

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 May 21, 2008, 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 Kenneth A. Fox, Gregg Kronenberger and David I. Perl, thus constituting a quorum. President Chet Palesko and Mike Dansby were absent.

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

3. CITIZEN COMMENTS

There were no citizens present.

4. MINUTES OF APRIL 18, 2008 MEETING

David I. Perl suggested that paragraph six of the minutes of the April 18, 2008 meeting as included in the agenda package, should be amended to capitalize the first letter of "logic" and to add the words "; to reflect the increase in costs." at the end of the next to last sentence in that paragraph. Motion was made by David I. Perl and seconded by Gregg Kronenberger to approve the minutes as amended. The motion carried unanimously.

5. HOA WATER USAGE AND CHARGES

Kenneth A. Fox noted from the April 18, 2008 minutes that the Board had discussed charging the HOA for water used above certain limits. Gregg Kronenberger said that he had talked to some of the HOA members about this, but the issue had not been considered at a HOA Board meeting because there was no Board meeting this month, due to the fact that some of the Board members were out of town. He said the issue would be addressed at the next HOA Board meeting.

6. EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT

Bruce Aupperle stated that he expected to advertise for bids for the components in June and to advertise for bids for the plant work in October.

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

The Manager's Report was presented by David Ripley and Jerri Strain. Kenneth A. Fox asked Jerri Strain to talk to Mike Dansby about the negative revenue that the District is experiencing. Motion was made by David I. Perl and seconded by Gregg Kronenberger to authorize payment of the bills as presented. The motion carried unanimously.

8. BOND ISSUE NO. 4 & NO. 5

Bruce Aupperle stated that currently \$43,000 remains in escrow from Bond Issue No. 3. The money was escrowed pursuant to the TCEQ requirements until Sections 6, 7 and 11 were built. Those sections have now been built. Therefore, the money should be released from escrow to the developer. Motion was made by Gregg Kronenberger and seconded David I. Perl to authorize Bruce Aupperle to apply to the TCEQ to release the \$43,000 to the developer. The motion carried unanimously.

Bruce Aupperle reported that he will file the bond application in the amount of \$5.2 million with the TCEQ. There was discussion regarding Bond Issue No. 5. The tenor of the discussion was that the bond issue will be considered in due course.

9. RAW WATER CONTRACT WITH LCRA

Jerri Strain said that she would send an e-mail to the Board members attaching a copy of the proposed LCRA Raw Water Contract for comment and review.

10. CONSTRUCTION PROJECTS WITHIN THE DISTRICT

This item was not discussed.

11. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS

There was some discussion of the need to maintain the aging infrastructure. There was also a discussion of wheelchair access between the sidewalk and the streets in the new sections.

12. EVANS WEAVER LITIGATION, INCLUDING RULE 11 T.R.C.P. MEDIATED SETTLEMENT AGREEMENT

The Board went into executive session with attorneys Mike Willatt and Steve Bowers to discuss the Evans Weaver litigation, pursuant to the provisions of Section 551.071, Government Code. The Board returned to open session and motion was made by David I. Perl and seconded by Gregg Kronenberger to approve the Rule 11 Agreement (Settlement Agreement) between the District and the Evans Weaver entity, subject to the lender subordinating his interest to the deed restrictions. The motion carried unanimously.

13. PETITION FOR INCLUSION OF LAND IN SENNA HILLS MUNICIPAL UTILITY DISTRICT BY 10324, INC. A TEXAS CORPORATION

Motion was made by Gregg Kronenberger and seconded by David I. Perl to accept and approve the Petition for Annexation and to authorize attorney Steve Bowers to move forward to get City consent for the annexation, and for the amendment to the consent agreement. The motion carried unanimously.

Bruce Aupperle agreed to review the field notes in the Petition for Annexation to verify that they are accurate.

14. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary, Board of Directors
Senna Hills MUD

