

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 October 27, 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:

David I. Perl – Vice President
Lisa S. McKenzie – Secretary
Joe Szoo – Assistant Secretary

thus, constituting a quorum. President Chet A. Palesko and Assistant Secretary Corey Newhouse were 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. Vice President David I. Perl entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by Joe Szoo to approve the Minutes of the September 29, 2017 board meeting as revised. The motion carried unanimously.

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

Bookkeeper Allen Douthitt advised that the PUA will have no increases to its base or volume rates this year.

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

Engineer Robert Ferguson reported on the wastewater treatment plant project. There will be a meeting this morning with the contractors on site. They will be looking at the influent side for more detailed information. The contractors are also still working on the sludge management scope. This will allow for batch removal of the sludge volumes to facilitate the best operations of the membranes by the operators. Excel will be submitting a change order for the tankage and piping. Excel has begun moving equipment on site. There was discussion of Excel requesting payment for materials on hand as well as for the expenses for the performance and maintenance bonds. The consultants have no concerns with that request.

An updated schedule provides for a November start date and completion at the end of March, 2018.

Mr. Ferguson discussed Change Order No. 1 for the building expansion to accommodate existing and proposed electrical equipment within the office location.

Mr. Ferguson reported that Murfee Engineering has a new employee, whose name is Alec. Alec is working with the contractor that will be doing the work on the gabion wall at the water quality pond.

Vice President David I. Perl moved to Item No. 13.

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

Engineer Robert Ferguson discussed and recommended approval of Pay Estimate No. 1 and Change Order No. 1 submitted by Excel Construction Services, Inc.

After discussion, Vice President David I. Perl entertained a motion for approval. Motion was made by Joe Szoo and seconded by Lisa McKenzie to approve Pay Estimate No. 1 in the amount of \$334,400.00 for the wastewater treatment plant expansion submitted by Excel Construction Services, Inc. The motion carried unanimously.

Motion was then made by Joe Szoo and seconded by Lisa McKenzie to approve Change Order No. 1 in the amount of \$18,835.00 for the wastewater treatment plant expansion submitted by Excel Construction Services, Inc. The motion carried unanimously.

Vice President David I. Perl moved to Item No. 7.

7. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Lisa McKenzie discussed an area of concern with one of the outfalls on Indigo Broom. The erosion control fabric and rocks are in bad shape. There are also a lot of trees and trash in that area. Mrs. McKenzie went out and picked up some of the trash but the area is difficult to access. Engineer Robert Ferguson and Manager Jason Tyler will go look at the area.

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 and two fund transfers. The payment to Excel will be by wire transfer. The per diems for Chet A. Palesko and Corey Newhouse will be voided due to their absence. In regard to the payments to Excel, those will be wire transferred.

Lisa McKenzie asked if the District ever received a credit from Zane on the yard debris that was picked up in the pond area due to Zane's son advising the owner that they would dispose of it. Allen Douthitt advised that he would get with Kristi Hester to check on the credit. The District's budget is on plan for the year. However, this month it is a little upside down. After discussion, Vice President David I. Perl entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by Joe Szoo to approve payment of the vendor invoices, per diems and the two fund transfers as presented. The motion carried unanimously.

9. DISTRICT MANAGER'S REPORT ON OPERATIONS

Jason Tyler discussed the manager's report as included in the agenda package. There are 412 total connections, of which 405 are residential. The total for residential water consumption is 7,883,000 gallons. The average monthly residential water consumption is 19,464 gallons for September. Lisa McKenzie asked if the Senna Hills Drive irrigation meter is tracked. Mr. Tyler confirmed it is and will add a column to the report to show the usage beginning next month.

Mr. Tyler reported on the September collection report. There were 14 delinquent letters mailed out and four door tags hung. There were no disconnects for non-payment.

The water quality monitoring shows the annual average chlorine level at 3.22 ppm. The water accountability is 94.8% for October. Mr. Tyler received the PUA calibration report and no adjustments were made.

The wastewater treatment plant is operating at 86.3% capacity and is 100% compliant.

Mr. Tyler discussed the request for an adjustment due to a leak on Lemon Mint Court. The leak occurred from June through September. The requested adjustment is for \$755.00. Motion was made by Lisa McKenzie and seconded by Joe Szoo to approve the adjustment as presented. The motion carried unanimously.

There was discussion of the membranes going down. Basin No. 1 had slime on the membranes and Basin No. 2 had ripped membranes. ST also replaced a diffuser. There were solids all the way up to the diffuser. The Board discussed a point to stop some of the preventative maintenance due to the expansion project. Engineer Robert Ferguson understands the concept but everything has to keep operating as intended.

Both AT&T and Spectrum have been contacted for internet service at the plant. AT&T has been unresponsive. Spectrum is expected to come out and see what they can provide.

10. BILLING ADJUSTMENTS

This item was discussed under the Manager's Report.

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

Attorney Bill Flickinger advised that he is still waiting on Lance Lackey in regard to this contract.

14. SPECIAL BOARD MEETING TO BE HELD JOINTLY WITH THE SENNA HILLS HOA ON NOVEMBER 27, 2017 AT 6:00 P.M. AT THE BARTON CREEK ELEMENTARY SCHOOL CAFETERIA, WHICH WILL BE AN INFORMATIONAL MEETING IN CONNECTION WITH THE SHL CONTRACT

Attorney Bill Flickinger discussed the draft Agenda for HOA's informational meeting. Mr. Flickinger is posting this as a meeting so that all members of the Board can attend if they wish to do so. The subcommittee discussed meeting before November 27th to prepare for the informational meeting.

15. 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 discussed the current draft of the Letter of Agreement. After discussion, Vice President David I. Perl entertained a motion for approval. Motion was made by Joe Szoo and seconded by Lisa McKenzie to authorize the President and/or Vice President to execute the Letter of Agreement, provided that the amounts owed to the District are not decreased. The motion carried unanimously.

Engineer Robert Ferguson discussed getting the field notes prepared for the wastewater treatment plant easement and the 150' buffer zone. Motion was made by Lisa McKenzie and seconded by Joe Szoo to approve the proposal from Capital Surveying Company, Inc. for the surveying work in connection with the easement and buffer zone in the amount of \$2,400.00. The motion carried unanimously. Mr. Ferguson will send the required Form 1295 to Willatt & Flickinger, PLLC.

16. DATES FOR FUTURE BOARD MEETINGS

It was reiterated that Robert Ferguson and Joe Szoo will not attend the December 29th meeting.

17. ADJOURN

The meeting was adjourned.



Chet A. Palesko President

ATTEST:



Lisa S. McKenzie, Secretary

[SEAL]