

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 March 23, 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 Palesko - President
David I. Perl – Vice President
Lisa S. McKenzie – Secretary
Joe Szoo – Assistant Secretary

thus constituting a quorum. Assistant Secretary Corey Newhouse was absent.

Also present at the meeting were Bill Flickinger, Matt McPhail and Jeniffer Concienne of Willatt & Flickinger, PLLC, Kristi Hester and Jason Tyler of INFRAMARK, LLC, Robert Ferguson of Murfee Engineering and Allen Douthitt of Bott & Douthitt.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

President Chet Palesko entertained a motion for approval of the Minutes. Motion was made by David I. Perl and seconded by Lisa McKenzie to approve the Minutes of the February 23, 2018 board meeting as revised. The motion carried unanimously.

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

Manager Kristi Hester reported that she met with the PUA recently and that they are starting up another rate study, which should be completed by the end of the year.

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

Engineer Robert Ferguson reported that the wastewater plant is up and running and the startup went well. They are continuing to work out the minor issues, but nothing major has been reported. The membranes are performing as expected. Kubota is monitoring the plant. Mr. Ferguson reported that the leaf screens have not yet been installed. The screens will protect against flying debris entering the basins. Mr. Ferguson also reported that the static mixers in the basins are being replaced. Lisa McKenzie inquired if the drum screen failures on the current INFRAMARK invoice are included under the warranty. Mr. Ferguson indicated that he is working with Excel Construction on that issue.

Manager Jason Tyler stated that he has received the manual for operations of the plant. Mr. Tyler reported that they are working well with Kubota and have good communications with them. Manager Kristi Hester believes that they have a training session coming up with Kubota on chlorine distribution.

Excel Construction is not yet done pricing the sludge management system. Any sludge haul will be on an as needed basis.

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

Engineer Robert Ferguson discussed the pay estimate and change order submitted by Excel Construction Services, LLC.

After discussion, President Chet Palesko entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by Joe Szoo to approve Pay Estimate No. 6 in the amount of \$177,700.00 for the wastewater treatment plant expansion submitted by Excel Construction Services, LLC. The motion carried unanimously. Motion was then made by David I. Perl and seconded by Lisa McKenzie to approve Change Order No. 2 in the amount of \$2,582.00. The motion carried unanimously.

8. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Manager Jason Tyler reported that the pond was cleaned last week.

Lisa McKenzie reported on the condition of the drainage channel behind her neighbor's house, 10314 Indigo Broom Loop. She originally went back there to pick up trash and then noticed all of the silt buildup and standing water. There is approximately 4-8" of silt that has built up between the gabions. There are also clumps of leaves where dead branches have become wedged across/into trunks of trees/shrubs growing in the drainage path, which impede the water flow. Mr. Tyler advised that they are looking into the overgrowth and silt buildup and will get back to the Board.

Mrs. McKenzie also discussed a dead tree that has fallen in the greenbelt near the Lemon Mint lift station. It was reported by a resident that it nearly missed their fence. The resident is concerned that it is a fire hazard. Mr. Tyler advised that the tree can be removed. There was discussion of the degree of maintenance to the greenbelts or if issues should be addressed as they arise. Mr. Tyler will inspect the fenced area near the Prickly Poppy lift station where a resident has raised a general concern about fire safety.

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

Bookkeeper Allen Douthitt discussed the updated cash activity report with the Board. Mr. Douthitt will void Corey Newhouse's per diem due to his absence. For today's consideration, he presented approval of the director and vendor payments, four fund transfers and a wire transfer to Excel Construction.

Mr. Douthitt reported that the capital projects fund has been exhausted with this current payment to Excel. Lisa McKenzie inquired about the status of builder deposits on hand. To date, the owners of those funds have not yet been identified. Manager Kristi Hester advised that all of the District's records have been pulled and she will review them to see if she can determine to whom the funds belong. If no records can be found, the builder deposits will need to be turned over to the State of Texas. After discussion, President Chet Palesko entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by Joe Szoo to approve payment of the vendor invoices, per diems, fund transfers and the wire transfer to Excel Construction Services, LLC for Pay Estimate No. 6 as presented. The motion carried unanimously.

10. DISTRICT MANAGER'S REPORT ON OPERATIONS

Manager Kristi Hester discussed the manager's report. There are 412 total water connections, of which 405 are residential. The total residential water consumption is 3,136,000 gallons. The average monthly residential water consumption is 7,264 gallons for February. Mrs. Hester advised that water usage should start to rise due to the winter averaging being over. Residents will now turn their irrigation systems back on. There was discussion of the trenching in the median on Senna Hills Drive where the trees and plantings are being replaced. The trenching was most likely for the irrigation main and possibly electrical components for the new landscaping that the HOA installed. INFRAMARK will need to approve the design and sign off on the irrigation plans.

