

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 April 19, 2016, 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 Vince Terracina, David Bosco and Bubba Sykes, constituting a quorum. President Nathan Neese and Assistant Secretary Joel DeSpain were absent.

Also present at the meeting were Michael Slack, Dennis Lozano, Frank Krasovec, Bill Flickinger, Allen Douthitt, Kristi Hester and Jeniffer Concienne.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETING

The minutes of the prior meeting were included in the agenda package for consideration. Motion was made by Bubba Sykes and seconded by David Bosco to approve the minutes of the March 15, 2016 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

Developer Michael Slack reported on the sales within the District. There has been a total of 156 homes sold to date. The average sales price of homes within the District is \$493,584.

There is not a lot to report right now since most of everything is built and accepted. The next phase will consist of 37 60' lots. The plans are at the TCEQ and County. Mr. Slack hopes to bid the project in late May/June and then be able to start construction in July. Frank Krasovec discussed sales within the District.

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

Engineer Dennis Lozano updated the Board on the wastewater permitting. As stated before, the prior application was pulled and will be resubmitted. The TCEQ wants more nitrogen level samples from ST. Once they have a good base, he will revise the application and refile it with TCEQ staff, which will be in support of the information provided.

8. RULEMAKING PROCEEDING AT TCEQ REQUESTED BY CITY OF AUSTIN TO AMEND TCEQ RULES IN 30 TAC CHAPTERS 222 AND 309 – REUSE OF TREATED WASTEWATER

Attorney Bill Flickinger provided information on rulemaking in regards to the reuse of treated effluent. There was discussion of the need to support the City of Austin in this process. Engineer Dennis Lozano stated that it will allow the District to receive credit against the wastewater disposal area, which otherwise would not be allowed. Michael Slack asked about the timing of this matter, in which Mr. Flickinger stated would be about a year or so to get through. Mr. Lozano stated that he heard that the TCEQ would hold its first hearing on this matter in May. After discussion, motion was made by Bubba Sykes and seconded by David Bosco to authorize the District's attorney and engineer to file documentation with the TCEQ in support of rulemaking procedures in connection with the reuse of treated effluent. The motion carried unanimously.

9. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 2ND BOND ISSUE

Engineer Dennis Lozano reported that he would like to have the District's 2nd bond application submitted to the TCEQ in May. He will need to have a Resolution prepared for the May meeting and will submit it under expedited review.

10. OPERATIONS AND MAINTENANCE REPORT
- A. Administrative
 - B. Wastewater Treatment Plant
 - C. Wastewater Grinder Stations
 - D. Effluent Irrigation System & Fields

- E. Distribution and Collection System
- F. Update TCEQ Disinfection Monthly Report

Manager Kristi Hester discussed her report as included in the agenda package. There was a compliance issue in connection with a valve. They went ahead and ordered a valve to get into compliance. She asks that the Board recommend replacing the valve at a cost not to exceed \$3,000. After discussion, motion was made by Vince Terracina and seconded by Bubba Sykes to approve replacement of the valve, not to exceed \$3,000. The motion carried unanimously. Vince Terracina reported that a sprinkler was running during the rainstorm. Ms. Hester will look into it because it should have had a rain sensor. Ms. Hester also reported on the new TCEQ rule on coliform. The next testing requirements will start this month and be an additional charge of \$500 per month. Since this is something new, it was not built in the base fee for the District. All is running well with the wastewater plant.

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

Bookkeeper Allen Douthitt discussed the financials with the Board and presented an updated cash activity report. Mr. Douthitt will void the per diems for Nathan Neese and Joel DeSpain due to their absence. There were 9 new connections and those impact fees will be sent to the PUA. The District's budget it on course. After discussion, motion was made by Vice President Vince Terracina and seconded by David Bosco to approve payment of the per diems, invoices and fund transfer to the bookkeeper's account as presented. The motion carried unanimously.

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

Developer Michael Slack discussed the following pay estimates and change orders. The following pay estimates were from some time ago and need to be approved and ratified:

Pay Estimate No. 6 in the amount of \$256,513.47 in connection with Reunion Ranch 13651 RM 1826 Project submitted by Waste Water Solutions; and

Pay Estimate No. 8 in the amount of a deduct of (\$13,320.00) in connection with Reunion Ranch 13651 RM 1826 Project submitted by Waste Water Solutions; and

Amendment #1 (Change Order #1) in the amount of a deduct of (\$7,544.00) in connection with Reunion Ranch Lift Station #1 submitted by Taylor Morrison; and

Amendment #2 (Change Order #2) in the amount of \$52,264.00 in connection with Reunion Ranch Lift Station #1 submitted by Taylor Morrison.

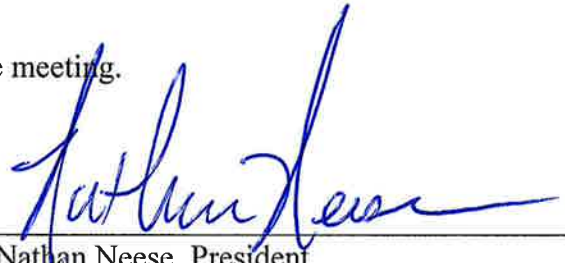
After discussion, motion was made by David Bosco and seconded by Bubba Sykes to approve and ratify the foregoing pay estimates as presented; and approve the foregoing change orders as presented. The motion carried unanimously.

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

Developer Michael Slack stated that he will probably have something for the Board to award in June or July.

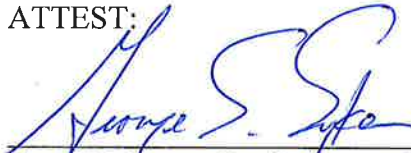
14. ADJOURN

Vice President Vince Terracina adjourned the meeting.



Nathan Neese, President
Reunion Ranch WCID

ATTEST:



David J. Bosco, Jr., Secretary
Reunion Ranch WCID

George S. Sykes, Jr.
Assistant Sec.

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Assistant Sec.

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