

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, open to the public, was held at 2:00 p.m. on December 19, 2017 at Willatt & Flickinger, PLLC, 12912 Hill Country Blvd., Ste. F-232, Austin, Texas 78738, 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 - President  
Vince Terracina – Vice President  
Tom Rogers - Secretary  
George “Bubba” Sykes – Assistant Secretary  
Dan Pawlik – Assistant Secretary

thus, constituting a quorum. All Directors were present.

Also, present at the meeting were Bill Flickinger, Matt McPhail and Jeniffer Concienne with Willatt & Flickinger, PLLC, Robert Ferguson with Murfee Engineering, Allen Douthitt with Bott & Douthitt, Scott Manuel with InfraMark and Michael Slack with Taylor Morrison.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

Jeniffer Concienne stated that the Minutes 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 Tom Rogers to approve the November 14, 2017 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

Developer Michael Slack reported that 252 homes have been sold to date. The average appraised value within the District is \$506,120. The breakdown of sales are as follows: 55 60' lots, 106 70' lots, 40 80' lots and 51 90' lots.

Mr. Slack reported that a pre-construction meeting was held on Phases 3-2, 3-5 and 2-4. Those new phases include 60', 70' and 80' lots. The contractor is rough cutting the streets and trenching for utilities.

Plans for the final phase will begin after the holidays.

Mr. Slack reported that sales are good and steady.

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 Robert Ferguson filled in for Dennis Lozano. Mr. Ferguson reported that Bryce Canady in their office is responding to the TCEQ comments on the TLAP permit. The TCEQ's comments were non-substantive.

Mr. Ferguson confirmed that the wastewater flows are on track.

7. CHANGE IN NAME OF SEVERN TRENT TO INFRAMARK, LLC

Attorney Bill Flickinger provided a supplement on the name change of Severn Trent. Mr. Flickinger discussed the conversion from ST as a corporation to a LLC and then the name change to InfraMark. After review of the documentation, no contract amendments or assignments are needed.

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
- F. Billing Adjustments
- G. Delinquencies
- H. Customer Meter Issues

## I. Customer Complaints

Scott Manuel filled in for Manager Kristi Hester. Mr. Manuel briefly discussed the manager's report as included in the agenda package. The reports indicate that all is on track. Mr. Manuel advised that the flushing process should decrease since it is the winter season. There were a few delinquencies. Two accounts were disconnected due to non-payment. However, those have been turned back on due to payment being received.

The wastewater plant is compliant and operating at 52%.

Michael Slack inquired if InfraMark is still checking on the lysimeters. Mr. Manuel advised that they are and described the process. This type of water soil testing is from the lysimeters in the irrigation fields. The testing is to be sure that there is not an overdose from phosphorus and ammonia. The lysimeters were installed along Bear Creek.

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

Bookkeeper Allen Douthitt presented and discussed the updated cash activity report with the Board. Today's consideration will include vendor payments, per diems and a fund transfer. Mr. Douthitt reported on surplus funds from the prior bond issue and then this last bond issue. There was a difference in the amount stated on the closing memorandum and then the final one that was distributed. In regard to the budget, the District is running ahead of plan. After discussion, President Nathan Neese made a motion to approve payment of the per diems, invoices and fund transfer as discussed. Vince Terracina seconded the motion. The motion carried unanimously.

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

Developer Michael Slack presented and recommended approval of the following pay estimates:

Pay Estimate No. 12 in the amount of \$3,600.00 in connection with Reunion Ranch Phase 3, Section 1 submitted by Joe Bland Construction, LP; and

Pay Estimate No. 13 (Final/Retainage) in the amount of \$199,074.89 in connection with Reunion Ranch Phase 3, Section 1 submitted by Joe Bland Construction, LP; and

Pay Estimate No. 1 in the amount of \$38,816.82 in connection with Reunion Ranch Phase 2, Section 4 submitted by Central Road and Utility, Ltd.; and

Pay Estimate No. 1 in the amount of \$275,500.94 in connection with Reunion Ranch Phase 3, Sections 2 & 5 submitted by JKB Construction Company, LLC.

After discussion, President Nathan Neese made a motion to approve payment of the foregoing pay estimates. Bubba Sykes seconded the motion. The motion carried unanimously.

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

This item is a standing item and no discussion was had.

12. UTILITY CONVEYANCE AGREEMENT BETWEEN REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT AND TAYLOR MORRISON OF TEXAS, INC.


Attorney Matt McPhail discussed the Utility Conveyance Agreement between the District and Taylor Morrison. This Agreement is generated in connection with the last bond issue. The facilities to be conveyed to the District are located in Phase 2, Section 1 and 1B. After discussion, motion was made by Bubba Sykes and seconded by Dan Pawlik to approve the Utility Conveyance Agreement as presented. The motion carried unanimously.

13. 2017 LEGISLATIVE UPDATE

Attorney Bill Flickinger presented a memorandum on the 2017 legislative update. Mr. Flickinger discussed the House and Senate bills affecting water districts. There was discussion of the annexation procedures. The City of Austin is on one side of the District and the City of Dripping Springs is on the other.

14. ADJOURN

President Nathan Neese adjourned the meeting.

  
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Nathan Neese, President  
Reunion Ranch WCID

ATTEST:

  
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Thomas J. Rogers, Jr., Secretary  
Reunion Ranch WCID

