

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 23, 2012, 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, Mike Dansby, David I. Perl and Gregg Kronenberger, thus constituting a quorum. Kenneth A. Fox was absent.

Also present at the meeting were Robert Ferguson, David Ripley, Jerri Strain, Mike Willatt and Brent Reh.

3. CITIZEN COMMENTS

There were no citizen comments.

4. MINUTES OF PRIOR MEETINGS

No action was taken.

5. DISTRICT'S OPERATOR AND MANAGER

The Board reviewed the proposals submitted by ST Environmental and Crossroads and then invited ST Environmental to make a presentation. A presentation was made by Bill Fry, Jeff Garrett and Kristi Hester. Chet Palesko asked if ST would hold its prices for two years. Bill Fry said it would, so the understanding was that the draft contract would be amended accordingly. Chet Palesko also asked if cleaning of the membrane in the wastewater treatment plant was included in the base charge, and if only any preventative maintenance would be extra. Bill Fry confirmed that this was the case. Chet Palesko then expressed his understanding that the only extra charges would be when something breaks or if preventative maintenance is performed. Jeff Garrett agreed with that statement.

A presentation was next made by Steve Held, Mike Morin and William Abshire on behalf of Crossroads.

Lastly, a presentation was made on behalf of Aqua Texas by Brent Reh, Jerri Strain and David Ripley.

There was discussion in the absence of the candidates of the merits of the three companies and the proposed pricing. After this discussion, the representatives of ST Environmental were invited to reappear before the Board.

After discussion, motion was made by Gregg Kronenberger and seconded by David I. Perl to work toward consummating a contract with ST Environmental. The motion carried unanimously.

Mike Willatt said that he would ask ST Environmental to submit their contract, modified as per discussion at the board meeting, following which he will review it with Gregg Kronenberger.

6. POSSIBLE LITIGATION TO RECOVER DAMAGES EXPERIENCED BY REASON OF THE WASTEWATER TREATMENT PLANT AND ASSOCIATED TRANSACTIONS

There was no discussion on this item.

7. LOAN AGREEMENT WITH ABC BANK AND LOAN FROM ABC BANK

There was no discussion on this item.

8. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary, Board of Directors
Senna Hills MUD

[SEAL]

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