

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 31, 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  
Joe Szoo – Assistant Secretary  
Corey Newhouse – Assistant Secretary

thus constituting a quorum. All Directors were present.

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, and Allen Douthitt of Bott & Douthitt, PLLC.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

Vice President David I. Perl entertained a motion for approval of the Minutes. Motion was made by Lisa McKenzie and seconded by David I. Perl to approve the Minutes of the May 3, 2019 meeting as amended. 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 did not attend the meeting.

6. LICENSE AGREEMENT WITH CARNEGIE TECHNOLOGIES COMPANY D/B/A LONGVIEW IoT TO INSTALL GATEWAY NETWORK ON DISTRICT PROPERTY

Attorney Bill Flickinger reported that he is working with Peter Feldman's attorney to draw up the License Agreement. No Board action is required at this time.

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

There are many projects in the works over at the PUA. Jennifer Reichers is currently the Interim General Manager.

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 wastewater treatment plant. Excel began the process for the slab/foundation for the sludge tank and all is going well. Mr. Ferguson also reported that his office met with the electrical contractor and agreed with some changes in the locations of the lights over the treatment basins in the screened-in "room." Those changes will eliminate a potential maintenance hazard. The site work also included preparing the footings for the additional catwalk support columns. Lisa McKenzie inquired about a completion date. Mr. Ferguson will include that information in his next report.

Mr. Ferguson then discussed the traffic signal to be installed at the District's west entrance, Senna Hills Drive and Bee Cave Road. Mr. Ferguson included a copy of TxDOT's plans for the signal. Per TxDOT contract, this signal will be installed within 300 days from February, 2019.

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

Manager Jesse Kennis stated that due to all the wet weather in May, in mid-June they will begin cleaning the trash up in and around the areas of inlet/outlets.

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

Bookkeeper Allen Douthitt discussed the financials and fund transfers with the Board. The District's budget for the year is ahead of plan by \$5,000. After discussion, Vice President David I. Perl entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by

Corey Newhouse to approve payment of the invoices, per diems and two 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 Executive Summary Report.

There are 412 active water connections in the District. 4.46 million gallons of water were consumed in April. The chlorine residuals and bacteriological samples are satisfactory. Lisa McKenzie inquired about the levels on the Water Quality Report. The level for NH3 is all over the place. Mr. Kennis advised that the fluctuations are fine. If any issues arise, he will contact the PUA. The April water loss came in at 5.3% and the running annual average is 5.71%. President Chet Palesko asked if last month's water loss was due to the HOA meter. Mr. Kennis said it was likely, but now that it has been replaced, there should be less water loss.

Mr. Kennis reported that 10 delinquent letters were mailed out, six door tags were hung and there were no disconnects for non-payment. Mr. Kennis also reported that the main 2" HOA meter near the amenity center was replaced. Mr. Kennis will check with WLE to see if irrigation water is running through that meter. They are also working with WLE to determine where any RPZs for the irrigation system need to be located. Lisa McKenzie asked if the 1.5" HOA meter was replaced as well. Mr. Kennis will have to check on that. He also mentioned that they are still working on any potential cross-connection issues.

There was discussion on maintenance items within the District. Mr. Kennis stated that an effluent pump that provides water pressure to the HOA irrigation system burned up and is being replaced. The pond liner was repaired at a cost under \$5,000. The insurance claim on the earlier pump failure was denied due to the amount being below the amount of the deductible.

Lisa McKenzie discussed a resident concern over a fire hazard. The resident reported that a dead tree fell down behind her home on District property. The resident would like for the District to have it removed. The District's landscaper Zane Furr went out and looked at the tree. He said the tree was located approximately 15' from the resident's back fence and is quite large. Zane estimated \$1,000 to cut it up and remove it. After discussion, the Board decided to take no action on this matter.

13. RATE ORDER

Recently, Lisa McKenzie noted that the wastewater plant operated at 90% after a recent rain event, which led her to believe that a lot of storm water was entering the system. Attorney

Bill Flickinger discussed the possible reconnection of downspouts to the sewer system. If that has occurred, the District's rate order provides for enforcement of that action. Manager Jesse Kennis will check the homes that previously had their storm water systems tied to the District's system to see if they have been reconnected and will also conduct I&I smoke testing.

14. PILOT PROGRAM FOR ELECTRONIC RESIDENTIAL METERS

There was discussion of the electronic meters being installed at the director's residences and five other residences. David I. Perl advised that he had not yet received the electronic meter at his house. Mr. Kennis will check on that matter and get back with him. Lisa McKenzie stated that she logged onto the electronic metering system to set up notifications. Joe Szoo said he will need to try again, because it did not work for him the first time.

15. BILLING ADJUSTMENTS

This item was not discussed.

16. DISTRICT WEBSITE

This item was not discussed.

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

Lisa McKenzie asked about Inframark providing monthly inspections of the HOA's irrigation system. Manager Jesse Kennis indicated that WLE provided the most recent report and Inframark is working with them to get it all lined out. Mrs. McKenzie is working with Kristi Hester on a Standard Operating Procedure for contacting the HOA with any issues. There was discussion as to how the District was not aware that the pump at the HOA effluent supply tank at the WWTP was not working. President Chet A. Palesko agreed that the District needs to be on top of these types of issues. Mr. Kennis advised that he will look into the tracking and look into the possibility of adding an alert to the SCADA system.

18. DATES FOR FUTURE BOARD MEETINGS

The Board discussed the upcoming board meetings. The current meeting schedule includes June 28<sup>th</sup> and July 26<sup>th</sup>. The August and September meetings were set for the 23<sup>rd</sup> and 20<sup>th</sup>.

19. 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

Vice President David I. Perl announced that the Board of Directors will go into closed session for consultation with the District's attorney pursuant to Section 551.071 of the Texas

Government Code regarding matters related to Agenda Item No. 19. The Board went into closed session at 8:31 a.m.

At 9:04 a.m., Vice President Perl announced that the Board of Directors had concluded its closed session and was returning to open meeting, and that no action was taken during the closed session.

Motion was made by President Chet Palesko and seconded by Corey Newhouse to approve the First Amended and Restated Contract between Senna Hills MUD, Senna Hills, Ltd., Senna Hills HOA and The Senna Hills Trust as presented at today's meeting, subject to approval by the HOA and further authorize the District committee to make such minor changes as needed by the HOA. The motion carried unanimously.

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

Attorney Bill Flickinger advised that he has not heard from Evans Weaver on this project.

21. NEW STATE LEGISLATION

Attorney Matt McPhail discussed some of the state legislation pertaining to Districts.

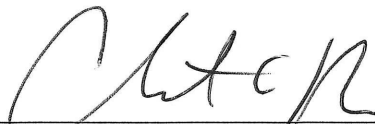
S.B. 239 has now been signed by the Governor. It will be effective September 1<sup>st</sup>. This bill includes new disclosure items for posting on the District's website, audio taping of the Board's tax hearing if requested, a meeting place within or within a 10-mile radius of the District. Mr. McPhail also discussed the prohibition of a rolling quorum.

S.B. 2 has not yet been signed. That bill relates to property tax reform. The rollback rate could be reduced to 3.5% and require an automatic tax hearing. Mr. McPhail is still reviewing the language but has determined that there are exceptions for the different types of Districts.

Mr. McPhail will report back to the Board at its next meeting with a comprehensive list of all the bills that have been entered into law.

22. ADJOURN

Vice President David I. Perl adjourned the meeting.

  
Chet A. Palesko, President

ATTEST:

  
Lisa S. McKenzie, Secretary

[SEAL]