

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 3:00 p.m. on May 17, 2022 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 Daniel – President
Terri Purdy – Vice President
Ron Meyer – Secretary
Nathan Neese – Assistant Secretary

thus constituting a quorum. Assistant Secretary Tom Rogers was absent.

Also present at the meeting were Bill Flickinger, Hunter Hudson, Greg Szuman and Jeniffer Concienne with Willatt & Flickinger, PLLC, Andrea Wyatt and Evan Parker with Murfee Engineering, Allen Douthitt with Bott & Douthitt, Ronja Keyes with Inframark and residents Gary Grass and John Genter.

Attending via Zoom were President Dennis Daniel and residents Pattie Schieck and Mark Olsen.

3. PUBLIC COMMENTS

No public comments were made.

4. MINUTES OF PRIOR MEETINGS

Vice President Terri Purdy entertained a motion for the minutes. Ron Meyer had a revision to the minutes. Motion was made by Nathan Neese and seconded by Ron Meyer to approve the Minutes of the April 19, 2022 meeting as corrected. The motion carried unanimously.

5. STATEMENTS OF ELECTED OFFICER, OATHS OF OFFICE AND CERTIFICATES OF ELECTION

Attorney Bill Flickinger discussed the process of swearing in the Directors. Jeniffer Concienne swore in Dennis Daniel, Gary Grass and John Genter into office. Mr. Flickinger advised that the term is for four years.

6. RESOLUTIONS RECOGNIZING SERVICE ON BOARD OF DIRECTORS BY NATHAN NEESE AND TOM ROGERS

Attorney Bill Flickinger stated that Resolutions have been prepared to recognize the service provided by Nathan Neese and Tom Rogers. Mr. Flickinger explained the process of developer appointees when creating a District. Nathan Neese has been on the Board for 10 years. Without the appointees, there would not be a District so that the residents could live in. Mr. Flickinger stated to Mr. Neese that he appreciates all that he did for the District. Tom Rogers has been on the Board for 5 years. Mr. Rogers was a prior President and Vice President of Lakeway MUD. He had very good judgment in dealing with the District. John Genter thanked them for a well ran neighborhood and appreciates what they did. President Dennis Daniel truly appreciated all he did on the Board. After discussion, motion was made by President Daniel and seconded by Vice President Terri Purdy to approve the Resolutions as presented. The motion carried unanimously. Nathan Neese thanked everyone as well and is happy to leave it in good standing.

7. ELECTION OF OFFICERS

Vice President Terri Purdy discussed the process of election of officers. President Dennis Daniel discussed same. After discussion, motion was made by John Genter and seconded by Gary Grass to keep the current positions the same and elect John Genter and Gary Grass as Assistant Secretaries. The motion carried unanimously.

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

Bookkeeper Allen Douthitt discussed the financials with the Board. Mr. Douthitt also included a summary on the variances in the financials. Tom Rogers' per diem will be voided due to his absence. Mr. Douthitt will also add per diems for John Genter and Gary Grass. President Dennis Daniel asked that his check for mileage be voided due to him being out of town and appearing via Zoom. The LCRA cost sharing grant and the funds from the sale of the sludge box were included in the financials, which is driving a good budget. Inframark also credited the District for the chlorine checks. This reporting period shows the District's tax collection at 98.11%. There was discussion by the new directors on the tax collection and LCRA/PUA water distribution. President Daniel inquired about the higher than normal wastewater charges. Manager Ronja Keyes will look into the charges and get back with President Daniel on the details. After discussion, motion was made by President Daniel and seconded by Vice President Terri Purdy to approve payment of the invoices and per diems and authorize the fund transfers as discussed. The motion carried unanimously.

9. 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

Frank Krasovec submitted a written update on the development of The Reserve. Per the update, the last lot was sold in February. All the vacant lots will be under construction by the end of 2022. The Reserve HOA has been turned over the Reunion Ranch HOA with a carve out for the private road and common elements related to The Reserve.

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

This item was not discussed.

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

This item was not discussed.

12. 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

13. WASTEWATER TREATMENT PLANT EXPANSION

Items 12 and 13 were discussed together.

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

Attached to the report is the updated figure tracking wastewater flows, which includes calculated flow values produced per household. Mr. Parker advised that not much has changed and the flow is hovering around the average line.

