

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 7:10 a.m. on April 27, 2018 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

The Directors present were:

Chet Palesko - President  
David I. Perl – Vice President  
Lisa S. McKenzie – Secretary  
Corey Newhouse – Assistant Secretary

thus constituting a quorum. Assistant Secretary Joe Szoo was absent.

Also present at the meeting were Bill Flickinger and Jeniffer Concienne of Willatt & Flickinger, PLLC, Jason Tyler of InfraMark, LLC, Robert Ferguson of Murfee Engineering and Allen Douthitt of Bott & Douthitt.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

President Chet Palesko entertained a motion for approval of the Minutes. Motion was made by Lisa McKenzie and seconded by David I. Perl to approve the Minutes of the March 23, 2018 and April 18, 2018 board meetings as presented. The motion carried unanimously.

5. ALL MATTERS RELATED TO WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

President Chet Palesko reported that he attended a PUA impact fee meeting. The PUA will be conducting another impact fee study.

6. ENGINEER'S REPORT ON SOME OR ALL OF THE AGENDA ITEMS

Engineer Robert Ferguson reported that Excel Construction has a few items left to finish out the wastewater treatment plant expansion project, which includes the leaf screens. Mr. Ferguson reported that there is more solid matter getting screened out of the flow, resulting in more waste to the dumpster. There are no capacity issues reported at the plant. The plant was running at 66% capacity in March. Overall, Mr. Ferguson reported that the expansion project went smoothly. There was discussion of sharing the news about the expansion with all the residents. Within the next month, the site should start getting cleaned up.

Excel Construction is not yet done pricing the sludge management system.

Mr. Ferguson discussed the drainage issue around a residence downhill from the effluent pond. The resident has reported that when it rains, it puddles in her yard and causes mosquitos and a mushy yard. Murfee Engineering will go out and shoot elevations. The yard may need to be graded to allow for runoff.

7. CONSTRUCTION PROJECTS WITHIN THE DISTRICT, INCLUDING ADVERTISEMENT FOR BIDS AND APPROVAL, AWARD, RECOMMENDATION, ADMINISTRATION OF CONSTRUCTION CONTRACTS, CHANGE ORDERS AND PAY ESTIMATES

Engineer Robert Ferguson discussed the change order submitted by Excel Construction Services, LLC.

After discussion, President Chet Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Corey Newhouse to approve Change Order No. 3 in the amount of \$4,272.00 for the wastewater treatment plant expansion submitted by Excel Construction Services, LLC. The motion carried unanimously.

Mr. Ferguson discussed the intermittent internet service at the wastewater plant. There has been significant down or off-line time reported. Manager Jason Tyler believes it is best to get a hardwired internet connection. When he originally asked for proposals for internet service from AT&T and Spectrum, AT&T did not respond. At that point, the MiFi wireless device was agreed upon. Hardwired internet service at the wastewater plant through Spectrum will cost approximately \$4,000 to install. David I. Perl asked Mr. Tyler to reach out to AT&T one more time. After discussion, motion was made by Lisa McKenzie and seconded by President Chet Palesko to get hardwired internet service through Spectrum at a cost not to exceed \$4,000. The motion carried unanimously.

8. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

This item was not discussed.

9. BOOKKEEPER'S REPORT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS; BUILDER DEPOSITS

Bookkeeper Allen Douthitt discussed the updated cash activity report with the Board. Mr. Douthitt will void Joe Szoo's per diem due to his absence. For today's consideration, he presented approval of the director and vendor payments and one fund transfer.

Mr. Douthitt reported on the builder deposits and refunds. After reviewing the files, builder deposits were collected from David Weekly Homes and Taylor Morrison of Texas, Inc., both in the amount of \$1,000 each. Sewer impact fees were collected in error from Drees Custom Homes and Taylor Morrison of Texas, Inc. InfraMark will double check these impact fees before remitting back to the builder.

After discussion, President Chet Palesko entertained a motion for approval. Motion was made by Corey Newhouse and seconded by Lisa McKenzie to approve payment of the vendor invoices, per diems and fund transfer as presented. The motion carried unanimously.

10. DISTRICT MANAGER'S REPORT ON OPERATIONS

Lisa McKenzie discussed the mowing of the trails and irrigation fields. There was discussion of how many mows should occur per year to be in compliance with the TCEQ and the current budget for landscaping. After discussion, motion was made by Lisa McKenzie and seconded by President Chet Palesko to amend Zane Furr's current contract to include the routine monthly maintenance of \$2,350 per month, include monthly mowing of the irrigation fields from March through October at a rate of \$2,250 per month and remove the \$500 monthly charge for weed whacking around the sprinkler heads. The motion carried unanimously.

Manager Jason Tyler advised that the weeds in the pond need to be cut back. He will obtain a proposal and bring it back to the board from consideration.

Mr. Tyler then presented a supplement to the Wastewater Production and Quality Report and discussed the Manager's Report as included in the agenda package. There are 412 total water connections, of which 405 are residential. The total residential water consumption is 2,495,000 gallons. President Chet Palesko commented on the high level of water use at the amenity center. Mrs. McKenzie reported that the HOA advised that there are no water leaks at the amenity center. Mrs. McKenzie asked about the locations of the other two tracking meters and Mr. Tyler replied that one is located at the lift station and that he will check the location of the other tracking meter. The average monthly residential water consumption is 6,160 gallons for March.

