

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 May 3, 2019 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

thus constituting a quorum. Assistant Secretaries Joe Szoo and Corey Newhouse were absent.

Also present at the meeting were Bill Flickinger, Matt McPhail and Jeniffer Concienne of Willatt & Flickinger, PLLC, Robert Ferguson of Murfee Engineering, Jesse Kennis of Inframark, Allen Douthitt of Bott & Douthitt, PLLC, Rip Miller of SHL, John Chamblee from the HOA and resident Peter Feldman.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

President Chet A. 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 March 29, 2019 meeting as presented. The motion carried unanimously.

5. REPORT FROM MR. RIP MILLER ON PROGRESS OF APPROVALS FOR AND DEVELOPMENT OF THE 11.73-ACRE TRACT OWNED BY SENNA HILLS, LTD.

Rip Miller reported that he has been clearing cedar trees from the office site. He received a burning permit, so he will be burning them to get rid of them. Mr. Miller also reported that the bees have been moved to the office site. There was discussion of the temporary shed Mr. Miller had constructed in the perpetual use easement area. Mr. Miller advised that he is using it to paint so that the paint does not get all over the trees, etc. He plans on taking it down in several months.

Mr. Miller updated the Board on the amendment to the SHL contract to submit to the City of Austin to refer to “school or office” instead of just office. A meeting with Eanes ISD has still not been set, or even discussed between them. At this point, he will just have to move forward with the City and indicate a lack of setting the meeting to discuss the issues on the part of Eanes ISD. Mr. Miller is not sure what else he can do to get them to meet with him. Mr. Miller wants the amendment to the contract to be voted on by the HOA so that he can go to the City with the HOA’s input. Attorney Bill Flickinger stated that the amendment will not work as presented. All the references cannot simply be changed to “school or office” and work properly. Mr. Flickinger and Lisa McKenzie discussed the previous issues on the land plan, such as the discussion of removing the hammerhead parking lot and playscape, as well as the temporary shed that must be removed from the perpetual use easement area.

After his discussion with the Board, Mr. Miller left the meeting. No action was taken.

6. REQUEST BY PETER FELDMAN TO INSTALL GATEWAY NETWORK ON DISTRICT OWNED OR CONTROLLED AREAS

Resident Peter Feldman addressed the board to discuss installing gateway network access points in three locations within the District. Mr. Feldman passed out a handout about the company he works for. The locations that he is proposing are owned by the District. Mr. Feldman would like to have these devices installed for a six-month period or possibly on a permanent basis if the District finds a use for them. There was discussion of the locations within the District, including the lift station areas. The Board agreed that right now, there is no benefit to the District for this service. Attorney Bill Flickinger discussed the need for a temporary License Agreement with Carnegie Technologies Company, d/b/a Longview IoT. Mr. Feldman advised that attorney Chuck Williams is their legal counsel. The Board discussed the legal fees incurred with preparation of the License Agreement and Mr. Feldman advised that his company would cover the cost. After discussion, the committee will decide on three locations and work with Attorney Bill Flickinger on the License Agreement.

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

There was discussion of the staff turnover at the PUA.

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

- a. Grading on property near Taylor Lake effluent pond; drainage issues

Engineer Robert Ferguson reported on the status of the sludge management system improvements and additional catwalk for the drum screen installation. Murfee Engineering met with Excel on site to review the plans. There will be a pre-construction meeting with Inframark prior to the mobilization to reinforce the need for communication and site coordination. There are a few minor changes, but no price increase was required. Mr. Ferguson discussed the importance of an inspection and material testing prior to the slab being poured for the sludge box. The testing will cost approximately \$3,000 to \$4,000. After discussion, the Board directed Murfee Engineering to arrange to have the testing done.

The drainage and grading issue at 2208 Gilia Drive has been completed and invoiced. Mr. Ferguson stated that the owner advised that the drainage on her lot has been improved and she is satisfied with the work.

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

This item was not discussed.

10. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

David I. Perl advised that he read the MS4 report that was submitted to the TCEQ.

11. BOOKKEEPER'S REPORT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS; BUILDER DEPOSITS

Bookkeeper Allen Douthitt discussed the financials with the Board. The per diems for Joe Szoo and Corey Newhouse will be voided due to their absence. The District's budget for the year is ahead of plan. Water sales continue to be low. After discussion, President Chet A. Palesko entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by David I. Perl to approve payment of the invoices, per diems and three fund transfers as presented. The motion carried unanimously.

12. DISTRICT MANAGER'S REPORT ON OPERATIONS

- a. Customer Requests
- b. Landscape Maintenance Contracts; Additional landscaping services
- c. Power surge at wastewater plant; emergency repairs to pump; possible insurance claim or other options
- d. Inspections of HOA effluent irrigation system
- e. Effluent Pond Liner Repair

Manager Jesse Kennis discussed the manager's report.

