Board that he transferred the \$30,000 from Hays County WCID No. 1 to the District for the sale of the sludge box. After discussion, President Dennis Daniel entertained a motion. Motion was made by Ron Meyer and seconded by Tom Rogers to approve payment of the invoices and per diems and authorize the two fund transfers as discussed. 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

Mike Moyer reported that the last two houses are under construction and hoped to be closed out this summer.

President Dennis Daniel reported on Frank Krasovec's written report. It was noted that all the gated Reunion Reserve lots are sold and the sub- HOA is managing the common area. Heyl and Nalle Customer Homes own the balance of the lots and are building homes as quickly as they can find buyers. Mr. Krasovec is hopeful that everything will be finished out in 12 to 18 months.

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

This item was not discussed.

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

This item was not discussed.

9. ENGINEER'S REPORT ON STATUS OF CONSTRUCTION WITHIN THE DISTRICT, DEVELOPMENT ENTITLEMENTS, PROVISION OF WATER, WASTEWATER AND DRAINAGE SERVICES WITHIN THE DISTRICT, PENDING PERMIT APPLICATIONS, SALES OF LOTS TO BUILDERS, HOMEBUILDING WITHIN THE DISTRICT AND PAST, PRESENT AND FUTURE BOND ISSUES; USE OF EFFLUENT TO IRRIGATE RIGHTS-OF-

WAY AND TIMELINE FOR SAME

10. WASTEWATER TREATMENT PLANT EXPANSION; WASTEWATER TREATMENT PLANT IMPROVEMENTS AND MODIFICATIONS; ALTERNATIVES FOR ADDITIONAL ODOR CONTROL MEASURERS AT THE DISTRICT'S WASTEWATER PLANT AND FUNDING FOR SAME, INCLUDING POSSIBLE AGREEMENT WITH TAYLOR MORRISON ON FUNDING FOR SAME; PROPOSAL FOR THIRD-PARTY ODOR CONSULTANT/INSPECTOR

Items 9 and 10 were discussed together.

Evan Parker discussed the Engineer's Report as included in the agenda package.

Attached to report is the updated figure tracking wastewater flows, which includes calculated flow values produced per household. Mr. Parker stated that the flows are staying under the threshold.

With regard to the WWTP expansion, President Dennis Daniel and Vice President Terri Purdy toured the plant with Murfee Engineering. Mr. Parker reported that the odor control unit panel was installed, and the system startup occurred on March 3rd. The water pump arrived on site this week and the contractor plans to install it this week. Mr. Parker also reported that some of the disconnect switches have arrived. However, two are on backorder and no delivery date has been provided. Director Ron Meyer discussed the uses for the disconnect switches. There are several remaining items to complete the expansion, which are: troubleshooting the effluent weir, installing the water pump as discussed above and installing the available disconnect switches. The effluent weir has some scaling issues, which will be a warranty item and programming issue. Mike Moyer agrees that the effluent weir and pump should be resolved.

As Mr. Parker stated above, the odor control unit has been completed and is in operation. The odor at the plant has been minimal since the new treatment system became operational. Odors will be evaluated during the summer to determine if the odor control until at the influent lift station is sufficient. The dumpster holding the dewatered solids does not currently have a cover in place due to the container options available from the sludge hauling company. As reported previously, MEC is investigating alternative options.

Mr. Parker stated that the \$100,000 from the LCRA was received yesterday for the 210-project construction. There was discussion on the effluent sampling for E coli and turbidity. Manager Ronja Keyes reported that the testing began on March 3rd. Engineer Andrea Wyatt will confirm the required schedule for the testing.

The Emergency Preparedness Plan was filed on February 22nd. The TCEQ has 90-days to respond with comments, questions, or requests for information.

11. UTILITY CONVEYANCE AGREEMENT WITH TAYLOR MORRISON ON WASTEWATER TREATMENT PLANT EXPANSION

Attorney Bill Flickinger discussed the Utility Conveyance Agreement with Taylor Morrison on the wastewater treatment plant expansion. After discussion, President Dennis Daniel entertained a motion. Motion was made by Ron Meyer and seconded by Tom Rogers to approve the Utility Conveyance Agreement as presented. The motion carried unanimously.

