

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, 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 Kenneth A. Fox, Mike Dansby, David I. Perl and Gregg Kronenberger, thus constituting a quorum. President Chet Palesko was absent.

Vice President Kenneth A. Fox presided over the meeting.

Also present at the meeting were David Malish, Robert Ferguson, Jeff Garrett, Rip Miller, Mr. & Mrs. McKenzie, Allen Douthitt and Mike Willatt.

3. CITIZEN COMMENTS

There were no citizen comments.

4. MINUTES OF PRIOR MEETINGS

David I. Perl drew attention to some typos in the minutes. After discussion, motion was made by David I. Perl and seconded by Mike Dansby to approve the minutes of the September 20, 2012 meeting as amended. The motion carried unanimously.

Vice President Fox then moved to Item No. 11.

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

Mrs. McKenzie asked the Board to reconsider the last meeting's decision on the easement at 10318 Indigo Broom Loop. She explained that she was seeking a partial easement release, and

explained the difficulties that could be experienced by the homeowner in the event of a denial of the request. Vice President Fox and Mike Dansby explained the District's need to be able to access the wastewater pipe in the easement if it breaks. Mike Willatt suggested that Mrs. McKenzie get together with her title company and the title company for her neighbor, Bill Marsh, to see if the two title companies would be willing to fund an investigation by the District's consultants as to what provisions, if any, would be acceptable in return for a partial release of the easement.

No action was taken.

****Vice President Fox then moved to Item No. 18.****

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

The Board went into Closed Session. The Board then emerged from Closed Session.

Rip Miller requested a vote on the release of the easement requirements as reflected by the Axiom report. The Board declined to vote. Rip Miller then asked if he had the Board's permission for service of process on his lawsuit to be delivered to attorney Mike Willatt rather than President Chet Palesko. The Board had no objection.

Gregg Kronenberger asked where was the document that the Board is being asked to vote on. He noted that he had not seen any amendment to the Consent Agreement. Rip Miller said that he was asking the District to join in the application to amend the irrigation plan in the Consent Agreement. He also asked the Board to give the HOA a deadline on when to report back on the feelings of the residents toward the office project. David I. Perl said that he would convey to the HOA President the need to get a decision back to the MUD Board on whether the residents supported the office project, by December 31, 2012.

****Vice President Fox then moved to Item No. 12.****

12. DISTRICT MANAGER'S REPORT ON OPERATIONS

Jeff Garrett reported on the manhole survey. He showed a picture of a roof drain tied into the plumbing. He also showed a picture of a French drain that may be draining into a manhole. The coating of the manhole in question is degraded and will require some expense in restoration. The Board asked ST to contact the owners (Drees) to correct the situation.

There was consensus that the Board should wait until the first of next year before considering whether to do smoke testing of the District's wastewater collection program.

Jeff Garrett also showed a picture of a broken manhole.

In summary the problems found were:

1. Gutters feeding roof drainage into the wastewater system;
2. A French drain possibly feeding stormwater into the wastewater treatment plant; and
3. A broken manhole feeding stormwater run-off into the wastewater treatment plant.

****Vice President Fox then moved to Item No. 5.****

5. WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

There was discussion of the fact that West Travis County PUA intends to increase its water rates. Mike Dansby said that he would attempt to attend the Friday meeting on that issue and report back.

****Vice President Fox then moved to Item No. 14.****

14. TCEQ CHAPTER 210 PERMIT

Robert Ferguson reported that the Chapter 210 permit application is in process.

****Vice President Fox then moved to Item No. 9.****

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

Allen Douthitt reported on the bookkeeper's report. He noted that the TCEQ had approved the release from escrow and that he will arrange for transfer of funds from Logic to the ABC operating account. There was discussion of checking on whether the TML had been consulted on Rip Miller's previous lawsuit.

After discussion, motion was made by David I. Perl and seconded by Gregg Kronenberger to approve payment of the bills as presented. The motion carried unanimously.

After further discussion, motion was made by David I. Perl and seconded by Gregg Kronenberger to approve the transfer of funds from the Logic Escrow Agreement to the operating account at ABC Bank in conformance with the recent TCEQ letter approving that transfer. The motion carried unanimously.

****Vice President Fox then moved to Item No. 13.****

13. ENGINEER'S REPORT

Robert Ferguson said that he walked through the Evans Weaver force-main with G Creek and they produced a punch list.

The following items were not discussed.

6. AUSTIN ELECTRIC RATES
7. TAYLOR LAKE EFFLUENT POND AND THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM
8. EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT
10. BILLING ADJUSTMENTS
15. CONSTRUCTION PROJECTS WITHIN THE DISTRICT
16. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS AND RULES PERTAINING THERETO
17. THE DISTRICT'S WATER AND SEWER RATES
19. PROVISION OF SEWER SERVICE TO EVANS WEAVER TRACT, INCLUDING CONTRACT FOR 10340 FM 2244 WASTEWATER SERVICE PROJECT
20. LITIGATION WITH SENNA HILLS, LTD. OVER WEAVER SEWER LINE PROJECT
21. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary, Board of Directors
Senna Hills MUD

[SEAL]

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