With regard to the WWTP expansion, Murfee Engineering is still finalizing the record drawings. President Dennis Daniel asked about a timeline of completion. Engineer Andrea Wyatt will check with the electrical engineer at Murfee on some information related to the record drawings. The project is about 90% done. Mrs. Wyatt will get back with President Daniel. The

main reason to get this project completed is that he wants to avoid any damage to the lines going forward.

Mrs. Wyatt discussed the odor at the WWTP, which has still been minimal with no complaints. The plan is to still evaluate odors in late summer early fall and bring a proposal back in July. They are still struggling with transport service providing a dumpster with an inoperable cover. Mrs. Wyatt may look at providing the District's own cover. The equipment cost is estimated to be about \$45,000 with another \$10,000 for additional work. Gary Grass noted that this was not in the District's budget. Mrs. Wyatt discussed same. There was discussion of placing this item in next year's budget. President Daniel asked about the budget for the odor study, which was \$10,000. The original design for the dumpster showed it to be enclosed. The dumpster was also a smaller size than what the District currently has now. There was discussion of finding savings in the budget and not getting into the District's reserves. There was discussion of delaying the study and figure out the cover first. John Genter asked if the odor study was required or an elective. It was advised that this was something that the Board choose to do. It was discussed that the odors are worse during the summertime and in the vicinity of the amenity center. Mr. Grass discussed available funds from the uncollected taxes and odor control study to help find a suitable cover for the sludge. Funds from the sale of the sludge box can be used as well. Mrs. Wyatt will get another quote and bring it back to the Board at the June meeting. The quote will be for a cover for a 20-yard dumpster. Vice President Terri Purdy mentioned that this needs to be done correctly and done sooner rather than later. President Daniel agreed. There was discussion of a manual cover and that Inframark could remove when working on it. This is not a perfect solution but may be an option.

Mrs. Wyatt discussed the 210 effluent irrigation project. She will meet with Urban Dirt before the design is completed. Urban Dirt seems to be hesitant the way that effluent would be provided. The District would provide the effluent by pump and skid. Urban Dirt reported that they had previous problems with pressure in that delivery that caused issues with heads and piping. Mrs. Wyatt will be meeting with them on Friday to discuss further. There was discussion of Urban Dirt not knowing about the purple pipe installed. President Daniel is frustrated with the process. President Daniel asked how close she is on getting out the project to bid. Mrs. Wyatt discussed advertising in the middle of June and award in July. This will be a long-term upgrade so the Board and all parties wants to be sure it is done correctly. The HOA needs to be on Board with this project. The committee on the Effluent Disposal Contract is President Daniel and Ron Meyer. There was discussion on the contract and the provision on irrigating on a 10% slope or greater. There was discussion of this provision being a requirement. Attorney Bill Flickinger will double check the permit and TCEQ rules to see if it is mandatory or discretionary. President Daniel would like to take that provision out if not required.

Mrs. Wyatt reported that all sampling looks good. Mr. Genter asked about turbidity and Mrs. Wyatt explained same. Silt contributes to the turbidity levels. The levels are very good in the District.

Mr. Parker reported on the Emergency Preparedness Plan. May 22nd is the deadline for the TCEQ to provide comments and/or approval. The District is approaching the 90-day mark.

Murfee Engineering is working with Inframark on the wastewater emergency preparedness plan. Manager Ronja Keyes has provided some comments and they are still working on this plan. Mrs. Wyatt stated that they are looking into incorporating this information in District's GIS plan. The information can be included on a google drive. President Daniel discussed the District's GIS system and noted that it should stay updated. Mr. Parker asked if the Board would want to appoint a committee to work with the consultants on this project. President Daniel asked that this be put off until next month. Several years ago, the GIS was created for the District and all information should be linked and integrated as we go along. Mrs. Wyatt advised that this will be kept on the front page going forward.

Mr. Parker discussed their review of the Request for License to Encroach for a swimming pool and a request for improvements in the common area. Mrs. Wyatt discussed reviewing the erosion control issues on drainage. This is an HOA issue. There was discussion of impervious cover regarding the playground shades. This appears to not be an issue. President Daniel asked if this is on the initial plat. Mrs. Wyatt has reached out to the original engineer to see that information they have. There was discussion of who regulates the impervious cover of the District, which would be the City of Dripping Springs and Hays County. After discussion, does the District have money to spend chasing this down or should the HOA be looking at this. The District is in charge of water quality of the District and probably should not spend a lot of time on this.

