

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 April 15, 2025 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
John Genter – Vice President
Gary Grass – Secretary
Mark Olson - Assistant Secretary via Zoom
Eric Hart – 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, Chris Rosales with Murfee Engineering Company (“MEC”) and Lonnie Wright with Municipal Operations & Consulting, LLC (“MOC”).

Attending via Zoom were Bill Flickinger with Willatt & Flickinger, PLLC, Allen Douthitt with Bott & Douthitt, PLLC, Beth Wright with MOC, ElizaBeth Reeves and Katie May with Inframark and HOA representatives and residents consisting of Debbie Hanley, Eric Knustrom, Sandy Lake, Blake Gentry, Jay Patel, Leslie Daniel, Beth, Aman Dhingra, Ernestine “Ernie” Lopez, Tyler Walbridge, Christine H., Elizabeth Joiner-Milam, Chance Justice, Olivia Barnard, Brenda Rivera and Ron Meyer.

3. PUBLIC COMMENTS

President Dennis Daniel thanked everyone in attendance and is happy to have a large crowd and welcomed everyone to attend at any time in person or via Zoom. President Dennis Daniel reviewed the procedures for making comments on items on and off the agenda, including time limits. There are several items on the agenda that he believes the HOA and participants will

be interested in, including common area modifications, status of ongoing trail construction and HOA updates on current matters. President Dennis Daniel asked who would like to speak on items not on the agenda and the following advised they would like to speak: Sandy Lake, Ernie Lopez and Olivia Banard.

President Dennis Daniel then asked who would like to speak on items on the agenda and the following advised they would like to speak: Blake Gentry, Elizabeth Joiner-Milam, Sandy Lake and Aman Dhingra, all of those residents wanted to speak on Item 7a.

Resident Sandy Lake addressed the Board and indicated that she heard about a Facebook post whereby the HOA is blaming the WCID for not allowing a sports court at the pavilion and that the WCID has not provided any cost related information. Resident Sandy Lake asked why the WCID does not respond to posts on Facebook regarding District matters and how residents should communicate with the Board. Resident Ernie Lopez had the same question. Resident Olivia Barnard inquired about the District's bond payments and amortization schedule. She has called the HOA and Inframark several times and has not received the information.

President Dennis Daniel advised that he does not respond to Facebook because he cannot communicate with more than two directors so as to not create a rolling quorum. Also, if a director comments on Facebook, it will appear that they are taking a position for the whole Board, which may not be the case. The Board has been advised by its counsel that it is best to not participate on social media. The best way to communicate with the Board is to attend the monthly board meetings so that contact can be made with the whole Board or contact a single Board member at any time. Vice President John Genter stated that on the District's website, there is a list of the committees and a resident can reach out to the appropriate person. Attorney Bill Flickinger stated that the residents can contact a committee member and meet with them at any time. Vice President John Genter also noted that the Board is open to suggestions on getting more traffic directed to the District's website. Resident Olivia Barnard asked about additional bond information and when would they be paid off so that residents can see a tax savings. President Dennis Daniel advised that the bonds are not callable for a while. There was discussion of making additional bond payments due to the property values being so high. President Dennis Daniel discussed the District's tax rate and the split between M&O and debt service. The tax rate has been lowered in recent years. The District has two reserve goals being 1) a year reserve for operations and 2) a reserve for large expenditures so that the District does not run into financial difficulty.

4. MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained motions for the regular Board meeting minutes and the special Board meeting minutes.

Motion: Approve the board meeting minutes of March 18, 2025 as presented.

Motion by: Secretary Gary Grass

Second by: Vice President John Genter

The motion carried unanimously.

Motion: Approve the special board meeting minutes of April 1, 2025 as presented.

Motion by: Secretary Gary Grass

Second by: Assistant Secretary Eric Hart

The motion carried unanimously.

5. UPDATES REGARDING REUNION RANCH HOA MATTERS

HOA Board member Blake Gentry reported on the status of the ongoing trail construction between Adam Court and Jacksdaw. The first phase has been completed. The second phase will include resurfacing the upper area with asphalt and does not require a full rebuild with concrete as the other section did. They are waiting on completion of a nearby pool construction to proceed because that homeowner was allowed to use the trail during the pool construction. The HOA is also awaiting cost estimates to see if it changed due to the use of that trail during the pool construction. President Dennis Daniel advised him to contact Secretary Gary Grass on the scheduling and scope of the work so that the District and HOA can be in communication.

