

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 21, 2015, 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 Nathan Neese, Vince Terracina, David Bosco, Bubba Sykes and Joel DeSpain, thus constituting a quorum. All Directors were present.

Also present at the meeting were Michael Slack, Dennis Lozano, Mike Willatt, Bill Flickinger, Mary Bott, 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 Vince Terracina and seconded by Joel DeSpain to approve the minutes of the March 17, 2015 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 on the sales within the District. To date there have been 98 sales. 59 of those homes were on 70' lots and the other 39 were on 90' lots. The average sales price of homes within the District is \$495,752. There will be a new section that will open up for sales within

a few weeks. Sales have slowed down the last few months. There was no spring pop as usual. The bridge is basically complete except for the need to stain some areas. The boulevard is 90% complete. Section 2, Phase will consist of 140 lots. Mr. Slack stated that paving will begin next month. The main excavation for the lift station is done.

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 discussed his report as included in the agenda package. Mr. Lozano reported that the contractor working on the lift station wet well is requesting a change order due to the wet well being shallowed. Mr. Lozano also discussed the LCRA Firm Water Contract - Pro Rata Curtailment. The District already has a plan in place but the LCRA is requesting an update to the plan. The benchmark date was 20% higher than normal, but the District did not have usage during that testing time. The LCRA now wants to use calendar year 2014 for the District. Mr. Lozano asked the Board how they want him to handle the situation. After discussion, they agreed to give the LCRA some push back on an alternative method. Michael Slack stated that they are paying for water reservation anyway. Mr. Lozano presented an Agreement between Murfee Engineering and the District for the Provision of Limited Professional Services in connection with the LCRA curtailment plan. President Nathan Neese entertained a motion for approval. Motion was made by Bubba Sykes and seconded by President Neese to accept the limited professional services proposal as presented. The motion carried unanimously. Mr. Lozano said that he will prepare curtailment plan with growth included and turn it in to the LCRA for comments and then will go from there.

7. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 1ST BOND ISSUE

Dennis Lozano said that he is waiting on comments from the TCEQ. The application was filed on January 30th and was deemed administratively complete on March 17th. The TCEQ has 180 days to complete its review.

8. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant
- C. Wastewater Grinder Stations
- D. Effluent Irrigation System & Fields
- E. Distribution and Collection System

Manager Kristi Hester reported on the operations and maintenance of the District. There was 51 inspections in April and 8 new meters. There are 99 water connections. The wastewater treatment plant is operating well and is at 20% capacity. Dennis Lozano stated that the first phase

of the plant will get the District a lot further than first anticipated.

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

Mary Bott discussed the financials with the Board and presented an updated cash activity report. There is still \$3,500 outstanding in delinquent taxes, which consists of two owners. In regards to the District's budget, it is half way through the fiscal year and is running on a positive variance. That is due to the developer funding. After discussion, motion was made by President Nathan Neese and seconded by Joel DeSpain to approve payment of the per diems, invoices and fund transfer to the bookkeeper's account. The motion carried unanimously.

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

Michael Slack and Engineer Dennis Lozano reported on and recommended the following pay estimates and change orders:

Pay Estimate No. 3 in the amount of \$99,292.05 in connection with Reunion Ranch 2-2A Utilities submitted by DeNucci Constructors, LLC; and

Pay Estimate No. 4 in the amount of \$275,387.40 in connection with Reunion Ranch 2-2A Utilities submitted by DeNucci Constructors, LLC; and

Pay Estimate No. 1 in the amount of \$52,425.00 in connection with Reunion Ranch Lift Station submitted by Excel Construction Services, LLC; and

Pay Estimate No. 5 in the amount of \$84,841.20 in connection with the Reunion Ranch Phase Two, Section One, Street Excavation, Water, Wastewater, Drainage and Erosion Control submitted by Central Road and Utility, Ltd.; and

Pay Estimate No. 6 in the amount of \$57,565.90 in connection with the Reunion Ranch Phase Two, Section One, Street Excavation, Water, Wastewater, Drainage and Erosion Control submitted by Central Road and Utility, Ltd.; and

Pay Estimate No. 7 in the amount of \$97,447.05 in connection with the Reunion Ranch Phase Two, Section One, Street Excavation, Water, Wastewater, Drainage and Erosion Control submitted by Central Road and Utility, Ltd.; and

Change Order No. 1 in the amount of \$529,515.75 in connection with Reunion Ranch Phase 2 Section 2A Utilities submitted by Taylor Morrison; and

Change Order No. 2 in the amount of \$34,400.00 in connection with Reunion Ranch Phase 2 Section 2A Utilities submitted by Taylor Morrison; and

Change Order No. 2 in the amount of \$31,637.50 in connection with Reunion Ranch Phase 2 Section 1 Water, Wastewater and Drainage Improvements submitted by Taylor Morrison.

The reason for the large Change Order No. 1 is due to the project was all permitted as one, but then added Phase 2 Section 2B. There was discussion of the developer being at risk for reimbursement, but the change order was under the 25% rule in regards to the original contract price.


After discussion, President Nathan Neese entertained a motion for approval. Motion was made by David Bosco and seconded by Joel Despain to approve payment of the foregoing pay estimates and change orders as presented. The motion carried unanimously.

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

Michael Slack discussed the bids for Reunion Ranch Phase 2 Section 3. This section is Frank Krasovec's 39 custom lots. There were seven bids received. The low bidder was Austin Engineering Co. After discussion, President Nathan Neese entertained a motion for approval. Motion was made by Bubba Sykes and seconded by Vince Terracina to approve the award of contract to Austin Engineering Co. as the low bidder. The motion carried unanimously.


12. ADJOURN

President Nathan Neese adjourned the meeting.



Nathan Neese, President
Reunion Ranch WCID

ATTEST:



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

[SEAL]

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