

MINUTES OF MEETING
OF
SENNA HILLS MUNICIPAL UTILITY DISTRICT

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

A meeting of the Board of Directors of Senna Hills Municipal Utility District, open to the public, was held at 7:00 a.m. on April 20, 2011, at 1502 San Juan Drive, Austin, Texas 78733, 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 President Chet Palesko, Kenneth A. Fox, David I. Perl, Mike Dansby and Gregg Kronenberger, thus constituting a quorum. All Directors were present.

Also present at the meeting were Bruce Aupperle, David Ripley, Jerri Strain, Mike Willatt and Cindi North.

3. CITIZEN COMMENTS

There were no citizen comments.

4. MINUTES OF PRIOR MEETINGS

David I. Perl noted some typographical errors in the March 23, 2011 minutes as presented. Motion was made by David I. Perl and seconded by Kenneth A. Fox to approve the minutes as amended. The motion carried unanimously.

5. AQUA TEXAS CONTRACT

President Chet Palesko announced that there was nothing to discuss on this item.

6. REQUEST OF VACATION EASEMENT AT LOT 29, BLOCK B, SENNA HILLS SECTION SEVEN AS KNOWN AS STREET ADDRESS: 10828 STRAW FLOWER DRIVE, AUSTIN, TEXAS

There was consensus that this item should be removed from the agenda.

7. TAYLOR LAKE EFFLUENT POND AND THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM

There was considerable discussion concerning insets flying in the vicinity of the effluent pond. Jerri Strain picked up a bug that had been captured. She stated that it looked like a fly, but when she took it to ABC Pest Control, they said that it was a male mosquito. She noted that the pictures looked different from the bug that she was given. Jerri Strain reported that she walked around the pond and noted that people who backup to the pond are watering heavily and the drainage has cut ruts resulting in standing water. She said there were some "noseeums" but she did not see the bugs that were described at the last meeting. Kenneth A. Fox noted that the pictures looked similar to a crane fly, which is not waterborne, does not bite and which is beneficial. Jerri Strain confirmed that the standing water was on MUD property.

At the conclusion of the discussion, it was agreed that Jerri Strain will ask ABC Pest Control to walk the pond and identify the bugs.

8. TRAILS WITHIN THE DISTRICT

Cindi North noted that the contractor was welding wrought iron fences next to dry grass. Her husband asked them to stop and they did. However, they started up again the next day. The fire marshal came out and gave them a warning. There was an extensive discussion with Cindi North on 10-foot easements.

9. AMENDMENT TO LCRA WATER CONTRACT

There was no discussion on this item.

10. EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT

Bruce Aupperle reported that there had been a problem with getting electric service from the City of Austin. The contractor is preparing to "jump" from the existing plant to the new plant. However, there is still some details to be worked out at the new plant before the "jump" is made. President Chet Palesko asked Bruce Aupperle to tell the contractor that the District is claiming damages and that these are quantifiable.

11. THE DISTRICT'S FINANCIAL AFFAIRS AND INCLUDING APPLICATION TO THE TCEQ FOR EXPENDITURE OF SURPLUS BOND PROCEEDS

The resolution approving application to the TCEQ for expenditure of surplus bond proceeds was approved at a prior meeting. Mike Willatt presented the document for execution.

12. DISTRICT MANAGER'S REPORT AND PAYMENT OF DISTRICT EXPENSES AS PRESENTED BY AQUA TEXAS

David Ripley reported on the operations. Jerri Strain presented the financial reports. Motion

was made by Mike Dansby and seconded by Gregg Kronenberger to approve payment of the bills. The motion carried unanimously.

13. CONSTRUCTION PROJECTS WITHIN THE DISTRICT

This is a standing item. There was no discussion on this item.

14. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS

This is a standing item. There was no discussion on this item.

15. THE DISTRICT'S WATER AND SEWER RATES

This is a standing item. There was no discussion on this item.

16. BILLING ADJUSTMENTS

This is a standing item. There was no discussion on this item.

17. AGREEMENT WITH HOMEOWNERS ASSOCIATION ON IRRIGATION OF COMMON AREAS

There was discussion as to the perceived reluctance of the homeowners association to place the sprinkler heads and valve covers with purple covered fixtures. The Board noted that the District has spent \$180,000 to get the effluent to the agreed point, based on the request from the homeowners in the previous letter agreement. Bruce Aupperle reported that the District will be ready to turn on the effluent during the week of May 9, 2011. President Chet Palesko said that he will send a letter to Joe Szoo basically saying that the homeowners need to make arrangements to take the effluent, or, to start paying for treated water used to irrigate the common areas. David I. Perl said that he would be available to edit the letter.

18. HOA WATER USAGE AND CHARGES

This is a standing item. There was no discussion on this item.

19. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD AND THE CITY OF AUSTIN

This is a standing item. There was no discussion on this item.

20. PROVISION OF SEWER SERVICE TO EVANS WEAVER TRACT

Bruce Aupperle reported that the current estimated construction cost is \$68,000. The proposed funds will be from the surplus bond proceeds, for which permission is being applied to the TCEQ.

21. SALE OF 30 LCRA WATER AND WASTEWATER SYSTEMS AND TWO RAW WATER PUMPING SYSTEMS AND RELATED CONFIDENTIALITY AGREEMENT WITH BMO CAPITAL MARKETS

Concern was expressed as to whether the successor to the LCRA will be able to charge whatever it wants to the District, without recourse. Mike Willatt said that he would look at the wholesale water supply agreement with the LCRA to see if it has any provisions on "cost of service."

22. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary, Board of Directors
Senna Hills MUD

[SEAL]