

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 3:00 p.m. on December 19, 2023 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:

Dennis B. Daniel – President  
Terri Purdy – Vice President  
Ron Meyer - Secretary  
Gary Grass – Assistant Secretary  
John Genter – Assistant Secretary

thus, constituting a quorum. All Directors were present.

Also present at the meeting were Hunter Hudson and Jeniffer Concienne with Willatt & Flickinger, PLLC, Mark Kestner and Jason Baze with Murfee Engineering and Dragan Sonnier with Inframark.

Attending via Zoom were Bill Flickinger with Willatt & Flickinger, PLLC, Makenzi Scales with Inframark, Allen Douthitt with Bott & Douthitt, PLLC and residents Mark Olson, Leslie Daniel, Robert Fedor and Sandy Lake.

3.     PUBLIC COMMENTS

No public comments were made.

4.     MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained a motion for approval of the minutes.

Assistant Secretary Gary Grass had a revision to the minutes regarding reference to the LCRA's Drought Contingency Plan. Motion was then made by Assistant Secretary Gary Grass and seconded by Assistant Secretary John Genter to approve the November 21, 2023 meeting minutes as revised. The motion carried unanimously.

5. UPDATES REGARDING REUNION RANCH HOA MATTERS

Sandy Lake asked if the District needed anything else from the HOA for the effluent improvement project. Assistant Secretary John Genter advised that they do not at this time. The committee is working with the District's attorney on a draft Amended and Restated Effluent Disposal Contract and will then come back to the HOA for consideration.

6. FINANCIAL REPORTS AND REQUEST FOR AUTHORIZATION FOR PAYMENTS OF BILLS

Bookkeeper Allen Douthitt discussed the financials and budget with the Board. The reporting covers the first month of the fiscal year. Assistant Secretary Gary Grass inquired about the District's sludge hauling expenses and the delayed billing. Manager Makenzi Scales discussed the process of receiving and billing contractor invoices.

Bookkeeper Allen Douthitt advised that he has not yet received the Hays County tax reports so there is no tax levy to discuss. He is hoping that he will have the information available for the January board meeting. President Dennis Daniel advised that Hays County's computer system went down and they are working on the tax reports manually at this time.

President Dennis Daniel advised that he would get with Bookkeeper Allen Douthitt to discuss the variance report after the first of the year.

After discussion, President Dennis Daniel entertained a motion. Motion was made by Assistant Secretary Gary Grass and seconded by Secretary Ron Meyer to approve the financials and authorize payment of the invoices and per diems and three fund transfers as discussed. The motion carried unanimously.

7. ITEMS FROM THE BOARD

- a. Requests for common area modifications
- b. Variances to Drought Contingency Plan requirements
- c. Public Hearing on Amended Drought Contingency Plan
- d. Amended Drought Contingency Plan
- e. Public Hearing on Amended Water Conservation Plan
- f. Amended Water Conservation Plan
- g. Disposition of Capital Project Funds; Consent and Release Agreement; Resolution Requesting Approval of Use of Surplus Bond Proceeds
- h. Temporary bar screen repairs
- i. Overall plan to improve wastewater plant efficiency and effluent irrigation

- j. Amended Effluent Disposal Contract between the District and HOA
- k. Requirements for approval of swimming pools
- l. Rate Order
- m. May 4, 2024 Director's Election; Candidate Applications to be submitted between January 17, 2024 and February 16, 2024
  - i. Notice of Deadline to File an Application for Place on the Ballot
  - ii. Resolution Authorizing Secretary's Appointment of Agent to Perform Duties During Election Period
- n. Committee Reports

There was no discussion on Items a & b above.

President Dennis Daniel opened the public hearing on the Amended Drought Contingency Plan.

