

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 July 27, 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:

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 Bill Flickinger and Jeniffer Concienne of Willatt & Flickinger, PLLC, Robert Ferguson of Murfee Engineering, Jason Tyler of InfraMark, LLC and Allen Douthitt of Bott & Douthitt, PLLC.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

Motion was made by David I. Perl and seconded by Lisa McKenzie to approve the Minutes of the June 29, 2018 meeting as presented. The motion carried unanimously.

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

President Chet Palesko stated that he received two documents from the PUA. The first notification was in regard to Stage 2 water restrictions and the second was the PUA's draft budget. Lisa McKenzie stated that she will put a notification of the mandatory two day a week

watering restriction on the neighborhood website. There was discussion of the healthy profit that the PUA is making.

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

Engineer Robert Ferguson reported that Excel, InfraMark and Murfee Engineering all met onsite at the plant on the current operations. There was good communication and the meeting was beneficial. Mr. Ferguson stated that the fine screen/drum operation was passing a lot of water through it. Mr. Ferguson also reported that Excel submitted a proposal on the sludge management component of the plant expansion. The proposal came in upward of \$200,000. They are working on this estimate to see if the pricing can be reduced. Other ideas are coming to the table, such as sludge boxes like those used at a couple of other local plants. The electrical input process is slow and still on the table. Murfee Engineering observed InfraMark doing a replacement of pump bases at lift station #5. Pump and haul was performed during the time the lift station was off-line.

7. CONSTRUCTION PROJECTS WITHIN THE DISTRICT, INCLUDING ADVERTISEMENT FOR BIDS AND APPROVAL, AWARD, RECOMMENDATION, ADMINISTRATION OF CONSTRUCTION CONTRACTS, CHANGE ORDERS AND PAY ESTIMATES

This item was not discussed.

8. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Manager Jason Tyler reported that TCEQ recently conducted an inspection on the District's MS4 permit. The inspection went well. The TCEQ inspector reviewed several of the outfalls. The outfall at lift station #2, near the Lemon Mint park, had a steady stream of water coming out. Mr. Tyler recommends getting some acoustic testing done to identify the source of the water, which may be a leak. A sample of the water was taken, and no chlorine was present. The Board agreed to the acoustic testing.

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

Bookkeeper Allen Douthitt discussed the financials. Today's consideration will include payment of vendor invoices, per diems, three bond payments and authorization for a transfer to the bookkeeper's account. The bond payments will include both P&I this time for the Series 2010, 2014 and 2016 bond issues. The per diem for Joe Szoo will be voided due to his absence. Mr. Douthitt reported that the District encountered high water sales for the month of June and has a healthy fund balance. A check was also included for the Travis County Elections Division in the amount of \$100 in connection with the upcoming director's election. After discussion, President Chet A. Palesko entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by David I. Perl to approve the vendor payments, per diems, three bond payments, as well as the fund transfer. The motion carried unanimously.

10. PROPOSED BUDGET

11. PROPOSED TAX RATE

Items 10 and 11 were discussed together.

Bookkeeper Allen Douthitt just received the District's certified values and is in the process of preparing the budget. Next month, these items will be discussed in detail. The values have gone up 4.5%. President Chet A. Palesko would like to take the tax rate down this year. There was discussion of the needed improvements to lift stations 1 & 2. InfraMark will prepare a list of maintenance items for the budget.

12. DISTRICT MANAGER'S REPORT ON OPERATIONS

- a. Customer Requests
- b. Landscape Maintenance Contracts

Manager Jason Tyler reported that a second phone line is needed for the alarm system at the wastewater plant. This will need to be included in the budget.

Mr. Tyler discussed a prior water bill adjustment in the amount of \$948, which included late fees. The owner still owes about \$600 on the payment plan plus the monthly water bill. The owner has reported she can only pay approximately \$150 per month and is unhappy with the adjustment. The owner has written a letter to the Board for consideration. After review of the letter, the Board decided against any further adjustments. The owner will be required to pay \$100 per month toward the payment plan plus the regular monthly water bill.

Mr. Tyler also discussed a balance on the 120+ delinquency report. Lisa McKenzie stated that she previously provided the information on the owner to Kristi Hester. Mrs. McKenzie asked that this information be looked into before the account is written off.

Mr. Tyler then discussed the Manager's report with the Board. There are 412 total water connections, of which 405 are residential. The total residential water consumption is 8,480,000 gallons. The average monthly residential water consumption is 20,938 gallons for June. Total water receivables were \$97,497 for the month of June.

Mr. Tyler discussed the accounts receivable and collections report. There were 14 delinquent letters mailed out, seven door tags hung and three disconnects for non-payment. Those three accounts have been paid and service was restored.

Mr. Tyler reported that the levels on the water production and quality monitoring report look good. However, the chlorine level is a bit lower during this time of year.

David I. Perl discussed the frequency of pump and haul services and if four hauls per month was normal. Mr. Tyler advised it was normal because usually it occurs once a week. Mr.

Perl also asked when does the effluent pond usually turn over. Mr. Tyler advised that usually that cycle does not occur until sometime in October.

The water accountability for June was 98.9%. There was discussion if the meters are more accurate with higher flow or if this level of accountability was due to the timing of the meter reading schedule.

The wastewater treatment plant was operating at 66% capacity in June and was 100% compliant during that period. Mr. Tyler reported that the effluent flows were 1,983,000 gallons. Lisa McKenzie discussed the capacity of the wastewater plant when the office building comes on line.

### 13. BILLING ADJUSTMENTS

This item was discussed under the Manager's Report.

### 14. DISTRICT WEBSITE

This item was not discussed.

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

This item was not discussed.

### 16. DATES FOR FUTURE BOARD MEETINGS

Attorney Bill Flickinger reported that the following meeting dates have already been set: August 24<sup>th</sup> and September 21<sup>st</sup>. The Board decided to reschedule the August meeting to Monday, August 27<sup>th</sup>. The October meeting was set for the 26<sup>th</sup>.

### 17. DIRECTORS ELECTION

- a. Order Calling Directors Election
- b. Contract for Election Services with Travis County
- c. Joint Election Agreement


Attorney Bill Flickinger advised that Chet A. Palesko and David I. Perl were the incumbents. Mr. Flickinger discussed the Order Calling Directors Election and the contracts with Travis County to hold the election, if necessary. There is a \$100 filing fee required by the Election Division. The filing deadline for a place on the ballot is August 20<sup>th</sup>. After discussion, President Palesko entertained a motion for approval. Motion was made by Corey Newhouse and seconded by Lisa McKenzie to approve the Order Calling Directors Election as presented. The motion carried unanimously. Motion was then made by Lisa McKenzie and seconded by David I. Perl to approve the Contract for Election Services with Travis County. The motion carried unanimously. Lastly, motion was made by Lisa McKenzie and seconded by Corey Newhouse to authorize entering into a Joint Election Agreement with participating entities, if needed. The motion carried unanimously.

18. CONTRACT BY AND AMONG THE DISTRICT, SENNA HILLS HOMEOWNERS ASSOCIATION, INC., SENNA HILLS, LTD. AND THE SENNA HILLS TRUST

Attorney Bill Flickinger reported that the first invoice that was submitted to Rip Miller has been paid.

19. ADJOURN

President Chet A. Palesko adjourned the meeting.

  
David I. Perl, Vice President

ATTEST:

  
Lisa S. McKenzie, Secretary

[SEAL]