

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 24, 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
Corey Newhouse – Assistant Secretary

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

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

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

President Chet Palesko entertained a motion for approval. Motion was made by Lisa S. McKenzie and seconded by David I. Perl to approve the Minutes of the January 27, 2017 board meeting as presented. The motion carried unanimously.

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

President Chet Palesko advised that he had nothing new to report. The PUA cancelled its April meeting and has not rescheduled it yet. Mr. Palesko discussed receiving the Region K notice and how he is going to respond. The notice has the District doubling in size, which is not correct.

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

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

The bid opening was scheduled for February 21st but after several requests from the contractors, Murfee issued an addendum to extend the bid opening until March 7th.

Mr. Ferguson reported that he is still working on the letter to the TCEQ regarding the completion and construction history for the effluent pond as requested and is hopeful to have it submitted to the TCEQ next week.

Mr. Ferguson then presented a map showing the wastewater treatment plant, easements and the 150' buffer zone. There was discussion of the wastewater treatment plant easement and how it does not match the footprint of the plant.

7. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Lisa S. McKenzie discussed the condition of the tile markers and will contemplate using plastic tiles with metal buttons or stencils. After discussion, the consensus was that if stencils were used, they would most likely need to be repainted on an annual basis. President Chet Palesko advised that he thought everything is ok right now and should be left as is.

Mrs. McKenzie would also like to see progress on the pond restoration.

8. EFFLUENT IRRIGATION AGREEMENT BETWEEN THE HOA AND THE DISTRICT

Attorney Bill Flickinger reported that he has made progress on this task and has a good model to go by. Lisa S. McKenzie advised that there are several places that need to be addressed due to the runoff in those areas.

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

Bookkeeper Allen Douthitt discussed the bookkeeper's report as included in the agenda package and presented an updated Cash Activity Report for review. Mr. Douthitt will void Joe Szoo's per diem. There was discussion of the data storage fee to the District, for three years of billing. ST has an off-site storage location for some of the District's files. Attorney Bill Flickinger discussed the required record retention policy. Mr. Douthitt also reported that the budget is

tracking well. For today's consideration, there are vendor and per diem payments and three fund transfers. After discussion, President Chet Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Lisa S. McKenzie to approve payment of the vendor invoices, per diems and fund transfers as presented. The motion carried unanimously.

10. DISTRICT MANAGER'S REPORT ON OPERATIONS

Jason Tyler discussed the Manager's Report as included in the agenda package.

Mr. Tyler reported on the District's billing summary. The residential average of water consumption is 7,958 gallons per month, which is up a couple hundred gallons from last year. The total amount of receivables is up as well. Mr. Tyler discussed the delinquencies. There were 15 delinquent letters mailed out, six door tags hung and one disconnect for non-payment. The water quality monitoring is good. The records show that the District is continuing to make water, which is most likely due to a PUA meter error. Per the PUA, that meter has now been changed out.

Mr. Tyler reported that at the wastewater plant, there are two mixers down. One of the mixers was put in the shop for repair and will cost approximately \$2,000. The other mixer will need to be replaced at a cost of \$4,000. After discussion, President Chet Palesko made a motion to allow ST to repair and replace the mixers at a cost not to exceed \$6,000. Corey Newhouse seconded that motion. The motion carried unanimously.

11. DISTRICT WEBSITE

There was discussion of the District's website and what documents are available for review.

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

This is a standing item and was not discussed.

13. ARCADIA TRACT – ACQUISITION BY DISTRICT

Attorney Bill Flickinger reported that David I. Perl negotiated the Arcadia tract acquisition. Attorney Matt McPhail prepared a Quitclaim Deed that will clean up title for this tract of land. The District previously agreed to pay the tax liability on this tract when it is conveyed to the District. The current tax liability is \$218.99. Mr. McPhail advised that his office will send the Quitclaim Deed to Arcadia for execution.

14. BILLING ADJUSTMENTS

This is a standing item and was not discussed.

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

This is a standing item and was not discussed.

16. 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

Attorney Bill Flickinger reported on the remaining issues in connection with settlement. Engineer Robert Ferguson also discussed issues in connection with irrigation conflicts.

17. DATES FOR FUTURE BOARD MEETINGS

President Chet Palesko advised he will be out all of the month of May. The May meeting was set for the 26th and the June meeting was set for the 30th.

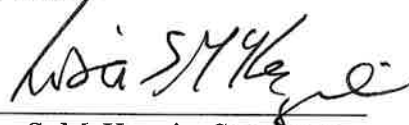
18. ADJOURN

The meeting was adjourned.



Chet A. Palesko, President

ATTEST:



Lisa S. McKenzie, Secretary

