

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 July 16, 2008, 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, Kenneth A. Fox and Gregg Kronenberger, thus constituting a quorum. Directors Mike Dansby and David I. Perl were absent.

Also present at the meeting were Mike Willatt, Bruce Aupperle, Jerri Strain and David Ripley.

3. CITIZEN COMMENTS

There were no citizens present.

4. MINUTES OF JUNE 20, 2008 MEETING

Motion was made by Kenneth A. Fox and seconded by Chet Palesko to approve the minutes as presented. The motion carried unanimously.

5. PROPOSED RATE INCREASE BY THE LCRA IN CONNECTION WITH RAW WATER AND TREATED WATER PROVIDED TO THE DISTRICT

There was discussion as to the LCRA proposed rate increase. Bruce Aupperle reported that there was a proposed 20% increase in the treated water rate. After discussion, Bruce Aupperle stated that he will tell the LCRA that the District needs to limit the increase to 13% over two years.

6. RATE ORDER

This item was not discussed.

7. DROUGHT CONTINGENCY PLAN

Jerri Strain discussed the Drought Contingency Plan and the need to educate the customers on water conservation.

8. BUDGET

This item was not discussed.

9. HOA WATER USAGE AND CHARGES

Gregg Kronenberger stated that he has been in touch with the HOA to educate them on the watering restrictions. The HOA account is a commercial account so that the watering days are Tuesday and Friday.

10. EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT

This item was not discussed.

11. DISTRICT MANAGER'S REPORT AND PAYMENT OF DISTRICT EXPENSES AS PRESENTED BY AQUA TEXAS

The Manager's Report was presented by David Ripley and Jerri Strain. After discussion, motion was made by Gregg Kronenberger and seconded by Kenneth A. Fox to authorize payment of the bills as presented. The motion carried unanimously.

12. BOND ISSUE NO. 4 & NO. 5

Bruce Aupperle reported that the Application for Bond Issue No. 4 had been filed with the TCEQ. He said that he was working the application through the City of Austin. The City required 10 copies of the application as compared to the single copy that was required by the TCEQ.

13. RAW WATER CONTRACT WITH LCRA

Jerri Strain reported that the Raw Water Contract was being processed. Attorney Mike Willatt will review the new contract when it is presented by the LCRA. There was some discussion as to whether the raw water reservation should be reduced in order to lower the LCRA water rates.

14. CONSTRUCTION PROJECTS WITHIN THE DISTRICT

This item was not discussed.

15. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS


This item was not discussed.

16. EVANS WEAVER LITIGATION, INCLUDING RULE 11 T.R.C.P. MEDIATED SETTLEMENT AGREEMENT AND ANNEXATION OF THE "EVANS WEAVER" TRACT

Bruce Aupperle reported that he was preparing to submit the request for annexation of the Evans Weaver tract to the City of Austin. There are currently unpaid ad valorem taxes, which the City may require to be paid before it will approve the annexation.

17. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary, Board of Directors
Senna Hills MUD

[SEAL]