

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 November 17, 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  
Thomas J. Rogers, Jr. - Secretary  
Nathan Neese – Assistant Secretary  
Eileen Grass – Assistant Secretary

thus constituting a quorum. Vice President Rick Triplett was absent.

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, Jesse Kennis, Kristi Hester and Ronja Keyes with Inframark, LLC, Mike Moyer with Taylor Morrison, Garry Kimball with Specialized Public Finance Inc., Frank Krasovec with Norwood Investments, Bart Fowler with McCall Parkhurst and resident Gary Grass.

3. PUBLIC COMMENTS

Resident Gary Grass had a couple questions regarding the wastewater plant expansion project. Mr. Grass will pose those questions under Item No. 8 below.

4. MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained a motion for approval of the Minutes. After discussion, motion was made by Nathan Neese and seconded by President Dennis Daniel to approve the October 20, 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 on the building metrics in the District. As of November 9<sup>th</sup>, a total of 478 homes have been sold, with 433 of them closed. The average sales price in the District is \$535,094. Mr. Moyer advised that Taylor Morrison is 96% built out.

Frank Krasovec reported that he has sold 23 out of 39 lots. One lot has been put under contract since the last meeting. Out of the lots sold, there are completed homes or homes under construction on 12 of the lots. Currently, there are 5 homeowners in this section. Mr. Krasovec also advised that he has a number of builders who want to buy the remaining 15 lots. Mr. Krasovec will know more at the next meeting.

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; USE OF EFFLUENT TO IRRIGATE RIGHTS-OF-WAY; PROPOSALS FROM DISTRICT ENGINEER IN CONNECTION WITH USE OF EFFLUENT TO IRRIGATE RIGHTS-OF-WAY AND TIMELINE FOR SAME

Resident Gary Grass asked Engineer Dennis Lozano to include the date on the status reports which are posted on the District's website. Mr. Grass also commented on the project schedule for the wastewater treatment plant expansion. He asked if the completion dates will be presented on that same schedule or if those be a separate document from the contractor. Mr. Lozano advised that he will discuss it with the contractor and that the schedule can probably be updated as needed.

Mr. Lozano indicated that there was a slight drop in wastewater flows.

In regard to the wastewater line inspections, Murfee Engineering developed a defect location map exhibit that points out areas of concern. One section of concern is under the pavement. Mr. Lozano will need to get with Hays County to discuss. This will be addressed quickly. Mike Moyer asked about the location. Mr. Lozano advised that it is in Phase 3, Section 3. There was discussion that possibly the lines in this area are still under warranty.

Mr. Lozano submitted the 210 Proposal for pre-engineering to understand what needs to be built and where. They will also need to map the irrigation system. The terms and conditions in the proposal were worked out with the District's attorney. After discussion, President Dennis Daniel entertained a motion. Motion was made by Nathan Neese and seconded by Tom Rogers to accept the 210 Conversion Proposal as submitted. The motion carried unanimously.

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

Engineer Dennis Lozano discussed his memorandum on the status of the temporary odor control measures. A site visit was conducted on November 11, 2020 in response to the odor complaints on November 8<sup>th</sup> and 9<sup>th</sup>. At the time of the site visit, the headworks screen was blinded with flushable wipes, causing the influent wastewater level to almost overtop the screen, blocking the transmission of air between the headworks and EQ basin. Jeff Jones with ECS, the odor control equipment manufacturer, suggested installation of a tee and valve on the duct and connection to the new EQ basin cover. This installation would allow the odor control unit to draw air from the headspace of both basins at all times. Mr. Jones also recommended installing a drop duct into the EQ basin. There were also other deficiencies noted, such that the new headworks cover needed to be thoroughly sealed in order to control the entrance of air into the headspace. The consultants in attendance also noted several design errors with the temporary covers which will be corrected per plan.

Mr. Lozano then discussed the permanent basin covers for the wastewater plant. The initial proposal for the specialized wastewater basin covers is \$75,000. If the effluent basin is excluded, the cost would be \$70,000. This information has been sent to Taylor Morrison for review. Mike Moyer advised that they will review this internally and get back with the Board on a decision. An item will be placed on the December agenda to discuss in detail.

