

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 26, 2011, 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 Mike Dansby, David I. Perl and Gregg Kronenberger, thus constituting a quorum. President Chet Palesko and Vice President Kenneth A. Fox were absent.

Mike Dansby presided over the meeting.

Also present at the meeting were David Ripley, Jerri Strain, Mike Willatt, David Malish and Robert Ferguson.

3. CITIZEN COMMENTS

There were no citizen comments.

4. MINUTES OF PRIOR MEETINGS

David I. Perl noted some typos on the minutes. The typos were corrected upon which motion was made by Mike Dansby and seconded by David I. Perl to approve the minutes of the September 27, 2011 meeting as corrected. The motion carried unanimously.

5. AQUA TEXAS CONTRACT

This is a standing item. There was no discussion on this item.

6. LCRA RAW WATER CONTRACT AND DROUGHT CONTINGENCY AND WATER CONSERVATION PLANS

Robert Ferguson reported that he had filed the application for an increased LCRA raw water contract. There was discussion of the process by which this would be approved.

7. AUTHORIZATION OF HOMEOWNERS TO CUT TREES AND GRASS ON MUD LAND

Mike Willatt advised that he would help Jerri Strain write the letter to the residents on the Board's policy on clearing vegetation on District property, which will be sent with Jerri's revised ownership map.

8. IMPACT OF REDUCED WATER LEVELS DUE TO THE SPRINKLER CONVERSION

This is a standing item. There was no discussion on this item.

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

Robert Ferguson reported that the chlorination equipment had been ordered. There is a two to three week process for filling the order, and the equipment should be received at any time. It should be possible to bring the landscaping under irrigation by Thanksgiving.

10. EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT

David Ripley reported that the plant is still operating correctly. The fence has been moved.

Mike Dansby then went to Item No. 13.

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

David Ripley reported on the management of the District and confirmed that the plant is in compliance. Jerri Strain presented the financials. There was discussion of the need to release \$19,000 from the \$216,000 now in escrow to reimburse the bank account for the TCEQ bond application fees. Mike Willatt stated that he would write a letter to ask the TCEQ to release \$19,000 from the escrow account. Motion was made by David I. Perl and seconded by Gregg Kronenberger to approve payment of the bills as presented. The motion carried unanimously.

11. PAY ESTIMATES AND CHANGE ORDERS FOR WASTEWATER TREATMENT PLANT CONSTRUCTION CONTRACT

This is a standing item. There was no discussion on this item.

12. THE DISTRICT'S FINANCIAL AFFAIRS AND INCLUDING APPLICATION TO THE TCEQ FOR EXPENDITURE OF SURPLUS BOND PROCEEDS

This is a standing item. There was no discussion on this item.

14. ENGINEER'S REPORT

There was no discussion.

15. CONSTRUCTION PROJECTS WITHIN THE DISTRICT

There was no discussion.

16. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS

This is a standing item. There was no discussion on this item.

17. THE DISTRICT'S WATER AND SEWER RATES

This is a standing item. There was no discussion on this item.

18. BILLING ADJUSTMENTS

This is a standing item. There was no discussion on this item.

19. REVISED MUD LAND USE PLAN AND CONSENT AGREEMENT WITH SENNA HILLS, LTD AND THE CITY OF AUSTIN

This is a standing item. There was no discussion on this item.

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

Robert Ferguson reported that 10 contractors had responded to the request for proposals, with the low bid being \$95,000 and the high bid being \$246,000. He said that Murfee Engineering has confidence in the low bidder and he would recommend award to the low bidder. Mike Willatt suggested that the motion be to accept the low bid, but not award the contract until there is a resolution on the easement for that portion of the line running through land owned by Senna Hills, Ltd. Motion was made by Gregg Kronenberger and seconded by David I. Perl to accept the low bid and to award the contract when the easement question is resolved. The motion carried unanimously. Mike Willatt will work with a committee of David I. Perl and President Chet Palesko to resolve the easement issue.

21. LITIGATION THREATENED WITH RESPECT TO WATER PRESSURE AT 10405 INDIGO BROOM LOOP

Mike Willatt explained that the TML had rejected the claim on the grounds that the District has sovereign immunity, and therefore no legal responsibility for the damages claimed by the owner of 10405 Indigo Broom Loop. Mike Willatt said that he will draft a letter for Chet Palesko to send to the homeowner.

Robert Ferguson reported on Item No. 16, the District's Water and Wastewater Systems. He said that Murfee Engineering has prepared a pressure plane map and will shade those portions for which pressure reduction valves are recommended. Mike Willatt said that he will help Jerri Strain draft a letter to the customers advising as to the need for installation and maintenance of pressure reduction valves in the appropriate areas of the District.

22. ADJOURN

The meeting was adjourned.



President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary, Board of Directors
Senna Hills MUD

[SEAL]