

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 29, 2017 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 Jason Tyler of ST, Robert Ferguson of Murfee Engineering, Bill Flickinger and Jeniffer Concienne of Willatt & Flickinger, PLLC and Allen Douthitt of Bott & Douthitt.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

Lisa McKenzie provided revisions to the draft Minutes, which Jeniffer Concienne incorporated. President Chet Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Lisa McKenzie to approve the Minutes of the October 27, 2017 board meeting as revised. The motion carried unanimously.

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

President Chet Palesko reported that an impact fee meeting will be held next week. After he attends, he will provide an update to the Board at its next meeting. Mr. Palesko does not believe there will be a change in rates. Previously the PUA anticipated a lot of growth and collected funds from customers and developers on that assumption. As of right now, the PUA is sitting on a lot of money.

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

Engineer Robert Ferguson reported on the wastewater treatment plant project. Excel poured the concrete for the expansion building.

Mr. Ferguson discussed working with ST on obtaining internet service. Manager Jason Tyler reported that he has a couple of quotes for service. Fiber will cost about \$20,000 where standard cable will be \$3,410 to get it to the plant and then about \$70 to \$179 per month. The Board also discussed other options, such as cellular service. Mr. Tyler will look into cellular service and bring information back to the Board.

Mr. Ferguson reported that the work to repair the gabion wall has been completed.

Murfee Engineering is working with Kubota on the configuration of the splitter box and its role in flow equalization to divert high flows to the EQ basin. There is a large gallon per minute reading at one of the lift stations. It appears that lift station has a higher capacity than what is needed. If that is the case, perhaps a lower capacity pump can be used. Mr. Ferguson would like to make the effort to check all the lift stations in the District. President Palesko asked about the benefit of this task. The benefit would be to optimize the volume that the District has. Mr. Ferguson wants Kubota to be comfortable with the flows into the splitter box. The cost would be approximately \$5,000 to \$7,000 to evaluate the entire collection system. There was discussion of changing out the impellers and pump. President Palesko inquired about the cost to do that. Mr. Ferguson reported that it would cost \$3,000 to \$4,000. After discussion, President Palesko and Corey Newhouse would prefer to reconsider this task in a few months. David I. Perl and Lisa McKenzie advised that they would be okay with doing it now. The Board discussed the concerns and need to review the system and agreed to move forward. After further discussion, motion was made by Lisa McKenzie and seconded by David I. Perl to authorize Murfee Engineering to review the collection system, not to exceed \$6,000. The motion carried unanimously.

7. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Manager Jason Tyler reported that he went and looked at the storm outlet in question. He asked about how far he needs to go back on the property. Lisa McKenzie advised that he just needs to access one yard by the outlet to remove the weeds and trash trees.

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

Bookkeeper Allen Douthitt discussed the updated cash activity report with the Board. For today's consideration, he presented approval of the director and vendor payments, two fund transfers and the wire transfer to Excel Construction.

President Chet Palesko then moved to Item No. 13 for consideration before approving paying the bills.*

President Palesko then came back to this item for approval.

Mr. Douthitt reported that Joe Szoo's per diem will be voided due to his absence.

The District is in its first month of the new fiscal year in regard to reporting.

After discussion, motion was made by President Chet Palesko and seconded by Lisa McKenzie to approve payment of the vendor invoices, per diems, two fund transfers and the wire transfer to Excel Construction Services for Pay Estimate No. 2 as presented. The motion carried unanimously.

President Palesko then moved to Item No. 14.

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

Engineer Robert Ferguson discussed Pay Estimate No. 2 submitted by Excel Construction Services, Inc. Mr. Ferguson reported that the all bills paid affidavits have not yet been received. The affidavits were held up by Kubota. Mr. Ferguson is recommending approval of the Pay Estimate with the condition of withholding payment until the affidavits are received. After discussion, President Chet Palesko entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by David I. Perl to approve Pay Estimate No. 2 in the amount of \$98,406.70 for the wastewater treatment plant expansion submitted by Excel Construction Services, Inc., with the condition that payment is withheld until the all bills paid affidavits are received. The motion carried unanimously.

President Chet Palesko went back to Item No. 8 for approval.

14. 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 reported the SHL contract is very close to getting finalized. There are still a few items outstanding from HOA attorney Lance Lackey.

There was discussion of the cancellation of the November 27th HOA information meeting. That meeting has now been rescheduled to December 11th.

Mr. Flickinger advised that he anticipates within the next few days, the Letter of Agreement will be executed. Once the agreement has been executed, the District will receive half of the money owed in connection with its legal, engineering and management. If and when the HOA approves the contract, the District will receive the remainder of the its fees incurred for this settlement.

There was a brief discussion of what to expect at the HOA informational meeting.

9. DISTRICT MANAGER'S REPORT ON OPERATIONS

Manager Jason Tyler reported that ST is no longer a British owned company. It is now owned by a North American company and will have a new name as of December 1st. A letter will be sent soon advising of the new name.

Mr. Tyler discussed the manager's report as included in the agenda package. There are 412 total connections, of which 405 are residential. The total residential water consumption is 5,853,000 gallons. The average monthly residential water consumption is 14,452 gallons for October.

David I. Perl left the meeting at 8:33 a.m.

Mr. Tyler discussed the October collection report. There were 12 delinquent letters mailed out and five door tags hung. Once again, there were no disconnects for non-payment.

The water quality monitoring shows the annual average chlorine level at 3.20 ppm. The water accountability is 94.8% for October

The wastewater treatment plant is operating at 83% capacity and is 100% compliant.

There was discussion of the HOA irrigation totals. ST is preparing Standard Operating Procedures of what needs to be done in case of an irrigation leak. A table was included in the Manager's Report which outlines flows in the right-of-way and ponds. Lisa McKenzie is only interested in the flows that go in the right-of-way.

10. BILLING ADJUSTMENTS

Manger Jason Tyler discussed an adjustment at 10628 Senna Hills Drive. The owners occupied the home in August. An underground valve located under their water fountain was leaking. The leak was repaired and ST prepared an adjustment for the August and September billings. The credit will be in the amount of \$655. After discussion, the Board requested further information before a decision can be made on the adjustment. Mr. Tyler will retrieve further information and bring it back to the Board for review. Lisa McKenzie advised that she wants to review the policy for such adjustments, especially during irrigation season. No action was taken.

11. DISTRICT WEBSITE

This is a standing item and was not discussed.

12. TAYLOR LAKE EFFLUENT POND AND THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM AND HOA EFFLUENT IRRIGATION CONTRACT

This is a standing item and was not discussed.

15. 2017 LEGISLATIVE UPDATE

Attorney Bill Flickinger presented a memorandum on the 2017 legislative update. Mr. Flickinger discussed the House and Senate bills affecting water districts.

16. DATES FOR FUTURE BOARD MEETINGS

The Board moved the December 29th board meeting to December 28th to be sure to obtain a quorum. The meetings for the next couple of months were scheduled for January 26th and February 23rd. President Chet Palesko advised that he will not be able to attend the February meeting.

17. ADJOURN

The meeting was adjourned.


Chet A. Palesko President

ATTEST:


Lisa S. McKenzie, Secretary

