

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 3:00 p.m. on March 19, 2024 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 B. Daniel – President
Terri Purdy – Vice President
Ron Meyer - Secretary
Gary Grass – Assistant Secretary
John Genter – Assistant Secretary

thus, constituting a quorum. All Directors were present.

Also present at the meeting were Hunter Hudson and Jeniffer Concienne with Willatt & Flickinger, PLLC, Mark Kestner with Murfee Engineering Company and resident Eric Hart.

Attending via Zoom were Bill Flickinger with Willatt & Flickinger, PLLC, Dragan Sonnier and Makenzi Scales with Inframark, Allen Douthitt with Bott & Douthitt, PLLC and residents Mark Olson, Sandy Lake and Leslie Daniel.

3. PUBLIC COMMENTS

President Dennis Daniel welcomed Eric Hart to the board meeting. President Dennis Daniel reported that Eric Hart will come on the Board with Mark Olson in May.

4. MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained a motion for approval of the minutes.

Motion: Approval of February 20, 2024 meeting minutes.

Motion by: Assistant Secretary John Genter
Second by: Secretary Ron Meyer
The motion carried unanimously.

5. UPDATES REGARDING REUNION RANCH HOA MATTERS

Sandy Lake indicated that she did not have anything to report from the HOA Board. However, she informed the District that the HOA asked Urban Dirt for a proposal to replace the plants around the subdivision, which may need some irrigation work to be able to irrigate properly. Assistant Secretary John Genter advised that the effluent irrigation is marked with purple sprinkler heads. President Dennis Daniel stated that the HOA will need to comply with the LCRA on the upcoming watering mandates.

6. FINANCIAL REPORTS AND REQUEST FOR AUTHORIZATION FOR PAYMENTS OF BILLS

Bookkeeper Allen Douthitt discussed the financials with the Board. The District is reporting four months into the fiscal year. There was discussion of how maintenance items should be coded. Some maintenance items should fall under routine and other non-routine in connection with the District's budget. This topic will be discussed further at the April board meeting. President Dennis Daniel advised that the District is still trending over budget on operations and may need to put something off to hit the budget this year. Bookkeeper Allen Douthitt reported on the District's tax collection. It appears that the late tax bills from Hays County contributed to the lower collection rate this year. As of January, the District was just over 75% and February hit 92% collection.

After discussion, President Dennis Daniel entertained a motion.

Motion: Approval of District financials and authorize payment of the vendor invoices, per diems and fund transfers as discussed.

Motion by: Assistant Secretary Gary Grass
Second by: Vice President Terri Purdy
The motion carried unanimously.

7. ITEMS FROM THE BOARD

- a. Requests for common area modifications
- b. Variances to Drought Contingency Plan requirements
- c. Amendments to Water Conservation Plan and Drought Contingency Plan
- d. Rate Order
- e. Resolution Requesting Approval of Use of Surplus Bond Proceeds

- f. Overall plan to improve wastewater plant efficiency and effluent irrigation
 - i. Proposals for construction of effluent irrigation facilities
 - ii. Contract for construction of effluent irrigation facilities
- g. Contract with Malone/Wheeler in connection with 210 effluent irrigation system
- h. Bar screen operations
- i. May 4, 2024 Director's Election (*4 de mayo de 2024 elección de directores*)
 - i. Order Declaring Unopposed Candidates Elected to Office and Cancelling Directors' Election (*Orden que Declara a los Candidatos sin Oponentes Electos a sus Cargos y Cancela la Elección*)
 - ii. Any and all action that are necessary or appropriate related to the directors' election (*Todas y cada una de las demás acciones que sean necesarias o apropiadas relacionadas con la elección de directores*)
- j. Committee Reports

Secretary Ron Meyer mentioned the possible maintenance items as discussed by Sandy Lake above in the HOA report.

Assistant Secretary Gary Grass discussed adding an item to the pool application checklist on variances if the District is in a certain drought stage. Attorney Bill Flickinger reminded the Board that it revised the Rules and Regulations at the last Board meeting, which includes the pool application as an exhibit. The summary of the changes was published as required. If a change to the pool application is needed, the summary will need to be republished. Manager Makenzi Scales stated that Inframark can send a reminder to residents on the Drought Contingency Plan stages.

