

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 19, 2014, at 353 South Commons Ford Road, 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

Directors present were Chet A. Palesko, David I. Perl, Lisa McKenzie and Joe Szoo, thus constituting a quorum. Director Corey Newhouse was absent.

Also present at the meeting were Robert Ferguson, Allen Douthitt, Scott Manuel, Kristi Hester, John Chamblee and Bill Flickinger.

3.     CITIZEN COMMENTS

There were no citizen comments.

4.     MINUTES OF PRIOR MEETINGS

The Board acknowledged that the draft minutes for the October meeting still require additional revisions, and President Chet Palesko is to review those draft minutes. Motion was made by David I. Perl and seconded by Lisa McKenzie to approve the minutes for the special meeting of November 14, 2014 and the regular Board meeting of November 25, 2014 as presented with correction of the typographical error on page 3 of the minutes for November 25, 2014. The motion carried unanimously.

5.     VACATION OR MODIFICATION OF EASEMENT AT 10318 INDIGO BROOM LOOP AND ADJACENT PROPERTY, AND ALL RELATED ISSUES

Attorney Bill Flickinger reported there was no new information on this matter.

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

This item was not discussed.

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

Robert Ferguson presented the engineer's report. He indicated that mobilization had begun, and the contractor was working on the effluent irrigation system. Regarding the wastewater treatment plant permit renewal, Robert Ferguson indicated it was in the second notice phase, that the draft permit appears acceptable, and when the plant is expanded, we will need a phasing change which will be a minor amendment. Attorney Bill Flickinger advised that Save Our Springs had filed an Open Records request which appears to relate to a possible challenge to the permit renewal. Robert Ferguson reported that the wastewater treatment plant expansion was a work in progress. Regarding the MS4 permit, Robert Ferguson reported that they are preparing a response to the TCEQ in an attempt to keep the amended plan as simple as possible. He will work on the details with the TCEQ staff. Robert Ferguson also reported that Ken Martin of his office is still working on his report regarding the prior permit history at the City of Austin, and that report should be completed in the early part of January, 2015.

\*\*President Chet Palesko moved to Item No. 9.\*\*

9. DISTRICT MANAGER'S REPORT ON OPERATIONS (This item was addressed prior to Item 8 below.)

Scott Manuel and Kristi Hester presented the Manager's Report. Scott Manuel discussed the details related to the recent plant failure which resulted in no permit violations. He explained that special tools and parts were needed to complete the repair and that the plant should be fully functional by this morning. There were two distinct problems which were the valve actuator and a pump. Kristi Hester reported that ST will be looking at an asset list and rating of equipment to determine what parts are critical and the related costs so that spare parts can be readily available. Director Lisa McKenzie commented there may be a need for a storage area for the spare parts. Lisa McKenzie also asked if it was possible to install a holding tank that may be helpful in these types of temporary plant failures. Robert Ferguson indicated that may be possible but would require TCEQ approval. Kristi Hester indicated she will bring the criticality assessment to next month's meeting. Scott Manuel continued with the Manager's Report as presented in the packet indicating that pond repairs will be done in January and that water loss was 73% and still under investigation. He indicated that they are working with a leak detection company on Peonia Court today and believe there is a possible leak in that line.

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

Allen Douthitt presented the bookkeeper's report. Motion was made by President Chet Palesko and seconded by Joe Szoo to authorize payment of the bills and the fund transfers as presented. The motion carried unanimously.

10. ABC LOAN AGREEMENT AND RELATED MATTERS, INCLUDING RENEWAL AND INCREASE THEREOF

This item was not discussed.

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

This item was not discussed.

12. THE DISTRICT'S WASTEWATER TREATMENT PLANT

This item was discussed as part of Item 9 regarding District Manager's Report on operations.

13. BILLING ADJUSTMENTS

Director Lisa McKenzie asked if the owner of 10701 Spiderling supplied the leak repair information, and Kristi Hester indicated that ST was adjusting the billing to the first tier volume water rates. The adjustment will be made in accordance with the current policy, and no Board action was required.

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

This item was discussed under Item 7 above.

15. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS AND RULES PERTAINING THERETO

This item was not discussed.

16. THE DISTRICT'S WATER AND SEWER RATES

Attorney Bill Flickinger informed the Board that the changes approved last month to the rate order have been made.

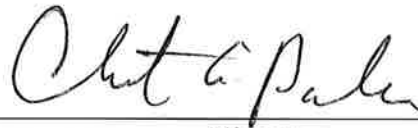
17. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD. AND THE CITY OF AUSTIN; INCLUDING PROPOSED OFFICE BUILDING AND LITIGATION WITH SENNA HILLS, LTD. OVER THE FOREGOING AND THE WEAVER SEWER LINE PROJECT

The Board President announced that the Board of Directors will now 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 8:40 a.m.

At 9:25 a.m., the Board President announced that the Board of Directors has concluded its closed session and is returning to open meeting, and that no action was taken during the closed session.

18. ADJOURN

The meeting was adjourned.



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President, Board of Directors  
Senna Hills MUD

ATTEST:



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Secretary, Board of Directors  
Senna Hills MUD

[SEAL]