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 September 15, 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:

John Genter – President
Eric Hart – Vice President (Via Zoom)
Mark D. Olson – Secretary
Viresh Patel – Assistant Secretary
Jason Baerwald – 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, John Blake and Brandon Gilmore with Consor and Chris Sanchez with MOC.

Attending via Zoom were Bill Flickinger with Willatt & Flickinger, PLLC, Allen Douthitt with Bott & Douthitt, PLLC, Claudia Garza with MOC and a participant labeled as iPhone.

3. PUBLIC COMMENTS

President John Genter asked if anyone wanted to make a public comment, speak on an agenda item or have a general comment.

Assistant Secretary Jason Baerwald inquired about the status of his previous report wherein he was notified that a house that was possibly in foreclosure was filling its swimming pool with a garden hose. Chris Sanchez stated he would check with Beth Wright.

4. MINUTES OF PRIOR MEETINGS

President John Genter had a revision to the minutes regarding the drip irrigation. After discussion, President John Genter entertained a motion for consideration of the August 18, 2026 minutes.

Motion: Approve the Board meeting minutes of August 18, 2026 as revised.

Motion by: Secretary Mark Olson
Seconded by: Assistant Secretary Viresh Patel
The motion carried unanimously.

5. UPDATES REGARDING REUNION RANCH HOA MATTERS

There were no HOA representatives in attendance. Therefore, this item was not discussed.

6. FINANCIAL REPORTS AND REQUEST FOR AUTHORIZATION FOR PAYMENTS OF BILLS; INCLUDING QUARTERLY INVESTMENT REPORTS

Bookkeeper Allen Douthitt reported on the District's financials through July. The end of the fiscal year is September 30th. Water sales were down again this period. The District's budget remains positive. The District moved to Stage 3 watering restrictions back on August 25, 2026. Bookkeeper Allen Douthitt reported there was a favorable variance on water purchases and the District's taxes are 99.3% collected. Overall the District is looking good.

After discussion, President John Genter entertained the following motions:

Motion: Approve the District's financials and authorize payment of vendor invoices, per diems and fund transfers as discussed.

Motion by: Secretary Mark Olson
Seconded by: Assistant Secretary Viresh Patel
The motion carried unanimously.

7. PUBLIC HEARING ON TAX RATE

8. ORDER ADOPTING BUDGET FOR 2026/20207

9. ORDER APPROVING THE DISTRICT'S APPRAISAL ROLL AND SETTING THE DISTRICT'S TAX RATE FOR 2026

Items 7, 8 and 9 were discussed together.

President John Genter opened the public hearing on the tax rate. Hearing no comments, President John Genter closed the public hearing.

Vice President Eric Hart reported that he and Assistant Secretary Viresh Patel worked with Bookkeeper Allen Douthitt to go through the District's budget. After some adjustments, the budget is now balanced. Bookkeeper Allen Douthitt discussed the budget along with the proposed tax rate, which is the same as last year but due to the reduction in assessed valuation, the District's annual tax bill be decreased. The proposed tax rate is as follows: M&O at $0.2635, Debt at $0.3595 with an overall rate of $0.6230. Assistant Secretary Viresh Patel stated that the budget is aligned and looks good.

After discussion, President John Genter entertained the following motion:

Motion: Approve the Order Adopting Budget as presented.

Motion by: Assistant Secretary Viresh Patel
Seconded by: Assistant Secretary Jason Baerwald
The motion carried unanimously.

Attorney Bill Flickinger discussed the procedures for setting the District's tax rate and approving the appraisal roll. The District only has one time per year to do this, which is in September. After further discussion, President John Genter entertained a motion.

Motion: Adopt Order Approving the District's Appraisal Roll and Setting the District's Tax Rate for 2026, being a total tax rate of $0.6230 with a split of $0.2635 to M&O and $0.3595 to debt service.

Motion by: Assistant Secretary Viresh Patel
Seconded by: Assistant Secretary Jason Baerwald
The motion carried unanimously.

10. AMENDED INFORMATION FORM

Attorney Bill Flickinger advised that the Amended Information Form did not need to be updated due to the tax rate staying the same as last year. No action was taken.

11. ORDER ESTABLISHING WATER AND WASTEWATER SERVICE RATES, CHARGES, TAP FEES AND ADOPTING GENERAL POLICIES WITH RESPECT TO THE DISTRICT'S WATER, WASTEWATER AND DRAINAGE SYSTEMS

Attorney Bill Flickinger advised that this item was included as a backup in case the Board wanted to review and possibly change the water and wastewater rates if needed. No action was taken.