Mr. Tyler advised that there were 15 delinquent letters mailed out, six door tags hung and one disconnect for non-payment. There was discussion of the 60+ day delinquent totals. This could be caused by a seasonal issue. However, InfraMark will check on this.

The water production and quality monitoring report looks good. There was discussion of the accuracy in the water accountability totals. The report appears to be incorrect. Mr. Tyler will look into the totals.

The wastewater treatment plant is operating at 66% capacity in March and is 100% compliant. Lisa McKenzie commented that on March 29<sup>th</sup>, the chart shows that the plant would have been over 100% capacity.

Lisa McKenzie reported that the HOA is still working on its irrigation issues. Water is still pooling around the median and the system is irrigating in the rain. To alleviate this problem, the HOA did some hand-watering.

There was discussion of the generator no longer being inside a fence at the wastewater plant, which caused concern of the possibility of it getting stolen. Mr. Tyler advised that the trailer has a tongue lock on it.

Mrs. McKenzie discussed the condition of the pavement on the S curve at the wastewater plant and the need to budget for this repair.

Mr. Tyler discussed the reported fire hazard around the Prickly Poppy lift station. Mr. Tyler advised there is no access to that area due to fencing. InfraMark could create an access point in the fence and cut down the trees to prevent the fire hazard. Mr. Tyler advised that would cost approximately \$4,000 to \$5,000 to create the access point in the fence.

Mrs. McKenzie stated that Zane Furr has reported that Rip Miller's bees from the hives around the dry Bee Cave Road pond are getting more aggressive with the heat. Mr. Furr needs to access that area to mow and pick up trash around the storm water outfall, but is afraid of getting stung. The Board agreed that Mr. Furr should only get as close as he is comfortable with and that the District will deal with any issues that arise.

#### 11. BILLING ADJUSTMENTS; BOARD POLICY REGARDING ADJUSTMENTS TO WATER BILLS DUE TO LEAKS AND OTHER SITUATIONS

Attorney Bill Flickinger discussed the billing adjustment on winter averaging as requested by a resident. The Board advised that the rate order provides that winter averaging is computed on the actual amount of water use in December, January and February or 9,000 gallons, whichever is less. InfraMark reported that the resident's winter average was 6,000 gallons. Therefore, no billing adjustment will be needed.

The Board also directed attorney Bill Flickinger to forward all billing adjustments to InfraMark for processing, as they are the District's Manager.

#### 12. LICENSE AGREEMENT BETWEEN THE DISTRICT AND SENNA HILLS HOA ON THE TRAILS

Lisa McKenzie reported that she is not exactly sure what the HOA is asking for in connection with the trail system, although it has been reported that the trails are very narrow and rocky. After review and discussion of the License Agreement with the HOA on the trails, President Chet Palesko and David I. Perl believe this to be a maintenance issue with the trails. Attorney Bill Flickinger advised that any significant changes to the trails will need to be approved by the District.

13. RATE ORDER

After reviewing the current rate order, Lisa McKenzie recommended changes to the verbiage on Tap and Inspection Fees in Section 2. Prior to the meeting, Manger Kristi Hester provided proposed language and a revised cost for a commercial water tap fee. After discussion, motion was made by David I. Perl and seconded by Lisa McKenzie to adopt the revised Order Establishing Water and Wastewater Service Rates, Charges and Tap Fees, and Adopting General Policies and Rules with Respect to the District's Water, Wastewater and Drainage Systems as revised. The motion carried unanimously.

14. DISTRICT WEBSITE

This item was not discussed.

15. TAYLOR LAKE EFFLUENT POND, THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM

This item was not discussed.

16. DATES FOR FUTURE BOARD MEETINGS

The June 1<sup>st</sup> and June 29<sup>th</sup> board meetings have already been set. Allen Douthitt will not be able to attend the June 29<sup>th</sup> meeting. The Board discussed and agreed to meeting on July 27<sup>th</sup> and August 24<sup>th</sup>.

17. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD. AND THE CITY OF AUSTIN; INCLUDING PROPOSED OFFICE BUILDING AND PENDING LITIGATION WITH SENNA HILLS, LTD. OVER THE FOREGOING AND THE WEAVER SEWER LINE PROJECT; SETTLEMENT AGREEMENT WITH SENNA HILLS, LTD., SENNA HILLS TRUST AND SENNA HILLS HOA; SUPPLEMENT OF LETTER OF AGREEMENT WITH THE DISTRICT, SENNA HILLS, LTD., SENNA HILLS TRUST AND SENNA HILLS HOA

Attorney Bill Flickinger discussed the perpetual use easement location. There appeared to be a slight impact on the driveway apron of the largest garage. The location has been revised and Rip Miller will have the metes and bounds prepared. Mr. Flickinger reported that he has been advised that Mr. Miller has engaged another attorney to continue with the project.

18. ADJOURN

The meeting was adjourned.

  
Chet A. Palesko, President

ATTEST:

  
Lisa S. McKenzie, Secretary

[SEAL]