

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 December 15, 2015, 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, thus constituting a quorum. Joel DeSpain was absent.

Also present at the meeting were Michael Slack, Dennis Lozano, Mike Willatt, Bill Flickinger, Allen Douthitt, Kristi Hester, Garry Kimball, Frank Krasovec, Jimmy Romell 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. President Nathan Neese entertained a motion for approval. Motion was made by Bubba Sykes and seconded by President Neese to approve the minutes of the November 17, 2015 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 on the sales within the District. There have been 133 homes sold to date and the average sales price of homes within the District is \$494,994.

Phase 2, Section 2, the 140 lot section has been completed and was energized. New model homes are about to open up. The lift station associated with the south side lots started up this morning. Phase 2, Section 2 is complete and was approved by the County. The landscaping from the bridge to the boulevard is still underway.

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 Dennis Lozano reported that construction is wrapping up on the south side of the creek. As stated by Michael Slack, the lift station was started up this morning. No pump and haul was needed. Mr. Lozano expects to close out the project at next month's meeting. There was discussion of a plugged manhole. Mr. Slack asked who would be responsible for the repairs, Manager Kristi Hester responded that his contractor would be. Mr. Lozano discussed the TLAP progress and does not anticipate receiving any comments during the holidays. There was discussion of the PUA meeting to discuss the wholesale rates it charges. Manager Kristi Hester reported receiving some work papers from the PUA, but none specific to the District. Ms. Hester will get with Bookkeeper Mary Bott to review the budget and see if the rates need to be increased. The effective rate of the PUA increase is February. ST will need to get a notice out to the residents. Bookkeeper Allen Douthitt reported that the PUA base rate now is \$27,000 per year and it is projected to increase to \$49,000. In two days, the PUA will approve the final rates.

7. BOND REIMBURSEMENT AUDIT RELATED TO THE ISSUANCE OF THE DISTRICT'S SERIES 2015 UNLIMITED TAX BONDS, AND AUTHORIZATION TO DELIVER THE BONDS AND DISTRIBUTE THE FUNDS IN ACCORDANCE WITH SUCH AUDIT

Jimmy Romell with Maxwell Locke & Ritter discussed the bond reimbursement audit with the Board. Mr. Romell went over the amounts to be provided to Taylor Morrison and the amount left for surplus funds. Michael Slack inquired about the surplus funds. Engineering Dennis Lozano and Financial Advisor Garry Kimball advised that those funds can be used by the District but will need to apply to the TCEQ for approval. Mr. Kimball presented the closing instructions and advised the closing will be held on Thursday. Bookkeeper Allen Douthitt presented a bond disbursement authorization letter. After discussion, motion was made by Bubba Sykes and seconded by Vince Terracina to approve and bond reimbursement audit and authorize the disbursement as provided in the audit and in Bott & Douthitt's authorization letter. The motion carried unanimously.

8. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant
- C. Wastewater Grinder Stations
- D. Effluent Irrigation System & Fields
- E. Distribution and Collection System

Manager Kristi Hester discussed the problem with the pre-equalization basin aerator. Since it was out, it needs annual maintenance. There was a lot of debris in the basin. Ms. Hester suggests putting a line item in the budget as preventative maintenance in the amount of \$2,500 to \$3,000. Michael Slack asked how the District is billing more than it purchased. Ms. Hester explained it was a timing issue in connection with the billing cycle. The annual water accountability is 93%, which is good. The wastewater plant is operating as intended. Ms. Hester then reported on the drip field repairs. All the work has been completed and is up and running. There are some erosion control issues that are being addressed in the area. There were 6 new meters set in November. The chlorine residual is in compliance and there is no issues. Michael Slack asked if ST is receiving any complaints from the residents. Ms. Hester replied that she has received letters from residents regarding high tax and water rates. Mr. Slack reported on the recent HOA meeting and there was several misinformed matters that they discussed. Hopefully the residents are satisfied.

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

Allen Douthitt discussed the financials with the Board and presented an updated cash activity report. Mr. Douthitt will void Joel DeSpain's per diem due to his absence. Mr. Douthitt stated that he will swap the memo lines on the Cash Activity Report from the West Travis County PUA and Willatt & Flickinger descriptions. The amounts for the line items are correct though. Included in the invoices is a check to Maxwell Locke & Ritter for the bond reimbursement. The District will be reimbursed for that cost through the bond proceeds. Mr. Douthitt discussed the tax collection and indicated that there will be a large influx of tax collection funds by the end of the month. In connection with the budget, being the second month of the new fiscal year, the District is about \$5,000 ahead of budget. After discussion, motion was made by President Nathan Neese and seconded by David Bosco to approve payment of the per diems and invoices as presented. The motion carried unanimously.

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

Michael Slack discussed and recommended approval of the following pay estimates and change order:

Pay Estimate No. 7 in the amount of \$145,089.06 in connection with Reunion Ranch Phase 2, Section 3 Utilities submitted by Austin Engineering Co., Inc.; and

Pay Estimate No. 8 in the amount of \$34,909.20 in connection with Reunion Ranch Phase 2, Section 3 Utilities submitted by Austin Engineering Co., Inc.; and

Pay Estimate No. 9 in the amount of \$130,145.51 (Final) in connection with Reunion Ranch Phase 2, Section 3 Utilities submitted by Austin Engineering Co., Inc.; and

Change Order No. 3 in the amount of \$38,788.00 in connection with Reunion Ranch Phase 2, Section 3 Water, Wastewater, Drainage and Erosion Controls submitted by Taylor Morrison; and

Pay Estimate No. 9 in the deduct amount of (\$17,733.54) in connection with Reunion Ranch Phase 2, Section One Street Excavation, Water, Wastewater, Drainage and Erosion Control submitted by Central Road and Utility, Ltd.; and

Pay Estimate No. 10 in the amount of \$145,130.76 (Final) in connection with Reunion Ranch Phase 2, Section One Street Excavation, Water, Wastewater, Drainage and Erosion Control submitted by Central Road and Utility, Ltd.; and

Pay Estimate No. 4 in the amount of \$56,759.81 in connection with Reunion Ranch Lift Station submitted by Excel Construction Services, LLC.


Michael Slack stated that they received funds from the contractor in connection with the damaged drip fields, which resulted a deduct as reported above. After discussion, motion was made by President Nathan Neese and seconded by David Bosco to approve payment of the foregoing pay estimates and change order as presented. The motion carried unanimously.

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

This is a standing item and there was no discussion.

12. ADJOURN

President Nathan Neese adjourned the meeting.

  
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Nathan Neese, President  
Reunion Ranch WCID

ATTEST:

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

*George S. Sykes*  
*George Sykes - Assistant Secretary*

[SEAL]

