

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 23, 2016 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

thus constituting a quorum. Assistant Secretary Corey Newhouse was absent.

Also present at the meeting were Allen Douthitt of Bott & Douthitt, Kristi Hester of ST, Robert Ferguson of Murfee Engineering, Bill Flickinger of Willatt & Flickinger, PLLC and Allison Nix of Willatt & Flickinger, PLLC.

3. CITIZEN COMMENTS

No citizens were present.

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

6. MINUTES OF PRIOR MEETINGS

After discussion, motion was made by David I. Perl and seconded by Lisa McKenzie to approve the Minutes of the October 28, 2016 meeting as presented. The motion carried unanimously.

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

President Chet Palesko asked Bookkeeper Allen Douthitt if the new rates are being charged. Mr. Douthitt stated a bill was sent charging the old rates. The full period for the new rates has not yet started. Allen Douthitt said an impact fee meeting will be held soon, but the PUA Board does not want to review impact fees. President Chet Palesko commented that he is okay with that.

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

Engineer Robert Ferguson discussed his report as included in the agenda package.

Mr. Ferguson stated that the permit minor amendment application is in the notice period. One thing lagging is the solicitation of bids, and he is not aware of any responses yet. David I. Perl asked if Rip Miller has responded to the draft permit. Attorney Bill Flickinger said he informed Rip Miller's attorney that the requested changes to the permit could not be made at this time. Robert Ferguson commented that there is no reason for anyone to protest. He is working with ST to get the final design done.

Mr. Ferguson then discussed the effluent pond liner repairs for holes and rips. Kristi Hester said the repairs have been done, and she is getting an estimate for future replacement of the liner.

9. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Manager Kristi Hester asked if the missing and broken tiles could have been vandalism. Lisa McKenzie noted that additional tiles are missing on Indigo Broom Loop and Coreopsis Drive, and she suspects it is theft.

10. EFFLUENT IRRIGATION AGREEMENT BETWEEN THE HOA AND THE DISTRICT

Attorney Bill Flickinger provided an update saying he has been in touch with Lance Lackey who has a working map that shows all effluent irrigation areas within the District. Lisa McKenzie reported that Scott Manuel met with the HOA landscaper to inspect the sprinkler heads mainly at the west entrance. It was determined that at the beginning and end of watering cycles, water drains around the sidewalk and street because there is not enough pressure in the line. Flagged sprinkler heads will be replaced with heads with valves that shut off when the pressure is too low. The HOA board president does not want to spend the money it will cost to upgrade the irrigation system. Mr. Flickinger will speak with Lance Lackey about the necessity of these upgrades. Joe Szoo asked that the HOA provide a cost estimate for the MUD board to consider and expressed willingness to share the cost of upgrading the irrigation. There is currently a 1.5-inch pipe, but it needs to be 2 inches to have enough flow and pressure. Mrs. McKenzie stated they are watering at night now which is helping.

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

Bookkeeper Allen Douthitt discussed the bookkeeper's report as included in the agenda package and presented an updated Cash Activity Report for review. Mr. Douthitt reported chemicals and sludge hauling bills have been added. The landscape maintenance invoice is \$1,500 above the usual amount because of extra landscaping including removal of weeds and trees. Mr. Douthitt stated the District is \$5,000 ahead of plan for the new fiscal year so far, and everything is pretty much in line. After discussion, motion was made by David I. Perl and seconded by Joe Szoo to approve payment of the vendor invoices, per diems and fund transfer as presented. The motion carried unanimously.

12. DISTRICT MANAGER'S REPORT ON OPERATIONS

Manager Kristi Hester discussed her report as included in the agenda package.

Mrs. Hester discussed the District's billing summary for the connections and consumptions. Twenty delinquent letters were sent out, service was turned off for one account and one door tag was hung. The water quality monitoring is at 3.3, which is where it should be. The water accountability is at 95.1%. The wastewater flows look good, and the plant is running at 85% capacity. Mrs. Hester reported the PUA had a chlorination problem which has been addressed. Lisa McKenzie asked if ST monitors and reports problems, and Kristi Hester replied that they do. ST sent an invoice for extra water usage to the PUA the last time the lines had to be flushed, and the PUA paid it. Mrs. Hester commented that the PUA is bringing operations in-house.

13. DISTRICT WEBSITE

Manager Kristi Hester stated that the website is in process and should be ready for review by the December Board meeting.

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

This is a standing item and was not discussed.

15. BILLING ADJUSTMENTS

Manager Kristi Hester had one adjustment to discuss with the Board. The sprinkler valves were not shutting off at 1424 Milagro Drive but have since been fixed. Mrs. Hester is recommending an adjustment of \$695.80 on the bill. After discussion, motion was made by Joe Szoo and seconded by Lisa McKenzie to approve the billing adjustment as presented. The motion carried unanimously.

16. CONSTRUCTION PROJECTS WITHIN THE DISTRICT, INCLUDING CHANGE ORDERS, PAY ESTIMATES, ACCEPTANCES AND AWARD OF CONTRACTS

This is a standing item and was not discussed.

17. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S CURRENT BOND ISSUE

The District's bond sale will be held on December 1st. There was no additional discussion on this matter.

18. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD. AND THE CITY OF AUSTIN; INCLUDING PROPOSED OFFICE BUILDING AND LITIGATION WITH SENNA HILLS, LTD. OVER THE FOREGOING AND THE WEAVER SEWER LINE PROJECT; PROPOSED SETTLEMENT AGREEMENT WITH SENNA HILLS, LTD. AND SENNA HILLS HOA

Attorney Bill Flickinger provided the Board with a quick update. Rip Miller is getting a Phase 1 environmental assessment before revisiting negotiations. Mr. Flickinger talked to Kemp Gorthey who needs nothing else from the District at this time and is waiting for the assessment to be done.

19. DATES FOR FUTURE BOARD MEETINGS

The meeting date for December was set at a previous Board meeting. That meeting is scheduled for December 30th. After discussion, the Directors agreed to set the January meeting for January 27th, and the February meeting date will be set at the next meeting when Corey Newhouse is present.

*** President Chet Palesko moved to Item No. 4. ***

4. STATEMENTS OF ELECTED OFFICER, OATHS OF OFFICE AND CERTIFICATES OF ELECTION

Lisa McKenzie and Joe Szoo were sworn in as Directors of the District and executed their Oaths of Office and Statements of Elected Officer. President Chet Palesko executed the elected Directors' certifications. Corey Newhouse was absent and will be sworn in at the next Board meeting.

5. ELECTION OF OFFICERS

After discussion, it was the consensus for each Director to retain their previous office assignments. Motion was made by Joe Szoo and seconded by David I. Perl to have the Officer assignments of President: Chet A. Palesko, Vice President: David I. Perl, Secretary: Lisa S.

McKenzie, and Assistant Secretaries: Joe Szoo and Corey Newhouse. The motion carried unanimously.

*** President Chet Palesko moved to Item No. 20. ***

20. ADJOURN

The meeting was adjourned.



Chet A. Palesko, President

ATTEST:



Lisa S. McKenzie, Secretary

