

MINUTES OF SPECIAL MEETING
OF
REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT

STATE OF TEXAS §
 §
COUNTY OF HAYS §

The special meeting of the Board of Directors of Reunion Ranch Water Control and Improvement District, open to the public, was held on June 21, 2012, 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 Todd Janssen, Vince Terracina and Nathan Neese, thus constituting a quorum. George Sykes and David Bosco were absent.

Also present at the meeting were Adib Khoury, Michael Slack, Mike Willatt, Jeniffer Concienne and Mary Bott.

3. CITIZEN COMMENTS

There were no citizen comments.

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 President Todd Janssen to approve the minutes of the May 24, 2012 meeting as presented. The motion carried unanimously.

5. ANNEXATION OF TAYLOR MORRISON, INC. 33.05-ACRE TRACT

Attorney Mike Willatt discussed the annexation of the 33.05-acre tract into the District. Once this annexation is approved, a letter will be sent to the Department of Justice as required, as well as the county clerk, TCEQ, Hays Central Appraisal District and tax assessor/collector. After discussion, motion was made by Nathan Neese and seconded by President Todd Janssen to adopt the Order Annexing Land and Redefining District Boundary as presented. The motion carried unanimously.

6. 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 construction within the District. The boring should be completed today. The streets are rough cut and the utilities should begin next week. The project is moving along well. There was discussion of a tie-in. Engineer George Murfee is working on processing a plan revision and change order. There was also discussion on the process of awarding contracts and the bonding capacity. Attorney Mike Willatt stated that Engineer George Murfee should take a look at the bonding capacity. There is mention of the bonding capacity in the Consent Agreement and Mr. Willatt will look at that agreement.

7. 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 George Murfee did not attend the meeting.

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

Mary Bott discussed the financials as included in the agenda package. The District's bank account has been opened and the developer has funded it. There was discussion of the reservation fee and payment by the developer. Ms. Bott discussed the need to amend the budget and that item will be placed on next month's agenda. Adib Khoury discussed the LUE agreement. The agreement requires all the LUEs to be purchased by April 2013. Attorney Mike Willatt discussed this matter further. Nathan Neese asked if the LUEs should be purchased this year, instead of waiting until April of 2013. Mr. Willatt will take a look at the LCRA agreement on this issue. After discussion, motion was made by Vince Terracina and seconded by Nathan Neese to approve the payment of the invoices as presented. The motion carried unanimously.

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

No action was needed on this item.

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

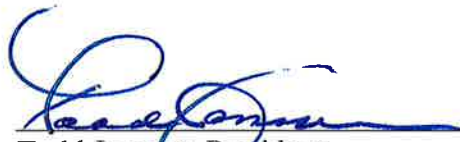
No action was needed on this item.

11. RESOLUTION REGARDING ANNUAL REVIEW OF DISTRICT INVESTMENT POLICY AND INVESTMENT STRATEGIES

Attorney Mike Willatt reported that the legislature recently made changes to what is required to be in the investment policy. It is required by law that the District adopt an investment policy. The District's policy is a standard policy as the District is funded by the developer and has no funds to invest. After discussion, motion was made by Vince Terracina and seconded by President Todd Janssen to adopt the Resolution Regarding Annual Review of District Investment Policy and Investment Strategies as presented. The motion carried unanimously.


12. ADJOURN

The meeting was adjourned.



Todd Janssen, President
Reunion Ranch WCID

ATTEST:



David J. Bosco, Secretary
Reunion Ranch WCID

