

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 February 23, 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:

David I. Perl – Vice President  
Lisa S. McKenzie – Secretary  
Joe Szoo – Assistant Secretary  
Corey Newhouse – Assistant Secretary

thus, constituting a quorum. President Chet Palesko 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

Vice President David I. Perl entertained a motion for approval of the Minutes. Motion was made by Lisa McKenzie and seconded by Joe Szoo to approve the Minutes of the January 26, 2018 board meeting as revised. The motion carried unanimously.

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

This item was not discussed.

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

Engineer Robert Ferguson reported that the installation of the first new bank of membranes at the wastewater plant went well. The old membranes in the processing train that will be upgraded next week are being cleaned daily. The plant will be monitored due to the increase of flow from the heavier rainfall. Mr. Ferguson also reported that the installation of the new controls and electrical panels was successful.

Mr. Ferguson discussed the change orders for the sludge management elements. The sludge tank apparatus is still being priced. There was discussion of the possibility that the construction schedule could be delayed due to these changes. Mr. Ferguson did not believe that would be the case.

Mr. Ferguson then discussed the process once the wastewater plant expansion is up and running. INFRAMARK will undergo five days of training. There is a two-year performance warranty on the plant and Kubota will monitor the plant remotely. Manager Jason Tyler has requested formal documentation on the startup and operations of the plant. The Board indicated that they would like to tour the plant once all construction has been completed.

In regard to the lift station flow analysis, it has been determined that adjustments can be made to the controls on a pump at Lift Station #1. There will be no equipment purchase needed for these adjustments.

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 pay estimate submitted by Excel Construction Services, LLC. After discussion, Vice President David I. Perl entertained a motion for approval. Motion was made by Joe Szoo and seconded by Lisa McKenzie to approve Pay Estimate No. 5 in the amount of \$174,895.00 for the wastewater treatment plant expansion submitted by Excel Construction Services, LLC. The motion carried unanimously.

Mr. Ferguson discussed the upcoming change orders due to the sludge management elements. The change orders will probably be in excess of \$100,000.

Mr. Ferguson will review all the numbers and do an update to the Summary of Costs.

8. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Manager Jason Tyler reported that the pond has been inspected and that he will provide a report at the next board meeting.

Lisa McKenzie asked about the trash needing to be picked up around the pond area and Mr. Tyler advised he would add it to the "to do" list.

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

Bookkeeper Allen Douthitt discussed the updated cash activity report with the Board. Mr. Douthitt will void President Chet Palesko's per diem due to his absence. For today's consideration, he presented approval of the director and vendor payments, three fund transfers, and a wire transfer to Excel Construction.

Mr. Douthitt reported that through January, the maintenance and sludge hauling is coming in ahead of plan. After discussion, Vice President David I. Perl 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, fund transfers and the wire transfer to Excel Construction Services, LLC for Pay Estimate No. 5 as presented. The motion carried unanimously.

10. DISTRICT MANAGER'S REPORT ON OPERATIONS

Manager Jason Tyler reported that there are 412 total connections, of which 405 are residential. The total residential water consumption is 3,446,000 gallons. The average monthly residential water consumption is 7,928 gallons for January. There was discussion as to why the water usage at the amenity center was so high. It is possible that there is an irrigation leak. Lisa McKenzie will follow-up with Cheryl at the HOA on what is happening. There was also discussion of the daily maximum amount of water usage during the summer months. If the District goes over, the PUA can bill at a high rate. Mr. Tyler will check to see if the District has ever been close to going over the daily maximum amount of water usage. Mr. Tyler advised that the District should be in good shape to track the HOA water usage.

Mr. Tyler advised that there were seven delinquent letters mailed out, two door tags hung and no disconnects for non-payment.

The water quality monitoring report looks good. Lisa McKenzie asked why the NH3 level was high and Mr. Tyler advised that it was ok. He stated that the prior month's level had been unusually low, likely due to the cold weather and resulting cold water. The water accountability for January was 90%.

The wastewater treatment plant is operating at 85% capacity and is 100% compliant. Lisa McKenzie inquired about the low readings for the ROW and pond flows. Mr. Tyler advised that it could be that the HOA is not irrigating as much due to recent rainfall, but he cannot be sure. The

HOA will need to operate the irrigation system to the maximum possible extent as outlined in the Effluent Disposal Contract with the District so that effluent use and flow to the pond will be consistent.

Lisa McKenzie discussed the red flashing light and alarm at one of the lift stations that occurred recently. When this happens, who should the residents call? Manager Jason Tyler will check to be sure that appropriate signage is posted on the lift stations regarding who to call. He also reported that the electricity was going in and out that day and there were no issues with the plant, other than that.

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

This item was not discussed.

12. RATE ORDER

Lisa McKenzie discussed the charge for customers requesting to have a meter reading confirmed. If the prior meter read was correct, the customer is subject to a \$30 fee on the next water bill. It appears that the District is losing money on this due to the work involved that INFRAMARK has to do. There was discussion as to why the costs are so variable. After discussion, Vice President David I. Perl entertained a motion for approval. Motion was made by Joe Szoo and seconded by Lisa McKenzie to increase the customer meter re-read charge to \$50. The motion carried unanimously.

13. DISTRICT WEBSITE

Lisa McKenzie wants to look at the number of hits the District is getting on its website. Depending on that number, there was discussion of cancelling the website all together. In the meantime, Mrs. McKenzie asked that an emergency phone number be listed on the website for reference.

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

Lisa McKenzie has received complaints that the pond is an eyesore due to the mineral deposits on the liner. She asked if there is anything that can be done to fix it or rinse the residue away. Manager Jason Tyler will check to see if there is any type of solution available that will cut down on the residue.

15. EFFLUENT DISPOSAL CONTRACT BETWEEN SENNA HILLS MUNICIPAL UTILITY DISTRICT AND SENNA HILLS HOMEOWNERS ASSOCIATION, INC.

Attorney Bill Flickinger advised that the Effluent Disposal Contract was initially approved by the Board in June 2017. There have now been changes to reflect that treated domestic wastewater effluent disposed of on public access land, including the Existing ROW Irrigation Area, shall be applied by surface irrigation only. The District has determined and agrees that

surface irrigation includes drip irrigation systems designed to dispose of treated domestic wastewater effluent at the surface. This determination allows the HOA to correct the overspray issues by installing a drip system in the center island near the east entrance. After discussion, motion was made by Joe Szoo and seconded by Corey Newhouse to adopt the Effluent Disposal Contract as presented. The motion carried unanimously.

16. DATES FOR FUTURE BOARD MEETINGS

The March 23<sup>rd</sup> and April 27<sup>th</sup> meetings have already been set. The Board will wait for President Chet Palesko's return before scheduling any further meetings.

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; SUPPLEMENTAL LETTER OF AGREEMENT WITH THE DISTRICT, SENNA HILLS, LTD., SENNA HILLS TRUST AND SENNA HILLS HOA

Attorney Bill Flickinger discussed the Supplement to Letter of Agreement. The parking provisions have been added to revise Exhibit C to the contract. Mr. Flickinger advised that the HOA will execute it on Monday. After discussion, motion was made by Lisa McKenzie and seconded by Corey Newhouse to approve the Supplement to Letter of Agreement as presented. The motion carried unanimously.

18. ADJOURN

The meeting was adjourned.

  
Chet A. Palesko, President

ATTEST:

  
Lisa S. McKenzie, Secretary

[SEAL]

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