14. IMPLEMENTATION OF LONG-TERM DISTRICT IMPROVEMENTS AND ASSET MANAGEMENT PLAN

Evan Parker discussed the status of the capital improvements. The Mary Elise pond aerator is complete and was done under budget. Engineer Andrea Wyatt will include a new column on the report to show when a project has been completed. Mrs. Wyatt will start looking at what should be included in next year's budget.

15. EFFLUENT DISPOSAL AGREEMENT BETWEEN THE HOA AND DISTRICT

Attorney Bill Flickinger has the revised draft of the Effluent Disposal Agreement from the HOA. Mr. Flickinger requested the License Agreement from the HOA for the Exhibit. The HOA is also working on the areas to be irrigated. This Agreement should be ready for approval in June.

16. ORDER ESTABLISHING WATER AND WASTEWATER SERVICE RATES, CHARGES, TAP FEES AND SOLID WASTE DISPOSAL/RECYCLING FEES AND ADOPTING GENERAL POLICIES WITH RESPECT TO THE DISTRICT'S WATER, WASTEWATER AND DRAINAGE SYSTEMS

Attorney Bill Flickinger discussed the draft Rate Order and the zero charge for effluent to the HOA. President Dennis Daniel entertained the need for a policy or notice in the rate order on notice to the residents before the Rate Order is changed. Mr. Flickinger advised that it is best for the Board of Directors to be able to change the rates as the need occurs. Mr. Flickinger has never seen a rate order that includes that provision. After discussion, motion was made by President

Dennis Daniel and seconded by Ron Meyer to approve the Rate Order as presented. The motion carried unanimously.

17. CRITERIA FOR APPROVAL OF ANY MODIFICATIONS TO COMMON AREAS

Attorney Bill Flickinger reported that Ron Meyer has a working draft of the criteria for approval of any modifications to common areas. The amenity center will not be included in this review. The HOA is free to make modifications as it sees fit. Mr. Flickinger advised that a committee meeting is needed for further review.

Resident Pattie Schieck stated that she is on the HOA landscaping committee. The HOA is cleaning up dead brush/trees in the greenbelt areas and any guidelines that the District has would be very helpful.

18. REQUEST FOR MODIFICATION TO COMMON AREA

Attorney Bill Flickinger discussed the request for modification to common areas in the District. Director Ron Meyer discussed the details of the modification. Inframark is reviewing the request and will send some additional information. President Dennis Daniel noted that attention to erosion control is a major concern inside or outside of the lot line. There was discussion of this area being the HOA's project and not the District's. This should be approved by the HOA first, in writing, then come to the Board for consideration. After discussion, motion was made by Ron Meyer and seconded by John Genter to reject the request from the homeowner until such time they get approval by the HOA and at which time the District can then consider approval at the next board meeting so long as the appropriate erosion controls are in place. The motion carried unanimously. Mr. Flickinger will notify Matt Bland with the HOA on this rejection.

There was also discussion of the shade structures at the two playgrounds. The HOA will need to submit the request to the District for the playground near Jacksdaw.

19. 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)
- E. Audit/Budget (Nathan & Dennis)

Vice President Terri Purdy stated that changes made to the committees will be deferred until next month's meeting. President Dennis Daniel advised that the committee assignments will be reviewed to restructure them or add appropriate committees. Vice President Purdy discussed the responsibility of the committees listed above.

Vice President Purdy will also work with Inframark on signage in the District.

20. 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 and Resident Complaints
- J. Stormwater conveyance & pond maintenance
- K. Landscaping
- L. Notices to residents on water quality
- M. Out of District Water/Wastewater Service Requests
- N. Request for Use of Greenspace and other District Easements
- O. Maintenance access
- P. Expenditures, contracts, repairs, replacements and maintenance related to Operations and Maintenance Report
- Q. Watering Restrictions; Recent notice from WTCPUA
- R. Resident's request for Consent for License to Encroach for new pool on Reunion Boulevard

Manager Ronja Keyes discussed the Executive Summary.

