

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 January 20, 2026 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  
John Genter – Vice President  
Gary Grass – Secretary  
Mark Olson - Assistant Secretary (Via Zoom)  
Eric Hart – 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, Lonnie Wright with MOC, Chris Rosales and Bryce Canady with Consor and Rebecca McAnally with Maxwell Locke & Ritter.

Attending via Zoom were Bill Flickinger with Willatt & Flickinger, PLLC, Assistant Secretary Mark Olson, Allen Douthitt with Bott & Douthitt, PLLC, Beth Wright and Claudia Garza with MOC, and resident Leslie Daniel.

3.     PUBLIC COMMENTS

There were no public comments made.

4.     §49.063(c) TEXAS WATER CODE: ANNUAL NOTICE REQUIREMENT FOR DISTRICTS THAT HOLD MEETINGS OUTSIDE OF THE DISTRICT

Attorney Bill Flickinger reported that the first agenda of each year includes a notice requirement due to the District's holding board meetings outside of the District boundary. There

is no action needed on this item. If a petition is received to move the board meeting location, then it will be processed in accordance with the law.

5. MINUTES OF PRIOR MEETINGS

President Dennis Daniel had a couple of comments on the draft minutes. Vice President John Genter stated that he provided some revisions to Jeniffer Concienne and those revisions were incorporated.

After discussion, President Dennis Daniel entertained the following motion:

**Motion: Approve the Board meeting minutes of December 16, 2025 as revised.**

**Motion by: President Dennis Daniel**  
**Second by: Assistant Secretary Eric Hart**  
**The motion carried unanimously.**

6. UPDATES REGARDING REUNION RANCH HOA MATTERS

There were no HOA updates.

7. ANNUAL AUDIT SUBMITTED BY MAXWELL LOCKE & RITTER

Rebecca McAnally with Maxwell Locke & Ritter presented the District's annual audit and required governance communications. The District received a clean unmodified opinion, which is the highest level given. Rebecca McAnally provided the Board with an overview of District's fund balances and long-term debt. A new reporting will take effect in 2026, which is GASB #103. GASB #103 is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing accountability. The District's audit shows that it had strong tax collections again this year at 99.8%. Rebecca McAnally pointed the Board to the District's 5-year comparison schedule of revenues and expenditures for the general and debt service funds. President Dennis Daniel noted that the District is using more taxes to cover operational costs and he would like to change that course in the future so as to cover operational costs with rates instead of taxes.

Rebecca McAnally discussed the required governance communications and advised there were no difficulties or disagreements with management in preparing the audit and thanked Bott & Douthitt, PLLC for their continued work.

President Dennis Daniel noted that TSI-1 stated that the District was partly located in the City of Dripping Springs' ETJ, which is not correct. The District is entirely located in its ETJ. This appears to be a mistake missed over the years. Bookkeeper Allen Douthitt stated that this statement is not included in the auditor's opinion and can be updated for the final audit.

After discussion, President Dennis Daniel entertained a motion.

**Motion: Approve the District's audit subject to updating the statement regarding the District being located entirely in the City of Dripping Springs' ETJ and authorize the execution and filing of the Annual Filing Affidavit.**

**Motion by: Secretary Gary Grass  
Second by: Assistant Secretary Eric Hart  
The motion carried unanimously.**

President Dennis Daniel thanked Allen Douthitt and Maxwell Locke & Ritter for another year and stated that it is excellent to have such clean District records. Vice President John Genter agreed.

**8. FINANCIAL REPORTS AND REQUEST FOR AUTHORIZATION FOR PAYMENTS OF BILLS**

Bookkeeper Allen Douthitt reported on the District's financials for the last two months of the new fiscal year. Water sales were down in November and December. The District's expenses included the rehab work on the effluent storage tank. Engineering fees were a bit higher but those costs were detailed in the invoice. Hays County provided the District's tax levy and the values held, which means that the District will hit its mark on tax revenue. The District's bond payments for 2015, 2016, 2017, 2018, 2019 and 2020 are due. Bookkeeper Allen Douthitt recommended future monthly payments to the LCRA being paid by ACH due to recent postal service delays. The Board agreed with that recommendation. President Dennis Daniel inquired about the District's aging schedule and asked why a couple of invoices were past due. Bookkeeper Allen Douthitt explained that those invoices were approved last month, but the checks have not yet been cashed by the vendors.

