

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 24, 2017 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  
Joe Szoo – Assistant Secretary  
Corey Newhouse – Assistant Secretary

thus, constituting a quorum. All directors were present.

Also present at the meeting were Kristi Hester of ST, Robert Ferguson and David Malish of Murfee Engineering, Bill Flickinger, Matt McPhail and Jeniffer Concienne of Willatt & Flickinger, PLLC.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

President Chet Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Lisa S. McKenzie to approve the Minutes of the February 24, 2017 board meeting as presented. The motion carried unanimously.

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

President Chet Palesko advised that the PUA has scheduled the next impact fee meeting, which he will attend and then report back to the Board.

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

Engineer Robert Ferguson discussed his report as included in the agenda package.

Mr. Ferguson advised that his office will go out to the TCEQ to review its records on the effluent pond. He anticipates sending the letter to the TCEQ next week on the completion and construction history of the pond as required.

7. ADVERTISEMENT FOR BIDS AND APPROVAL, AWARD, RECOMMENDATION AND ADMINISTRATION OF CONSTRUCTION CONTRACTS

Engineer Robert Ferguson advised that bids were opened from four different contractors on March 7<sup>th</sup>. The bids consisted of refitting the existing plant or bringing in a separate package plant. Mr. Ferguson discussed all the bids in detail with the Board. There was discussion of the differences between bar screens and drum screens. The drum screen is better as it protects the membranes by removing smaller debris from the influent than a bar screen removes. The Board will need to decide if they want to repurpose the existing plant or have a new package plant. The District's financials will play a big part in the decision. President Chet Palesko and Manager Kristi Hester discussed the reasons the current plant failed. Mrs. Hester advised that the plant went down this week at a cost of approximately \$10,000. Corey Newhouse would like to see a spreadsheet on the bids for comparison purposes. David I. Perl would like a list from the contractors as to what would void the warranties.

A conference call was conducted with Bookkeeper Allen Douthitt. Mr. Douthitt discussed the financials to the Board. The District is in the position to accept either bid for a new plant or refit the existing plant.

After discussion, the consensus was to schedule a special board meeting on April 3<sup>rd</sup> to continue review of the bids and make a determination. Mr. Ferguson advised that the bids are good for 60 days.

8. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Lisa McKenzie inquired about the commencement of the pond work. Manager Kristi Hester advised of the delay due to the continuous wet weather. However, she reported that they could start work on the gabion wall.

9. EFFLUENT IRRIGATION AGREEMENT BETWEEN THE HOA AND THE DISTRICT

Attorney Bill Flickinger advised the agreement is not ready

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

Engineer Robert Ferguson passed out the cash activity report in Bookkeeper Allen Douthitt's absence. After discussion, President Chet Palesko entertained a motion for approval. Motion was made by Joe Szoo and seconded by David I. Perl to approve payment of the vendor invoices, per diems and four (4) fund transfers as presented. The motion carried unanimously.

11. DISTRICT MANAGER'S REPORT ON OPERATIONS

Manager Kristi Hester discussed the Manager's Report.

Mrs. Hester reported on the billing summary and collections. There were two disconnects this period. Both accounts have been paid and service has been restored. Mrs. Hester also discussed a resident with financial problems and not being able to pay his bill. The resident has reached out to Travis County for assistance with his water bill. If the account has not been paid in two days, disconnection will occur.

The water quality monitoring is good. The District is still registering a water gain. The PUA recently changed out the meter so it should stabilize.

Mrs. Hester reported that Train 2 went down and 57 membranes were replaced.

Lisa McKenzie discussed the charges to the District on a couple of residential meters that were changed out. The customer pays \$195 for the change out, but then the District gets hit with additional charges from ST. Mrs. McKenzie also discussed the re-connection fee and whether that should be increased as well. Mrs. Hester explained those charges. It might be time to amend the fee structure. Mrs. Hester will check on the details of those charges to the District and get back with Mrs. McKenzie. The rate order will be placed on the next agenda for review.

12. DISTRICT WEBSITE

Manager Kristi Hester advised the District's website is up and running.

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

This is a standing item and was not discussed.

14. ARCADIA TRACT – ACQUISITION BY DISTRICT

Attorney Bill Flickinger reported that the Quitclaim Deed has been received from Arcadia and recorded with the Travis County Clerk. The delinquent tax payment in the amount of \$220.93 will be mailed to the tax assessor. No further action is needed.

15. BILLING ADJUSTMENTS

This is a standing item and was not discussed.

16. CONSTRUCTION PROJECTS WITHIN THE DISTRICT, INCLUDING CHANGE ORDERS, PAY ESTIMATES, ACCEPTANCES AND AWARD OF CONTRACTS

This is a standing item and was not discussed.

17. 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; PROPOSED SETTLEMENT AGREEMENT WITH SENNA HILLS, LTD. AND SENNA HILLS HOA

Attorney Bill Flickinger updated the Board on the settlement negotiations.

18. PUBLIC HEARING ON DROUGHT CONTINGENCY PLAN

President Chet Palesko opened the public hearing on the Drought Contingency Plan. Hearing no comments, President Palesko closed the public hearing.

19. DROUGHT CONTINGENCY PLAN

Attorney Bill Flickinger discussed changes from the LCRA to the PUA in regards to the Drought Contingency Plan. Attorney Matt McPhail went through the red-lined draft with the Board. After discussion, President Chet Palesko entertained a motion for approval. Motion was made by Joe Szoo and seconded by Lisa McKenzie to adopt the Drought Contingency Plan with the corrections that match the rate order. The motion carried unanimously. Copies of the plan will be sent to the TCEQ, Region K and the PUA.

20. DATES FOR FUTURE BOARD MEETINGS

The board meetings have been set through June.

21. ADJOURN

The meeting was adjourned.

  
Chet A. Palesko, President

ATTEST:

  
Lisa S. McKenzie, Secretary