In connection with the WWTP/ Collection system, all facilities are in compliance for the month of April. The plant is running at 72% capacity. The District's total flows were 1.7 MG, which averages 57,000 GPD. Ms. Keyes discussed the update to the effluent pump #1. The repairs will not be covered under warranty. It appears that a large object clogged and damaged the impeller and excessive torque caused the pump to overheat and fail. The estimated cost is \$4,482.50. There was discussion of what could have caused that damage. There was discussion of the actuator/decant valve. The wires appear to have been damaged during construction of the wastewater treatment plant. The contractor tried to fix the problem, but it was not sufficient. Ms. Keyes reported that Inframark received and investigated multiple alarm calls at the plant. The operator had to stay on site to be sure that the breaker would not trip and everything would work properly. This caused an over-time charge for the operator.

Ms. Keyes discussed the annual inspection of wastewater grinder stations. HydroSource provided a proposal in the amount of \$4,600 for the inspection. Ms. Keyes also discussed a recent grinder pump failure and need to repair or replace the pump. The pump is nine years old. The cost to repair the pump is \$1,901 and a new one will be \$2,250 with a three-year warranty.

There was discussion of a 4" reuse line break. It appears that tree roots caused the line break. The District may need to consider removing the tree or relocate the line. President Daniel

is not in favor of removing the tree. Ms. Keyes will provide more details to President Daniel for review.

Ms. Keyes reported on the water accountability for April which was 92%. The leak detection investigation was conducted and SAMCO reported multiple leaks. There were two service line breaks, two fire hydrant leaks and one meter box leak. The fire hydrants have been flushed and are not leaking. Inframark reviewed the details of the leaks and only found one that was an actual leak. There was discussion of the leak in the irrigation control box on Reunion Ranch Boulevard. The resident was told the leak was on their side. Ms. Keyes indicated that maybe Taylor Morrison could help out the resident under warranty. Vice President Terri Purdy reported that the resident contacted her directly and advised that SAMCO reported the leak was on the District's side. The resident is not seeing the meter moving, so does not feel that it is on their side. John Genter discussed the 92% accountability. President Daniel is still concerned with the water loss. Ms. Keyes discussed night testing. President Daniel believes it points to an unmetered connection. Ms. Keyes reported that a fire hydrant meter on Katie and Jacksdaw was not registering so she created a work order to get it fixed. President Daniel discussed prior conversations with Kristi Hester on this issue. She advised at that time, the meter was not registering and was replaced. President Daniel is not satisfied with today's explanations. Ms. Keyes is happy to get additional information for President Daniel and understands his frustration. Gary Grass asked what is expected of the water accountability. The goal is 100%. There was also an HOA leak. Ms. Keyes will contact the HOA to see if the leak was fixed. Mr. Genter suggests getting the meter fixed first and contacting the HOA on its leak before spending more money on leak detection. Attorney Bill Flickinger asked who was using the hydrant. President Daniel advised it was used for HOA irrigation.

Ms. Keyes discussed the manhole survey and the actual costs of that survey. Previously, the work was estimated to be \$4,000. Ms. Keyes is not aware of that prior estimate, but the actual cost is \$8,000. The survey team is from Houston and comes to Austin to complete the survey. Ms. Keyes asked the Board if they are willing to pay \$8,000. The actual written proposal was never presented to the Board. For that type of survey and the number of manholes, the proposal would have been in the amount of \$18,000. President Daniel believes most of the manholes were already surveyed during the Edwards Aquifer tv'ing of the wastewater lines that is required every five years. This was done two years ago. There was discussion of the damage that occurred during the flushing of those lines. Vice President Purdy does not believe the Board has enough information to make a decision on this at this time.

In regard to delinquencies, eight letters were mailed out and four door tags were hung. However, no disconnects.

Mr. Grass asked about the status of the HOA billing error. Bookkeeper Allen Douthitt showed in his report earlier that has been cleared up.

Pond inspection reports were included in the agenda package.

Ms. Keyes reported on the pond maintenance and inspections. There was discussion of the pedestrian walkway to Mary Elise Pond. Mr. Meyer asked if the District could do a "Go Fund

Me” or received a donation to fix the walking trail. Mr. Flickinger will have to look into the “Go Fund Me” aspect, but the District can accept a donation for a specific purpose, per the Water Code.