Mrs. Hester advised that there were 26 delinquent letters mailed out, eight door tags hung and no disconnects for non-payment.

The water quality monitoring report is trending well. The water accountability for February was 94%.

The wastewater treatment plant is operating at 83% capacity and is 100% compliant. Next month's report is expected to reflect the completed addition of plant capacity. Mrs. Hester commented on the low readings for the ROW flows. The HOA irrigation system was shut down

for a while, which may be the cause of the low reading. However, Mrs. Hester will ask Scott Manuel to check the meter.

To follow-up on discussions from last month's board meeting, Lisa McKenzie spoke with the HOA on the water usage at the amenity center. The HOA confirmed there were no leaks or irrigation issues. INFRAMARK is now sending a water use summary to the HOA for informational purposes only. Manager Kristi Hester advised that they will get with Cheryl at the HOA to verify the irrigation system.

Mrs. McKenzie asked if the District has ever been close to going over the daily maximum amount of water usage in our PUA contract. The Board discussed the daily peak flow. INFRAMARK will review the flow and get back to the Board. Mrs. Hester discussed conducting a study in July and August in which the flows can be read daily. The remote read feature on our master meters is not available to INFRAMARK.

Mrs. McKenzie discussed a drainage issue on a resident's lot near the pond. There is an overflow drain close, but water pools near the resident's back lot line. A couple of years ago, Scott Manuel and Mrs. McKenzie went out and checked the area. There was discussion if it is possible to bring in dirt and build up that area. Engineer Robert Ferguson advised that he will go out and look at the area and determine the best cause of action.

In the past, residents have complained to Mrs. McKenzie of the effluent stinking when the weather begins to warm up. INFRAMARK will make a note to ramp up the chlorine in May.

Residents have also complained about the appearance of the pond liner. The calcium buildup is the problem. The Board discussed the fact that once the liner is replaced, which is on the list to do, this will not be an issue due to keeping the pond at a lower level. The Board understands the problem with the appearance, however the pond is operating as intended. If the pond is filled at a higher level and then a major rain event occurs, flooding of the pond could be an issue. Mrs. McKenzie noted that the rope used as a safety device at the pond no longer reaches the water. INFRAMARK will go out and check this.

Mrs. McKenzie discussed the grinder pump letters that went out. Some of the letters were sent via e-mail and some were mailed. There was discussion of whether or not all the letters should be mailed out. Mrs. Hester advised that she will resend all the grinder pump letters via U.S. mail.

11. LAND MAINTENANCE TO LIFT STATION AREA AT PRICKLY POPPY

This item was discussed under Item No. 8.

12. BILLING ADJUSTMENTS; BOARD POLICY REGARDING ADJUSTMENTS TO WATER BILLS DUE TO LEAKS AND OTHER SITUATIONS

This item was not discussed.

13. DISTRICT WEBSITE

Manager Kristi Hester advised that there were 315 visitors to the District's website last month.

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

This item was discussed under Item No. 10.

15. DATES FOR FUTURE BOARD MEETINGS

The April 27th board meeting has already been set. The Board agreed to meet on the following dates: June 1st (in place of May meeting) and June 29th.

16. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD. AND THE CITY OF AUSTIN; INCLUDING PROPOSED OFFICE BUILDING AND PENDING LITIGATION WITH SENNA HILLS, LTD. OVER THE FOREGOING AND THE WEAVER SEWER LINE PROJECT; SETTLEMENT AGREEMENT WITH SENNA HILLS, LTD., SENNA HILLS TRUST AND SENNA HILLS HOA; SUPPLEMENT TO LETTER OF AGREEMENT WITH THE DISTRICT, SENNA HILLS, LTD., SENNA HILLS TRUST AND SENNA HILLS HOA

Attorney Bill Flickinger advised that the HOA approved the Contract. Within ten days of approval of the Contract, it will need to be executed by all parties. There was discussion of needing the metes and bounds for the related easements upon execution of the Contract. SHL will pay to the District the amount of \$63,971.93 representing the remaining one-half of the reasonable fees and expenses incurred in connection with the negotiation, preparation and performance of the Contract.

Going forward, all costs incurred will be reimbursed by SHLas invoiced by the District.

17. ADJOURN

The meeting was adjourned.



Chet A. Palesko, President

ATTEST:

A handwritten signature in blue ink that reads "Lisa S McKenzie". The signature is written in a cursive style with a large initial "L".

Lisa S. McKenzie, Secretary

[SEAL]