12. BLX ARBITRAGE REBATE REVIEW; 2016 UNLIMITED TAX BONDS

Attorney Bill Flickinger explained the arbitrage review for the new directors. The District hired BLX to review the District's bond issues for arbitrage. BLX reviews the bond issues every

five (5) years. The District is not allowed to make money off of the interest on the bonds. The 2016 Unlimited Tax bond documents and information were reviewed and it was determined that there is no rebate or yield reduction liability due to the IRS. This report will be included in the District's file.

After discussion, President John Genter entertained the following motion:

Motion: Approve the BLX report as presented.

Motion by: Assistant Secretary Viresh Patel
Seconded by: Secretary Mark Olson
The motion carried unanimously.

13. ITEMS FROM THE BOARD
    a. Requests for common area modifications
    b. Variances to Drought Contingency Plan requirements
    c. Committee Reports
        i. Communications
        ii. Operations
        iii. Land Use & Water Quality
        iv. Finance, Budget & Audit
        v. Water Conservation & Drought Management

Items 13a and b were not discussed.

At this time, the committees discussed their respective reports.

Secretary Mark Olson reported that the District went into Stage 3 watering restrictions on August 25th. The committee consisting of Secretary Mark Olson and Assistant Secretary Jason Baerwald worked with MOC on communications for this topic. That communication was emailed and posted on the District's website and signage was placed near the mailboxes. Secretary Mark Olson and Assistant Secretary Jason Baerwald also worked on outreach flyers regarding debris in the streets. The flyers were sent to residents and posted on the District's website. The flyers were laminated and placed throughout the District per Assistant Secretary Jason Baerwald's suggestion. Assistant Secretary Jason Baerwald reached out to the HOA regarding the participation in the block party scheduled for October 17th. Assistant Secretary Viresh Patel commented that this participation will be good. Chris Sanchez with MOC asked them to let them know if any help is needed from MOC.

President John Genter reported on operations and stated that it has been a very busy month. Chris Sanchez with MOC will provide further details during his report.

Secretary Mark Olson reported that there has been nothing new in regard to the proposed sports court. The District's letter to the HOA went out on July 28th and no further communication has been had.

President John Genter reported he is watching the WTCPUA and the LCRA in connection with drought contingencies. President John Genter reiterated that there has been talk of going to one day a week watering in 2029.

14. ENGINEER'S REPORT AND REQUESTED APPROVALS
    a. Operational – Water, Wastewater, Water Quality and Drainage
    b. 2025 Wastewater Collection System Televising and Inspection Project
    c. Utility Data Trends Analysis
    d. Long-term Improvements and Asset Management Plan
    e. Approvals Related to Ongoing Construction Contracts
    f. Approvals Related to Upcoming Construction Contracts

Engineer John Blake introduced Engineer Brandon Gilmore, which will be the contact for the District. Engineer John Blake will continue to work on the District and attend board meetings as needed.

Engineer John Blake presented plans for the makeup water line installation, however, he is still waiting on additional electrical information and once the information is received, they will send that information to MOC for pricing.

The 2025 Wastewater Collection System Cleaning & CCTV Inspection has been completed. MOC is putting together the repair costs for the two defects listed in the report.

There was discussion of the wastewater treatment plant's capacity. It has been running at 95% through the summer. There was discussion that the 75/90% rule is not relevant in the District since it is built out and no further flow is anticipated. The District will need to show that the flows do not exceed the design limits to be able to receive a waiver of the 75/90% rule. Engineer John Blake recommends sending a letter to the TCEQ on a waiver of that rule.

After further discussion, President John Genter entertained a motion.

Motion: Authorize Consor to submit a waiver letter to the TCEQ on the 75/90% wastewater treatment plant capacity rule due to the District being built out.

Motion by: Assistant Secretary Viresh Patel
Seconded by: Assistant Secretary Jason Baerwald
The motion carried unanimously.

Assistant Secretary Viresh Patel asked about the leak in the drip fields that has occurred for the last several months. The leak appears to be near the rocks and he will send pictures to MOC. Assistant Secretary Jason Baerwald asked if the leak had any impact to the District's flows, and the answer was no. There was also discussion of what could cause flow spikes in the system when the community is built out/stable. Engineer John Blake explained the 2025 calibration of the meters and the operations/management switchover from Inframark to MOC. After reviewing

all the data, MOC believes that these are actual readings and that the flow will most likely reduce a little in the fall.

Water usage increased in August by 23.6% and wastewater flow increased by 5.41%. As discussed above, the three-month moving average slightly increased to 94.6% of the permitted capacity. The wastewater treatment plant effluent parameters are all below permit levels.

Engineer John Blake reported that Consor, MOC and the electrical contractor will meet on site to review and discuss how the SCADA can be integrated into the system.

President John Genter asked that the items still remaining on the Long-Term Improvements and Asset Management Plan be updated to the 2026-2027 fiscal year.

15. 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

Chris Sanchez with MOC filled in for District Manager Lonnie Wright. Chris Sanchez discussed the manager's report as included in the agenda package.