Assistant Secretary Gary Grass reported that the committee addressed the Stage 5 provisions so that the District did not have to automatically go into Stage 5 if something occurred on the WTCPUA side, such as loss of pressure in the system. These revisions provide the District flexibility in Stage 5. President Dennis Daniel advised that there will be additional changes to the Drought Contingency Plan this summer after the LCRA reviews and amends its plan. Resident Robert Fedor thanked the Board for the opportunity to address his concerns with the District's Drought Contingency Plan. When the WTCPUA lost pressure and the District immediately moved to Stage 5 where no irrigation was allowed, he reviewed the plan in detail. The WTCPUA did not move into Stage 5 of its own plan during that time. His main concern is to try to get the District's plan to mirror the WTCPUA/LCRA plans. Stage 1 of the District's plan throws off the Stages compared to the WTCPUA plan. Also, if the plans mirror each other, the District could have fewer signs throughout the District. Assistant Secretary Gary Grass stated that originally the plans mirrored each other but then the WTCPUA revised its plan again without notifying the District. The intent is to always stay aligned with each other. Now, the LCRA is planning to amend its plan in the summer so the District will review its plan again at that time. Resident Robert Fedor also noted that the watering times are different in the Amended Drought Contingency Plan and the District's website. Resident Robert Fedor would prefer the watering hours be the two times per day so as to alleviate runoff when watering his yard. The committee will review the District's plan and website to check on the discrepancy on watering times. President Dennis Daniel advised that the District's water supply is complicated. The District buys its raw untreated water from the LCRA and contracts with the WTCPUA to treat, store and deliver it to the District. The LCRA's primary concern is how much the District uses over the course of the year. The WTCPUA concern is if they have the infrastructure to get the water where it needs to be. The recent Boil Water Notice is what triggered the District to go into Stage 5 per its plan. After those comments, President Dennis Daniel closed the public hearing. After discussion, motion was made by Assistant Secretary Gary Grass and seconded by Secretary Ron Meyer to adopt the Amended Drought Contingency Plan as presented. The motion carried unanimously.

President Dennis Daniel opened the public hearing on the Amended Water Conservation Plan. Hearing no comments, the public hearing was closed.

President Dennis Daniel would like to table this item until the January board meeting. Engineer Mark Kestner reported that he addressed the LCRA's comments and is awaiting its final review. There was discussion of changing the watering schedule to odd and even addresses as the LCRA uses instead of what the District's schedule is now. The odd and even address watering schedule is much easier to follow.

Attorney Bill Flickinger recapped that last month, the Board approved the Consent and Release Agreement with Taylor Morrison to use surplus bond proceeds for the irrigation improvements. Taylor Morrison came back with minor changes and has also approved the Consent and Release Agreement. Now that the Agreement has been approved by all parties, the District can move forward with the required application to the TCEQ. The District's engineer will need to identify the project and prepare the application for TCEQ approval. The project to identify will be Phase 1 of the irrigation improvements. Engineer Mark Kestner was advised to bring a draft to the January board meeting.

Manager Dragan Sonnier advised that the contractor working on the bar screen repair indicated that there might be a slight delay with equipment. Inframark plans to submit a proposal at the January board meeting for fabrication of a bar screen basket.

Engineer Mark Kestner discussed the overall plan to improve the District's wastewater plant efficiency and effluent irrigation. The report is 80% complete now and he should have a 90% complete set of plans by the January board meeting. Phase 1 of the irrigation improvements will consist of a pump and filter and hookup to the irrigation line. It is hoped that the cost for this phase will stay under \$150,000. Murfee Engineering has reached out to contractors for a proposal. President Dennis Daniel would like to see those proposals at the January board meeting. President Dennis Daniel also reported that the goal is to be functional by June 2024.

President Dennis Daniel advised that Assistant Secretary John Genter will take the lead on negotiating the Amended and Restated Effluent Disposal Contract with the HOA. Assistant Secretary John Genter reported that the parties have a solid understanding of what needs to be accomplished. The District's attorney will help draft the contract amendment and come back to the January board meeting for consideration. President Dennis Daniel contacted the HOA's engineer Malone/Wheeler to obtain a proposal from them to work on the surface irrigation system.