Engineer Mark Kestner discussed the proposed LCRA changes to the Drought Contingency Plan and Water Conservation Plan. The District will need to revise its Plans to match the LCRA and PUA. The District will hold a public hearing at its April board meeting and adopt the Plans at that time. The Plans will need to be effective by May 1, 2024. President Dennis Daniel would like a redline of the Plans to be posted on the District's website for resident review ahead of the public hearing. President Dennis Daniel reported that he reviewed the last three years of water usage and looked at a seven-tier billing structure. There was discussion on considering a surcharge for the upper tiers when the District goes into Stage 3 watering restrictions. During the summer months, 25% of the District uses 30,000-40,000 gallons of water and 15% uses 40,000 gallons of water and above. 90% of the District uses 20,000 gallons of water or less during the winter. The purpose of a surcharge is to prompt reduction in use of water. If the District uses more water than what is reserved, the LCRA can proportion the amount of water available and charge a high price over the District's reserve. Next month, the District will go into once per week watering. President Dennis Daniel will draft a letter to the residents on the changes to the Drought Contingency Plan stages with the possibility of a surcharge. Secretary Ron Meyer would like to

see what other districts in the area are doing. The idea is not to punish residents for water use. Vice President Terri Purdy advised that she previously pulled other district information and believes the District is in line with others that are served by the LCRA/PUA. Engineer Mark Kestner stated that a surcharge makes sense if the District is being charged for going over the annual water reserve amount. The District's stages within the plan need to match up with the LCRA/PUA this round and also amend the water schedule to even/odd times, not the staggered address/date schedule as it is currently. Assistant Secretary John Genter inquired about what happens to the schedule when the District goes into twice a week watering. President Dennis Daniel would like Inframark to think about enforcement measures and bring an outline to the April board meeting for discussion. Manager Makenzi Scales discussed easier tracking efforts if the District had smart meters. President Dennis Daniel believes at this time, that project is too expensive. The Board discussed the meter life of the current meters, replacement with smart meters and timing of replacement. This might be a project to discuss during the upcoming budget preparations.

The surplus funds application has been prepared and is ready for submission to the TCEQ. The Resolution Requesting Approval of Use of Surplus Bond Proceeds was included in the agenda package.

President Dennis Daniel entertained a motion.

Motion: Adoption of Resolution Requesting Approval of Use of Surplus Bond Proceeds.

Motion by: Assistant Secretary Gary Grass
Second by: Assistant Secretary John Genter
The motion carried unanimously.

Engineer Mark Kestner discussed the overall improvements to the wastewater plant efficiency and irrigation. Three proposals were solicited for the skid mounted pumps and should be received in a couple of weeks. President Dennis Daniel is ready to go and asked that the information be sent to the committee as soon as it is received. President Dennis Daniel inquired about the installation costs and Engineer Mark Kestner reported that he is 90% complete on that task and will send the information to the committee tomorrow. President Dennis Daniel feels the project is behind the curve and needs to be accelerated. There was discussion of the remaining phases to complete the project. Engineer Mark Kestner will send that information to the committee as well.

President Dennis Daniel reviewed the proposal as sent by Malone/Wheeler and provided comments back to Engineer Dennis Lozano. Once the proposal is finalized, it will be executed as authorized at last month's board meeting.

President Dennis Daniel asked the Board if there were any takeaways from an operational standpoint regarding the bar screen issues. Assistant Secretary John Genter stated that he would like to see better documentation on maintenance items, specifically detail on the work that was done, as well as awareness of the wastewater plant's issues and quicker reaction times. Assistant

Secretary Gary Grass would like to see the operator check the contents of the discharge bag in a timely manner. Secretary Ron Meyer agreed and suggested adding that item to the operator's checklist. Vice President Terri Purdy agreed as well and suggested that when issues are observed and caught earlier that all visual indicators be reviewed to understand why an issue is arising. Secretary Ron Meyer added that he would like more third-party documentation on any work items at the wastewater plant. President Dennis Daniel would like Inframark accountability. If something is wrong, work to fix it quickly. Manager Makenzi Scales agreed to the Board's takeaways and understands their concern. Inframark has created an in-depth system for tracking all wastewater treatment plant items. Inframark also has a new operations manager, Jerald Connell, who is very hands-on and is working on getting things done on an expedited basis. President Dennis Daniel stated that he appreciates Inframark's effort and asked that Inframark take these comments to heart as he feels that operations have not been adequate.

