

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 July 19, 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, David Bosco, George Sykes and Nathan Neese, thus constituting a quorum. All Directors were present.

Also present at the meeting were Adib Khoury, Michael Slack, Mike Willatt, Jeniffer Concienne, George Murfee 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 Bubba Sykes and seconded by President Todd Janssen to approve the minutes of the June 21, 2012 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 that all three contracts are under construction. The contractors will be installing the wastewater next week. The treatment plant is underway with the steel going vertical. George Murfee presented photos of the work being done on the plant. The off-site water

line easements are cleared and the contractors will start trenching next week for installation. There was discussion of an easement going around a tree in regard to the water line instead of having to remove the tree. The project is moving right along.

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 George Murfee discussed an upcoming change order in connection with the water line. This will allow the construction water to be available sooner than later. There was further discussion on protecting the trees due to the installation of the water line. Mr. Murfee reiterated that the project is moving forward.

7. BOOKKEEPER'S REPORT ON THE FINANCIAL AFFAIRS OF THE DISTRICT, INCLUDING AUTHORIZATION OF PAYMENTS OF BILLS  
a. Opening of manager's account

Mary Bott discussed the financials as included in the agenda package. There was discussion of the District being ahead of budget, due to the PUA fees not being budgeted for. The Board can consider amending the budget in the next item. Ms. Bott discussed with the Board the need to open up a manager's account to pay time sensitive bills to avoid any late fees. The Board can decide on an amount to keep in the account and will have to authorize and sign a check to replenish that account when a check is written out of it. Ms. Bott will provide a line item on the bookkeeper's report to document any transactions on that account. After discussion, motion was made by President Todd Janssen and seconded by Bubba Sykes to approve payment of the per diems, vendor payments, fund transfer and opening of the manager's account. The motion carried unanimously.

8. ORDER AMENDING BUDGET

Mary Bott discussed the two line items that were changed in the budget. Under revenues, the developer advances were increased and under expenses, the PUA fees for the water reservation fee were added. Taylor Morrison was paying the PUA fee directly, but now it will need to be routed through the District. This will be an easy way to track for future bond reimbursement. After discussion, motion was made by Nathan Neese and seconded by David Bosco to adopt the Order Amending Budget 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

Michael Slack discussed the three pay estimates as included in the agenda package. Adib Khoury discussed the process of approving the pay estimates by the engineer, developer and the Board. The pay estimates must receive Board approval so that future bond reimbursement can be received. President Todd Janssen inquired about the lien releases being attached to the pay estimates prior to distribution. Mr. Slack confirmed that they were. There was also discussion as to what items are bond reimbursable. The retainage on these three projects are being held at this time. After discussion, motion was made by President Todd Janssen and seconded by David Bosco to approve the following pay estimates:

- Pay Estimate No. 1 in the amount of \$182,230.56 in connection with the RR Phase 1A - Wastewater Treatment Plant submitted by Waste Water Solutions; and
- Pay Estimate No. 1 in the amount of \$643,460.19 in connection with the FM 1826 16" Water Line Improvements submitted by Nelson Lewis, Inc.; and
- Pay Estimate No. 1 in the amount of \$92,583.00 in connection with the RR Phase 1A Water, Wastewater and Drainage Improvements submitted by Nelson Lewis, Inc.

The motion carried unanimously.

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

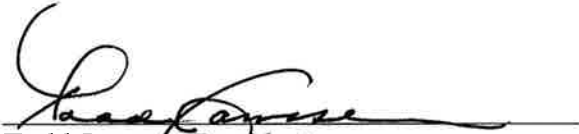
No action was needed on this item.

11. RESOLUTION ESTABLISHING OFFICES, MEETING PLACES AND REGULAR MEETING TIMES


Jeniffer Concienne presented a Resolution on Establishing Offices, Meeting Places and Regular Meeting Times as previously requested. The Board discussed the current meeting date and time and elected to amend it. After discussion, motion was made by David Bosco and seconded by Vince Terracina to adopt the Resolution Establishing Offices, Meeting Places and Regular Meeting Times with the inclusion of the 3<sup>rd</sup> Tuesday of each month at 2:00 p.m. being the regular meeting time. The motion carried unanimously. Mrs. Concienne reiterated that the Resolution will be filed with the TCEQ and published in the newspaper as required.

12. ADJOURN

The meeting was adjourned.

  
Todd Janssen, President  
Reunion Ranch WCID

ATTEST:

  
David J. Bosco, Secretary  
Reunion Ranch WCID

