

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 October 17, 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
- John Genter – Assistant Secretary

thus, constituting a quorum. Assistant Secretary Gary Grass was absent.

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

Attending via Zoom were Bill Flickinger with Willatt & Flickinger, PLLC, Allen Douthitt with Bott & Douthitt, PLLC, Makenzi Scales with Inframark and residents Leslie Daniel and Patti Webster.

3.     PUBLIC COMMENTS

No public comments were made.

4.     MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained a motion for approval of the minutes. Motion was made by Assistant Secretary John Genter and seconded by Vice President Terri Purdy to approve the September 12, 2023 meeting minutes as presented. The motion carried unanimously.

5. UPDATES REGARDING REUNION RANCH HOA MATTERS

President Dennis Daniel reported that the HOA has two new board members, due to the prior members' terms expiring. Malone/Wheeler the engineer for the HOA is waiting for the District to catch up on the effluent irrigation contract before they proceed any further on the project.

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

Bookkeeper Allen Douthitt discussed the financials and budget variances with the Board. The information on the variances is taking a lot of time to compile, so if there are any comments or suggestions, please let him know.

The District is looking good for the month and year-to-date. President Dennis Daniel would like additional information on why there has been so much sludge hauling for the year and requests that time be reviewed specifically under the operations report next month. Manager Makenzi Scales pulled a lot of information for last month's meeting, however it was not discussed. She will gather additional information and provide it at next month's meeting. Manager Makenzi Scales noted that until the bar screen is fixed, the District will continue to have sludge hauling. President Dennis Daniel also inquired about the application plan review fees and asked if the District charges for review of those plans. Bookkeeper Allen Douthitt does not believe the District charges. President Dennis Daniel asked that the Board keep this in mind, in case it should be considered in the future. There was discussion about the District's interest revenue. Manager Makenzi Scales discussed the unfavorable lab fees due to multiple days of testing. President Dennis Daniel asked that a reconciliation of the reserves be prepared for next month's discussion.

After discussion of the financials, President Dennis Daniel entertained a motion. Motion was made by Vice President Terri Purdy 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.

Bookkeeper Allen Douthitt advised that he will need to pay the insurance premium from the bookkeeper's account as it was not included in the Cash Activity Report. After discussion, motion was made by President Dennis Daniel and seconded by Assistant Secretary John Genter to pay the annual insurance premium from the bookkeeper's account as discussed. The motion carried unanimously.

7. ITEMS FROM THE BOARD

- a. Annual Insurance Renewal
- b. Requests for common area modifications
- c. Variances to Drought Contingency Plan requirements
- d. Disposition of Capital Project Funds
- e. Field Use Rules
- f. Bar screen operation issues

- g. Overall plan to improve wastewater plant efficiency and effluent irrigation
- h. Committee Reports
  - i. Communications
  - ii. Utility Operations
  - iii. Land Use & Water Quality
  - iv. Finance, Budget & Audit
  - v. Water Conservation & Drought Management
  - vi. Operations Contract Review
  - vii. Wastewater Effluent Reuse

Assistant Secretary John Genter reported he and Assistant Secretary Gary Grass have reviewed the annual insurance renewal. The coverage is the same as last year. The premium increased by 5%, which is reasonable. After discussion, Assistant Secretary John Genter recommended renewal of the District's insurance coverage. President Dennis Daniel entertained a motion. Motion was made by Assistant Secretary John Genter and seconded by Vice President Terri Purdy to approve the District's insurance renewal as presented. The motion carried unanimously.

Vice President Terri Purdy reported that the committee approved a landscape/watering variance. A homeowner finished a new build and put down sod. The homeowner needed to water the sod to get it established, as they were having issues with dust/dirt blowing everywhere. The committee provided the homeowner with the recommended volume for water for new sods.

Attorney Bill Flickinger reported that the District received a favorable response from Michael Slack of Taylor Morrison on use of the District's surplus bond proceeds. Michael Slack has agreed to let the District use the funds that remained from the last bond issue. Attorney Bill Flickinger's stated that his office will provide the necessary documentation to Michael Slack. The TCEQ will need to approve the use of the surplus funds.

Secretary Ron Meyer presented the Drain Field Park Rules, with the HOA's edits. There was discussion of the Do's and Don'ts regarding the use of the fields. It was agreed that the area should be enjoyed as much as possible, without damaging the District's pipes and grass. The Board recommended changes to the draft Rules. There was prior discussion of Inframark installing poles for the volleyball nets. Secretary Ron Meyer noted that as of current, where the residents play volleyball, the grass is worn down, and they should rotate locations. After discussion, President Dennis Daniel entertained a motion. Motion was made by Secretary Ron Meyer and seconded by Assistant Secretary John Genter to approve the Drain Field Park Rules with the changes as discussed by the Board. The motion carried unanimously. Attorney Bill Flickinger noted that he will need to review the Rules to see if anything needs to be incorporated due to these new Rules.