Attorney Bill Flickinger reported that the District's election has been cancelled due to no contest. The Board Secretary has certified that Mark Olson and Eric Hart are unopposed. Mark Olson and Eric Hart will join the Board in May. The current directors and the new directors should plan on attending the May board meeting to help keep a quorum.

President Dennis Daniel entertained a motion.

Motion: Adoption of Order Declaring Unopposed Candidates Elected to Office and Cancelling Directors' Election.

Motion by: Vice President Terri Purdy

Second by: Secretary Ron Meyer

The motion carried unanimously.

Vice President Terri Purdy thanked everyone who applied to run for the Board of Directors. It is admirable to want to serve on the Board.

There were no further committee reports this month.

8. **ENGINEER'S REPORT AND REQUESTED APPROVALS**

- a. Wastewater Collection and Treatment Plant
- b. Water Supply and Distribution Systems
- c. Long-term Improvements and Asset Management Plan
- d. Emergency Management Plan(s)
- e. Stormwater and Water Quality System
- f. Approvals Related to Ongoing Construction Contracts
- g. Approvals to Upcoming Construction Contracts

Engineer Mark Kestner reported that he has already hit on all the highlights of his Engineer's Report. The Emergency Preparedness Plan for wastewater will rise back to the list in April. President Dennis Daniel asked why the wastewater flows are trending back up again. Engineer Mark Kestner advised that the flows do not correlate with any rise in I&I, population nor water use. It is possible this is an instrumental error with the weir. President Dennis Daniel

directed him to stay on this issue and find the error. President Dennis Daniel also asked that the Long-Term Improvements and Asset Management Plan be included in the Engineer's Report and that budgeted items in the Plan cannot be changed without Board approval.

9. OPERATIONS AND MAINTENANCE REPORT AND REQUESTED APPROVALS

- a. Administrative
- b. Improvement of wastewater treatment plant operations
- c. Sludge hauling expense
- d. Wastewater treatment plant and effluent subsurface irrigation
- e. Wastewater collection system
- f. Water distribution system
- g. Stormwater conveyance and pond maintenance
- h. Customer matters, complaints, reports and updates
- i. Customer billing and delinquencies
- j. Authorizations for expenditures related to contracts, repairs, replacements, operations improvements and maintenance

The Manager's Report was included in the agenda package for review and questions.

All facilities are in compliance for the month. The wastewater treatment plant is at 77% capacity. The total flows were 1.79 MG with an average flow of 61,840 gpd.

President Dennis Daniel asked that the fire hydrant at Mary Elise and Angela Rose be fixed before May so that the HOA can irrigate. Inframark opened the hydrant to investigate for a possible leak. It was determined that the stem and main seat valve will be removed so that a repair can be made. The hydrant will remain out of service until the repair has been completed.

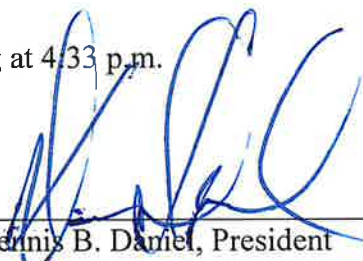
After review of the Permit Level Chart included in the Manager's Report, it was requested that the limit for the 210 irrigation be included.

10. ATTORNEY REPORT AND REQUESTED ACTIONS

Attorney Bill Flickinger had nothing to report.

11. ADJOURN

President Dennis Daniel adjourned the meeting at 4:33 p.m.



Dennis B. Daniel, President
Reunion Ranch WCID

ATTEST:

A handwritten signature in black ink, appearing to read 'Ron F. Meyer', written over a horizontal line.

Ronald F. Meyer, Secretary
Reunion Ranch WCID

[SEAL]