

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 2:00 p.m. on April 20, 2021 by remote access only in accordance with the March 16, 2020 Order by Governor Abbott temporarily suspending certain requirements of the Texas Open Meetings Act to advance the goal of limiting face-to-face meetings to slow the spread of COVID-19. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act and as modified by the Governor's Order.

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  
Terri Purdy – Vice President  
Ron Meyer - Secretary  
Thomas J. Rogers, Jr. – Assistant Secretary  
Nathan Neese – Assistant Secretary

thus constituting a quorum. All Directors were present.

Also present at the meeting were Bill Flickinger, Matt McPhail and Jeniffer Concienne with Willatt & Flickinger, PLLC, Andrea Wyatt and Evan Parker with Murfee Engineering, Allen Douthitt with Bott & Douthitt, Kristi Hester and Ronya Keyes with Inframark, LLC and Mike Moyer with Taylor Morrison.

3.    PUBLIC COMMENTS

Resident Linda Alvarez stated that the subdivision plans that are adjacent to her residence indicated that was a trail in that area. However, there is just an access point. Ms. Alvarez asked about making the area more user friendly, as the access point contains large rocks. Manager Kristi Hester advised that the large rocks are for equipment access. There was discussion and the Water Quality/Land Use committee will be reviewing the ponds and can always review that area. Director Ron Meyer stated that he walks in that area too and agrees it needs improvement. This item will be placed on next month's agenda for discussion.

4. MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained a motion for approval of the Minutes of March 16, 2021 board meeting. Motion was made by Ron Meyer and seconded by President Dennis Daniel to approve the Minutes 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

Mike Moyer reported on the building metrics in the District. A total of 483 homes have been sold, with 456 closings. The average sales price in the District is \$537,926. Taylor Morrison only has two homes left for sale. They should be done, and all closed within six months. President Dennis Daniel asked if those homes were the two on Katy. Mr. Moyer believes those are the model home locations.

Mr. Moyer noted a lot of interruptions at the wastewater plant, but the schedule appears to be on track.

Frank Krasovec submitted a written report in his absence. Reunion Reserve is down to having only 9 lots for sale. Heyl Homes is expected to take down those lots.

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

There was discussion of Pay Application No. 4 submitted by Excel Construction Services, LLC in the amount of \$175,656.60 for the WWTP expansion project.

President Dennis Daniel entertained a motion. Motion was made by Tom Rogers and seconded by Ron Meyer to approve payment of the foregoing pay application as presented. The motion carried unanimously.

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

This item was not discussed.

8. 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
  
9. WASTEWATER TREATMENT PLANT EXPANSION; WASTEWATER TREATMENT PLANT IMPROVEMENTS AND MODIFICATIONS; ALTERNATIVES FOR ADDITIONAL ODOR CONTROL MEASUREMENTS AT THE DISTRICT'S WASTEWATER PLANT AND FUNDING FOR SAME, INCLUDING POSSIBLE AGREEMENT WITH TAYLOR MORRISON ON FUNDING FOR SAME, INCLUDING POSSIBLE AGREEMENT WITH TAYLOR MORRISON ON FUNDING FOR SAME

Items 8 and 9 were discussed together.

Evan Parker discussed the engineer's report as included in the agenda package.

The wastewater flows are trending downward but will eventually go back up.

In regard to the WWTP expansion, the chlorine contact basin base and walls have been constructed and coated. Additionally, the effluent storage basin has been completed and received its exterior coating. Underground electrical conduits have been installed in the excavated area south of the existing pump building. Reports of spills from the effluent lift station as well as the effluent ground storage tank have been delaying the progress of the project. There was discussion of fixes to alleviate the spills. Pump and haul will be scheduled during peak flows. Inframark will provide the peak flow data. After discussion, motion was made by President Dennis Daniel and seconded by Tom Rogers to authorize scheduled pump and haul instead of emergency hauls. The motion carried unanimously. Inframark and Murfee Engineering are doing everything they can to get the project finished and will bring emergency items to the committee.

Engineer Andrea Wyatt explained that the spills have caused what looks like a 30-day delay with the expansion. Director Ron Meyer discussed the delay and related costs. Manager Kristi Hester noted that seven out of the last 12 months the plant has been running over capacity.

Vice President Terri Purdy discussed asking the residents to conserve wastewater. Manager Kristi Hester will work with Mrs. Purdy on this topic.

Manager Kristi Hester reported that zones 17, 18 & 19 were isolated three weeks ago and they still cannot mow due to saturation. This could actually be groundwater. They will still be looking into the matter.

Engineer Andrea Wyatt discussed odor issues, solutions, and costs. President Dennis Daniel asked Mike Moyer to outline a proposal from Taylor Morrison on their commitment to the

issue. Mr. Moyer reiterated that the expansion should be built as designed and then a 3<sup>rd</sup> party inspector can be hired to see if additional actions are needed.

10. REVIEW OF DISTRICT EASEMENTS AND LAND NECESSARY FOR DISTRICT OPERATIONS

Attorney Bill Flickinger stated that he contacted HOA attorney Bob Burton. He is working on the language for the easements and working on getting the easements up front. The District is interested in having approval authority over improvements constructed in areas where the District operates facilities.