President Dennis Daniel discussed the bar screen issues. The bar screen has not worked for some time, and he would like to know why and if there is any new information since last month's board meeting. Manager Makenzi Scales reported that a better option for the District would be for a new bar screen that does not rotate or has moving parts instead of the repairing

what the District has. Engineer Mark Kestner is reviewing those options and the retrofit. The needed repairs will not be in warranty since it was installed back in September 2021. It was reiterated that the bar screen was wired backwards on two separate occasions. President Dennis Daniel is not satisfied that the residents and taxpayers of the District are responsible for these costs. This issue needs to be figured out when and what went wrong with the system. Since the backup bar screen does not work, there is no screening at all taking place. Engineer Mark Kestner stated that if the District is contemplating litigation then all further correspondence on this issue needs to be in writing to Murfee Engineering. President Dennis Daniel said ok, it will. Secretary Ron Meyer is concerned with attorney's fees and recovery of those costs. President Dennis Daniel advised that if there is a claim brought forward, then the District would ask to recover the attorney's fees. Assistant Secretary John Genter inquired about the replacement costs for the bar screen. Manager Makenzi Scales stated that the current model is \$23,000. With the bar screen not working properly, it is causing more wear on the system. This has been going on for quite some time with little movement. After discussion, motion was made by President Dennis Daniel and seconded by Vice President Terri Purdy to authorize the District's attorney to lead an investigation, put together a timeline and explanation as to what has happened and how to go forward from here, which investigation is not to exceed \$10,000 and to provide a report on this information at the next board meeting. The motion carried unanimously. Attorney Bill Flickinger advised that he will put together a timeline and sequence of events. There was discussion of what is being done now to solve the issues. Manager Makenzi Scales and Engineer Mark Kestner will contact the vendor on repairs that can be done now. As a known fact, this issue can also cause an odor problem. After further discussion, motion was made by Vice President Terri Purdy and seconded by Secretary Ron Meyer to authorize the Utility Operations committee to approve an expenditure not to exceed \$10,000 to address the bar screen issue immediately. The motion carried unanimously. President Dennis Daniel would like to have a full proposal at next month's meeting outlining a permanent fix.

President Dennis Daniel discussed how to move forward on operations running more efficiently and getting the District's effluent usable for the 210 permit. There was discussion of proposed improvements to increase the wastewater plant efficiency, which includes a cost reduction in areas of operations, power and equipment replacement/decommissioning and creating additional revenue streams. President Dennis Daniel will not support charging the HOA for effluent, that is just washing the money around in circles. Attorney Bill Flickinger noted the District has a contract with the HOA for no charge to use the effluent. Engineer Mark Kestner noted that there is a nominal fee that can be charged. Secretary Ron Meyer asked if no revenue changes the scope of the design of the system. Engineer Mark Kestner stated it does not. Assistant Secretary John Genter asked about the timeline for the draft document. Engineer Mark Kestner advised that he will work with the committee. Assistant Secretary John Genter feels that this project is urgent. President Dennis Daniel stated that this project will provide a better solution, but not much savings and he is getting used to the idea of spending this money and ready to use the 210 permit.

Vice President Terri Purdy reported that the WTCPUA updated its watering restrictions to Stage 2. This stage offers twice a week watering. Inframark will provide new signage and the website will be updated with this new information. President Dennis Daniel noted that the supply drought is still ongoing. President Dennis Daneil asked that the committee review the LCRA

restrictions, to be sure the District is not bouncing around too much. To match the WTCPUA, the District will go into Stage 3 now. Secretary Ron Meyer asked if there was evidence that the watering restrictions conserved water for the District. Manager Makenzi Scales reported that it is hard to pinpoint, but she has seen a decrease in water use. Assistant Secretary John Genter reported that the residents indicated that the signage on the watering restrictions was helpful.

President Dennis Daniel would like to dissolve the Wastewater Effluent Reuse committee as that topic can be handled with the Utility Operations Committee.

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

The TLAP has been completed and is scheduled for filing this week.

The lead and cooper rule revisions inventory has been completed and will be submitted to the TCEQ well before the deadline.

Engineer Mark Kestner reported that he is updating the long-term improvements and asset management plan quarterly since the pricing is all over the place.

A draft of the Emergency Response Plan for wastewater has been presented to the Board for review. The plan is tied to the Hays County Emergency Response Plan. President Dennis Daniel advised that the Board will go into closed session next month to discuss in detail and perhaps adopt the plan. President Dennis Daniel would like for the committee and engineer to meet next week to discuss the plan.

