

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 November 1, 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  
Corey Newhouse – Assistant Secretary

thus constituting a quorum. Assistant Secretary Joe Szoo was absent.

Also present at the meeting were Bill Flickinger 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

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 September 20, 2019 meeting as revised by Lisa McKenzie. 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.

President Chet Palesko stated that he was told that Eanes ISD has backed off on opposing Rip Miller's plans. Attorney Bill Flickinger discussed the details with the Board and presented Mr. Miller's written update. Mr. Miller reported that Eanes will send a letter to the City of Austin withdrawing Eanes ISD's opposition to the Consent Agreement amendment.

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

This item was not discussed.

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

Engineer Robert Ferguson reported that the perimeter fencing around the drum screens has been installed. The temporary fence was not removed when the perimeter fencing was completed, so Mr. Ferguson called Excel and they will go out and remove it. It appears that the fence may need to be repainted so that it will all match.

There was discussion of the future traffic signal at the entrance to Senna Hills and the road boring by the Weaver tract. Mr. Ferguson will gather additional details on these projects.

8. 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.

9. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

This item was not discussed.

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

Bookkeeper Allen Douthitt discussed the financials and fund transfer with the Board. Mr. Douthitt reported that the per diem for Assistant Secretary Joe Szoo will be voided due to his absence. The payment to Atlas was discussed and it was not clear if that was the actual amount due. Manager Jesse Kennis will review the prior paperwork on the electronic metering pilot program costs. Mr. Douthitt discussed the line of credit with ABC Bank that the District had in the past. That line of credit has expired. To have a line of credit with the bank, the District must hold an account there. After discussion, motion was made by Lisa McKenzie and seconded by Corey Newhouse to reduce the balances in the ABC Bank accounts, so that if a line of credit is

needed in the future, the District will be able to apply for one, but that balances will held be in other accounts bearing higher interest rates. The motion carried unanimously.

After further discussion, President Chet Palesko entertained a motion for approval of the financials. Motion was made by David I. Perl and seconded by Corey Newhouse to approve payment of the invoices, per diems and fund transfer as presented, and hold the check to Atlas subject to confirmation of the amount due for the electronic metering pilot program. The motion carried unanimously.

11. DISTRICT MANAGER'S REPORT ON OPERATIONS

- a. Customer Requests
- b. Landscape Maintenance Contracts; Additional landscaping services
- c. Inspections of HOA effluent irrigation system
- d. I&I issues at wastewater plant
- e. Pilot program for electronic residential meters
- f. Possible repairs to areas of streets in Sections 5B and 6; Manholes, water meters and storm drains

Manager Jesse Kennis discussed his Executive Summary of the Manager's Report.

There are 412 active water connections in the District. 10 million gallons of water was consumed this period. The chlorine residuals and bacteriological samples are satisfactory. The water loss was 7.7%.

Mr. Kennis reported that the modem at the plant needs to be replaced due to a Windows update that made it obsolete. Mr. Kennis stated that the HOA irrigation pump failed again. The effluent has been turned off until the repair can be made. There was discussion of the irrigation reports by the HOA. Attorney Bill Flickinger asked that Manager Jesse Kennis include the HOA irrigation reports in his package and include a summary for the Board's review at each meeting.

The Board discussed a resident complaint regarding a tree that is on District property, however the limb is hanging over the fence into their yard. The resident wants the District to remove the limb. After discussion, the Board agreed that the resident could prune the limb at their discretion, so long as the tree is not harmed.

There was discussion of the two large fountains in the irrigation pond being added to the Boiler & Machinery schedule under the TML coverage. Mr. Kennis will look into this and see if the District needs this coverage or if it can be excluded.

12. INFRAMARK CONTRACT

Attorney Bill Flickinger reported that the contract amendment is not ready for discussion.

13. BADGER MASTER METER AGREEMENT (SOFTWARE); PRICING SHEET FOR METER PURCHASE

There was discussion on the software and pricing for the electronic meters throughout the District. The Board discussed the need for specific information on usage on all connections during a specific period. If available, this information can be used to enforce drought restrictions. President Palesko formed a committee of himself and Director Corey Newhouse to work on this project. This item will be left on the agenda for discussion at next month's meeting.

14. BILLING ADJUSTMENTS

Manager Jesse Kennis discussed a billing adjustment at 10812 Straw Flower. The resident requested two adjustments, one of which Inframark granted for \$80. The other adjustment will need Board discussion. The leak was above ground with the backflow prevention device. After review of the paperwork submitted by the resident, motion was made by President Chet Palesko and seconded by Corey Newhouse to approve a billing adjustment in the amount of \$100 as discussed. The motion carried unanimously.

Mr. Kennis also discussed a billing adjustment at 10500 Coreopsis Drive. After review of the adjusted amounts, it appeared the adjustment calculation was incorrect. Mr. Kennis will take it back to his office for further review and bring it back to the next board meeting for consideration.

15. DISTRICT WEBSITE

Jeniffer Concienne reported that Hot Dog Marketing is moving forward with creation of the District's new website and is hopeful that the website will be launched soon.

16. TAYLOR LAKE EFFLUENT POND, THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM; EFFLUENT DISPOSAL CONTRACT BETWEEN THE DISTRICT AND HOA; REQUEST FROM HOA FOR POSSIBLE DOG PARK

Lisa McKenzie discussed the residents' interest in having a dog park per Cheryl Napier at the HOA. The potential location would be a fenced area in the District's irrigation fields. After discussion, it appears that a dog park in that location would not be a good fit for the District. The consultants discussed the issues with soil sampling in the irrigation fields and insurance issues.

17. RESOLUTION CONFIRMING ANNUAL REVIEW OF WRITTEN PROCEDURES FOR POST BOND ISSUANCE; FEDERAL TAX COMPLIANT

Attorney Bill Flickinger discussed the annual review of post-issuance tax compliance procedures for tax-exempt bonds. This review is to ensure that no arbitrage has occurred in connection with the District's bonds. Mr. Flickinger recommends no change in the current procedures. After discussion, President Chet Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Corey Newhouse to adopt the Resolution as presented. The motion carried unanimously.

18. DATES FOR FUTURE BOARD MEETINGS


The current meeting schedule includes November 21<sup>st</sup> and December 20<sup>th</sup>. Corey Newhouse advised that he probably cannot make the December meeting. After further discussion, the January meeting is scheduled for the 31<sup>st</sup> and the February meeting is scheduled for the 28<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

This item was not discussed.

20. ADJOURN

President Chet A. Palesko adjourned the meeting.

  
Chet A. Palesko, President

ATTEST:

  
Lisa S. McKenzie, Secretary

[SEAL]