

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 March 20, 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 Mike Dansby, David I. Perl and Gregg Kronenberger, thus constituting a quorum. President Chet Palesko and Kenneth A. Fox were absent.

Also present at the meeting were Robert Ferguson, David Ripley, David Malish, Terry Irion, Kemp Worthey, Rip Miller, Billy Kilgo and Mike Willatt.

In the absence of the President and Vice President, Mike Dansby presided over the meeting.

Mike Dansby moved to Item 20.

20. LETTER TO TxDOT REQUESTING APPROVING OF AN ENTRANCE OFF BEE
CAVES ROAD FOR THE PROPOSED SENNA HILLS OFFICE PARK

President Chet Palesko called in by telephone. There was discussion as to a draft letter to TxDOT in the agenda package asking TxDOT to grant a Bee Cave Road entrance to the proposed office building. There was some confusion until it was determined that the letter in the agenda package had been the letter provided by Rip Miller and President Chet Palesko had a version that he had edited. President Palesko forwarded a copy of the edited letter. Motion was made by Gregg Kronenberger and seconded by David I. Perl to send the letter as edited by President Chet Palesko to TxDOT. The motion carried unanimously.

Mike Dansby moved to Item 19.

19. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD AND THE CITY OF AUSTIN; INCLUDING PROPOSED OFFICE BUILDING

There was discussion of the irrigation requirements and the recalculation of same with respect to the office building. Rip Miller said that we had Bruce Aupperle recalculate the irrigation requirements and came up with an amended plan. This was shown on pages 18 and 19 of the agenda package. That amended plan never went to the Board of Directors for formal approval. Rip Miller said that he presented it to the homeowners association and did not follow-up after that.

Robert Ferguson pointed out that the TCEQ permit identifies the irrigation tract. The proposed office building is 38 LUEs. Rip Miller explained that what is in the ground is sufficient for the MUD needs but the City of Austin makes the MUD keep the land available as an anti-growth measure.

Mike Dansby said that he wants Robert Ferguson to look at Bruce Aupperle's work. President Chet Palesko pointed out that the residents want to leave the irrigation plan alone. Rip Miller said that he wanted a vote on the MUD land use plan amendments. President Chet Palesko said that if we have to vote today, the answer will surely be no. David I. Perl said that he thinks after we look at it, that could change. David I. Perl wants Robert Ferguson to look at it as well. In other words, we need Robert Ferguson to tell the Board if Rip Miller's numbers are correct.

Rip Miller said that the City will want the MUD to sign off on the amendment. The conclusion was that the Board would do nothing until Robert Ferguson had checked the numbers.

President Chet Palesko then hung up and Mike Dansby moved to Item 4.

4. MINUTES OF PRIOR MEETINGS

David I. Perl identified some typos in the minutes. Motion was made by David I. Perl and seconded by Gregg Kronenberger to approve the minutes of the February 20, 2012 meeting as amended. The motion carried unanimously.

Mike Dansby moved to Item 3.

3. CITIZEN COMMENTS

Billy Kilgo presented a proposal to buy 8,000 acre feet of an area adjoining his lot. He wants to have more impervious cover surrounding his residence, in particular to put in a pool, and he also wants to landscape this area. In time, he wants to build a "mother-in-law" accommodation. Mike Dansby said he would put this on the next agenda.

Rip Miller said that he would identify whether the land referred to by Mr. Kilgo is owned by Senna Hills, Ltd. or the MUD.

Mike Dansby moved to Item 5.

5. BOOKKEEPING SERVICES AGREEMENT

Mike Dansby and Allen Douthitt announced that the bookkeeping contract had been signed. Allen Douthitt presented the necessary paperwork to allow Bott & Douthitt to transfer funds in and from Logic and to communicate with the IRS. Motion was made by Mike Dansby and seconded by Gregg Kronenberger to approve the resolution for Logic and authorization to communicate with the IRS. The motion carried unanimously.

6. APPOINTMENT OF INVESTMENT OFFICER

Mike Willatt stated that the new bookkeeping company should act as the District's investment officer. Mr. Willatt presented a Resolution Appointing Investment Officer. Motion was made by Gregg Kronenberger and seconded by Mike Dansby to adopt the Resolution as presented. The motion carried unanimously.

Mike Dansby moved to Item 22.

