

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 July 20, 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 and Jeniffer Concienne with Willatt & Flickinger, PLLC, Andrea Wyatt with Murfee Engineering, Jessica Benson with Bott & Douthitt, Kristi Hester, Kay Olsen and Ronya Keyes with Inframark, LLC, Mike Moyer with Taylor Morrison and resident Gary Grass.

3.    PUBLIC COMMENTS

Gary Grass stated that he still would like to receive the Quarterly Pond Reports from Aquatic Features. Manager Kristi Hester will provide the report to Mr. Grass.

4.    MINUTES OF PRIOR MEETINGS

President Dennis Daniel had several revisions to the minutes. After discussion, motion was made by President Daniel and seconded by Tom Rogers to approve the revised Minutes of the June 15, 2021 meeting as revised. The motion carried unanimously.

5. RESOLUTION REGARDING ANNUAL REVIEW OF DISTRICT INVESTMENT POLICY AND INVESTMENT STRATEGIES

Attorney Bill Flickinger discussed the annual review of the District's investment policy. There are no recommended changes at this time. President Dennis Daniel noted the District should appoint an audit/budget committee. After discussion, President Daniel entertained a motion. Motion was made by Tom Rogers and seconded by Nathan Neese to adopt the Resolution Regarding Annual Review of District Investment Policy and Investment Strategies as presented. The motion carried unanimously.

6. 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. There is a total of 485 homes sold and 473 transactions closed. The average sales price is holding steady at \$538,390. As stated previously the transition to the HOA should occur in August or September. Taylor Morrison will most likely be out of the District by the end of the year.

President Dennis Daniel noted that Frank Krasovec reported that Heyl Homes took down another three custom lots. There is a total of six remaining.

7. 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. 7 submitted by Excel Construction Services, LLC in the amount of \$360,918 for the WWTP expansion project.

President Dennis Daniel asked about the completion date. Ms. Wyatt believes it is July 30<sup>th</sup>, but will have to double check to the previous changes. After discussion, motion was made by Tom Rogers and seconded by Terri Purdy to approve payment of the foregoing pay application as presented. The motion carried unanimously.

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

This item was not discussed.

9. 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
  
10. WASTEWATER TREATMENT PLANT EXPANSION; WASTEWATER TREATMENT PLANT IMPROVEMENTS AND MODIFICATIONS; ALTERNATIVES FOR ADDITIONAL ODOR CONTROL MEASUREMENTS 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; PROPOSAL FOR THIRD-PARTY ODOR CONSULTANT/INSPECTOR

Items 9 and 10 were discussed together.

Engineer Andrea Wyatt discussed the Engineer's Report as included in the agenda package.

Ms. Wyatt reported that the wastewater flows to the existing wastewater plant were below the 90% capacity rate due to the hauling efforts.

In regard to the wastewater plant expansion, it is running smoothly. The entire SBR basin is completed. The switch over to get the new influent lift station will occur soon. That will include four or five hours of bypass pumping for the switch over. This is likely to occur in the morning, after the first haul. This will allow the most volume to work with in the basin. The SADDS pump was moved from inside the building to the outside. There have not been any overflows reported.

Ms. Wyatt discussed the 210 conversion project. Evan Parker and other employees went out with irrigation contractor to collect data to size the irrigation pump. That data is being analyzed for pressure requirements. All this information will be provided in the LCRA grant application. The deadline for submission is September 1<sup>st</sup>.

Attorney Bill Flickinger stated that he is working with Taylor Morrison on the access easements with restrictive covenants. Mr. Flickinger explained the deed that will reserve the right to grant future easements to the District. The District will have 60-days to consider improvements requested by the HOA. If the District does not act within those 60-days, the improvements are automatically approved. Mike Moyer stated that they will start deeding the lots once the District approves the language. Mr. Moyer asked if metes and bounds will be needed for the access points. Mr. Flickinger stated those might not be needed. He will review the information once received from Inframark. Manager Kristi Hester is to provide information on the access points that are of concern. Mrs. Hester advised that Nick from her office is almost finished with the assessment of those areas and the information should be provided to Mr. Flickinger by early next week. All of the ponds are being reviewed. Mrs. Hester advised that some of the ponds need to be accessed

from the back. It is possible that no additional easements will be needed.

