

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 November 21, 2012, at 12117 Bee Cave Road, Building 3, Suite 120, 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

A roll call of the Directors was taken. The Directors present were Chet Palesko, Kenneth A. Fox, Mike Dansby, David I. Perl and Gregg Kronenberger, thus constituting a quorum. All Directors were present.

Also present at the meeting were Allen Douthitt, Robert Ferguson, Jeff Garrett, Kristi Hester, Joe Szoo and Mike Willatt.

3.     CITIZEN COMMENTS

There were no citizen comments.

4.     MINUTES OF PRIOR MEETINGS

David I. Perl noted some corrections to the minutes. Motion was made by Gregg Kronenberger and seconded by David I. Perl to approve the minutes of the October 17, 2012 meeting as amended. The motion carried unanimously.

**\*\*President Chet Palesko moved to Item No. 6.\*\***

6.     WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

President Palesko reported that the West Travis County PUA had set up an impact fee committee. The committee set the impact fee less than the allowable amount, which would have caused the wholesale rates to go up 31%. The PUA decided to increase the wholesale rates by 15%.

\*\*President Chet Palesko then moved to Item No. 18.\*\*

18. THE DISTRICT'S WATER AND SEWER RATES

Allen Douthitt handed out a proposed increase to the water rates and recommended its adoption. A copy of that handout is attached hereto. After discussion, motion was made by President Chet Palesko and seconded by Mike Dansby to increase the water rates as recommended, effective January 2013.

\*\*President Chet Palesko then moved to Item No. 5.\*\*

5. ELECTION OF OFFICERS

Directors Kenneth A. Fox, Gregg Kronenberger and Mike Dansby were sworn in after their re-election to office. Motion was made by David I. Perl and seconded by Gregg Kronenberger to keep the officers the same without change. The motion carried unanimously.

\*\*President Chet Palesko then moved to Item No. 7.\*\*

7. AUSTIN ELECTRIC RATES

There was consensus that this item can be taken off future agendas until some action occurs.

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

There was no discussion.

9. EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT

Robert Ferguson reported that the plant continues to have flows at the trigger point of 87%. There was discussion of the fact that the District is 7 LUEs from buildout, plus 10 LUEs to the Weaver tract, and whatever changes Rip Miller is able to make to the land use plan. Robert Ferguson suggested that Murfee Engineering be authorized in January to conduct a study on converting the plant from a membrane plant to a conventional plant, to expand the plant, to review operational expenses and all other matters in connection with the sewage treatment plant.

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

Allen Douthitt presented the financial report. Kristi Hester said that the billing will be about 25 days behind schedule because of difficulty in transferring the billing information from Aqua to ST. There was discussion of holding the ST bill until funding is available. Kristi Hester announced that was acceptable to ST. Motion was made by Mike Dansby and seconded by David I. Perl to approve payment of the bills as presented, with the ST bill being withheld until released at the

direction of Mike Dansby.

Kristi Hester said that she will send a report on the challenges ST faced in manually entering all of the billing information.

11. BILLING ADJUSTMENTS

This item was not discussed.

12. VACATION OF EASEMENT AT 10318 INDIGO BROOM LOOP AND ADJOINING PROPERTY

Mike Willatt reported on the last discussion with respect to the easement at 10318 Indigo Broom Loop. There was consensus that this item can be taken off the agenda.

13. DISTRICT MANAGER'S REPORT ON OPERATIONS

Jeff Garrett reported that Drees had corrected some roof drains. After the smoke test, if it is found that Drees added other roof drains directed into the sewer collection system, it will be necessary to present Drees with the bill. Mr. Garrett reported that OVIVO came out and made a report on the plant and found some torn membranes.

The TCEQ will make its inspection on December 6, 2012.

Mike Dansby questioned the \$50,000 ST bill over the last two months. Jeff Garrett reported that he has been coordinating all expenditures with Gregg Kronenberger. He said that it has been a major effort to overcome the previous poor operation by Aqua. He thinks that the District is on the downhill side of this endeavor. He said that the lift stations are fine, although two need to be cleaned. Everything is now running as it should be.

Mr. Garrett reported that the owner of the house at 16904 Gallardia had complained about her dog making a beeline for a compost heap on District property and had returned smelling badly. He reported that the owner had taken part of the wrought iron fence out and put a garden on the MUD property. Jeff Garrett said that he would have the owner restore the fence and the land to what it was.

14. ENGINEER'S REPORT

Robert Ferguson reported that it will be necessary to file an application to TCEQ to release funds for the effluent irrigation system. The 210 Permit is in the process of being prepared. G Creek has not yet connected the Weaver line to the wet well. The project is essentially complete so that ST can allow the connection.

15. TCEQ CHAPTER 210 PERMIT

This item was not discussed.

16. CONSTRUCTION PROJECTS WITHIN THE DISTRICT

This item was not discussed.

**\*\*President Chet Palesko then moved to Item No. 22.\*\***

22. LICENSE AGREEMENT WITH TRAVIS COUNTY FOR MAINTENANCE OF SENNA HILLS RIGHT-OF-WAY LANDSCAPING AND IMPROVEMENTS

Mike Willatt reported that the HOA attorney had amended the License Agreement with Travis County. He said that he will review the agreement and advise that the HOA or Taylor Morrison take the agreement to the county.

**\*\*President Chet Palesko then moved to Item No. 21.\*\***

21. LITIGATION WITH SENNA HILLS, LTD. OVER WEAVER SEWER LINE PROJECT

President Chet Palesko announced that the Board will enter into closed session at 8:29 a.m. to discuss litigation with Senna Hills, Ltd. The Board came out of closed session and no action was taken.

The following items were not discussed.

17. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS AND RULES PERTAINING THERETO

19. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD AND THE CITY OF AUSTIN; INCLUDING PROPOSED OFFICE BUILDING

20. PROVISION OF SEWER SERVICE TO EVANS WEAVER TRACT, INCLUDING CONTRACT FOR 10340 FM 2244 WASTEWATER SERVICE PROJECT

23. ADJOURN

The meeting was adjourned.

*Chitapha*

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President, Board of Directors  
Senna Hills MUD

ATTEST:

*[Signature]*

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Secretary, Board of Directors  
Senna Hills MUD



**Senna Hills MUD**  
**Water Rate Analysis**  
**November 21, 2012**

	<b>Current Rates</b>	<b>1/1/13 Rates</b>	<b>Change</b>
<b>PUA Wholesale Water Rates:</b>			
Minimum Bill	\$ 3,730.00	\$ 4,308.15	\$ 578.15
Volume Rate/1k Gallons	\$ 2.40	\$ 2.77	\$ 0.37

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	<b>Current Rates</b>	<b>Proposed</b>	<b>Change</b>
<b>District Retail Water Rates</b>			
Base	\$ 22.00	\$ 23.43	\$ 1.43
Vol Rate/1k Gal (0-20k)	\$ 3.40	\$ 3.79	\$ 0.39
Vol Rate/1k Gal (20k-45k)	\$ 3.75	\$ 4.14	\$ 0.39
Vol Rate/1k Gal (45k-75k)	\$ 3.91	\$ 4.30	\$ 0.39
Vol Rate/1k Gal (>75k)	\$ 4.20	\$ 4.59	\$ 0.39