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

Bookkeeper Allen Douthitt reported on the District's financials through February. The District is \$14,000 to the good for the month, however he does not believe the Inframark invoice was received. The District's service revenues were on point this month. Assistant Secretary Eric Hart asked about the issues at lift station #1. Manager Katie May stated that previously the pump and transducer were replaced and that there have been call outs due to the buildup of grease and sludge. MOC will need to investigate this issue. Assistant Secretary Eric Hart also inquired about the generator data. Manager Katie May will pull the last two years' worth of data by next week or so and provide that information. Bookkeeper Allen Douthitt stated that the District's tax collection through March is 96%, leaving about \$100,000 to collect.

Secretary Gary Grass stated that the Murfee Engineering invoice was not received this month.

After discussion, President Dennis Daniel entertained the following motion:

Motion: Approve the District's financials and authorize payment of vendor invoices, per diems and authorize six fund transfers as discussed, except for payment to the LCRA.

Motion by: President Dennis Daniel

Second by: Secretary Gary Grass

The motion carried unanimously.

Vice President John Genter entertained the following motion:

Motion: Ratify and confirm payment to the LCRA as previously approved by Secretary Gary Grass.

Motion by: Vice President John Genter

Second by: Assistant Secretary Eric Hart

President Dennis Daniel abstained. The motion carried.

Bookkeeper Allen Douthitt stated that he can talk with Resident Olivia Barnard in connection with the District's bonds and that the information she is looking for is included in the District's audits, which are available on the District's website.

7. ITEMS FROM THE BOARD

- a. Requests for common area modifications
- b. Variances to Drought Contingency Plan requirements
- c. Water Conservation Plan discussion
- d. Professional Services Agreement with Municipal Operations & Consulting, LLC
- e. Professional Services Agreement with Inframark, LLC
- f. Committee Reports
 - i. Communications
 - ii. Operations
 - iii. Land Use & Water Quality
 - iv. Finance, Budget & Audit
 - v. Water Conservation & Drought Management
 - vi. Contractors' Review

President Dennis Daniel addressed the participants who wished to speak on the common area modifications. HOA Board member Blake Gentry discussed the potential sports court sites. As of last year, 70% of the residents wanted a sports court around the existing amenity center. More recently, the HOA asked the District for an analysis on potential sports court sites, particularly the drip field adjacent to the bridge. He understands the drip field is a complicated area but the residents do not understand all the aspects and just see a nice big open field. The residents deserve a detailed explanation on whether or not the drip field area could be used. If the existing drip field can be used, what are the costs to relocate the drip field and timeframe. The HOA did not get clear answers previously. The HOA looked at all open areas so that noise, light, parking, distance from homes, etc. would not be impactful to residents. There are only three spots available, which are: front of subdivision, very back between Adam Court and end of Reunion Ranch Boulevard and the drip field area by the amenity center. A clear answer from the District would be very helpful. The application process on the plan cannot be done unless the HOA has an answer if the drip field can be used or the associated costs of being able to use it. Blake Gentry thanked the District's committee for their work so far but there is still work to be done.

Resident Elizabeth Joiner-Milam stated that the WCID has been somewhat vilified on this project and asked what the WCID has communicated to the HOA on the use of the drip fields for

the sports court. She would also like to a simple “one-click” link on the District’s website to join the board meetings, as it was a bit hard to join today.

Resident Sandy Lake does not understand the cost that the HOA is looking for from the WCID. She would like to understand what the WCID considers a full application for the sports court and can the HOA members see the HOA submission. What is the timeframe for the WCID to review the application and provide an answer to the HOA.

Resident Aman Dhingra would like clarity on the communications from the WCID to the HOA on what can and cannot be done on the potential sports court options. He would like to better understand the details so the HOA can make a decision.

Resident Olivia Barnard suggested that a WCID liaison post a general comment each month on social media and then link them back to the District’s website for more information.