After discussion, President Dennis Daniel entertained the following motions:

**Motion: Approve the District's financials and authorize payment of vendor invoices, per diems, bond payments and authorize the fund transfers as discussed, except for the payment to the LCRA.**

**Motion by: President Dennis Daniel  
Second by: Secretary Gary Grass  
The motion carried unanimously.**

**Motion: Ratify and confirm payment to the LCRA as previously approved by Secretary Gary Grass.**

**Motion by: Vice President John Genter  
Second by: Secretary Gary Grass  
President Dennis Daniel abstained. The motion carried.**

9. ITEMS FROM THE BOARD

- a. Requests for common area modifications
- b. Erosion Trail
- c. Creation of 210 Reconciliation Report for LCRA Cost-Share Funding Program Agreement
- d. Variances to Drought Contingency Plan requirements
- e. Directors Election
  - i. Order Calling Directors Election
  - ii. Contract for Election Services with Hays County
  - iii. Joint Election Agreement
  - iv. Any and all other actions that are necessary or appropriate related to the Directors Election
- f. Capital Planning; Board direction
- g. Committee Reports
  - i. Communications
  - ii. Operations
  - iii. Land Use & Water Quality
  - iv. Finance, Budget & Audit
  - v. Water Conservation & Drought Management
  - vi. Contractors' Review

Secretary Gary Grass had nothing to report on regarding 9a.

President Dennis Daniel inquired about the status of the erosion trail and stated that additional action needs to take place soon. MOC recently placed boulders in front of the entrances to the trail to discourage use, but it appears that the trail is still being used and is eroding. President Dennis Daniel asked if the Board wanted to continue pursuing the HOA to handle this matter, take the lead or just watch it for now. Assistant Secretary Mark Olson stated that he is in favor of Dig Dug doing the remediation and being more proactive to keep residents off the trail. President Dennis Daniel stated that if the District spends funds to remediate the trail, then he would like to have some fencing installed to keep the trail from being used. District Manager Lonnie Wright discussed how the fencing may come off as unsightly but understands the need to discourage use of the trail due to the erosion and potential impacts to the District's drainage facilities. Attorney Bill Flickinger discussed this matter with the Board and the appropriate communication with the HOA. It is possible that the HOA could be held responsible for any further damage. If the HOA wants a trail in this area, it can be established somewhere else. Assistant Secretary Eric Hart asked about the incentive of building this particular trail and President Dennis Daniel believes it was for a cut through to another trail in this area. The problem is that when it rains, the water runs through this trail and channels the erosion to the outlet, which the District will need to maintain for appropriate drainage to the subdivision. The main objective is to dechannelize the water flow down the trail. After considerable discussion, President Dennis Daniel suggested that Engineer Chris Rosales and District Manager Lonnie Wright work on confirming the proposal from Dig Dug to remediate the trail, work on fencing options and for Attorney Bill Flickinger to draft a letter to the HOA on the details of the erosion trail and if the HOA chooses it can have an alternate trail constructed. President Dennis Daniel would also like the Land Use & Water Quality committee

to work with the consultants and to be able to recommend action on this matter at the February board meeting. Assistant Secretary Gary Grass mentioned that he was working with the HOA on this matter previously but has not had any recent updates. There was previous discussion with the HOA at a board meeting whereby the HOA representatives did not want this trail and asked for any information that the District had on its construction to be turned over.

Vice President John Genter discussed Item 9c, the 210 Reconciliation Report to the LCRA. Vice President John Genter would like to have a clean story to provide to the LCRA on how the grant was used to support the District's effluent irrigation improvements and feels that the grant allowed the District to accomplish what it set out to do. President Dennis Daniel asked that Engineer Chris Rosales work on this report and that Attorney Bill Flickinger review the report prior to submission.

President Dennis Daniel had nothing to report on regarding Item 9d.

Attorney Bill Flickinger reported on 9e, the upcoming Directors' election. The last day to file an Application for Place on the Ballot is February 13<sup>th</sup>. All three incumbents have submitted their Applications. Attorney Bill Flickinger discussed the Order Calling Directors' Election, the Contract for Election Services with Hays County and the Joint Election Agreement with Hays County as were included in the agenda package. The Contract for Election Services will include hiring Hays County to conduct the election for the District and use of its equipment. The Joint Election Agreement will allow for all the entities conducting an election to share in the election costs.

After discussion, President Dennis Daniel entertained the following motions:

**Motion: Adopt the Order Calling Directors' Election as presented.**

**Motion by: Secretary Gary Grass**  
**Second by: Assistant Secretary Eric Hart**  
**The motion carried unanimously.**

**Motion: Adopt the Contract for Election Services with Hays County as presented.**

**Motion by: Secretary Gary Grass**  
**Second by: Vice President John Genter**  
**The motion carried unanimously.**

**Motion: Adopt the Joint Election Agreement with Hays County as presented.**

**Motion by: Secretary Gary Grass**  
**Second by: Assistant Secretary Eric Hart**  
**The motion carried unanimously.**

President Dennis Daniel stated that Item 9f, Capital Planning would be deferred until February so that the Operations committee can meet with District Manager Lonnie Wright and Engineer Chris Rosales.

At this time, the committees discussed their respective reports.

Assistant Secretary Mark Olson thanked District Manager Beth Wright for her work on the email for this month's board meeting. There was discussion about future topics to be included in the newsletter and resident emails.