MOC submitted a 2026 Annual CPI Increase request. Attorney Bill Flickinger stated that this increase will be considered at the October board meeting.

Chris Sanchez reported that the SBR basins were pumped down and taken out of service to allow for cleaning, inspection and repairs. The accumulated sludge and debris were removed and replaced to restore proper air distribution and improve aeration performance within the basin. President John Genter discussed the issues with the bar screen that the District has had for several years. Currently the bar screen is working and with the basins being cleaned, he is hoping for the best. The cleaning took three (3) days to complete. Assistant Secretary Viresh Patel reported that the odor has improved this year and kudos to MOC for their work. Chris Sanchez stated that there was over one ton of accumulated debris in the digester chamber. Assistant Secretary Viresh Patel asked about the last time it was cleaned and the answer was probably five (5) years ago.

There was discussion about the historical flow data at the wastewater treatment plant. It appears that during the summer months, flows average in the 95% range.

The Rain Bird irrigation controller has been installed and will control the 32 zones in the drip fields. The reuse irrigation tap on Reunion Boulevard's common area has been installed, along with the yard repair for the reuse irrigation tap. President John Genter reported that was the last connection to the connect to the reuse system.

Chris Sanchez reported on the grass fire and electrical repairs at Lift Station #2. MOC received notification from PEC that power to Lift Station #2 needed to be disconnected due to the grass fire. The fire damaged the electrical conduit serving the lift station, however, the wiring was not damaged. Once that area was safe, ATX replaced the damaged conduit and inspected the electrical wiring and the lift station was placed back into service. MOC monitored the lift station following the repairs to be sure it was operating properly. Assistant Secretary Jason Baerwald stated that the fire actually reignited. It appears that no one knows how the fire started.

Chris Sanchez discussed the quote from Ram Rod Utility for internal repair on the main sewer line that comes into the lift station at the wastewater treatment plant. The quote is in the amount of $11,700.00. It appears that the sewer line segment has a separation in it. The line will be dug up and repaired. President John Genter stated that District Manager Lonnie Wright reported that they will clean the line, sleeve it with PVC and reseal it. Chris Sanchez stated that they received a verbal cost estimate from LSEC in the amount of $3,500.00 for quarterly cleaning of the line segment between manholes 64 and 65 on Jacksdaw Drive. There was discussion about the quarterly cleaning and if that timing were necessary or if it could be done on a yearly basis. After discussion, the consensus was to calendar this item for review and to have it cleaned only if needed.

MOC conducted pond inspections and no issues or concerns were reported.

The District has a total of 541 connection. Water accountability was 96%. The HOA's effluent irrigation was 612,000 gallons for the month of August. Assistant Secretary Viresh Patel asked if that was the max irrigation amount for the HOA and Chris Sanchez indicated is was close. President John Genter commented that when the new controller is in operation, there will be better performance.

It was reiterated that the District moved to Stage 3 water restrictions per the WTCPUA on August 25, 2026. The appropriate signs were placed throughout the District. There have been nine (9) watering violation warnings sent out and two (2) fines.

The District currently has two (2) delinquent accounts.

After discussion above, President John Genter entertained a motion.

<u>Motion</u>: Accept the proposal by Ram Rod Utilities in the amount of $11,700.00 for repair to the pipe-separation found in the 5-Year Wastewater Collection System Cleaning and CCTV Inspection.

Motion by: Secretary Mark Olson
Seconded by: Assistant Secretary Jason Baerwald
The motion carried unanimously.

President John Genter thanked Chris Sanchez for his report and a job well done.

16. ATTORNEY REPORT AND REQUESTED ACTIONS
    a. Pending Open Records Request

It was announced that the Board would be going into closed session on Items 15h & i and 16 and took a break for a few minutes.

President John Genter announced that the Board of Directors will go into closed session for consultation with the District's attorney pursuant to Section 551.071 of the Texas Government Code regarding matters related to Agenda Item Nos. 15h & i and 16.

The Board went into closed session at 3:57 p.m.

At 4:30 p.m., President John Genter announced that the Board of Directors had concluded its closed session and was returning to open meeting, and that no action was taken during the closed session.

After discussion, the following motion was made.

Motion: That all fines and late charges related to fines be removed from the billing to the customer on Reunion Boulevard and that any overpayment by the customer be refunded to the customer and that the Board authorize the District's attorneys and the Open Records Committee to assess such fines against the contractor involved and to take any and all action necessary against such contractor to enforce payment of such fines.

Motion by: President John Genter
Seconded by: Assistant Secretary Viresh Patel
The motion carried unanimously.

17. ADJOURN

President John Genter adjourned the meeting at 4:31 p.m.

John Genter, President
Reunion Ranch WCID

ATTEST:

Mark D. Olson, Secretary
Reunion Ranch WCID

[SEAL]

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