Director Ron Meyer discussed land ownership within the District. He is aware of a discrepancy as noted on the appraisal district website. Mike Moyer advised that they are having title work done of all Taylor Morrison owned land and will advise of the outcome. Mr. Moyer believes in June, Taylor Morrison can start deeding land to the HOA.

11. COMMITTEE REPORTS, ASSIGNMENT AND MEMBERSHIP

- A. Wastewater Treatment Plant Improvements and Odor Control (Dennis & Terri)
- B. Communications (Terri & Dennis)
  - i. Board updates
- C. WTCPUA (Nathan & Dennis)
- D. Water Quality/Land Use (Ron & Terri)

Vice President Terri Purdy discussed the possibility of providing a summary of the Board meetings and posting it on the website and sending it out by eblast. That way, the residents can get a quick summary and will not have to read the entire minutes of each meeting. The Board agreed this is a good idea. After discussion, President Dennis Daniel entertained a motion. Motion was made by Ron Meyer and seconded by Nathan Neese to authorize the communications committee to prepare board meeting summaries for posting on website and sending via eblast. The motion carried unanimously.

There was discussion of the signs being posted around the irrigation fields. Manager Kristi Hester advised that the signs are done but need to be installed. She will be in the District on Friday and can get with Mrs. Purdy to pick the locations for installation.

12. 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 Complaints
- J. Stormwater conveyance & pond maintenance
- K. Landscaping
- L. Notices to residents on water quality
- M. Maintenance Items in connection with Pre-Purchase Inspection Letter submitted by TCEQ.
- N. Out of District Water/Wastewater Service Requests
- O. Policy Regarding Use of Greenspace and other District Property
- P. Pump rentals
- Q. Impact of winter storms on operation of water, wastewater and water quality systems; system performance as designed and system failures; actions take to address system failures; recommendations for repairs or improvements to systems; associated costs and possible application for disaster relief funds
- R. Insurance claims

Manager Kristi Hester discussed the Executive Summary with the Board.

The District currently has 504 active connections. 3.7 million gallons of water was purchased for the month of March. The District did not incur a water loss this period. Mrs. Hester reported 17 delinquent letters were mailed out, five door tags were hung. However, there were no disconnects of water service. The HOA was notified of an irrigation system leak at 420 Elise Way. Inframark shut down the hydrant to stop the flow.

Flows at the wastewater treatment plant totaled 1.47 MG, which averages 48,000 GPD. Plant capacity is at 96%. The effluent flows are skewed due to the fact the winter storm impacted the drip system pump operation. Inframark installed an isolation valve to shut down zones 17-19 on the main line to check saturation of the irrigation fields. After a couple of weeks, the fields were still saturated. Mrs. Hester reported that this could be ground water. They will be weed eating the grass down to check to see if it is ground water. Annual preventive maintenance was done on the generators. Pump repairs were made at the effluent site.

Pond inspections reports are included in the agenda package. Several repairs were made.

Mrs. Hester discussed maintenance at lift station #1. There was discussion of pump rentals.

13. EXPENDITURES, CONTRACTS, REPAIRS, REPLACEMENTS AND MAINTENANCE RELATED TO OPERATIONS AND MAINTENANCE REPORT IN ITEM 12 ABOVE

This item was not discussed.

14. BLX CONTRACT ADDENDUM FOR SERIES 2020 BOND ISSUE REVIEW

Attorney Bill Flickinger discussed the review on bond issues to check for arbitrage or excess interest earnings. The contract addendum is to add the 2020 issue to the schedule. After discussion, President Dennis Daniel entertained a motion. Motion was made by Tom Rogers and seconded by Terri Purdy to approve the BLX contract addendum as presented. The motion carried unanimously.

15. 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. The budget looks good this month. The expenditure in March for the spill efforts was \$78,000. President Dennis Daniel asked Mr. Douthitt to separate the costs from the freeze and the spills. As of right now, there is a \$51,000 favorable variance but that will be wiped when the invoices come in from the multiple spills. After discussion, President Daniel entertained a motion. Motion was made by Tom Rogers and seconded by Ron Meyer to approve the invoices, per diems and fund transfers as discussed. The motion carried unanimously.

16. 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

President Dennis Daniel announced that the Board of Directors will go into closed session for consultation with the District's attorney pursuant to Section 551.071 of the Texas Government Code regarding matters related to Agenda Item No. 16. The Board went into closed session at 3:22 p.m.

At 4:20 p.m., President Daniel announced that the Board of Directors had concluded its closed session and was returning to open meeting, and that no action was taken during the closed session.

17. ADJOURN

President Dennis Daniel entertained a motion for adjournment. Motion was made by Nathan Neese and seconded by Ron Meyer to adjourn the meeting. The motion carried unanimously.

  
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Dennis Daniel, President  
Reunion Ranch WCID

ATTEST:

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

Ronald F. Meyer, Secretary  
Reunion Ranch WCID

[SEAL]