President Dennis Daniel stated that this Board and prior Board members discussed the amenities topic numerous times over the years at board meetings and with individuals, including with the current and past three HOA Board Presidents. This has been an ongoing conversation. After this discussion, if there are still questions that need to be answered, the District will take notes and try to get them answered. The District established a Land Use and Water Quality committee several years ago who can work with the HOA as requested at any time. The District and HOA Boards all live in the subdivision and are all for working in an efficient manner. This WCID Board is not taking positions at all if additional amenities should or should not be pursued. That is the HOA’s role and responsibility. The District’s role is to take care of the District’s assets, which are the water, wastewater and storm management systems. There are three locations that the HOA is interested in which are: at the front of the subdivision, back of the subdivision and the current amenity center drip field. The obstacles in using the drip fields are permitted by the TCEQ and the District has to maintain a certain area and condition so that the effluent from the wastewater treatment plant can be disposed of on the drip fields. The existing drip fields are not optional. The surface use works well so long the subsurface is not damaged. Using those fields for recreation has been encouraged. However, staking volleyball nets, etc. is frowned upon because it could cause leaks in the system. The District has placed signage in that area to show what and what not to do. These rules help to ensure that the permit is not violated. There is an earth berm between the amenity center and the drip fields place to stop the runoff from coming through the drip fields and keeping them saturated. The District was cited in the past due to standing water on the drip field and that is why the berm was built. If something is built on the drip field, then the drip field will need to be replaced with a new area. If that is the case, then the District will need to figure out a new location for the drip field, if and how to get new piping to it for effluent irrigation with the existing system, then go to the TCEQ for a permit amendment, which the renewal took about a year or so. Once it gets permitted, then get bids, go into construction and be sure all works appropriately and have the required monitoring in place. The District has an environmentally sensitive creek that runs through the neighborhood that is partly within the recharge zone of Edwards Aquifer. Vice President John Genter stated he is excited to see the today’s involvement and discussed all the acronyms used today because several years ago when he became a Board member, he did not know what all the acronyms meant. HOA Board member Blake Gentry thanked President Dennis Daniel and said in theory it appears possible to use the drip field area if

permitted, etc. However, how does the HOA get a clearer answer and what is the process. President Dennis Daniel stated that it may have been lightly dismissed before because of the length of time and the costs associated with the move of a drip field. To start the process of determining if the drip field is feasible, then the HOA's civil engineer will need to call the District's engineer for information. HOA Board member Blake Gentry asked if they could have access to the District's as-builts of the drip fields. President Dennis Daniel advised he would need to defer that request to the District's legal counsel. Those detailed plans are confidential by law. Attorney Bill Flickinger advised that the general rule is any drawing or design showing exact locations of District facilities is confidential per state law. The District can release general information but not the as-builts. HOA Board member Blake Gentry thanked the Board. Resident Sandy Lake asked who would pay for relocation of the District's drip field and the engineering involved with it. President Dennis Daniel advised this is an amenity matter and funding would come from the HOA. Resident Elizabeth Joiner-Milam had the same question and asked if it would in turn result in higher costs to the residents. President Dennis Daniel advised that the District operates under zero profit. The District's sources of funding are tax rates and service rates. Resident Elizabeth Joiner-Milam stated her argument is and has been that she is not sure there has been enough surveying by the HOA to know if this is what the majority of the residents want before going into what appears to be significant increases and costs. President Dennis Daniel understands that and reiterated that it is not for the WCID Board to decide. The application for common area modifications is on the District's website. The District does not approve individual use of the greenbelt first because it belongs to the HOA and that is why the HOA must first approve the use before coming to the WCID to see if there are any facilities in the path. Resident Sandy Lake confirmed that the WCID application is on its website, but if the process is difficult, people will not do it. Vice President John Genter stated the District will continue to work to be sure residents are informed on various matters within the neighborhood and again stated he is excited to see all the people today. Resident Aman Dhingra discussed the purpose of the drip field. It is his understanding that it is for the District's extra effluent disposal. If the need for the drip fields goes away, can the drip fields then be used. President Dennis Daniel stated that the need will only go away, if there is no wastewater or figure out a different way to treat the wastewater, which would be monumental.

The Board took a seven-minute break at this time.

President Dennis Daniel reported that two variances were approved last month.

President Dennis Daniel discussed the amendment to the Water Conservation Plan. The purpose is to make minor corrections to the plan. Engineer Chris Rosales reported that there was an update to the look back period from 2020 to the end of 2024 and changes to the calculations. President Dennis Daniel reported on what triggered the changes to the Water Conservation Plan. The population assumptions made when the District adopted the previous plan were different per house than what was listed. The information is based on census data being 2.5 per house. Previously 3.5 per house was used, which was the standard. The subdivision is less dense than others in the area.

President Dennis Daniel opened the public hearing on the amendment to the District's Water Conservation Plan and asked for any comments. Hearing no comments, President Dennis Daniel closed the public hearing.

After discussion, President Dennis Daniel entertained a motion.

Motion: Approve the Resolution Adopting Amended Water Conservation Plan as presented.

**Motion by: Secretary Gary Grass
Second by: Vice President John Genter
The motion carried unanimously.**

Regarding the District's Rate Order, Assistant Secretary Eric Hart discussed the draft Rate Order and doing a true up on the cost of service with MOC. The changes included an increase in inspection fees and changing the NSF fee to \$30.00.

After discussion, President Dennis Daniel entertained a motion.

Motion: Adopt amended Rate Order as presented.