President Dennis Daniel stated that he reviewed the LCRA total combined storage projections chart and as suspected the levels are dipping and rain is needed.

10. ENGINEER'S REPORT AND REQUESTED APPROVALS

- a. Operational – Water, Wastewater, Water Quality and Drainage
- b. 2025 Wastewater Collection System Televising and Inspection Project; Property Damage caused by Contractor
- c. Utility Data Trends Analysis
- d. Long-term Improvements and Asset Management Plan
  - i. 210 Conversion
  - ii. Reserve Study
- e. Approvals Related to Ongoing Construction Contracts
- f. Approvals to Upcoming Construction Contracts

Engineer Chris Rosales discussed his engineer's report as included in the agenda package.

In regard to the District's TLAP, the TCEQ issued comments for the spring/seeps monitoring plans and those are being addressed by Consor.

Engineer Chris Rosales reported that he sent a letter to the TCEQ today regarding the District's updated population estimate. This update was needed in connection with the TCEQ's revised total coliform rule sampling requirement.

President Dennis Daniel reiterated that the flow at the wastewater treatment plant is trending up and he wanted to know why the huge peak happened earlier in the year, which appears to have been in April and May. This peak still has not been addressed as to why it happened and it does not make sense. Engineer Chris Rosales stated that the data source was switched from reuse to the effluent meter. There was discussion of a possible violation and if that occurred, it will need to be reported. District Manager Lonnie Wright stated that he will review the reports to determine what is happening. Engineer Bryce Canady advised it could be the transducer and suggested doing an audit of the reports. The District Manager and Engineer will work together to get this ironed out.

Vice President John Genter inquired about the status of final report for the CCTV inspection of the District's system. Engineer Chris Rosales stated that he talked to the contractor today and will follow-up on further 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. Effluent Irrigation Operations
- e. Wastewater collection system
- f. Water distribution system
- g. Stormwater conveyance and pond maintenance
- h. Customer matters, complaints, reports and updates
- i. Customer billing and delinquencies
- j. Authorizations for expenditures related to contracts, repairs, replacements, operations improvements and maintenance

District Manager Lonnie Wright discussed his manager's report as included in the agenda package.

The rehabilitation of the effluent storage tank has been completed. As previously discussed, the roof has been removed from the tank. President Dennis Daniel asked if the tank should be screened and District Manager Lonnie Wright does not believe so. There is a 5.2 million gallon open effluent holding tank in the area, which has not had any issues.

District Manager Lonnie Wright reported that the gears needed to repair the bar screen have been delayed. He hopes that the parts will be received no later than January 23<sup>rd</sup>.

District Manager Lonnie Wright discussed an issue with the SBR #1 basin that occurred on Christmas Eve. The plant operator observed the SBR #1 basin decanting effluent with a high solids content. Upon initial observations, it appeared to be a mechanical failure, but upon further review and lab data information, District Manager Lonnie Wright determined it was an operational issue. Therefore, MOC will cover the additional sludge removal cost that was associated with this incident. President Dennis Daniel thanked him for his candor, as did the rest of the Board.

The wastewater treatment plant is currently operating at 78% capacity.

District Manager Lonnie Wright discussed a notice of violation that was received regarding the District's Consumer Confidence Report ("CCR"). The lead and copper survey included in the report should have had MOC's contact information in a certain box, instead of at the end of the page. MOC has already revised the information and sent it back to the TCEQ for filing. The updated CCR will be posted on the District's website. President Dennis Daniel asked that Attorney Bill Flickinger work with MOC on a written response to the TCEQ.

The monthly pond inspections were completed. Secretary Gary Grass stated that the Aquatic Features Report on the ponds contradicts MOC's report on the pond levels and asked that Aquatic Features remove its note. President Dennis Daniel asked if the other ponds in the District would benefit from aerators and District Manager Lonnie Wright advised that he believes they would be beneficial in the other ponds. In the past, power supply was the problem with getting

aerators in the other ponds and solar power was not an option. Vice President John Genter stated that it would be nice to have aerators in three of the ponds. District Manager Lonnie Wright will look into this matter and bring information to the next board meeting.

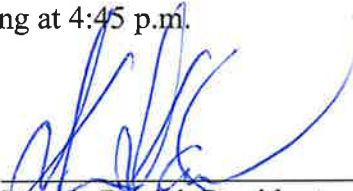
District Manager Lonnie Wright discussed the District's connection count, billing consumption and billing status. Currently, there are 12 delinquent accounts.

10. ATTORNEY REPORT AND REQUESTED ACTIONS

Attorney Bill Flickinger had nothing to report.

11. ADJOURN

President Dennis Daniel adjourned the meeting at 4:45 p.m.



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Dennis Daniel, President  
Reunion Ranch WCID

ATTEST:



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Eric Hart, Secretary  
Reunion Ranch WCID

[SEAL]