10. SCHEDULING OF SPECIAL BOARD MEETING TO PROVIDE STATUS OF UPDATE TO COMMUNITY ON WASTEWATER TREATMENT PLANT EXPANSION

President Dennis Daniel advised that he would like to schedule a special board meeting to provide information to the residents on the wastewater treatment plant expansion. This meeting will be informational only and will be attended by the Board and consultants, along with any interested residents. Mr. Daniel asked that Engineer Dennis Lozano and Manager Jesse Kennis conduct a presentation on the topic, followed by a question and answer session. Mr. Daniel asked that the agenda be posted on both the District's and HOA's website. Engineer Dennis Lozano

stated that he has had positive information sharing with residents on Jane Cove. After discussion, motion was made by President Daniel and seconded by Eileen Grass to schedule a special board meeting for November 30<sup>th</sup> at 6:30 p.m. The motion carried unanimously.

11. CONSIDERATION AND ACTION WITH RESPECT TO RECEIVING BIDS AND AWARDING SALE OF THE \$7,050,000 REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT UNLIMITED TAX BONDS, SERIES 2020
12. CONSIDERATION AND ACTION WITH RESPECT TO "ORDER AUTHORIZING THE ISSUANCE OF \$7,050,000 REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT UNLIMITED TAX BONDS, SERIES 2020; LEVYING AN AD VALOREM TAX IN SUPPORT OF THE BONDS; APPROVING AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT; AWARDING THE SALE OF THE BONDS; AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS
13. CLOSING PROCEDURES FOR THE \$7,050,000 REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT UNLIMITED TAX BONDS, SERIES 2020 AND ANY OTHER MATTERS RELATED TO THE BONDS
14. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 6<sup>TH</sup> BOND ISSUE

Items 11 through 14 were discussed together.

Financial Advisor Garry Kimball discussed the five bids that were received in connection with the \$7,050,000 unlimited tax bonds. The low bidder was Raymond James at 2.51%. After discussion, President Dennis Daniel entertained a motion. Motion was made by Tom Rogers and seconded by Nathan Neese to award the sale of bonds to Raymond James as presented. The motion carried unanimously. Bond Counsel Bart Fowler discussed the Order Authorizing the Issuance of the Bonds. The closing date will be December 17<sup>th</sup>. After discussion, motion was made by President Daniel and seconded by Nathan Neese to approve the Order as presented. The motion carried unanimously.

15. AMENDED INFORMATION FORM

Attorney Bill Flickinger advised that the Amended Information Form has been updated to include the current bond issue. The form will be recorded with the Hays County Clerk and filed with the TCEQ. After discussion, President Dennis Daniel entertained a motion. Motion was made by Nathan Neese and seconded by Tom Rogers to approve the Amended Information Form as presented. The motion carried unanimously.

16. ACCEPTANCE OF RESIGNATION OF DIRECTOR RICK TRIPLETT;  
PROCESS FOR APPOINTMENT OF REPLACEMENT TO SERVE THE  
REMAINDER OF HIS TERM; SCHEDULING OF SPECIAL BOARD MEETING  
IN CONNECTION WITH SAME

Attorney Bill Flickinger reported that he received Rick Triplett's resignation from the Board of Directors. Mr. Triplett is moving out of the District. After discussion, President Dennis Daniel entertained a motion. Motion was made by Tom Rogers and seconded by Nathan Neese to accept Rick Triplett's resignation as submitted. The motion carried unanimously.

President Daniel then discussed soliciting Applications for Appointment to the Board. President Daniel asked that a notice be posted to the District's and HOA's website on the Board vacancy. President Daniel would like the Board to review the Applications at a special board meeting with the Applicants and then appoint a replacement at the regular December board meeting. After discussion, Applications will be accepted until 12:00 noon on December 9<sup>th</sup> and a special board meeting will be held on December 10<sup>th</sup> at 2:00 p.m. to review the Applications.

17. COMMUNICATION CHANNELS WITH CUSTOMERS/RESIDENTS; WEBSITE  
MODIFICATIONS

President Dennis Daniel requested that the odor complaint logs be posted on the District's website. President Daniel asked Manager Jesse Kennis to provide the logs to Jeniffer Concienne for posting. President Daniel also requested Jeniffer Concienne to work with resident Shelly Edward on an e-mail contact sign-up program.