Ms. Keyes reported on the water restriction signs installed in the District. Inframark will notify the TCEQ. The watering schedule will also be included on the water bills. Mr. Flickinger discussed enforcement of the water restrictions and necessary fines and termination of service if need be. The District already maintains a strict schedule, but this schedule changes the watering days.

Inframark reviewed the Request for License to Encroach for a resident’s swimming pool installation. Mr. Flickinger discussed the License to Encroach. The District reviews it to determine that no issues are found. It is a harmless approval for the District, because they can always go in and dig up what is needed and it will be at the customer’s costs. Motion was made by President Daniel and seconded by Mr. Meyer to approve the License to Encroach as presented. The motion carried unanimously.

The erosion control report was included in the Manager’s Report.

Lastly, Ms. Keyes discussed the current items for the Board’s consideration.

After discussion, the following motions were made:

Motion was made by Vice President Purdy and seconded by President Daniel to approve Inframark replacing the conduit and wire from the panel to the decant value in the amount \$4,400. The motion carried unanimously.

Motion was made by President Daniel and seconded by Vice President Purdy to approve the effluent pump repair by Smith Pump in the amount of \$4,482.50. The motion carried unanimously.

The grinder station inspection should be pushed off until next year and included in next year’s budget. There was discussion of the process of inspections and when the last inspection was done. After discussion, no action was taken on this item. Vice President Purdy requested Ms. Keyes to bring back additional information for consideration. Ms. Keyes reported that she cannot find when the last time it was done because she does not have access to all of Kristi Hester’s files. President Daniel is concerned that she does not have access to the District’s information from Inframark.

Motion was made by John Genter and seconded by Ron Meyer to approve the replacement of the grinder station pump by HydroSource in the amount of \$2,250, which includes a three-year warranty. The motion carried unanimously.

Vice President Purdy asked if the District does not approve the \$8,000 invoice for the manhole survey, will Inframark make up the difference on the invoice. Mr. Genter stated that being in his first board meeting for several hours, he is concerned with the services from

Inframark. He realizes that Ms. Keyes is new to the account but concerned with service and operation of the plant. He cannot in good conscience approve spending any more money than what the Board was previously provided and what they approved. Mr. Genter believes that this is an Inframark problem. Mr. Genter is leaving this meeting today with very serious concerns about Inframark's operation of the plant and the lack of information the Board received today. Mr. Genter stated that this is not attack on Ms. Keyes, just his observation. Ms. Keyes understands the concerns and is trying to be transparent with the Board. After discussion, motion was made by President Daniel and seconded by Gary Grass to approve only what was budgeted and approved previously at \$4,000 for the manhole survey. The motion carried unanimously.

Vice President Purdy would like to see actual invoice of the work requested and completed. This Board is responsible for actions and projects and something was missed. The Board needs to be sure this does not happen again.

21. 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 reported that the Agreed Order is still pending and being processed through the TCEQ. As reported previously, the TCEQ has advised that there are no issues, it is just taking its time through the system. Mr. Flickinger stated that Engineer Andrea Wyatt has already prepared a response letter to the TCEQ and his office is working on the required certifications ahead of time, so that all this correspondence can be filed as soon as the Agreed Order comes back from the TCEQ. Mr. Flickinger reported that he will meet with Mrs. Wyatt on this matter outside of a board meeting.

22. WILLATT & FLICKINGER, PLLC; REPRESENTATION AT BOARD MEETINGS; BRANCH OFFICE IN MICHIGAN (FOR DISCUSSION ONLY)

Attorney Bill Flickinger discussed his move to Michigan. Mr. Flickinger advised that any of the Board members could call him to discuss in detail. Mr. Flickinger will work primarily out the Michigan office. He will continue to do all the District work but will not be attending all the Board meetings in person. Mr. Flickinger will be attending the meetings, via Zoom. Attorney Hunter Hudson will be in person at the meetings, along with legal assistant Jeniffer Concienne.

19. ADJOURN

Vice President Terri Purdy adjourned the meeting.



Terri Purdy, Vice President
Reunion Ranch WCID

ATTEST:

A handwritten signature in black ink, appearing to read "Ronald F. Meyer", is written over a horizontal line.

Ronald F. Meyer, Secretary
Reunion Ranch WCID

[SEAL]