

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 June 21, 2016, 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 and Bubba Sykes, constituting a quorum. Assistant Secretary Joel DeSpain were absent.

Also present at the meeting were Michael Slack, Dennis Lozano, Bill Flickinger, Allen Douthitt, Kristi Hester, Mike Ehrhardt 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 David Bosco and seconded by Vince Terracina to approve the minutes of the May 17, 2016 meeting as presented. The motion carried unanimously.

5.     ACCEPT RESIGNATION OF JOEL DESPAIN

Jeniffer Concienne reported that Joel DeSpain will need to resign due to his work load. This item is not yet ready for action.

6.     APPOINTMENT DIRECTOR TO FILL UNEXPIRED TERM OF OFFICE FOR JOEL DESPAIN

Mike Ehrhardt attended the board meeting to meet the Board of Directors. No action was taken.

7. ELECTION OF OFFICERS

No action was taken on this item.

8. 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

Developer Michael Slack reported on the sales within the District. There have been a total of 160 homes sold to date. The breakdown is as follows: 20 homes sold on 60' lots, 78 sold on 70' lots, 12 sold on 80' lots and 50 sold on 90' lots. The average sales price of homes within the District is \$495,058.

Phase 3, Section 1 that will contain 37 60' lots has been delayed a bit due to sales. They will probably start advertising next month.

9. 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 reported that there is not a lot going on in the District. Mr. Lozano will be submitting the revised wastewater permit application soon. Mr. Lozano also stated that he is working with Taylor Morrison on the irrigation to the right-of-way.

10. RULEMAKING PROCEEDING AT TCEQ REQUESTED BY CITY OF AUSTIN TO AMEND TCEQ RULES IN 30 TAC CHAPTERS 222 AND 309 – REUSE OF TREATED WASTEAWTER

Engineer Dennis Lozano is tracking the progress and will advise the Board of any updates once they occur. It will probably be about a year before the rule comes out.

11. ANY OTHER ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 2<sup>ND</sup> BOND ISSUE

Engineer Dennis Lozano is finalizing the bond application and will be filing it on an expedited review very soon.

12. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant
- C. Wastewater Grinder Stations
- D. Effluent Irrigation System & Fields
- E. Distribution and Collection System
- F. Update TCEQ Disinfection Monthly Report

Manager Kristi Hester discussed her report as included in the agenda package. There are 154 residential connections and the consumption for residential and hydrant/tracking is 2.6 million gallons. The average household use is 11,188 gallons per month. There was discussion of switching to a 210 permit for irrigation instead of using potable water.

There were six delinquent letters sent to residents and one door tag. All water bills have been paid and there were no cut-offs.

The water quality monitoring looks good and there is 97% water accountability. The TSS is under control and in compliance.

Mrs. Hester reported that the wastewater plant is running at 32% capacity.

There was discussion of the Drought Contingency Plan. There is some confusion on permanent and voluntary water restrictions. Attorney Bill Flickinger discussed same and agreed it was a bit confusing. After discussion, the consensus was to remove the water restriction signs within the District.

Maintenance on the water quality pond will begin this month.

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

Bookkeeper Allen Douthitt discussed the financials and presented an updated cash activity report. For today's consideration, there are payments for per diems and invoices and two fund transfers. Mr. Douthitt stated that the budget is well ahead of plan due to high water sales and connection fees. After discussion, motion was made by President Nathan Neese and seconded by Bubba Sykes to approve payment of the per diems, invoices and fund transfers from the TexPool Operating Account to the regular operating account and to the bookkeeper's account as presented. The motion carried unanimously.

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

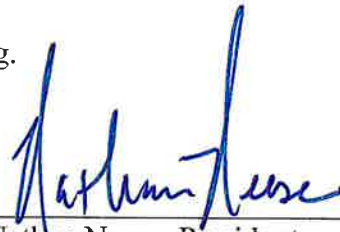
This item was not discussed.

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

This item was not discussed.

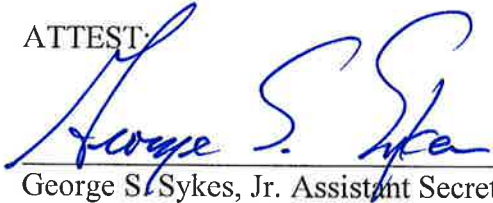
16. ADJOURN

President Nathan Neese adjourned the meeting.



Nathan Neese, President  
Reunion Ranch WCID

ATTEST:



George S. Sykes, Jr. Assistant Secretary  
Reunion Ranch WCID

[SEAL]