**Motion by: Secretary Gary Grass
Second by: Assistant Secretary Eric Hart
The motion carried unanimously.**

Attorney Bill Flickinger stated that the District Rules and Regulations have a number of exhibits that needed to be updated from Inframark to MOC. These exhibits are still being drafted. In the body of the Rules and Regulations, there is a reference to Inframark that will need to be changed to MOC.

After discussion, President Dennis Daniel entertained a motion.

Motion: Authorize President Dennis Daniel or in his absence, Vice President John Genter to work with the District's attorney to make all revisions to the District's Rules and Regulations that are required due to the transition from Inframark to MOC and approve and execute the Rules and Regulations when finalized.

**Motion by: Assistant Eric Hart
Second by: Secretary Gary Grass
The motion carried unanimously.**

President Dennis Daniel asked for an update on the transition from Manager Katie May and Lonnie Wright. Ultimately, the District wants this transition to be as smooth as possible for all residents and asked if there is anything the Board can do to help with this transition. Manager Katie May will need the bill message to include information on the actual water bill on the transition and Lonnie Wright provided the bill insert to be included. Vice President John Genter reported on the transition process. Lonnie Wright, Assistant Secretary Mark Olson and Vice President John Genter worked on this communication. President Dennis Daniel thanked them for the work between all parties and asked Manager Katie May to pass that message along. Beginning

April 21st, if any residents have any issues, they will now need to contact MOC and will need to reestablish how bill pay is set up.

At this time, the Committees discussed their respective reports.

Assistant Secretary Mark Olson reported that MOC will be going door to door to hang door tags on the transition. The District's website will be updated on April 21st with all MOC details. Assistant Secretary Mark Olson reported that some of the information and documents has already been updated and reorganized on the District's website to make it easier to find information. Over the next several months, more information will be included on the District's website regarding the erosion trail, Wipes in the Pipes, rules regarding dirt piles and the pool approval process. It appears that residents are not aware that they have to get various approvals from the HOA and the District and possibly the City of Dripping Springs. As requested earlier, a "one-click" link to join the Zoom board meetings will be added on the website.

President Dennis Daniel advised that the committee has been focused on the transition and thanked Inframark for their help.

Assistant Secretary Gary Grass reported that the committee met with MEC to survey the erosion trail damage at Katie and Adam Court. The remediation plan will be approximately \$5,000. The District already spent \$1,400 to remove the salt that was placed to kill the grass. It will be about \$2,500 to remove the debris, rocks and tree clippings. Assistant Secretary Mark Olson would like to have some signage placed in that area as well. After discussion, President Dennis Daniel noted that the trail is on the HOA's land and asked if the HOA provided their permission, blessing and/or request for the District to do this work for them. Secretary Gary Grass advised that HOA Board member Jay Patel gave permission to the committee to move forward with the assessment and estimates from the District engineer. Secretary Gary Grass would like to get this done before further damage occurs and who and how it is paid for can be discussed at a later time. The area in question is in the District's drainage easement. President Dennis Daniel advised that the roles need to be reversed. HOA Board member Eric Knustrom advised that he will take this up with the HOA board and get back to the District's committee on this matter. President Dennis Daniel asked the committee to put the remediation plan into writing and provide it to the HOA. Resident Ron Meyer asked for a plan on access and details on mitigating the erosion, which would be good for the HOA to review. Resident Elizabeth Joiner-Milam asked if there is a way to convey to all members that it is not ok to alter trails. This is a significant expenditure that will be made by the HOA or WCID and ultimately the residents will have to pay for it. This action has a financial impact for all residents. President Dennis Daniel said that a message/email can be put out there on this issue. HOA Board member Jay Patel stated that the District already sent a message on this matter. President Dennis Daniel wants to send another message outlining the cost for the trail remediation. Secretary Gary Grass discussed the common area modification process. There was discussion as to if the resident knew that they should not be constructing new trails. HOA Board member Eric Knustrom advised that there are other areas that have been modified as well, knowing it should not be done, but people did it anyway because there are no consequences. If anyone knows this individual, please let the HOA know so it can be discussed with the individual. HOA Board member Eric Knustrom asked that the remediation plan be sent to the HOA's Manager FSR to provide to the HOA Board. President Dennis Daniel

proposed that the District's Land Use & Water Quality committee work with the HOA on this matter and possibly signage that says, "Stay Out, area being restored." Engineer Chris Rosales discussed the remediation plan on removal of rocks to allow water to be disbursed and returning the path back to nature. President Dennis Daniel noted that the rocks could be spread out and make berms to disrupt the water flow and disperse it appropriately.

