

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 28, 2017 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 A. Palesko – President  
David I. Perl – Vice President  
Lisa S. McKenzie – Secretary  
Joe Szoo – Assistant Secretary  
Corey Newhouse – Assistant Secretary

thus, constituting a quorum. All directors were present.

Also present at the meeting were Kristi Hester of ST, Robert Ferguson of Murfee Engineering, Bill Flickinger, Matt McPhail and Jeniffer Concienne of Willatt & Flickinger, PLLC and Allen Douthitt of Bott & Douthitt, P.L.L.C.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

Lisa McKenzie noted that she had sent several revisions to both sets of Minutes to Jeniffer Concienne for correction. President Chet Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Lisa S. McKenzie to approve the Minutes of the March 24, 2017 regular board meeting and the April 3, 2017 special board meeting as corrected. The motion carried unanimously.

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

President Chet Palesko reported that the PUA has scheduled an upcoming impact fee meeting.

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

Engineer Robert Ferguson discussed his report as included in the agenda package.

Mr. Ferguson reported that he sent the letter to the TCEQ confirming that the construction of the effluent storage pond met the rules of the Commission upon installation. At this time, the TCEQ has not responded to the letter.

The Excel construction contract for the wastewater treatment plant is ready for execution. The required Form 1295 has been received and acknowledged with the Texas Ethics Commission. Corey Newhouse asked Mr. Ferguson to let the Excel representatives know that the Board would like them to attend a board meeting.

Mr. Ferguson discussed meeting with Scott Manuel of ST to locate the force mains and irrigation lines in the proposed perpetual use easement area.

7. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Joe Szoo inquired about the status of the pond work. Manager Kristi Hester advised that two contractors will provide a quote for rebuilding the damaged gabion wall. There was discussion about redesigning the wall due to its failure. There is \$40,000 in the budget for work at both of the District's ponds.

8. EFFLUENT IRRIGATION AGREEMENT BETWEEN THE HOA AND THE DISTRICT

Attorney Matt McPhail advised that the Effluent Irrigation Agreement is 90% done. Mr. McPhail is waiting on information from the HOA attorney Lance Lackey regarding some easements and will get the draft to the committee for review.

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

Bookkeeper Allen Douthitt discussed the updated cash activity. After discussion, President Chet Palesko entertained a motion for approval. Motion was made by Joe Szoo and seconded by Corey Newhouse to approve payment of the vendor invoices, per diems and fund transfer to the bookkeeper's account as presented. The motion carried unanimously. David I. Perl asked about the reference to Mox Properties in the legal invoice. Attorney Matt McPhail explained that Mox Properties has been requesting open records information on customer disconnects. Mr. Douthitt reported that the District's budget is in good shape.

Mr. Douthitt discussed the late fee on the PUA bill. Bott & Douthitt sent the PUA payment by certified mail. The PUA staff was not in the office when the letter was delivered. Therefore, it went back to the post office and was not picked up in a timely manner. Mr. Douthitt's office discussed the situation with the PUA and they agreed to waive the late fee.

#### 10. DISTRICT MANAGER'S REPORT ON OPERATIONS

Manager Kristi Hester discussed her Manager's Report as included in the agenda package.

Mrs. Hester discussed the billing summary. There are 405 residential connections. The overall water consumption total is down from last year. Monthly residential consumption averages 8,242 gallons.

Regarding collections, 16 delinquent letters were sent out, eight delinquent doors tags were hung and there were three disconnects for non-payment. However, all services were paid and restored.

The water quality monitoring looks good. Water loss is tracking at 9.45%. There are no compliance issues at the wastewater plant and the plant is running at 81% capacity.

Mrs. Hester and Lisa McKenzie discussed painting of the lift stations and fence around the pump house. Five Star Painting provided a quote of \$8,750. Before painting of the fence can occur, the trees and shrubs will need to be cut back. District landscaper, Zane Furr provided a quote of \$330 to clear the fence lines around the lift stations. The Board asked Mrs. Hester to obtain another quote for the painting.