12. REIMBURSEMENT AUDIT PRESENTED BY MAXWELL LOCKE & RITTER

Jimmy Romell discussed the reimbursement audit which is an addition to the initial bond reimbursement audit for Taylor Morrison. Due to the wastewater plant expansion not being completed, there was discussion of the recalculation of the interest amount. Mr. Romell indicated that it was not hard to recalculate. After discussion, motion was made by President Dennis Daniel and seconded by Tom Rogers to approve the Bond Reimbursement Audit as presented by Maxwell Locke & Ritter subject to updating interest calculation on completion of the contract and authorize the distribution of those funds to Taylor Morrison contingent upon the following:

1. Receipt of the District engineer's recommendation of acceptance of the WWTP expansion improvements;
2. Confirmation of release of all retainage to Excel Construction;
3. Execution of the Utility Conveyance Agreement by Taylor Morrison; and
4. Receipt of a letter from Excel Construction in a form acceptable by the District's attorney confirming that Excel Construction will install the two disconnect switches at the WWTP when the parts are received.

The motion carried unanimously.

Motion was then made by Ron Meyer and seconded by Tom Rogers to authorize the Board President to approve the final pay application when ready. The motion carried unanimously.

13. COST-SHARE FUNDING PROGRAM AGREEMENT BETWEEN THE DISTRICT AND LCRA

President Dennis Daniel inquired if the Cost-Sharing Agreement has been executed and returned by the LCRA. President Daniel and Vice President Terri Purdy were presented with the \$100,000 payment from the LCRA. Engineer Andrea Wyatt will follow-up with Stacey Pandey at the LCRA on the signed agreement.

14. IMPLEMENTATION OF LONG-TERM DISTRICT IMPROVEMENTS AND ASSET MANAGEMENT PLAN

Engineer Andrea Wyatt discussed the schedule of District improvements. There was discussion on the Mary Elise aerator. Manager Ronja Keyes will report back on this matter regarding the possibility of a solar panel instead of all the electrical work that would be needed.

15. EFFLUENT DISPOSAL AGREEMENT BETWEEN THE HOA AND DISTRICT

Attorney Bill Flickinger reported that he sent a draft Effluent Disposal Contract to the HOA's attorney for review. Once the HOA responds with a red-line, it will be sent to the committee for review. President Dennis Daniel and Engineer Andrea Wyatt discussed the schedule for design and bidding. It is hoped to be bid by early April.

16. ORDER ESTABLISHING WATER AND WASTEWATER SERVICE RATES, CHARGES, TAP FEES AND SOLID WASTE DISPOSAL/RECYCLING FEES AND ADOPTING GENERAL POLICIES WITH RESPECT TO THE DISTRICT'S WATER, WASTEWATER AND DRAINAGE SYSTEMS

President Dennis Daniel asked that this item be brought back to the next board meeting for discussion.

17. CRITERIA FOR APPROVAL OF ANY MODIFICATIONS TO COMMON AREAS

Director Ron Meyer advised that resident Linda Alvarez will work with the committee on the criteria for approval of any modifications to the common areas. They will meet next week to discuss this matter.

Engineer Andrea Wyatt discussed her memorandum on guidance for reviewing modifications to the common areas. Ms. Wyatt will work on the calculations for impervious cover. There was discussion of the critical environmental features being included in the final plans of the District.

18. COMMITTEE REPORTS, ASSIGNMENT AND MEMBERSHIP

- A. District Operations (Dennis & Terri)
- B. Communications (Terri & Dennis)
- C. WTCPUA (Nathan & Dennis)
- D. Water Quality/Land Use (Ron & Terri)
- E. Audit/Budget (Nathan & Dennis)

President Dennis Daniel discussed matters related to District Operations. As stated above, the committee toured the plant and it's almost complete. The \$100,000 check from the LCRA was received by the District. Vice President Terri Purdy is working on a summary of the Cost-Sharing program to put on the website.

There was no discussion on Communications matters.

There was no discussion on WTCPUA matters.

Director Ron Meyer reported on the Water Quality/Land Use matters above.

There was no discussion on Audit/Budget matters.

19. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant; Odor Control Measures and Complaints; All actions necessary to bring the wastewater treatment plant into compliance with TCEQ permit and to mitigate odor problems
- C. Wastewater Grinder Stations
- D. Effluent Irrigation System & Fields
- E. Distribution & Collection System & Lift Stations
- F. Billing Adjustments
- G. Delinquencies
- H. Customer Meter Issues
- I. Customer and Resident Complaints
- J. Stormwater conveyance & pond maintenance
- K. Landscaping
- L. Notices to residents on water quality
- M. Out of District Water/Wastewater Service Requests
- N. Request for Use of Greenspace and other District Easements
- O. Maintenance access
- P. Sale of sludge box; Execution of Bill of Sale
- Q. Expenditures, contracts, repairs, replacements and maintenance related to Operations and Maintenance Report

Manager Ronja Keyes discussed the Executive Summary.