President Dennis Daniel advised that language should be added to the Water Conservation Plan, Drought Contingency Plan, Rate Order and Rules and Regulations on requirements for swimming pool installations. The District needs to review the process and ensure that the pools are in conformance with those guidelines. Pools are focused heavily on by the LCRA and other water providers. The goal is to conserve how much water is used for swimming pools. Inframark needs to incorporate that into their approvals. If any encroachment is proposed on District assets, such as drainage areas, there should only be one approval instead

of multiple approvals to avoid confusion for all parties. Secretary Ron Meyer asked about the requirements, such as pool covers. President Dennis Daniel asked that Engineer Mark Kestner remove that requirement as he does not know that has ever been done in the District. Manager Makenzi Scales stated that Inframark will provide the requirements to the Builder Services Department and once they receive a pool installation application, those requirements will be provided to the homeowner for reference. Those requirements will be included in the estimate for the pool installation so that the contractors are aware of them as well. Attorney Bill Flickinger stated that the District's Rules and Regulations will need to be reviewed to include all of that information so as to assist Inframark with enforcement of those rules. There is also a possibility of additional fees for inspections due to the requirements. These changes can be drafted and brought back to the January meeting for consideration. Secretary Ron Meyer would like to include language that homeowners/contractors cannot store or construct inside the drainage rights-of-way or streets, parking of construction vehicles, storage or material/equipment or mixing of materials is prohibited. The drainage area during pool installation is for route/access only.

Assistant Secretary Gary Grass reported that Inframark conducted an audit of the District's Rate Order and revised fees that the District charges. The fee increase ensures the District is covered as to what they pay Inframark for those services. Attorney Bill Flickinger recommends approval of the Rate Order today and then during the next review, revisions to the Rate Order will include the provisions and fees for installation of swimming pools. President Dennis Daniel discussed the proposed after-hours charge and recommended it be changed to "At Cost, not to exceed \$250." After discussion, President Dennis Daniel entertained a motion for approval. Motion was made by Assistant Secretary Gary Grass and seconded by Vice President Terri Purdy to approve the Rate Order as discussed. The motion carried unanimously.

Attorney Bill Flickinger discussed the upcoming Directors' election. The District elections are held every two years with the Board having staggered terms of office. This year, Secretary Ron Meyer and Vice President Terri Purdy are up for reelection. The deadline to file for a place on the ballot is January 17<sup>th</sup> through February 16<sup>th</sup>. Previously the Board appointed Willatt & Flickinger, PLLC to act as agent to conduct duties during the election period. Secretary Ron Meyer asked if the Applications for Place on Ballot are public record, which Attorney Bill Flickinger advised that they are.

There were no committee reports this month.

8. ENGINEER'S REPORT AND REQUESTED APPROVALS

- a. Wastewater Collection and Treatment Plant
  - i. Wastewater Flows and Trends
  - ii. Improvements
  - iii. Operational Issues
  - iv. Proposed improvements to increase wastewater plant efficiency and to provide effluent irrigation; authorization in connection with same
- b. Water Supply and Distribution Systems
  - i. Water Flows and Trends

- ii. LCRA Contract – current reservation
- c. Long-term Improvements and Asset Management Plan
- d. Emergency Management Plan(s)
- e. Stormwater and Water Quality System
- f. Approvals Related to Ongoing Construction Contracts
- g. Approvals to Upcoming Construction Contracts

Engineer Mark Kestner reported that all the metrics for the wastewater are within the 210 irrigation limits, which is good.

At the February board meeting, Engineer Mark Kestner will present the Wastewater Emergency Management Plan for approval. The plan is still at the committee level.

President Dennis Daniel asked why the wastewater flows are continuing to increase when the water usage is rounding down. Engineer Mark Kestner stated that the high spike is leaning toward an instrumentational error on actual flows through the plant. Since it was what was reported, the data needs to be kept, however he will put an explanation on the spike on the report.