18. COMMITTEES – ASSIGNMENT AND MEMBERSHIP

This item was not discussed.

19. COMMITTEE REPORTS.

- a. Trails/Ponds (Eileen & Rick)
- b. Property Conveyances, easements and/or License Agreements to the District or HOA from developer (Rick & Dennis)
- c. WTCPUA (Nathan & Dennis)
- d. Wastewater Treatment Plant Improvements and Odor Control (Dennis & Rick)

President Dennis Daniel requested that Rick Triplett be removed from the committee reports due to his resignation. The conveyance committee will now be dissolved and removed from the agenda. Mike Moyer reported that at tonight's HOA meeting, a resident will be appointed to the Board.

Eileen Grass asked about the 210 Conversion project. Mrs. Grass inquired if it would make a difference if the District or the HOA owned the land for effluent irrigation. Mrs. Grass also reported on ponds within the District. The Denise Cove and Jane Cove drains need maintenance. The Denise Cove drain has grass in the bullrock and sediment build up and the Jane Cove drain

has silt buildup and is holding water. Manager Jesse Kennis agreed that there are some outstanding items. These issues will be taken care of in the winter months.

Nathan Neese reported that the WTC PUA approved the wholesale water base rate increase and those new rates are being billed.

20. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant; Odor Control Measures and Complaints
- 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; Exit Interview from TCEQ site visit of July 10, 2020
- N. Maintenance Items in connection with Pre-Purchase Inspection Letter submitted by TCEQ
- O. Out of District Water/Wastewater Service Requests
- P. Policy Regarding Use of Greenspace and other District Property

Manager Jesse Kennis discussed the Executive Summary with the Board.

The District currently has 485 active connections. 10.7 million gallons of water was purchased in September. The District incurred a water loss of 1.31%. Mr. Kennis reported 10 delinquent letters were mailed out, however there were no disconnects of water service.

Flows at the wastewater treatment plant totaled 1.54 MG, which averages 50,000 GPD. Plant capacity is at 100%. Mr. Kennis reported that there was an excursion of BOD & TSS. This will be reported to the TCEQ. On October 17<sup>th</sup>, a mixer malfunctioned due to a 2X4, likely from the EQ basin construction. The auto dialer did not call out. Mr. Kennis also stated that they are mitigating the issues in the pre-purchase inspection from the TCEQ. They will conduct additional bar screen cleanings.

21. EXPENDITURES, CONTRACTS, REPAIRS, REPLACEMENTS AND MAINTENANCE RELATED TO OPERATIONS AND MAINTENANCE REPORT IN ITEM 20 ABOVE

This item was not discussed.

22. BOOKKEEPER'S REPORT ON THE FINANCIAL AFFAIRS OF THE DISTRICT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS

Bookkeeper Allen Douthitt discussed the financials with the Board. Today's consideration will include payment of vendor invoices, per diems and three fund transfers. The monthly budget is looking good. Rick Triplett's per diem will be voided due to his absence. After discussion, President Dennis Daniel entertained a motion. Motion was made by Nathan Neese and seconded by Tom Rogers to approve payment of the vendor invoices and per diems and approval of the fund transfers as presented. The motion carried unanimously.

23. RATE ORDER


President Dennis Daniel discussed the \$1,500 pool deposit and whether or not it is sufficient. Manager Jesse Kennis stated that he has not yet completed his summary of related costs from damage that has occurred during the pool installation process. Mr. Kennis will bring this information to the next board meeting.

24. FINES AND CHARGES TO BUILDERS AND CONTRACTORS FOR DAMAGE TO LIFT STATIONS AND PUMPS DUE TO TRASH AND DEBRIS

Attorney Bill Flickinger stated that he needs the invoices from Inframark to review the cost of repairs to the lift station and pumps due to the trash and construction debris. Manager Jesse Kennis reported that the cost was approximately \$30,000. Mr. Kennis will forward the information to Mr. Flickinger for review.

25. ADJOURN

President Dennis Daniel adjourned the meeting.

  
\_\_\_\_\_  
Dennis Daniel, President  
Reunion Ranch WCID

ATTEST:



~~Eileen Grass~~, Assistant Secretary  
Reunion Ranch WCID

[SEAL]

1:\ReunionRanch\minutes\11-17-20  
12/3/20