

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 27, 2006, 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, David I. Perl, Mike Dansby and Fred Garcia, thus constituting a quorum. Director Kenneth A. Fox was absent.

Also present at the meeting were Mike Willatt, Jerri Strain, Bruce Aupperle, David Ripley and a representative of Taylor Woodrow.

3.     CITIZEN COMMENTS

There were no citizens present at the meeting.

4.     MINUTES OF SEPTEMBER 27, 2006 MEETING

Motion was made by David I. Perl and seconded by Mike Dansby to approve the Minutes of the October 27, 2006 meeting as presented. The motion carried unanimously.

5.     EXPANSION OF THE DISTRICT'S WASTEWATER TREATMENT PLANT AND MODIFICATIONS TO THE EFFLUENT POND, INCLUDING RETAINING SERVICES OF AN ENGINEER AND FINANCING OF THE IMPROVEMENTS

Bruce Aupperle reported that the new wastewater treatment plant is under design. The Board discussed the improvements to the District's effluent holding pond. After discussion, motion was made by David I. Perl and seconded by Mike Dansby to authorize the District's engineer, Bruce Aupperle to prepare the bid package for the proposed improvements to the District's effluent holding pond. The motion carried unanimously.

After further discussion, motion was made by Mike Dansby and seconded by Fred Garcia to authorize the District's attorney to write a letter to Rip Miller and to Taylor Woodrow Homes stating basically that the District will proceed to take bids on the improvements to the District's effluent holding pond, with the District as Owner. The project will be bid as a District project, which will require fulfillment of the bidding requirements set forth in the Texas Water Code, and production of a payment and performance bond by the contractor. The District will pay \$50,000 toward the project.

Either Rip Miller or Taylor Woodrow Homes will be required to deposit with the District the contract amount before award of the contract.

Rip Miller's entity and Taylor Woodrow Homes will verify that the Board has previously decided that there will be no bond reimbursement for this project, and that Rip Miller's entity and Taylor Woodrow Homes will not seek reimbursement for any expenditure made pursuant to these improvements.

In the event that no response is received in 10 days, the Board will take no further action until further discussion by the Board at a duly constituted meeting.

Prior to sending the letter, Mike Willatt will submit the letter to President Chet Palesko and Mike Dansby for their approval. The motion carried unanimously.

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

David Ripley reported on the District's operations. Jerri Strain presented financial information. Motion was made by Mike Dansby and seconded by David I. Perl to approve payment of bills as presented. The motion carried unanimously.

7. RESOLUTION CREATING E-MAIL POLICY

Attorney Mike Willatt presented a proposed Resolution Creating E-mail Policy. He discussed the terms of the Open Meetings Law applicable to e-mail practices. After discussion, motion was made by David I. Perl and seconded by Fred Garcia to approve the Resolution Creating E-mail Policy as presented. The motion carried unanimously.

8. RETAIN AUDITOR

Attorney Mike Willatt presented a proposed engagement letter from the District's auditor. After discussion, motion was made by Mike Dansby and seconded by Fred Garcia to accept the engagement letter as presented. The motion carried unanimously.

9. DENIAL LETTER FROM CITY OF AUSTIN REGARDING SENNA HILLS MUD WWTP SLUDGE

The Board discussed continuing to take wastewater generated by the Westlake Hills Medical Center. The District's operator advised the Board that the additional load was making it difficult to meet permit conditions. After discussion, motion was made by Mike Dansby and seconded by Fred Garcia to authorize the District's Manager, Jerri Strain, to write a letter to Rip Miller stating that after November 30, 2006, the District will no longer accept sewage from the Westlake Hills Medical Center. The motion carried unanimously.

10. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS

No action was taken under this item.

11. STATUS OF EVANS WEAVER


President Chet Palesko reported that attorney Steve Bowers is working on responding to discovery requests from the other side. Mike Willatt stated that he will call the Assistant City Attorney, Nancy Matchus to ascertain what action the City is taking.

12. ADJOURN

Being no other business, the meeting was adjourned.

  
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Board of Directors, Senna Hill MUD

ATTEST:

  
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Board of Directors, Senna Hills MUD

[SEAL]