

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 June 16, 2020 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
Rick Triplett – Vice President
Thomas J. Rogers, Jr. - Secretary
Nathan Neese – Assistant Secretary
Eileen Grass – 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, Kristi Hester and Ronja Keyes with Inframark, LLC and Mike Moyer with Taylor Morrison.

3. PUBLIC COMMENTS

There were no public comments made.

4. MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained a motion for approval of the Minutes. Motion was made by Nathan Neese and seconded by Tom Rogers to approve the May 19, 2020 meeting 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 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 red hot again this reporting period. A total of 457 homes have been sold to date with 397 transactions being closed. The average sales price in the District is \$527,370, which is over a \$1,000 increase.

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

This item was not discussed.

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, 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.

Mr. Lozano discussed the bid tabulation and recommendation of award for the wastewater collection line inspection. He received three bids. The low bidder was National Works, Inc. at \$54,576.80. Mr. Lozano stated that once the Notice to Proceed is issued, the project should take approximately two weeks to complete. After discussion, President Dennis Daniel entertained a motion for approval. Motion was made by Nathan Neese and seconded by Tom Rogers to approve award of contract to National Works, Inc. on the condition of receiving the required Form 1295 and HB 89 verification. The motion carried unanimously.

Mr. Lozano then discussed the out of district service request from Real Life Church. They would like to drill a well on their property for service. Actual service from the District is not needed, it is just part of the application process. Attorney Bill Flickinger advised that there is no legal obligation to serve them since they are out of district. After discussion, President Dennis Daniel entertained a motion for approval. Motion was made by Nathan Neese and Tom Rogers to decline the service request by Real Life Church. The motion carried unanimously.

There was discussion of the misting system around the wastewater plant. Manager Kristi Hester reported that the misting system was moved away from the basin to the fence line. It is hoped that this will reduce the flows.

President Daniel requested to review the preliminary wastewater treatment plant costs before the project is bid out. He asked Mr. Lozano to send it to the committee of himself and Rick Triplett for review. Mr. Lozano advised that he will schedule a meeting with the committee to review it.

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

This item was not discussed.

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

This item was not discussed.

11. 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

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

Items 11 and 12 were discussed together.

Attorney Bill Flickinger advised that Attorney Matt McPhail sent an e-mail to the committee regarding the discussion with the HOA attorney Bob Burton. Mike Moyer asked Mr. McPhail to forward that e-mail to him.

13. 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 Kristi Hester discussed the Executive Summary of the Manager's Report.

Mrs. Hester discussed the water system with the Board. The District currently has 459 active connections. 9.3 million gallons of water were consumed in May. The District incurred a 2.66% water loss during this period. In regard to the delinquencies, 20 letters were mailed out. Mrs. Hester advised that there have been no payment plant requests at this time.

Mrs. Hester discussed the wastewater system for the month of May. The BOD and TSS remained in compliance. The flows peaked at 49,800 gallons per day, which is 100%. As stated above, Mrs. Hester reported that the mister water meter was installed. The mister nozzles were relocated to avoid potable water flow into the reactor basin and EQ basin.

Mrs. Hester reported on the status of the sludge box. The electrical components are complete, as well as the pad site preparation. The polymer injector ring arrived, and all should be up and running by the end of the week.

There was discussion of the pond inspection report. Mrs. Hester will send the last report to President Dennis Daniel for review. The outfalls need cleaning. Director Eileen Grass discussed the condition of the trails and the drainage in those areas. Developer Mike Moyer reported that they are going to remove 150-feet of the trail and replace it with concrete sidewalks. There was discussion of the drainage under the sidewalks.

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

This item was not discussed.

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

Attorney Bill Flickinger reiterated that at the last meeting, the Board approved the moratorium on disconnections of water service for non-payment until the next board meeting. President Dennis Daniel stated he would like to continue the moratorium from month to month. After discussion to extend the moratorium month to month, President Dennis Daniel entertained a motion for approval. Motion was made by Rick Triplett and seconded by President Daniel to continue the moratorium on disconnections of water service until the next board regular board meeting. The motion carried unanimously.

16. COMMUNICATION CHANNELS WITH CUSTOMERS/RESIDENTS

President Dennis Daniel would like to see the statistics on the website for the next Board meeting.

17. 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. Today's consideration will include payment of vendor invoices, per diems and two fund transfers. Mr. Douthitt discussed the hit to the District's budget due to the turnover at the plant. Manager Kristi Hester reported that the water usage is up. The average consumption is 15,000 gallons. The additional water and sewer sales were helpful. After discussion, President Dennis Daniel entertained a motion for approval. Motion was made by Tom Rogers and seconded by Nathan Neese to approve payment of the vendor invoices, per diems and authorization of the fund transfers as presented. The motion carried unanimously.

18. WEST TRAVIS COUNTY PUA MATTERS

President Dennis Daniel asked if the District is on the same schedule as the PUA with regard to their Drought Contingency Plan. Attorney Bill Flickinger advised that late last year, the District's plan was updated along with the PUA. Mr. Flickinger is not aware of any new updates.

19. RATE ORDER

Developer Mike Moyer would like to know if the District is going to charge for effluent. When the District began charging the HOA for potable water, its irrigation budget increased by \$100,000. He is trying to determine rates so that the HOA can see if whether or not to raise dues to cover the costs. Once the treatment plant expansion is done, will it be possible to convert to effluent for most of irrigation area. Engineer Dennis Lozano stated there will be a deficient amount of effluent water. Additional potable water will be needed to supplement the supply. There will not be enough effluent to go around. The expansion does not include all necessary steps to convert to full effluent irrigation. Mr. Lozano stated that he should start that work this summer.

President Dennis Daniel asked Mr. Lozano to bring a list to next board meeting on what all he needs to get started so that authorization can be given to stay ahead of the game.

Mr. Lozano mentioned that the open fields in the front of subdivision currently take the bulk of irrigation. If you divert some of that irrigation, it might change the character of subdivision.

President Daniel asked Mr. Moyer when he anticipates that Taylor Morrison will be out of HOA. Mr. Moyer advised that mid-2022 is the current projection. Mr. Moyer reported that they are about to elect the first HOA resident to the Board. President Daniel asked if that projection included the reserve lots as well. Mr. Moyer will have to check on that. After further discussion, President Daniel reiterated that he does not want to charge the HOA for effluent and only continue to charge the HOA for the potable water equal to the cost to the District.

As of now, until the plant expansion is complete or the common areas are conveyed to the District, the HOA will continue to use potable water for irrigation.

20. ADJOURN

President Dennis Daniel adjourned the meeting.



Dennis Daniel, President
Reunion Ranch WCID

ATTEST:



Nathan Neese, Assistant Secretary
Reunion Ranch WCID

[SEAL]