Assistant Secretary Eric Hart reported that the committee met with Manager Katie May on invoice review. There was discussion on tracking stormwater costs versus sewer repairs and other sewer expenditures to see real costs. There was discussion of creating separate line items on reoccurring items. Bookkeeper Allen Douthitt stated that this may have already been carved out, but the information needs to be evident on the invoices so that it can be tracked properly.

President Dennis Daniel discussed the LCRA projection charts in relation to the drought. The District will probably hit Stage 3 by summer. Assistant Secretary Eric Hart asked if the WTCPUA plans to do anything on its storage issues and President Dennis Daniel asked Engineer Chris Rosales to provide an update on that question at next month's board meeting.

Attorney Bill Flickinger reported that the recent Open Records Request has been completed and all information was provided.

8. ENGINEER'S REPORT AND REQUESTED APPROVALS

- a. Operational – Water, Wastewater, Water Quality and Drainage Plant
- b. Utility Data Trends Analysis
- c. Emergency Management Plan(s)
- d. Long-term Improvements and Asset Management
 - i. 210 Conversion
- e. Approvals Related to Ongoing Construction Contracts
- f. Approvals to Upcoming Construction Contracts

Engineer Chris Rosales discussed the engineer's report as included in the agenda package.

The District's TLAP permit was received yesterday. However, the TCEQ only approved a 5-year renewal period instead of the requested 10-year renewal period. This was due to the District's violation history. President Dennis Daniel discussed the prior violations.

Engineer Chris Rosales reported on the water usage for March, which is trending upward as the spring/summer season approaches.

In regard to the WWTP effluent parameters, the BOD and turbidity continue to decline from previous months and are under the permit limits. E. coli and TSS levels remain low.

MEC is coordinating with MOC on the District's Emergency Management Plan.

Engineer Chris Rosales discussed the updated Long-Term Improvements and Asset Management Plan and noted that the dates in the report have been updated. Vice President John

Genter asked about the timeframe for providing effluent to the HOA. Engineer Chris Rosales stated by May 31st.

Engineer Chris Rosales reported that the Phase II irrigation line installation for the 210 conversion work has been completed. Austin Engineering submitted Pay Application #1 for \$56,730 for the irrigation line installation.

After discussion, President Dennis Daniel entertained a motion.

Motion: Approve Pay Application #1 submitted by Austin Engineering for the irrigation line installation for the 210 effluent project.

**Motion by: Vice President John Genter
Second by: Assistant Secretary Eric Hart
The motion carried unanimously.**

Engineer Chris Rosales reported that MEC has been acquired by Consor North America and they are currently in the transition period. Starting on Monday, MEC will go by Consor and all the contact emails will be changing as well. Attorney Bill Flickinger advised that Consor acquired MEC's stock.

9. OPERATIONS AND MAINTENANCE REPORT AND REQUESTED APPROVALS

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

Manager Katie May discussed the manager's report as included in the agenda package.

Inframark is continuing to work with the committee on invoice review. The next meeting will occur on May 5th and she will pull all the requested data.

As reported at the last board meeting, the cleaning estimate for Lift Stations 1 & 2 is \$4,425.60. MOC will review this request and provide a recommendation. Manager Katie May reported that Inframark investigated the turbidity meter and HACH found that the meter was unable to be repaired. The meter was pulled on February 26th and a quote came back on April 2nd. Inframark will send the information to MOC so that MOC can pick it up.

Manager Katie May reported that all District facilities are in compliance for the month of March. The plant is running at 69% capacity with flows at 1.713 MG and an average of 55,268 gpd. Manager Katie May stated that the spikes last month were likely due to the reading the meters at different times over the weekend.

Water accountability for March was 98.76%.

Manager Katie May reported that the outfall inspection reports were sent yesterday. No repairs have been completed due to the Inframark's contract ending. Going forward, MOC will handle matters as the District's Manager/Operator. Aquatic Features is now using a new system called Johnson Lake Management for their pond reporting.

President Dennis Daniel noted the uptick in the 60-day accounts receivables. Manager Katie May stated it is in line with more water usage for this time period.

President Dennis Daniel would like to add an agenda item for next month's meeting on waiver of late fees during transition between Inframark and MOC.

10. ATTORNEY REPORT AND REQUESTED ACTIONS

Attorney Bill Flickinger had nothing to report.

11. ADJOURN

President Dennis Daniel adjourned the meeting at 5:43 p.m.

/s/ Dennis B. Daniel, President
Reunion Ranch WCID

ATTEST:

/s/ Gary Grass, Secretary
Reunion Ranch WCID

[SEAL]