President Dennis Daniel stated that he would like to have the District's improvement plan for the budget preparation. President Daniel asked Ms. Wyatt to provide that information. The information should be provided in a report with bullet points and categories for ease of reading. This report should be adopted with the District budget. Director Nathan Neese advised that there are companies that provide reserve studies for District. Manager Kristi Hester stated that she can prepare an assessment management plan for the District, as this is a great budgeting tool. It would be productive to set a meeting with the committee to discuss.

11. REVIEW OF DISTRICT EASEMENTS AND LAND NECESSARY FOR DISTRICT OPERATIONS
12. LONG-TERM DISTRICT IMPROVEMENTS PLAN

Items No. 11 and 12 were discussed above in the Engineer's Report.

13. RULES AND REGULATIONS GOVERNING WATER AND SANITARY SEWER FACILITIES, SERVICE LINES, COMMUNICATIONS, EROSION CONTROL, DRAINAGE AND DISTRICT PROPERTY

Attorney Bill Flickinger discussed the redline version of the Rules. The changes consisted of language to protect the District's drainage system. After the Rules have been finalized, a summary will be published in the newspaper and the Rules will be posted on the District's website. After discussion, President Dennis Daniel entertained a motion. Motion was made by Tom Rogers and seconded by Terri Purdy to adopt the Rules and Regulations Governing Water and Sanitary Sewer Facilities, Service Lines, Connections, Erosion Control, Drainage Facilities and District Property as presented. The motion carried unanimously.

14. COMMITTEE REPORTS, ASSIGNMENT AND MEMBERSHIP
  - A. District Operations (Dennis & Terri)
  - B. Communications (Terri & Dennis)
  - C. WTCPUA (Nathan & Dennis)
  - D. Water Quality/Land Use (Ron & Terri)

President Dennis Daniel asked who would like to serve on the Audit/Budget committee. Nathan Neese will chair the committee and President Daniel will be the other member.

President Daniel advised that he will discuss the District's operations under the Manger's Report.

Vice President Terri Purdy reported she had nothing to discuss regarding communications.

Director Nathan Neese reported that he received the WTCPUA adjustment to the wholesale water base fee. This increase is based on buildout of the District. It appears that there will be an increase for the next four years. This increase will be effective October 1<sup>st</sup>.

Director Ron Meyer had nothing further to discuss regarding Water Quality/Land Use.

15. 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
- S. Maintenance access
- T. I&S
- U. Procedures for disconnection of water service

Manager Kristi Hester discussed the Executive Summary with the Board.

The District currently has 501 active connections. 7.45 million gallons of water was purchased for the month of June. The District incurred a 9.2 % water loss this period. President Dennis Daniel asked where the District is losing water. Mrs. Hester advised it might be a timing issue, but she will keep an eye on it. President Daniel is concerned that it might be a leak or water theft. Mrs. Hester will get a meter calibration done and review paperwork. Director Nathan Neese indicated it could also be freeze related that is just now being discovered.

Mrs. Hester reported that 12 delinquent letters were mailed out. However, there were no disconnects. President Dennis Daniel discussed the disconnection process and advised that the normal course of action should be taken. As the Board is aware, the process was changed due to

the pandemic. During that time, Inframark was advised to contact President Daniel before any disconnects were made. After discussion, motion was made by Nathan Neese and seconded by Ron Meyer to rescind the prior process and go back to the standard course of action for disconnects. The motion carried unanimously.

TCEQ will do a virtual inspection of the District water system on July 26<sup>th</sup>.

