

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 May 18, 2021 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
Terri Purdy – Vice President
Ron Meyer - Secretary
Thomas J. Rogers, Jr. – Assistant Secretary
Nathan Neese – 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, Andrea Wyatt and Evan Parker with Murfee Engineering, Allen Douthitt with Bott & Douthitt, Makenzi Scales and Ronya Keyes with Inframark, LLC, Mike Moyer with Taylor Morrison and residents Mark Olson and Gary Grass.

3. PUBLIC COMMENTS

No public comments were made.

4. MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained a motion for approval of the Minutes of the April 20, 2021 and April 26, 2021 board meetings. Motion was made by Tom Rogers and seconded by Terri Purdy to approve the 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 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

Mike Moyer reported on the building metrics in the District. A total of 483 homes have been sold, with 456 closings. The average sales price in the District is \$537,902. All homes should be closed by the end of summer or early fall 2021.

Jeniffer Concienne reported on Frank Krasovec's building status. Heyl Homes is building on 6 of the 15 lots. They also plan to take down the other 9 lots this year.

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

Engineer Andrea Wyatt discussed Pay Application No. 5 submitted by Excel Construction Services, LLC in the amount of \$161,758.80 for the WWTP expansion project.

Motion was made by President Dennis Daniel and seconded by Tom Rogers to approve payment of the foregoing pay application as presented. The motion carried unanimously.

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, PENDING PERMIT APPLICATIONS, SALES OF LOTS TO BUILDERS, HOMEBUILDING WITHIN THE DISTRICT AND PAST, PRESENT AND FUTURE BOND ISSUES; USE OF EFFLUENT TO IRRIGATE RIGHTS-OF-WAY AND TIMELINE FOR SAME

9. WASTEWATER TREATMENT PLANT EXPANSION; WASTEWATER TREATMENT PLANT IMPROVEMENTS AND MODIFICATIONS; ALTERNATIVES FOR ADDITIONAL ODOR CONTROL MEASURERS AT THE DISTRICT'S WASTEWATER PLANT AND FUNDING FOR SAME, INCLUDING POSSIBLE AGREEMENT WITH TAYLOR MORRISON ON FUNDING FOR SAME, INCLUDING POSSIBLE AGREEMENT WITH TAYLOR MORRISON ON FUNDING FOR SAME

Items 8 and 9 were discussed together.

Evan Parker discussed the Engineer's Report as included in the agenda package.

The wastewater flows are still trending downward due to the pump and haul.

In regard to the WWTP expansion, the heavy rainfall partially undid the excavation for the lift station. The contractor dewatered and re-excavated and installed lift station subgrade. Due to the inclement weather forecast, the installation of the lift station may not commence until the last week of May. The new SBR equipment is on-site. The screens are expected to arrive today as well. The dewatering equipment is scheduled to ship out at any time.

Murfee Engineering has collaborated with Inframark on making changes to prevent future plant overflows. As the Board requested last month, an estimate of costs for the delays caused by the spills and the winter storm has been included in the agenda package.

Due to cost saving issues, the 210 conversion project will be pushed to June.

President Dennis Daniel asked about the cost of the weekly pump and haul. Manager Makenzi Scales will send that information to Jeniffer Concienne. Bookkeeper Allen Douthitt discussed some costs related to the spills and freeze. President Daniel would like a memo on the costs due to the spills. Engineer Andrea Wyatt indicated that the hauls can be moved to business hours to save some money. Evan Parker also discussed the costs related to the freeze and spills. President Daniel advised that the District may seek FEMA assistance for some of the costs. Manager Makenzi Scales can help coordinate that task.

President Daniel asked Mike Moyer about the written proposal from Taylor Morrison on odor control costs. Mr. Moyer advised that matter is with the legal team right now. He advised that Taylor Morrison will most likely want some type of release. This matter will be brought back to the next meeting.

Engineer Andrea Wyatt informed the Board that locating a 3rd party odor inspection has been a difficult process. She is working with another District to obtain some information. As of today, the wastewater plant expansion project has been delayed 6-weeks. The complete date is now in mid-August.

10. REVIEW OF DISTRICT EASEMENTS AND LAND NECESSARY FOR DISTRICT OPERATIONS

Resident Gary Grass thanked the Board for the pond review.

There was discussion of access issues by Inframark through the District easements. Inframark will provide a list of those areas and the location of all the manholes. These issues can be addressed with the HOA when the land is conveyed from Taylor Morrison to the HOA, with the District having appropriate easements to conduct District operations.

Mike Moyer discussed the need for the director's lot. Attorney Bill Flickinger advised that the Board still consists of two non-residents so that lot is still needed.

11. COMMITTEE REPORTS, ASSIGNMENT AND MEMBERSHIP

- A. Wastewater Treatment Plant Improvements and Odor Control (Dennis & Terri)
- B. Communications (Terri & Dennis)
 - i. Board updates
- C. WTCPUA (Nathan & Dennis)
- D. Water Quality/Land Use (Ron & Terri)

President Dennis Daniel would like to rename the committee on the Wastewater Treatment Plant Improvements and Odor Control. He would like to call it District Operations.

Vice President Terri Purdy discussed the monthly Board meeting summaries. This information will be a condensed version of the minutes.

