

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 June 24, 2010, 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 Chert Palesko, David I. Perl, Gregg Kronenberger, Mike Dansby and Kenneth A. Fox, thus constituting a quorum. All Directors were present.

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

3. CITIZEN COMMENTS

There were no citizens present.

4. MINUTES OF PRIOR MEETINGS

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

5. AQUA TEXAS CONTRACT

President Chet Palesko reminded the Board that it had decided to nominate a primarily responsible director and a back-up director for each project. After discussion, the following persons were named.

<u>PROJECT</u>	<u>LEAD DIRECTOR</u>	<u>BACK-UP DIRECTOR</u>
Aqua Texas Contract 5 th Bond Issue	David I. Perl Mike Dansby	Chet Palesko Gregg Kronenberger

Office Project
Wastewater Treatment Plant
& Landscape Irrigation
Project
Evans Weaver

Chet Palesko
Gregg Kronenberger

Kenneth A. Fox

David I. Perl
Kenneth A. Fox

Mike Dansby

President Palesko reported that he and Mike Dansby had talked about the Aqua Texas contract. They were concerned about the long term and are concerned about previous accounting problems. They want a shorter term and may want to interview and approve an accountant because of prior experience. They will report back on this.

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

David Ripley reported that the pumps that provide irrigation water are broken. Both pumps were running but one pump was not working properly. The second pump then quit.

Apparently the problem is plastic wrapped around the intake structure. The pumps have been sent for overhaul, which should take about two weeks. There is currently no problem with the pond level.

Jerri Strain has talked to the TML insurance. They say it is covered under the equipment coverage, subject to a \$1,000 deductible.

7. TRAILS WITHIN THE DISTRICT

There was discussion as to how nice the trails have turned out to be.

8. EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT

Bruce Aupperle reported that they had the pre-construction meeting last week. The contractor is moving the equipment to the site. He should be on site in mid-July. He reported that he and Doug Hearne had reviewed the plans for chlorination and the plans for irrigating the landscape. They have conducted "value engineering" and may be able to take out \$25,000 to \$35,000. In this event, we can do a change order to the current contract to include chlorination.

Bruce Aupperle reported that he will recommend buying tanks for the later plant expansion that will be used in the interim to store water for the irrigation of the landscaping. He said that he should be able to bring a change order to the next meeting.

Bruce Aupperle agreed to prepare a summary of milestones and expenditures for the project.

He mentioned that the landscape irrigation would not be designed for a two day a week program but will be designed for a seven day rotary irrigation schedule. He also mentioned that the peak day usage was 400 gpd. The Board discussed the fact that the usage figures have been 1 mgd

and even 2 mgd. Bruce Aupperle said that he would take that into account.

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

Motion was made by David I. Perl and seconded by Mike Dansby to approve payment of the bills. The motion carried unanimously. Mike Dansby said that he had gone through the financials with Jerri and they looked okay. David Ripley reported that there was some lighting damage that blew out surge protectors. These may be covered by insurance. The approximate cost is \$3,000.

10. CONSTRUCTION PROJECTS WITHIN THE DISTRICT

This is a standing item. There was no discussion.

11. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS

This is a standing item. There was no discussion.

12. BILL ADJUSTMENTS

This is a standing item. There was no discussion.

13. AGREEMENT WITH HOMEOWNERS ASSOCIATION ON IRRIGATION OF COMMON AREAS

This is a standing item. There was no discussion.

14. HOA WATER USAGE AND CHARGES

This is a standing item. There was no discussion.

15. THE DISTRICT'S 5TH BOND ISSUE

Doug Whitt called in by telephone. He said that he would look into the new money bonds in the amount approved by the TCEQ and will also look at refunding two issues that are now subject to optional redemption. Doug Whitt said that he needed the assessed value at build out. The current assessed value is \$177,000,000. Build out was previously projected to reach \$225,000,000, but that now may be lower. Bruce Aupperle will get an estimate of the assessed value at build out and Mike Dansby will work with him on this project. They will come back to the July 14 meeting to work out the various scenarios. Doug Whitt will attend this meeting.

Doug Whitt said that we need to look at the TCEQ and City of Austin approvals necessary for the refunding, if any.

16. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD AND THE CITY OF AUSTIN

David I. Perl passed around a proposed letter to the property owners. There was discussion and various suggestions. David I. Perl said that he would revise the letter pursuant to the discussion.

There was a consensus that the public meeting should be in a model home.

President Chet Palesko and Kenneth A. Fox left the meeting.

17. PROVISION OF SEWER SERVICE TO EVANS WEAVER TRACT

Bruce Aupperle reported that he has completed the survey and is in the design stage.

18. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary Board of Directors
Senna Hills MUD



[SEAL]