Flows at the wastewater treatment plant totaled 1.39 MG, which averages 46,000 GPD. Plant capacity is at 92%. The BOD and TSS limits were down until the last week of June when the hauler pulled loads from the aeration basin instead of the EQ basin due to the EQ basin being empty. This caused the solids in the plant to drop and had a major impact on the treatment process. President Daniel noted that this has happened three months in a row. The District must be extremely pro-active in getting this under control. The District should also not be charged for the incorrect haul that occurred and should reserve the right for a possible claim against the hauling company. All consultants are working on responding to the TCEQ on the notice of violation received on June 24<sup>th</sup> for the saturated irrigation fields. Repairs were scheduled for several leaks including Zone 17. The zones will be turned on to confirm that the repairs are completed. The response to the TCEQ should be out the door by the end of the week.

Mrs. Hester reported that she was notified that the insurance claim was being paid in connection with the pump failure at the lift station.

Mrs. Hester is recommending a full manhole survey of the collection system. This survey should be put on a five-year plan. The survey costs approximately \$6,000. Engineer Andrea Wyatt will check the prior study to see if any of the information can be obtained from it. President Daniel advised that some of this information may already be available from the GIS mapping project that was done in the past. This item will be tabled for further review. Mrs. Hester will discuss it at the August meeting once all the information has been reviewed.

There was discussion of the pond and erosion control inspections. President Daniel noted the inlets have debris and dirt in them on Jacksdaw and Reunion Ranch Boulevard.

Inframark is monitoring the street conditions near the wastewater treatment plant. There were complaints regarding mud in the streets. President Daniel asked that the mud not be flushed down the drainage system next time. Instead, a street sweeper should be used to pick up the mud. Mrs. Hester advised that it was put in the inlet and that catches the sediment. That would not allow the sediment to go into the pond.

There was a resident complaint on loud noises at the plant during construction. Mrs. Hester contacted the resident but has not heard back from them. President Daneil asked that in between meetings, if any complaints are received, to please pass them along to the committee, which is Terri Purdy and himself.

16. EXPENDITURES, CONTRACTS, REPAIRS, REPLACEMENTS AND MAINTENANCE RELATED TO OPERATIONS AND MAINTENANCE REPORT IN ITEM 15 ABOVE

This item was not discussed.

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

Bookkeeper Jessica Benson discussed the financials with the Board. Ms. Benson reported that the District's tax collection rate is 98.96%. The District's budget is behind plan for the year. Ms. Benson discussed the bond payments that are due in August for bond series 2015 through 2020. Secretary Ron Meyer inquired about the cost of the landscaping maintenance. That amount is due to the mowing of the drip fields. After discussion, President Daniel entertained a motion. Motion was made by Terri Purdy and seconded by Ron Meyer to approve the invoices, per diems, fund transfers and bond payments as discussed. The motion carried unanimously.

18. LEGISLATIVE UPDATE

Attorney Bill Flickinger discussed the legislative update in detail. Mr. Flickinger will provide recommendations for any changes that the District needs to implement.

20. 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; TCEQ NOTICE OF VIOLATION FOR COMPLAINT INVESTIGATION DATE JUNE 16, 2021

This item was discussed under the Manager's Report.


21. FUTURE BOARD MEETINGS AND RULES FOR IN PERSON MEETINGS BEGINNING IN SEPTEMBER

Attorney Bill Flickinger discussed future board meeting and rules for in person meetings. Starting September 1<sup>st</sup>, the prior open meeting rules will apply and the board meetings will be back in person.


There was discussion of changing the time of the meeting once the District met back in person. After discussion, it appears that early morning or late afternoons would work better for the majority of the Board. This item will be discussed further at the August board meeting.

22. ADJOURN

President Dennis Daniel adjourned the meeting.

  
Dennis Daniel, President  
Reunion Ranch WCID

ATTEST:

  
Ronald F. Meyer, Secretary  
Reunion Ranch WCID

[SEAL]