

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 16, 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 Vince Terracina, David Bosco, Bubba Sykes and Joel DeSpain, thus constituting a quorum. President Nathan Neese was absent.

Also present at the meeting were Dennis Lozano, Bill Flickinger, Mary Bott, Scott Manuel, Jeniffer Concienne, Frank Krasovec and Michael Slack.

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 Bubba Sykes and seconded by David Bosco to approve the minutes of the November 18, 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 on the sales within the District. During this time of year, the sales are slow but spring time will bring more interest. The average home price is \$492,937. In regards to the construction progress, the bridge is well under way and should be completed in March. Phase

2, Section 1, which also includes a portion of the bridge and boulevard is moving along and should be paved in early March. DeNucci was awarded the contract in Phase 2, Section 2. That section will include 60', 70' and 80' lots. There will be a total of 140 lots in those sections. Construction should begin later in the month or in January. As noted, there is a lot of construction activity within the District. The amenity center is also ongoing. The timbers are up and the construction of the parking is forthcoming. The construction of the lift station at the second treatment plant site will begin the first week of January. Vice President Vince Terracina asked if school buses are entering the subdivision. Mr. Slack is not sure. Mr. Slack then discussed widening all of the other roads in the District. The road now is 23' and all others will be 28'.

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 reiterated that Save Our Springs Alliance filed an open records request in connection with the wastewater treatment plant permit renewal. The TCEQ has included three new permit conditions, which is delaying the process a bit. Mr. Lozano will get with Attorney Mike Willatt and on this matter and is also speaking with the TCEQ. The new conditions include limiting nitrogen, issues on drip line spacing and addresses the velocity of flush water. Having to monitor these matters will be problematic. Vice President Vince Terracina asked why was the new conditions only added to the second permit. Mr. Lozano said because it has not been built yet. Hopefully it will resolve itself if the plants are consolidated, but the new conditions could also roll over to that one since it will need an amendment to be consolidated. Joel DeSpain asked how this issue will be resolved and Mr. Lozano said the District will need for tankage and room.

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

Engineer Dennis Lozano reported that they are close to finalizing the application. All it needs is George Murfee's final review. Mr. Lozano requested that the Resolution Authorizing the Filing of Bond Application be considered today. Attorney Bill Flickinger stated that the Resolution was included in the agenda package. There was discussion of the amount of the bond issue. The Resolution had \$4,000,000 but Mr. Lozano believes it is \$3,000,000. Jeniffer Concienne will confirm the amount with the District's financial advisor. After discussion, motion was made by Vice President Vince Terracina and seconded by George Murfee to authorize the President to sign the Resolution and the Secretary to attest subject to confirming the amount of the bond issue and correcting the Resolution as indicated by the District's financial advisor. 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

Scott Manuel briefly discussed his report with the Board. Mr. Manuel advised that the PUA system burnout has not yet been scheduled and may not even happen due to the system maintaining adequate disinfection levels. The District encountered a 5% water loss this period. There has been reduced flushing in the past several weeks. There has been no water complaints reported either.

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

Mary Bott discussed the financials with the Board. She will void the per diem check for President Nathan Neese. About 4% of the property taxes have been collected so far. In regards to the District's budget, it is running on a positive variance. Mrs. Bott presented a year to year expense comparison as requested by Michael Slack. After discussion, motion was made by Joel DeSpain and seconded by Vice President Vince Terracina to approve payment of the per diems, fund transfer 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 estimate:

Pay Estimate No. 3 in the amount of \$112,169.25 in connection with the Reunion Ranch Phase Two, Section One, Street Excavation, Water, Wastewater, Drainage and Erosion Control submitted by Central Road and Utility, Ltd.

After discussion, motion was made by Vice President Vince Terracina and seconded by David Bosco to approve the pay estimate as presented. The motion carried unanimously.

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

Dennis Lozano reported that bids were opened in connection with lift station #1 on December 9, 2014. There were a total of 6 bidders. Excel Construction Services, LLC was the low bidder. Mr. Lozano recommends award of the project to Excel Construction. After discussion, motion was made by Vice President Vince Terracina and seconded by David Bosco to approve the award of contract to

Excel Construction Services, LLC for the aforementioned project. Bubba Sykes abstained from the vote. The motion carried.

12. ADJOURN

Vice President Vince Terracina adjourned the meeting.



Nathan Neese, President
Reunion Ranch WCID

ATTEST:



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