Director Ron Meyer discussed the wet pond tour. The pedestrian walkway will need to be improved in that area. Engineer Andrea Wyatt advised that she will provide a memo on suggested improvements. Vice President Purdy discussed other pond improvements, such as an aeration mat. She would also like to see guidelines on things that the residents should be or should not be doing in relation to the stormwater and within the neighborhood. Attorney Bill Flickinger advised that we can review the District Rules with the committee.

President Daniel requested that Inframark provide updates to the appropriate committees so that they are in loop on operational issues between the Board meetings.

12. IMPROVEMENTS TO PEDESTRIAN ACCESS POINTS ON DISTRICT PROPERTY

This item was discussed above.

13. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant; Odor Control Measures and Complaints; All actions necessary to bring the wastewater treatment plant into compliance with TCEQ permit and to mitigate odor problems
- C. Wastewater Grinder Stations
- D. Effluent Irrigation System & Fields
- E. Distribution & Collection System & Lift Stations
- F. Billing Adjustments
- G. Delinquencies
- H. Customer Meter Issues
- I. Customer Complaints
- J. Stormwater conveyance & pond maintenance

- K. Landscaping
- L. Notices to residents on water quality
- M. Maintenance Items in connection with Pre-Purchase Inspection Letter submitted by TCEQ.
- N. Out of District Water/Wastewater Service Requests
- O. Policy Regarding Use of Greenspace and other District Property
- P. Pump rentals
- Q. Impact of winter storms on operation of water, wastewater and water quality systems; system performance as designed and system failures; actions take to address system failures; recommendations for repairs or improvements to systems; associated costs and possible application for disaster relief funds
- R. Insurance claims

Manager Makenzi Scales discussed the Executive Summary with the Board.

The District currently has 505 active connections. 9.13 million gallons of water was purchased for the month of April. The District incurred a 10% water loss this period. Mrs. Scales reported 23 delinquent letters were mailed out, door tags were hung. However, there were no disconnects of water service. It was reported that Inframark repaired a small leak on the water sample point near the master meter.

Flows at the wastewater treatment plant totaled 1.19 MG, which averages 40,000 GPD. Plant capacity is at 80%, however the BOD and TSS permit levels exceeded the limit. A cellular system was installed to reactivate the flow alarms. Floats in the Pre-EQ, GST, SBR and Effluent wet wells are all calling out for high levels. The scheduled pump and hauls have been working well to contain the levels. Mrs. Scales reported on a spill that occurred due to debris at the bar screen. The large rain event potentially pushed a large amount of rags, wipes, etc. down the system. Mrs. Scales also noted that a solenoid on the irrigation fields has been repaired. That is the area that was previously noted as staying saturated.

There was discussion of the recent rainstorm that most likely caused the levels to fail. President Dennis Daniel asked for a written report on the levels. Mrs. Scales will send that information to Jeniffer Concienne for distribution to the Board.

Pond inspection reports are included in the agenda package. There was discussion on same.

Mrs. Scales presented the Water Quality Report for consideration. President Dennis Daniel asked who is responsible for the testing, Inframark or the PUA. After discussion, motion was made by Terri Purdy and seconded by Nathan Neese to approve the Water Quality Report as presented. Tom Rogers had technical difficulties and was unable to vote. The motion carried. The Water Quality Report will need to be posted on the District's website.

14. EXPENDITURES, CONTRACTS, REPAIRS, REPLACEMENTS AND MAINTENANCE RELATED TO OPERATIONS AND MAINTENANCE REPORT IN ITEM 13 ABOVE

This item was not discussed.

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

Bookkeeper Allen Douthitt discussed the financials and updated cash activity report with the Board. There is a concern with the budget due to the expense of the pump and haul. President Dennis Daniel would like to see the forecast of expenses to year end added as a column to the budget. After discussion, President Daniel entertained a motion. Motion was made by Nathan Neese and seconded by Ron Meyer to approve the invoices, per diems and fund transfers as discussed. Tom Rogers had technical difficulties and was unable to vote. The motion carried.

16. LEGISLATIVE UPDATE

Attorney Bill Flickinger advised that the legislative session is coming to an end in June. Once it does, he will review the bills that passed and bring an update to the Board next month.

17. CONTINUATION OF REMOTE BOARD MEETINGS/WHEN IN-PERSON BOARD MEETINGS WILL BE REQUIRED

Attorney Bill Flickinger advised that the ability to have remote board meetings will most likely remain through June or late summer. After discussion, it appears the Board favors the remote board meetings at this time.

18. NOTICE OF VIOLATIONS ISSUED BY TCEQ DATED AUGUST 5, 2019; EXIT INTERVIEW FROM TCEQ SITE VISIT OF JULY 10, 2020; TCEQ NOTICE OF ENFORCEMENT FOR COMPLIANCE EVALUATION INVESTIGATION, DATED SEPTEMBER 25, 2020; PROPOSED AGREED ENFORCEMENT ORDER AND RELATED FINES

Attorney Bill Flickinger discussed the response to the TCEQ on the current Notice of Violations. The original 60-day deadline has been abated pending review of the response from the TCEQ. No action is needed at this time.

19. ADJOURN

President Dennis Daniel entertained a motion for adjournment. Motion was made by Nathan Neese and seconded by Ron Meyer to adjourn the meeting. Tom Rogers had technical difficulties and was unable to vote. The motion carried.



Dennis Daniel, President
Reunion Ranch WCID

ATTEST:



Ronald F. Meyer, Secretary
Reunion Ranch WCID

[SEAL]