22. PROVISION OF SEWER SERVICE TO EVANS WEAVER TRACT, INCLUDING CONTRACT FOR 10340 FM 2244 WASTEWATER SERVICE PROJECT

Terry Irion said that he came to see where the District was on the Weaver project. Robert Ferguson said the pipe is in the ground, but the trench is still open. The pumps are on order and should be here in April. Terry Irion said that he understood the District would own the grinder pump and that Mike Willatt had in fact drawn up an easement for that purpose. Mike Willatt explained that when he drew up the easement, he contemplated more than one customer using the grinder pump. After talking with Terry Irion he understood that the land would not be subdivided and that there would only be one customer. The grinder pump is therefore no different from any other grinder pump in the District serving a single customer. Terry Irion thought that Weaver should not have to pay to bring the electricity to the site and should not own nor pay for the cost of operation and maintenance of the grinder pump. At the conclusion of the discussion, Mike Dansby asked Terry Irion if Weaver will agree to sign the District's standard application if the District will pay to bring the electricity to the grinder pump. Terry Irion indicated that was probably satisfactory. Mike Willatt said he needed to think through what other issues might arise so that we can clean them all up at this time. He said that he would work with Gregg Kronenberger to identify the issues to see what needs to be resolved. The consensus was that if Mike Willatt and Gregg Kronenberger get all of the issues resolved, the check to the City of Austin can be written to bring the electricity to the grinder pump.

Mike Dansby moved to Item 8.

8. AQUA TEXAS CONTRACT

Mike Dansby said that the outstanding issue is the the \$1,800 per month for the bookkeeping.

9. AUSTIN ELECTRIC RATES

Mike Willatt reported on the current efforts of HURF (“Homeowners United for Rate Fairness”).

10. TAYLOR LAKE EFFLUENT POND AND THE DISTRICT’S EFFLUENT DISPOSAL SYSTEM

David Ripley reported that the effluent irrigation system is running well.

11. EXPANSION OF THE DISTRICT’S WASTEWATER TREATMENT PLANT

12. PAY ESTIMATES AND CHANGE ORDERS FOR WASTEWATER TREATMENT PLANT CONSTRUCTION CONTRACT

14. ENGINEER’S REPORT

- a. Wastewater Treatment Plant
- b. Weaver Wastewater Service
- c. LCRA Contract Amendment
- d. Office Park Site Plan

Items 11, 12 & 14 were taken together.

Robert Ferguson reported on the pump in the wastewater treatment plant. They put in a new impeller but it made no difference to the pump’s capacity. The plant is designed with four pumps, two being redundant if the pumps are operating as designed. They have changed the controls so that all four pumps can operate simultaneously. There is still no answer as to why the pumps are not pumping according to their design capacity. The pump manufacturer is ordering a higher rated pump with higher capacity. If it works, they will install three others. Robert said that he was given the impression that it would not be at the District’s expense.

Robert Ferguson reported that the contractor submitted a final pay estimate asking for release of retainage. Robert said that he has not brought this to the Board yet.

Robert Ferguson reported when we have the pumping capacity, he will get the contractor to do the coring.

He reported that the LCRA contract amendment is under review at the LCRA.

Mike Dansby moved to Item 13.

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

David Ripley presented the operations report. David I. Perl said that he has a neighbor who got notice of a leak and was dissatisfied with his reception when he telephoned Aqua Texas. The neighbor thinks the notice should be more detailed. David Ripley said that there is a standard notice form that he will go through to see if it can be improved. David Ripley then continued with his report.

Allen Douthitt presented the checks on behalf of Aqua Texas. He said that he would transfer money to cover the checks for this month and next month. Motion was made by Gregg Kronenberger and seconded by David I. Perl to approve the checks as presented and to approve additional checks to the City of Austin when the amount to bring the electricity to the grinder pump is determined and to the LCRA and AT&T. The motion carried unanimously.

Mike Dansby moved to Item 15.

15. CONSTRUCTION PROJECTS WITHIN THE DISTRICT

This item was not discussed.

16. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS AND RULES PERTAINING THERETO

This item was not discussed.

17. THE DISTRICT'S WATER AND SEWER RATES

This item was not discussed.

18. BILLING ADJUSTMENTS

David I. Perl told the neighbor that the Board would probably take the leak off his winter average if he appears before the Board.

Mike Dansby moved to Item 23.

23. LITIGATION WITH SENNA HILLS, LTD. OVER WEAVER SEWER LINE PROJECT

Mike Dansby announced that the Board would go into closed session pursuant to Section 551.071, Government Code to discuss the existing litigation with Senna Hills, Ltd. over the Weaver sewer line project.

The Board emerged from closed session. No action was taken.

7. WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

This item was not discussed.

21. MUD LAND USE PLAN AMENDMENT AS PREPARED BY THE DISTRICT'S ENGINEER IN 2009.

This item was not discussed.

24. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Asst. Secretary, Board of Directors
Senna Hills MUD

