

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 May 19, 2020 by remote access only in accordance with the March 27, 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:

Nathan Neese – President
Vince Terracina – Vice President
Thomas J. Rogers, Jr. - Secretary
George “Bubba” Sykes – Assistant Secretary
Dennis Daniel – 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, Dennis Lozano with Murfee Engineering, Allen Douthitt with Bott & Douthitt , Jesse Kennis and Makenzie Scales with Inframark, LLC, Mike Moyer and Michael Slack with Taylor Morrison, Frank Krasovec with Norwood Investments and upcoming board members Eileen Grass and Rick Triplett.

3. PUBLIC COMMENTS

There were no public comments made.

4. MINUTES OF PRIOR MEETINGS

President Nathan Neese entertained a motion for approval of the Minutes. Motion was made by Tom Rogers and seconded by Bubba Sykes to approve the April 21, 2020 meeting Minutes as presented. The motion carried unanimously.

5. STATEMENTS OF ELECTION OFFICER, OATHS OF OFFICE AND CERTIFICATES OF ELECTION

Attorney Bill Flickinger reported that Eileen Grass and Rick Triplett were elected to office. Bubba Sykes and Vince Terracina will be going off the Board. President Nathan Neese stated they both provided exceptional service to the District. Frank Krasovec stated that he is so very grateful and thankful for their many years of service. Michael Slack stated the same as did Director Dennis Daniel.

Jeniffer Conciencie swore in Eileen Grass and Rick Triplett into office as directors each for a four-year term. Director Grass and Director Triplett participated in the remainder of the meeting as directors.

6. ELECTION OF OFFICERS

Attorney Bill Flickinger stated that it is required to elect officers after each election. President Nathan Neese believes the roll of President fits Director Dennis Daniel. The other positions on the Board were also discussed. After discussion, motion was made by Tom Rogers and seconded by President Nathan Neese to elect the following officers: President Dennis Daniel, Vice President Rick Triplett, Secretary Tom Rogers, Assistant Secretary Eileen Grass and Assistant Secretary Nathan Neese. The motion carried unanimously.

7. DEVELOPER'S REPORT ON STATUS OF CONSTRUCTION WITHIN THE DISTRICT, DEVELOPMENT ENTITLEMENTS, PROVISION OF WATER, WASTEWATER AND DRAINAGE SERVICE 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 that sales are strong again this month. A total of 450 homes have been sold to date with 387 transactions being closed. The average sales price in the District is \$526,322.

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

This item was not discussed.

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

This item was not discussed.

10. 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
A. PROPOSAL FOR WASTEWATER LINE INSPECTIONS

Engineer Dennis Lozano discussed his report as included in the agenda package.

The bond application was submitted to the TCEQ under expedited review. Mr. Lozano will also request a meeting with the TCEQ to keep the process moving forward. Mr. Lozano discussed the process of the bond application with Directors Grass and Triplett. President Dennis Daniel advised that this bond issue is not expected to increase the tax rate for the District.

The wastewater flows and projections were included in the engineer's report. Once again, the misting system at the plant appears to increase the daily flows. President Dennis Daniel would like to look at using water from the clear well instead of potable water. Manager Jesse Kennis advised that this option has not yet been looked at. This water will need to be submetered. Mr. Kennis will bring this back to the meeting next month.

Mr. Lozano reported on the wastewater treatment plant expansion. Completion of the expansion will probably occur in May 2021.

Mr. Lozano is still working on collecting quotes for the wastewater line inspections. President Dennis Daniel inquired about the funding on this project. This is something that can be budgeted for each year, since it will need to be inspected every 5 years. As of right now, the cost will be paid out of the operating funds.

11. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 6TH BOND ISSUE

This item was discussed above in Item No. 10.

12. WASTEWATER TREATMENT PLANT EXPANSION; WASTEWATER TREATMENT PLANT IMPROVEMENTS AND MODIFICATIONS

President Dennis Daniel stated that he would like the completion date of the wastewater plant expansion to be held to May 2021. He does not want further delays. Engineer Dennis Lozano reported that he is working on analysis to be able to expedite the schedule. President Daniel would also like to see the preliminary plans.

13. COMMITTEE REPORTS.

- a. Trail/Map/Ownership committee (Trail system within the District; Map of the District/HOA property; conveyances, easements and/or license agreements to the District or HOA from developer)
- b. PUA Rate committee

14. MAINTENANCE AGREEMENT BETWEEN REUNION RANCH HOA AND THE DISTRICT FOR MAINTENANCE OF OPEN AREAS AND RIGHTS-OF-WAY

Items 13 and 14 were discussed together.