Ms. Keyes advised that she would work with Vice President Terri Purdy on a newsletter that will cover various topics and will be provided to residents at the beginning of each month.

In connection with the WWTP/ Collection system, all facilities are in compliance for the month of February. The plant is running at 73% capacity. The District's total flows were 1.64 MG, which averages 58,500 GPD. As approved at last month's meeting, the turbidity meter has been received. A sample was taken on March 3rd with a result of 1.44 NTU. Also, at last month's board meeting, the Board approved replacement of an actuator. Since that time, the vendor submitted an additional quote with a shorter lead time. Ms. Keyes reported that the odor control unit was picked up by the vendor. The spare motor for the drip skip is currently in the shop for repairs.

A builder account is in the 120-day delinquent status. That account is being transferred to the homeowner. There is still a deposit on file for that account. This should be taken care of soon.

Ms. Keyes reported on grinder pump station repairs. Inframark repaired a broken discharge line from the grinder station toward the force main on Denise Cove. President Dennis Daniel inquired as to how it broke. Ms. Keyes will gather that information and provide it to

President Daniel. Ms. Keyes stated that Inframark will be inspecting and cleaning all properties with grinder pump stations.

The water accountability for February was 92.5%. President Daniel is still concerned about the water loss. The Board approved at leak detection survey several months ago. The fire hydrant, valve and manhole surveys have been completed. A final report will be completed and sent to the Board for review. Ms. Keyes will provide the breakdown of details of each survey to President Daniel on a flash drive.

Ms. Keyes discussed a billing adjustment request from an owner on Delayne Drive. The owner had a leak on their pool refill line that was installed under their new pool deck. The line has been valved off and the resident is looking at other options. No repairs have been made at this time. The leak adjustment is in the amount of \$1,803.45. After discussion, motion was made by President Daniel and seconded by Tom Rogers that once the repairs have been made and the District has been provided with the backup paperwork for repairs, the billing adjustment will be approved. The motion carried unanimously. Ms. Keyes will relay that information to the owner.

Ms. Keyes reported on the pond maintenance and inspections. Several proposals were received for the improvements to the Mary Elise pedestrian walkway. The Board discussed the proposals. Director Ron Meyer would like to review samples and possibly physically go and look at other walkways in the area. There was discussion as to the HOA sharing in this cost. After discussion, this matter will be brought back to the Board.

There was discussion of the erosion control report and other matters. Director Ron Meyer discussed final erosion control on pool construction. Inframark will be working with the HOA to be sure all is in place. Mr. Meyer mentioned that information should be sent to the homeowners when construction begins.

20. NOTICE OF VIOLATIONS ISSUED BY TCEQ DATED AUGUST 5, 2019; EXIT INTERVIEW FROM TCEQ SITE VISIT OF JULY 10, 2020; TCEQ NOTICE OF ENFORCEMENT FOR COMPLIANCE EVALUATION INVESTIGATION, DATED SEPTEMBER 25, 2020; PROPOSED AGREED ENFORCEMENT ORDER AND RELATED FINES

It was reported that the Agreed Order was submitted to the TCEQ. We have not yet received it back from the TCEQ. Engineer Andrea Wyatt has drafted a letter to the TCEQ on notice of commencement describing action taken to begin the project as part of the supplemental environmental project. Attorney Bill Flickinger will review the draft and provide any comments he might have. No action is needed at this time.

21. DIRECTORS ELECTION

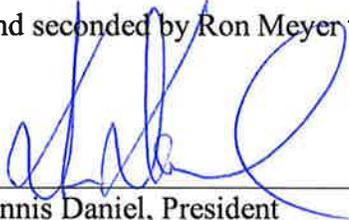
- a. Order Declaring Unopposed Candidates Elected to Office and Cancelling Directors Election

Attorney Bill Flickinger informed the Board that Mark Olsen withdrew his Application for Place on Ballot, therefore the three remaining candidates are unopposed. Secretary Ron Meyer

executed a Certification of Unopposed Candidates. Mr. Flickinger discussed the Order Declaring Unopposed Candidates Elected to Office and Cancelling Election. At the May board meeting, the directors will be sworn in for a four-year term. After discussion, motion was made by Tom Rogers and seconded by Ron Meyer to adopt the Order as presented. The motion carried unanimously.

22. ADJOURN

Motion was made by President Dennis Daniel and seconded by Ron Meyer to adjourn the meeting. The motion carried unanimously.



Dennis Daniel, President
Reunion Ranch WCID

ATTEST:



Ronald F. Meyer, Secretary
Reunion Ranch WCID

[SEAL]