

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 March 21, 2013, 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 Todd Janssen, Vince Terracina, David Bosco, Bubba Sykes and Nathan Neese, thus constituting a quorum. All Directors were present.

Also present at the meeting were Michael Slack, Mike Willatt, Jeniffer Concienne, George Murfee, Mary Bott, Scott Manuel and Frank Krasovec.

3. CITIZEN COMMENTS

There were no citizen comments.

4. MINUTES OF PRIOR MEETING

The minutes of the prior meeting were included in the agenda package for consideration. President Todd Janssen entertained a motion for approval. Motion was made by Vince Terracina and seconded by David Bosco to approve the minutes of the February 19, 2013 meeting 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 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 that a letter is eminent on accepting the streets and utilities within the District. They are also close to finishing all of the punch list items. The wastewater system is

complete, but there is just not enough flow to be operational at this time. The offsite water line is also installed and finished. There is a bit of clean-up items left on this project. Mr. Slack stated that the models are all finished and open. Nine (9) homes have been sold to date. There was discussion of the average base price of the homes within the District. Homes on the 70' lots are approximately \$415,000 and the 90' lots are \$485,000. The 90' lots are selling better than the 70' lots. There are 71 lots in Section 1A. Mr. Slack also discussed getting the remainder of the 90' lots done and possibly bid out in May or June. That section will be 1C. With the interest in the District, the amenity center will be done sooner than later. Mr. Slack hopes to have it started around this time next year and completed in the fall of 2014. Possible features in the amenity center will be a pool, covered area, deck overlooking the creek and a clubhouse. There was also discussion of TxDOT widening FM 1826 to include a center left turn lane. Taylor Morrison paid for this turn lane.

6. 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

Scott Manuel briefly discussed his report on purchased water. He will include a report each month.

Engineer George Murfee reported on the offsite water line. There is still some clean-up items that need to be taken care of. Mr. Murfee stated that the PUA approved the contractor to get water hydrants for irrigation. The clean-up items need to be addressed first though. There was discussion of the extension of reservation period until June 30th to pay for impact fees. The PUA said they would send a letter to that effect, but it has not yet been received. It is important that letter is received soon. If not, Taylor Morrison will be required to pay for the reserved LUEs by March 31st. Michael Slack advised that he spoke with someone over at the TCEQ and they advised him that the District needs to be filed as a public water system ("PWS"). Scott Manuel indicated that on the water side items, has the TCEQ accepted the facilities for use? They will need to inspect the system. Engineer George Murfee said that he was not sure if the water plans have been submitted to the TCEQ. Mr. Murfee will look into this matter and get it worked out.

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

Mary Bott discussed the financials and the updated cash activity report. Ms. Bott also prepared a lot schedule that included a copy of the plats. This schedule will be included as part of the package from now on. After discussion, motion was made by Bubba Sykes and seconded by Nathan Neese to approve payment of the per diems, invoices and fund transfer to the bookkeeper's account as presented. The motion carried unanimously.

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

Michael Slack discussed the pay estimate for the FM 1826 Water Line Improvements with the Board, as included in the package. The reveg on that project was not done correctly. Engineer George Murfee indicated that it was the wrong seed mix and was not irrigated properly. The inspector reported yesterday that it was still not corrected. The contractor is working on a plan to correct this issue. The retainage on this project is still being held. There was discussion of the contractor submitting everything else for payment, except the reveg items. After discussion, President Todd Janssen entertained a motion for approval. Motion was made by David Bosco and seconded by Vince Terracina to approve the following pay estimate with the reveg items removed:

- Pay Estimate No. 8 in connection with the FM 1826 Water Line Improvements submitted by Nelson Lewis, Inc.

The motion carried unanimously.

Mr. Slack then recommended approval of the next pay estimate as included in the agenda package. After discussion, President Janssen entertained a motion for approval. Motion was made by Nathan Neese and seconded by Bubba Sykes to approve the following pay estimate as presented:

- Pay Estimate No. 9 in the amount of \$8,073.00 in connection with the RR Phase 1A Water, Wastewater and Drainage Improvements submitted by Nelson Lewis, Inc.

The motion carried unanimously.

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

It will be within the next few months before a contract is ready to award.

10. AMENDMENT OF WHOLESALE WATER CONTRACT WITH WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY


11. AMENDMENT OF FIRM WATER CONTRACT WITH LCRA (RAW WATER CONTRACT)

Attorney Mike Willatt discussed Items 10 & 11. Mr. Willatt and Michael Slack met with Don Rauschuber on the amendment of the wholesale water contract. The District has 480 LUEs contracted for but needs 540 LUEs. The PUA bases the calculation of LUE off of gallons of water used per day instead of a chart. George Murfee will get with Michael Slack to figure out the

District's usage. There was discussion of drip irrigation versus spray irrigation and a 210 permit from the TCEQ. Mr. Slack said that the District is only able to use drip irrigation. The consultants also discussed the reimbursement due to the District for the LCRA waterlines in Phases I, II & III. Mr. Slack wants to try to get the amendments done with the PUA and LCRA. No action was necessary at this time.

12. ADJOURN

President Todd Janssen adjourned the meeting.



Todd Janssen, President
Reunion Ranch WCID

ATTEST:



David J. Bosco, Secretary
Reunion Ranch WCID

