

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 October 17, 2007, at 1502 San Juan Drive, Austin, Texas 78733, 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 and Gregg Kronenberger, thus constituting a quorum. Directors Mike Dansby and David I. Perl were absent.

Also present at the meeting were Jerri Strain, David Ripley, Bruce Aupperle and Mike Willatt.

3. CITIZEN COMMENTS

There were no citizens present at the meeting.

4. MINUTES OF SEPTEMBER 14, 2007 AND SEPTEMBER 28, 2007 MEETINGS

Motion was made by Chet Palesko and seconded by Gregg Kronenberger to approve the minutes as presented. The motion carried unanimously.

5. BILLING ADJUSTMENT REQUEST FOR 10317 INDIGO BROOM LOOP

Mr. Rama Akundi appeared to discuss his bill for 175,000 gallons of water. Jerri Strain and David Ripley reported that the meter had been tested, and that it was reading accurately. Chet Palesko explained that the District had to charge for the water that went through the meter. He suggested that the amount of water be billed at the District's cost, which would reduce the bill by \$281.64, making the bill \$388.81. Motion was made by Gregg Kronenberger and seconded by Kenneth A. Fox to approve that suggestion. The motion carried unanimously.

6. AUDIT ENGAGEMENT LETTER

The audit engagement letter was reviewed by the Board. There was a discussion on perhaps taking proposals for the 2007/2008 audit next summer. After discussion, motion was made by Kenneth A. Fox and seconded by Gregg Kronenberger to accept the audit engagement letter submitted by David L. Merritt. The motion carried unanimously.

7. HOA WATER USAGE AND CHARGES

There was discussion of the HOA water usage. Chet Palesko said that he had introduced the idea of a "cap" at the recent homeowners association board meeting. Bruce Aupperle said that he was able to estimate how much water is required for irrigation. He will report his findings to Chet Palesko. Chet Palesko may take that information and make a recommendation on a monthly cap to the HOA.

Bruce Aupperle undertook to inquire and report on what is needed to use effluent for the HOA irrigation.

8. MOWING OF THE GREENBELT AREAS IN SENNA HILLS

Jerri Strain reported that some customers had called about the areas behind their fences, wondering who was responsible for cleaning up brush and growth. She reported that the HOA removes brush that backs up against the fences every few years, in the interest of fire protection. There was discussion to the effect that Jerri Strain should tell customers that make inquiries to go to the HOA. Bruce Aupperle reported that some of the land behind the fences is owned by the MUD. He will furnish an ownership map showing those areas.

9. TML 2007/2008 LIABILITY/PROPERTY RERATE EXPOSURE SUMMARY

Jerri Strain said that she had added the new lift station to the TML rerate summary. Bruce Aupperle mentioned that she also needs to include the improvements to the effluent pond.

10. MATTERS RELATING TO THE CONSTRUCTION OF IMPROVEMENTS TO THE DISTRICT'S EFFLUENT HOLDING POND

Bruce Aupperle reported that the effluent pond is essentially finished. He said that he has asked Taylor Woodrow to furnish another \$77,000 to pay the bills.

11. EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT

Bruce Aupperle reported that he expects to have the TCEQ review completed by the next meeting.

12. DISTRICT MANAGER'S REPORT AND PAYMENT OF DISTRICT EXPENSES AS PRESENTED BY AQUA TEXAS

Jerri Strain and David Ripley presented the Manager's Report. Motion was made by Kenneth A. Fox seconded by Gregg Kronenberger to approve payment of the bills. The motion carried unanimously.

13. BOND ISSUE NO. 4

Bruce Aupperle reported that he anticipates the next bond issue to take place in the late spring or summer of next year.

14. AMENDED INFORMATION FORM

Attorney Mike Willatt presented the Amended Information Form. Motion was made by Gregg Kronenberger and seconded by Kenneth A. Fox to approve the filing of the Amended Information Form. The motion carried unanimously. The form was signed by the directors present.

15. RAW WATER CONTRACT WITH LCRA

Bruce Aupperle reported that he had met with Janet Stephenson. Ms. Stephenson is to provide some information, hopefully before the next meeting.

16. REVIEW OF ONGOING CONSTRUCTION PROJECTS WITHIN THE DISTRICT

Bruce Aupperle reported that Section 10 has just been completed.

17. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS

This is a standing item. There was no discussion.

18. STATUS OF EVANS WEAVER LITIGATION

Kenneth A. Fox reported that he is scheduled to give his deposition tomorrow.

19. ADJOURN

There being no other business, the meeting was adjourned.

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President, Board of Directors
Senna Hills MUD

ATTEST:

M. J. M.

Secretary, Board of Directors
Senna Hills MUD

[SEAL]

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