The Board discussed another proposal from Zane Furr on mowing the irrigation fields. A picture shows that the vegetation in the irrigation fields is nearly four feet tall. Mrs. Hester advised that Zane Furr currently mows the area twice a year. He would like the Board to consider authorizing him to mow on a quarterly basis. The irrigation fields total 37 acres. After discussion, President Chet Palesko entertained a motion for approval of a one-time mow. Motion was made by Joe Szoo and seconded by Corey Newhouse to authorize Zane Furr to mow the irrigations fields on a one-time mow and then come back to the Board when it is in need of mowing. The motion carried unanimously.

Bookkeeper Allen Douthitt advised that the Board can budget the landscaping fees for next year.

#### 11. DISTRICT'S RATE ORDER

Manager Kristi Hester discussed the red-line draft of the rate order. There was discussion of the average cost to the District for after-hour reconnects. The after-hour reconnect fee is proposed to be increased from \$100 to \$150. After discussion, President Chet Palesko entertained a motion. Motion was made by Lisa McKenzie and seconded by Corey Newhouse to adopt the Order Establishing Water and Wastewater Service Rates, Charges and Tap Fees, and Adopting

General Policies With Respect to the District's Water, Wastewater and Drainage Systems as presented. The motion carried unanimously.

## 12. DISTRICT WEBSITE

Manager Kristi Hester reported there were approximately 500 views on the District's website during the first month it went live. This month there were 192 views. There was discussion of posting information on the website such as "No Dumping on District Property."

## 13. RECORDS MANAGEMENT PROGRAM

Attorney Bill Flickinger discussed the mandated records management program. The Secretary of the Board serves as the Records Management Officer. There are new records management schedules to abide by. Lisa McKenzie executed the updated certificate and the Declaration of Compliance that will be submitted to the Texas State Library and Archives Commission. Manager Kristi Hester reported that they will be going through all the District files at their office and at the off-site storage facility to see what can be discarded and what needs to be kept. Lisa McKenzie will go to ST to assist when that task has been scheduled.

\*\*President Chet Palesko moved to Item No. 18 at this time.\*\*

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

President Chet Palesko 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 No. 17. The Board went into closed session at 7:40 a.m.

At 8:06 a.m., President Palesko announced that the Board of Directors have concluded its closed session and is returning to open meeting, and that no action was taken during the closed session.

Motion was made by Joe Szoo and seconded by Corey Newhouse to authorize the subcommittee to proceed with finalizing and approval of the settlement agreement by and among the District, HOA, SHL, Ltd. and Senna Hills Trust and to authorize the President and/or Vice President to execute the Settlement Agreement after the subcommittee has approved the final version. The motion carried unanimously.

14. DEMAND LETTER(S) TO RESIDENT(S) REGARDING DUMPING DEBRIS ON DISTRICT PROPERTY

David I. Perl inquired about posting signs within the District regarding "No Dumping - \$1,000 Fine." The District rules will need to be reviewed on the fining process. Lisa McKenzie asked about putting "No Dumping" information in the newsletter.

David I. Perl left the meeting at 8:20 a.m.

Lisa McKenzie discussed the debris being dumped on District property and reviewed the photos of the debris. After discussion and review of the District map it was determined that two instances were actually not on District property. However, the resident yard debris being dumped around the pond is on District property. ST will go out and clean up the debris. Willatt & Flickinger, PLLC will draft and send the demand letters to the appropriate owners requesting reimbursement of the clean-up fees.

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

This is a standing item and was not discussed.

16. BILLING ADJUSTMENTS

This is a standing item and was not discussed.

17. CONSTRUCTION PROJECTS WITHIN THE DISTRICT, INCLUDING CHANGE ORDERS, PAY ESTIMATES, ACCEPTANCES AND AWARD OF CONTRACTS

This is a standing item and was not discussed.

19. DATES FOR FUTURE BOARD MEETINGS

The meetings for July and September were set, as being July 28<sup>th</sup>, September 1<sup>st</sup> and September 29<sup>th</sup>. The September 1<sup>st</sup> meeting will take the place of the August meeting.

20. ADJOURN

The meeting was adjourned.



David I. Perl, Vice President

ATTEST:



Lisa S. McKenzie, Secretary

