

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 December 10, 2009, 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 Chet Palesko, David I. Perl, Kenneth A. Fox, Mike Dansby and Gregg Kronenberger thus constituting a quorum. All Directors were present.

Also present at the meeting were Jerri Strain, Mike Willatt, Bruce Aupperle and Doug Hearn.

3. CITIZEN COMMENTS

There were no citizen comments.

4. TAYLOR LAKE EFFLUENT POND

This item was not discussed.

5. TRAILS WITHIN THE DISTRICT AND LICENSE AGREEMENT FOR TRAILS

Mike Willatt said that he needed a description of the land on which the HOA is licensed to place the trails. Bruce Aupperle stated that an appropriate description would be the description of the 48.596 acre tract recently deeded to the District by Taylor Woodrow Homes-Austin Division, Ltd. Mike Willatt said that he would proceed accordingly.

6. EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT

Doug Hearn said that the bid documents on the expansion of the District's wastewater treatment plant had been prepared in draft form.

7. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS

This item was not discussed.

8. ALL MATTERS RELATING TO THE TRACT OF LAND USED FOR THE DISTRICT'S WASTEWATER TREATMENT PLANT AND THE LAND USED FOR IRRIGATION OF EFFLUENT FROM THE DISTRICT'S WASTEWATER TREATMENT PLANT

Mike Willatt discussed the changes to the wastewater treatment plant easement and effluent irrigation easement made by Bill Miller. The changes were modified and Mike Willatt said that he would prepare the revised documents and forward them to Bill Miller.

9. ALL ACTIONS AND DOCUMENTS NECESSARY FOR ISSUANCE OF THE DISTRICT'S \$5,200,000 UNLIMITED TAX AND WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 2009 (THE DISTRICT'S 4TH BOND ISSUE) AND THE DISTRICT'S 5TH BOND ISSUE

Mike Willatt noted that the District can target December 23, 2009 to get the easement signed and get a title commitment. In that event, the Board will be ready to distribute the bond proceeds. This will require a resolution from the Board stating how the proceeds are to be disbursed, as well as an agreement on division of bond proceeds with Senna Hills, Ltd. and Taylor Morrison.

Gregg Kronenberger stated the desirability of putting a release of the District with respect to how long it took to get the bonds issued in the agreement on division of bond proceeds. Mike Willatt said that he would add this provision.

10. AGREEMENTS ON DIVISION OF BOND PROCEEDS

No action was taken.

11. DISTRICT'S 5TH BOND ISSUE

Bruce Aupperle reported on the progress of the application at the TCEQ on the District's 5th bond issue.

12. APPLICATION TO TCEQ TO RELEASE BOND PROCEEDS FUNDS FROM ESCROW REQUIREMENT

Mike Willatt reported that the application to release the funds from escrow had been filed.

13. TCEQ ENFORCEMENT ACTION

The Board members discussed the TCEQ enforcement action. Doug Hearn reported on the proposal to address the generator problem. Mike Willatt pointed out that the order gives the District

ninety (90) days to cure the generator problem so that it will be necessary to have the TCEQ staff confirm that the District's plan will be accepted by the TCEQ. Doug Hearn said that he would send Mike Willatt a letter stating what the District plans to do about the generator problem. Mike Willatt will then forward that to the TCEQ for review.

Chet Palesko expressed his view that the penalty is totally inappropriate. He said that he would call Susan Johnson, Management of the TCEQ enforcement division to discuss this issue.

14. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary, Board of Directors
Senna Hills MUD