Mr. Kennis reported there are no issues with the District's water system. However, there is an 18% water loss. The fire hydrants and water boxes have been tested and no leaks were detected. If the loss is high again next month, Inframark will conduct additional testing. Attorney Bill Flickinger asked if it is possible that the HOA's irrigation meter is broken and contributing to the water loss calculation. Mr. Kennis advised it is possible and that they will test the meter.

An effluent totalizer meter broke and was replaced at the wastewater treatment plant.

Mr. Kennis reported that the MS4 report was submitted to the TCEQ as required.

Inframark will be sending out a letter on the installation of the electronic water meters.

Mr. Kennis and the Board discussed the pond liner issues. The District's landscaper, Zane Furr found that there are splits in the pond liner. Mr. Kennis presented photos of the liner to the Board. Inframark reached out to the vendor and they will come out next week to look at liner and recommend the appropriate repair. Mr. Kennis advised that it does not look like it will need to be replaced now, but will in the near future. There was discussion of the cost of repairs versus the cost of full replacement. If the repairs are under \$5,000 then the Board agreed to the immediate repair of the liner. If it is higher than \$5,000 then the Board would like to consider the best course of action. After discussion, motion was made by Lisa McKenzie and seconded by David I. Perl to authorize President Chet Palesko to review the recommended repairs over \$5,000 and make a decision on those repairs. The motion carried unanimously.

13. RATE ORDER

This item was not discussed.

14. AMENDMENT TO INFRAMARK CONTRACT

This item was added to the agenda in reference to Inframark certifying the HOA's irrigation system is in compliance. Attorney Bill Flickinger advised that an amendment to the Inframark contract is not needed.

15. PILOT PROGRAM FOR ELECTRONIC RESIDENTIAL METERS

Manager Jesse Kennis reported that the meters have not yet been shipped.

16. FORT AND PLATFORM BUILT ON IRRIGATION LOT

Lisa McKenzie reported to the Board that a fort and platform has been built on Rip Miller's land. Mr. Miller has reached out to the HOA for guidance on this matter. Mr. Miller will also reach out to the residents near that area and ask them to remove the structures.

17. BILLING ADJUSTMENTS

This item was not discussed.

18. DISTRICT WEBSITE

This item was not discussed.

19. TAYLOR LAKE EFFLUENT POND, THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM; EFFLUENT DISPOSAL CONTRACT BETWEEN THE DISTRICT AND HOA

John Chamblee discussed the status of the HOA's irrigation issues. The Phase 1 repairs are underway and Phase 2 has been planned out. Mr. Chamblee is awaiting a proposal on the Phase 3 repairs. Attorney Bill Flickinger advised that his office is working on an amendment to the Effluent Disposal Contract so that Inframark can provide the certification for the HOA's system.

There was discussion of the cross-connection on the irrigation lines and the recommended testing. David I. Perl inquired about how that occurred in the first place.

After discussion, motion was made by Lisa McKenzie and seconded by David I. Perl to authorize Inframark to conduct the inspections and certifications on the HOA's irrigation system for two months and to invoice the HOA for that work. The motion carried unanimously.

After that discussion, Mr. Chamblee left the meeting.

Lisa McKenzie would like the Board to consider irrigating the triangular lot near Senna Hills Drive and Gilia Drive as well as another area in that vicinity.

20. DATES FOR FUTURE BOARD MEETINGS

The Board discussed the upcoming board meetings. The current meeting schedule includes May 31st, June 28th and July 26th.

21. CONTRACT BY AND AMONG THE DISTRICT, SENNA HILLS HOMEOWNERS ASSOCIATION, INC., SENNA HILLS, LTD. AND THE SENNA HILLS TRUST; AMENDMENT TO THAT CONTRACT; SHED BEING CONSTRUCTED BY SHL IN PROPOSED PERPETUAL USE EASEMENT AREA

Attorney Bill Flickinger discussed various SHL matters, including the proposed amendment to the SHL contract. After discussion, motion was made by Lisa McKenzie and seconded by David I. Perl to authorize the committee to finalize the amendment to the SHL contract and authorize President Chet Palesko to execute such amendment. The motion carried unanimously.

22. EVANS WEAVER; PROPOSED BED & BREAKFAST, CONDOS AND WEDDING VENUE; SITE PLAN (CURRENT OWNERS: AUSTIN SRW INVESTMENTS, INC.)

This item was not discussed.

23. PENDING STATE LEGISLATION

Attorney Bill Flickinger discussed the pending state legislation pertaining to Districts.

H.B. 2 is a taxing bill and is paired with school finance. The proposed rollback would be 3.5% instead of 8% and would require an automatic election process. To date, this bill has stalled.

S.B. 239 would require video taping of board meetings and meeting within the District or within a 10-mile radius. The Board's current meeting place would fit that requirement.

As the bills progress, Mr. Flickinger will keep the Board updated on the status.

24. ADJOURN

President Chet A. Palesko adjourned the meeting.


Chet A. Palesko, President

ATTEST:


Lisa S. McKenzie, Secretary