Engineer Mark Kestner reiterated that the bids for the 210 effluent irrigation project were rejected last month and end this project for the time being. The drop chute has been completed and was confirmed that it looks good. Therefore, the held retainage will most likely be released

next month.

There was discussion of the e-coli spike. Engineer Mark Kestner does not believe the sample was good. The level spiked and quickly dropped back down. During that time, the chlorine basin was being cleaned and Manager Makenzi Scales will confirm the timing of that and the sampling. President Dennis Daniel noticed that everything is trending up on the charts and mentioned the algae accumulating in the effluent trough. President Dennis Daniel asked that Manager Makenzi Scales get operations to check for any problems before they arise. Manager Makenzi Scales stated that she made a site visit as well and documented the algae and that the issue is on the radar and being investigated. She will report back with the details.

Engineer Mark Kestner reported that the water use per LUE dropped. It appears to have plateaued. President Dennis Daniel asked him to continue to track that information.

9. OPERATIONS AND MAINTENANCE REPORT AND REQUESTED APPROVALS

- a. Administrative
- b. Improvement of wastewater treatment plant operations
- c. Wastewater treatment plant and effluent subsurface irrigation
- d. Wastewater collection system
- e. Water distribution system
- f. Enforcement Policy for Watering Restrictions
- f. Stormwater conveyance and pond maintenance
- g. Customer matters, complaints, reports and updates
- h. Customer billing and delinquencies
- i. Authorizations for expenditures related to contracts, repairs, replacements, operations improvements and maintenance

Manager Makenzi Scales discussed the Executive Summary as included in the agenda package.

There is an issue with the location of the trash receptacle at the wastewater treatment plant. There is a concrete lip on the concrete pad, which will be hard to move the dumpster. They are now looking for an outside placement area. However, the receptacle will have a lock bar to prevent unauthorized use. Manager Makenzi Scales is getting a proposal for a small wall to block the receptacle from view or as an alternative can get roll off carts.

All the signs for the water conservation have been received, however the WTCPUA changed Stages, so those signs are no longer in effect.

All District facilities are in compliance for the month of September. It has been noted that the plant's capacity has risen. Inframark has correlated this rise to heavy rain fall and believes a portion of the increased capacity is due to I&I issues. There were high pump run times during the rainfall events at all the lift stations.

There was a brief discussion on maintenance items at the wastewater treatment plant.

The District's water accountability for September was 102.02%, which was caused by a delay in meter reads.

President Dennis Daniel wants a report on violations and Manager Makenzi Scales will start a report on enforcement and work with the committee on drive-thrus. Prior to the next board meeting, she will provide a report to the Board that can then be discussed. Secretary Ron Meyer inquired about the process of the drive-thrus for monitoring the water restrictions. Assistant Secretary John Genter believes the Watering Restrictions signage throughout the District will help residents know when to and not water.

Inframark conducted a bridge inspection for any blockages, impeding trees, etc. Manager Makenzi Scales will provide that information to the Land Use and Water Quality committee for review.

Manager Makenzi Scales discussed a request for an easement encroachment from Cody Pools on the installation of a resident's pool. This request came in after the agenda package was sent out. President Dennis Daniel noted that standard practice is for these requests to be forwarded to the Land Use and Water Quality committee. President Dennis Daniel stated that is a fairly major drainage easement in that area and the District should be sure to protect its assets. The committee is authorized to contact the District's engineer for any advice.

Manager Makenzi Scales received a proposal for \$4,176.00 for installation of rock on the plant access road. The rock will be installed along the access drive to mitigate tracking dirt and mud on the streets. Motion was made by President Dennis Daniel and seconded by Assistant Secretary John Genter to authorize the installation of the rock as presented. The motion carried unanimously.

President Dennis Daniel asked that Manager Makenzi Scales follow-up with him on the accounts that are past due.

10. ATTORNEY REPORT AND REQUESTED ACTIONS

Attorney Bill Flickinger reported that the District received the approval letter from the TCEQ approving the District's Supplemental Environmental Project application. There was a period of time that the District had some violations. The TCEQ assessed a \$14,000 fine and the District filed an application to use that money to modify the wastewater treatment plant to take care of the issues causing the violations. The TCEQ agreed to the modifications and no fines were paid by the District. All enforcement actions were resolved.

11. ADJOURN

President Dennis Daniel adjourned the meeting at 4:50 p.m.



Dennis B. Daniel, President  
Reunion Ranch WCID

ATTEST:



Gary Grass, Assistant Secretary  
Reunion Ranch WCID

[SEAL]