

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 21, 2014, at 12117 Bee Cave Road, Building 3, Suite 120, 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

A roll call of the Directors was taken. The Directors present were Chet Palesko, David I. Perl, Gregg Kronenberger, Joe Szoo and Lisa McKenzie, thus constituting a quorum. All Directors were present.

Also present at the meeting were Scott Manuel, Kristi Hester, Allen Douthitt, Robert Ferguson, John Chamblee, Charles Collier, Carolyn Parmer and Mike Willatt.

3.     CITIZEN COMMENTS

No citizens were present.

4.     MINUTES OF PRIOR MEETINGS

David I. Perl presented some corrections to the minutes as included in the agenda package. Motion was made by Joe Szoo and seconded by David I. Perl to approve the minutes as corrected. The motion carried unanimously.

5.     VACATION OR MODIFICATION OF EASEMENT AT 10318 INDIGO BROOM LOOP AND ADJACENT PROPERTY

Robert Ferguson passed out sketches showing what is to be released. He explained that the original survey submitted by the McKenzies made a certain proposal. He explained the option of either describing the footprint of the house or creating a rectangle including the greater encroachment. There was a consensus that the release should be a rectangle shape including one side of which abutted the greater encroachment, and this should be done likewise for the Marsh property. Mike Willatt said that he would get with Fidelity.

\*\*President Chet Palesko moved to Item No. 20.\*\*

20. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD. AND THE CITY OF AUSTIN; INCLUDING PROPOSED OFFICE BUILDING AND LITIGATION WITH SENNA HILLS, LTD. OVER THE FOREGOING AND THE WEAVER SEWER LINE PROJECT

Lisa McKenzie suggested that Senna Hills, Ltd. be required to convey the land and dismiss the lawsuit now, rather than letting that be contingent on Rip Miller's success in getting the office building permitted. There was general consensus that this would be too much of a departure from the prior negotiations. There was note of the need for a bigger easement for the plant. There was discussion of a termination date, with the requirement that Senna Hills, Ltd. diligently proceed with the contract and that the contract shall remain in effect for five years or until the objectives are accomplished. Robert Ferguson said that if Rip Miller provides two acres, it may be possible to avoid extending the irrigation system to the back property. Motion was made by President Chet Palesko and seconded by David I. Perl to approve the draft contract presented at the meeting, as amended, pursuant to the discussion at the meeting, and to appoint Lisa McKenzie and Gregg Kronenberger to approve the changes to the contract. The motion carried unanimously.

\*\*President Chet Palesko moved to Item No. 15.\*\*

15. BILLING ADJUSTMENTS

Carolyn Parmer presented a plea for relief from a leak on her side of the water meter. The leak went on for a month and caused her water bill to go from the usual 8,000 gallons to a 123,000 gallons a month, resulting in a bill of \$731. After discussion, President Chet Palesko noted that in the past the Board has allowed relief by charging the District's cost for the water, i.e., the PUA charge and the raw water charge. Motion was made by Gregg Kronenberger and seconded by Joe Szoo to authorize ST to apply this relief to Mrs. Parmer and to exclude the month in question from the winter average calculation. The motion carried unanimously.

\*\*President Chet Palesko moved to Item No. 6.\*\*

6. PUBLIC HEARING ON DROUGHT CONTINGENCY PLAN

President Chet Palesko opened the public hearing on the amendment to the Drought Contingency Plan. No one made any comments. The public hearing was then closed.

7. AMENDMENT TO DROUGHT CONTINGENCY PLAN

Mike Willatt explained that the District had received a letter from the LCRA on once a week watering. He said that the LCRA advised not amending the body of the Drought Contingency Plan at this point but instead adopting a temporary amendment proving the requirements of the LCRA

letter. He presented the temporary amendment to the Board. Motion was made by Gregg Kronenberger and seconded by Joe Szoo to adopt the Temporary Amendment to the Drought Contingency Plan. The motion carried unanimously.

**\*\*President Chet Palesko moved to Item No. 9 & 10.\*\***

9. ENGINEER'S REPORT ON SOME OR ALL OF THE AGENDA ITEMS
10. REQUEST FOR THE RELEASE FROM ESCROW IN THE AMOUNT OF \$645,130 PLUS ACCRUED INTEREST FROM THE \$1,510,000 BOND ISSUE SERIES 2010 APPROVED BY COMMISSION ORDER DATED JUNE 28, 2010

Robert Ferguson said that the escrow release is administratively complete. He stated that he is still working to see what is necessary for the plant expansion.

**\*\*President Chet Palesko moved to Item No. 13.\*\***

13. BOOKKEEPER'S REPORT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS
  - a. American Bank of Commerce Wire Transfer Agreement

Allen Douthitt passed out his report and noted the need for two transfers. Motion was made by Gregg Kronenberger and seconded by David I. Perl to authorize payment of the bills and the transfers as described by Allen Douthitt. The motion carried unanimously.

**\*\*President Chet Palesko moved to Item No. 21.\*\***

21. REFUNDING OF THE DISTRICT'S BONDS, INCLUDING RESOLUTION AUTHORIZING THE ISSUANCE OF SENNA HILLS MUNICIPAL UTILITY DISTRICT UNLIMITED TAX AND WATERWORKS AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2014, PRESCRIBING THE TERMS AND PROVISIONS THEREOF, MAKING PROVISION FOR THE PAYMENT OF THE INTEREST THEREON AND PRINCIPAL THEREOF, AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT; ESTABLISHING PROCEDURES FOR SELLING AND DELIVERING THE BONDS; AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS

Mike Willatt said that in drafting the order on the District's refunding bonds for presentation to the City of Austin, he noticed several items remaining in the order from the last refunding bond issue. He said that he corrected these issues and presented the revised order. Motion was made by David I. Perl and seconded by Gregg Kronenberger to adopt the refunding bond order as presented. The motion carried unanimously.

\*\*President Chet Palesko moved to Item No. 16.\*\*

16. DISTRICT MANAGER'S REPORT ON OPERATIONS

Manager Kristi Hester made a report. She said that the leaks at the valve have been repaired. She was hoping that the water accountability will get into the 80 or 90%. The wastewater treatment plant was at 88% capacity. There was an ammonia excursion but no explanation has been provided yet.

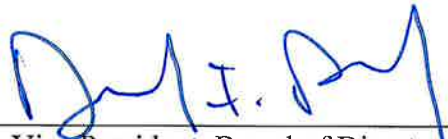
\*\*President Chet Palesko moved to Item No. 22.\*\*

22. ADJOURN

The meeting was adjourned.

\*\*\*THE REMAINING ITEMS WERE NOT DISCUSSED.\*\*\*

8. ALL MATTERS RELATED TO WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
11. TAYLOR LAKE EFFLUENT POND AND THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM
12. THE DISTRICT'S WASTEWATER TREATMENT PLANT
14. ABC LOAN AGREEMENT AND RELATED MATTERS, INCLUDING RENEWAL AND INCREASE THEREOF
17. CONSTRUCTION PROJECTS WITHIN THE DISTRICT, INCLUDING CHANGE ORDERS, PAY ESTIMATES AND ACCEPTANCES
18. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS AND RULES PERTAINING THERETO
19. THE DISTRICT'S WATER AND SEWER RATES



---

Vice President, Board of Directors  
Senna Hills MUD

ATTEST:



Secretary, Board of Directors  
Senna Hills MUD