9. OPERATIONS AND MAINTENANCE REPORT AND REQUESTED APPROVALS

- a. Administrative
- b. Improvement of wastewater treatment plant operations
- c. Sludge hauling expense
- d. Wastewater treatment plant and effluent subsurface irrigation
- e. Wastewater collection system
- f. Water distribution system
- g. Update on Enforcement of Watering Restrictions
- h. Stormwater conveyance and pond maintenance
- i. Customer matters, complaints, reports and updates
- j. Request by resident to encroach into easement for construction of swimming pool
- k. Customer billing and delinquencies
- l. Authorizations for expenditures related to contracts, repairs, replacements, operations improvements and maintenance

Manager Dragan Sonnier discussed the Executive Summary as included in the agenda package.

In regard to the rock pour at wastewater treatment plant entrance, the contractor will be there on December 31<sup>st</sup> and Inframark will spread it out and level it with a skid steer. Engineer Mark Kestner discussed the process of dropping the rock and grading it. President Dennis Daniel asked that Inframark watch the area and if more repair is needed to stay in front of it.

Manager Dragan Sonnier reported that all facilities are in compliance for the month. The plant is running at 73% and the total flows are 1.758 mg, with an average flow of 58,607 gpd.

Manager Dragan Sonnier reported that the pump 1 soft starter has been installed. Winterization is 95% for all District facilities. The tree trimming at the wastewater plant is almost complete. Zane Furr needs to come back as he has a few items left to close out.

Manager Makenzi Scales discussed the easement encroachment issue. A \$15,000 deposit request has been made to the homeowners. As of today, the deposit has not been received. The project will not be allowed to move forward to utilize that easement area. Cody Pools will reimburse the District for the erosion control costs. Assistant Secretary Gary Grass asked who will hold the deposit and Manager Makenzi Scales reported that the Builder Services Department will hold it until it should be released. President Dennis Daniel wants a commitment from Cody Pools on that reimbursement for erosion control costs. Attorney Bill Flickinger asked about the timing of the release of the deposit. President Dennis Daniel stated that the revegetation will need to stand up and be restored before release and well as the slope begin restabilized. Engineer Mark Kestner stated that normally after 80% of restoration the deposit can be released. Manager Makenzi Scales advised that once the project starts up again, it can be placed on a weekly schedule to inspect so that if there are any additional issues, it can be caught early. President Dennis Daniel does not want to get into the practice of the Board having to approve release of deposits. After discussion, motion was made by President Dennis Daniel and seconded by Assistant Secretary Gray Grass to authorize Inframark and Murfee Engineering to signoff when the \$15,000 deposit can be released. The motion carried unanimously.

Secretary Ron Meyer asked if the sign for the Drain Field Rules has been installed. Manager Dragan Sonnier reported that the sign is ready to be picked up and will then be installed.

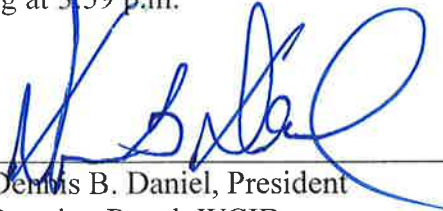
10. ATTORNEY REPORT AND REQUESTED ACTIONS

- a. Update on investigation of bar screen issues

Attorney Bill Flickinger reported that good progress is being made with the third-party investigation of the bar screen issues. The investigation is still within budget. Prior to the January board meeting, the third-party investigator will work with the committee and the final report will be presented at the January board meeting in closed session.

11. ADJOURN

President Dennis Daniel adjourned the meeting at 3:59 p.m.

  
Dennis B. Daniel, President  
Reunion Ranch WCID

ATTEST:



Ronald F. Meyer, Secretary  
Reunion Ranch WCID

[SEAL]