Attorney Bill Flickinger reported that he is still working on the documentation for the conveyance of common areas. Mr. Flickinger would like to set a committee meeting soon. Michael Slack advised that he is in talks with Attorney Bob Burton on the HOA side of things. No action is needed at this time.

15. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant
- C. Wastewater Grinder Stations
- D. Effluent Irrigation System & Fields
- E. Distribution & Collection System
- F. Billing Adjustments
- G. Delinquencies
- H. Customer Meter Issues
- I. Customer Complaints
- J. Stormwater conveyance and pond maintenance
- K. Landscaping
- L. Notices to residents on water quality
- M. Notice of Violations Issued by TCEQ dated August 5, 2019
- N. Maintenance Items in connection with Pre-Purchase Inspection Letter submitted by TCEQ

Manager Jesse Kennis discussed his Executive Summary of the Manager's Report.

Mr. Kennis discussed the water system with the Board. The District currently has 453 active connections. 3.9 million gallons of water was consumed in April. The District incurred at 2.66% water loss. In regard to the delinquencies, 14 letters were mailed out. Mr. Kennis advised that there have been no payment plant requests at this time.

Mr. Kennis discussed the wastewater system for the month of April. For April, the BOD and TSS were in compliance. The flows peaked at 46,000 gallons per day, which is 92%. Again, this is most likely due to the misters. Mr. Kennis is working on a solution.

The drip field repairs were completed by Pios. Mr. Kennis reported that drip field 24, which is south of the amenity center had a leak as well. That has been repaired too. The polymer pump for the sludge box was received today. It will take about 10 days to install and be operational. The site prep coordination meeting will be held on May 14th.

Mr. Kennis discussed the recent odor complaints by the residents.

There was discussion of the drainage/ponds within the District. Aquatic Features, Inc. submitted a proposal for maintenance of the District's four water quality ponds. Total monthly maintenance will be \$680 plus chemicals. Attorney Bill Flickinger advised that he is concerned with the provisions of the contract and it should be reviewed for revisions. After discussion, motion was made by President Dennis Daniel and seconded by Nathan Neese to approve the proposal by Aquatic Features, Inc. pending legal review. The motion carried unanimously. Director Eileen Grass mentioned there has been drainage issues for years by the playground. Engineer Dennis Lozano stated that he would drive by that area and take a look. Director Grass would like to accompany them on the site visit. Manager Jesse Kennis will notify them of that request.

16. EXPENDITURES, CONTRACTS, REPAIRS, REPLACEMENTS AND MAINTENANCE RELATED TO OPERATIONS AND MAINTENANCE REPORT IN ITEM 15 ABOVE

This item was not discussed.

17. EXTENSION OF MORATORIUM ON DISCONNECTIONS OF WATER SERVICE FOR NON-PAYMENT

Attorney Bill Flickinger reported that at the last meeting, the Board approved the moratorium on disconnections of water service for non-payment until the next board meeting. Manager Jesse Kennis advised that no payment plan requests have been made. President Dennis Daniel asked how many accounts should have been disconnected under normal circumstances. Mr. Kennis reported that 14 delinquent letters were mailed out maybe three or four should be disconnected. After discussion to extend the moratorium month to month, motion was made by President Dennis Daniel and seconded by Rick Triplett to continue the moratorium on disconnections of water service until the next board regular board meeting. The motion carried unanimously.

18. COMMUNICATION CHANNELS WITH CUSTOMERS/RESIDENTS

This item was not discussed.

19. BOOKKEEPER'S REPORT ON THE FINANCIAL AFFAIRS OF THE DISTRICT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS

Bookkeeper Allen Douthitt discussed the updated cash activity report with the Board. Mr. Douthitt stated that he would be glad to discuss all the financials and processes in detail with the

new directors, at another date that works for them. Today's consideration will include payment of vendor invoices, per diems and fund transfers. After discussion, motion was made by President Dennis Daniel and seconded by Tom Rogers to approve payment of the vendor invoices, per diems and authorization of the fund transfers as presented. The motion carried unanimously.

20. WEST TRAVIS COUNTY PUA MATTERS

This item was not discussed.

21. RATE ORDER

Attorney Bill Flickinger reiterated that this item is on the agenda to discuss the possibility of an effluent charge if the Board chooses to do so.

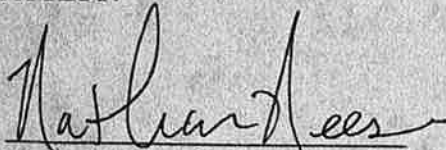
22. ADJOURN

President Dennis Daniel adjourned the meeting.



Dennis Daniel, President
Reunion Ranch WCID

ATTEST:



Nathan Neese, Assistant Secretary
Reunion Ranch WCID

[SEAL]