

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 September 10, 2014, 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, Bubba Sykes and Joel DeSpain, thus constituting a quorum. All Directors were present.

Also present at the meeting were Michael Slack, George Murfee, Mike Willatt, Mary Bott, Scott Manuel and Jeniffer Concienne.

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. President Nathan Neese entertained a motion for approval. Motion was made by Bubba Sykes and seconded by David Bosco to approve the minutes of the August 19, 2014 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 phases which are on the ground are completed and accepted. They have bid Phase 2-1, which is the bridge and extension of the boulevard. However, the award

is not yet ready. Mr. Slack will bring it to the next meeting. They will hold the pre-construction meeting tomorrow. There was discussion of the bids. The bridge and paving was on budget but the utilities was over budget due to the work needed on the mountain side and retainage wall. The bridge work should begin in about a couple of weeks. Mr. Slack also reported that there has been 77 sales to date with the average home price at \$499,000.

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 said that they are working on three projects for the District. The first being the permit renewals. The draft permits have been received and the comment period has expired. No comments were received. The second matter deals with the major amendment to the permit. They will be consolidating the two permits into one and that should be submitted next week. The last project is the bonds. They are pulling together all the boiler plate information and gathering all the reimbursement items. The application should be submitted to the TCEQ this month. The District's financial advisor, Garry Kimball and bond Counsel, Carol Polumbo will be completing their work soon. The first issue is estimated to be around \$3.5 million.

7. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 1ST BOND ISSUE

This item was discussed above.

8. OPERATIONS AND MAINTENANCE REPORT

Scott Manuel discussed his report with the Board. The water loss is up again this period. He believes it is attributed to increased flows due to chlorination problems. The PUA is currently having issues with chlorination. The sewer plant is running at a 4% capacity. Mr. Manuel presented an Executive Summary since the last board meeting. The first TCEQ inspection went as expected. There was a violation on chlorination residual. The TCEQ inspector asked for a lot of information and Mr. Manuel is pulling all that together for him. The inspector is concerned that the amenity center and wastewater plant is too close together. They will pull the plans to check on the buffer. Mr. Manuel is not aware of any variance. Vince Terracina asked about what could be done to fix the chlorination violation. Mr. Manuel explained that once more homes come online and the plant is used more, it will not be an issue. Joel DeSpain asked about where the measurement begins between the plant and amenity center. He suggests getting the plans to the TCEQ inspector and making a note that the plant and amenity center complies with the correct buffer. President Nathan Neese believes it is in compliance. Mr. Manuel will report back to the board at the next meeting.

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

Mary Bott discussed the financials with Board. Since this was a special meeting, no financials were included in the package. There were no disbursements out of the bookkeeper's account this period. After discussion, motion was made by President Nathan Neese and seconded by Vince Terracina to approve payment of the per diems and invoices as presented. The motion carried unanimously.

10. PUBLIC HEARING ON TAX RATE

President Nathan Neese opened the public hearing on the tax rate for any comment. Hearing none, the public hearing was closed.

11. ORDER APPROVING THE DISTRICT'S APPRAISAL ROLL AND SETTING THE DISTRICT'S TAX RATE FOR 2014

Jeniffer Concienne reported that the District's certified appraisal roll was set at \$20,303,767. The tax rate as calculated by the District's financial advisor is \$0.875 per \$100 of taxable value. After discussion, motion was made by Bubba Sykes and seconded by David Bosco to adopt the Order Approving the District's Appraisal Roll and Setting the District's Tax Rate for 2014 as presented. The motion carried unanimously.

12. AMENDED INFORMATION FORM

Jeniffer Concienne explained that anytime the Districts information is changed, it will need to be reflected in the Amended Information Form. The Amended Information Form includes information on the tax rate, bonds, boundaries and purposes of the District. The form is being updated to include the levy of taxes. It will be filed with the Hays County Clerk and with the TCEQ. After discussion, President Nathan Neese entertained a motion for approval. Motion was made by Joel DeSpain and seconded by Vince Terracina to authorize the Board to execute the Amended Information Form and the filing with the TCEQ and Hays County Clerk as required. The motion carried unanimously.

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

This is a standing item and there was no discussion.

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

This is a standing item and there was no discussion.

15. ADJOURN

President Nathan Neese adjourned the meeting.



Vince Terracina, Vice President
Reunion Ranch WCID

ATTEST:



David J. Bosco, Jr., Secretary
Reunion Ranch WCID

