

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 28, 2016 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:

Chet A. Palesko – President  
David I. Perl – Vice President  
Lisa S. McKenzie – Secretary  
Joe Szoo – Assistant Secretary  
Corey Newhouse – Assistant Secretary

thus constituting a quorum. All Directors were present.

Also present at the meeting were resident Allen Douthitt of Bott & Douthitt, Kristi Hester of ST, Robert Ferguson of Murfee Engineering, Bill Flickinger of Willatt & Flickinger, PLLC, Allison Nix of Willatt & Flickinger, PLLC and Jeniffer Concienne of Willatt & Flickinger, PLLC.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

Lisa McKenzie had several revisions to the Minutes. Motion was made by Lisa McKenzie and seconded by David I. Perl to approve the Minutes of the September 28, 2016 meeting as revised. The motion carried unanimously.

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

President Chet Palesko attended the impact fee meeting that was recently held. The PUA Board wants to leave the impact fee alone. Right now, they have \$21 million in the impact fee fund. Their cash balance is \$80 million per the new General Manager, Rob Pugh. The developers appeared a bit annoyed by this revelation. There was discussion of revising the PUA's capital plan, but not until next year. The PUA's wastewater plant is running at 50-60% capacity. They are also using 14,000,000 gallons of water per day. The next impact fee meeting is scheduled for December.

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

Engineer Robert Ferguson discussed his report as included in the agenda package.

Mr. Ferguson noted that the permit minor amendment application is in technical review at the TCEQ. He received a letter from the TCEQ requesting additional information as to the plant expansion and its preliminary design. Comments are due by November 3<sup>rd</sup>. Attorney Bill Flickinger discussed Rip Miller's request that the map be changed to take the school site off. If that request is granted, then it would be a major amendment. Mr. Flickinger will respond to Rip Miller to advise that the District will not be revising the map.

Mr. Ferguson also discussed the wastewater treatment plant design. They met with the membrane representatives and reviewed the plans. The bid solicitation will include the requirement that the membrane supplier obtain TCEQ approval of their treatment unit(s) as a part of their bid. This is all still in process but Mr. Ferguson will be pushing it out soon.

The TCEQ has approved the bond application and the process is moving forward. The bond sale and award of bid will be held on December 1<sup>st</sup> in the offices of Willatt & Flickinger, PLLC.

Mr. Ferguson then discussed the effluent pond liner inspection. There were several holes and rips observed in the liner. Some of that damage was probably caused by the folding of the liner. As discussed previously, there is a significant surface area of the exposed liner that is caked with mineral deposits leaving the white coloring on the liner. After the inspection, there was no evidence of an imminent catastrophic failure nor of a major leak. However, some repairs should be made soon. Manager Kristi Hester discussed the repairs in the amount of \$4,200 as outlined in the quote provided by All-Tex Industrial Supply, LLC. The Board agreed. The other repairs will need to be budgeted for. There was discussion of replacing the liner with a rough texture versus a smooth texture. President Chet Palesko inquired about when the liner should be replaced. Mr. Ferguson will get with the vendor to see what their recommendation is. Mr. Ferguson also said there appears to be soft spots under the liner where water is running underneath it. This should be investigated to see where the water is coming from before the liner is replaced. There was discussion of running a camera through the stormwater pipe/drain to see if any water is running. After discussion, motion was made by Lisa McKenzie and seconded by Joe Szoo to repair the liner as discussed in the amount of \$4,200. The motion carried unanimously.

## 7. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Manager Kristi Hester noted that there are a lot of areas without tiles installed. Corey Newhouse discussed this matter as well. It appears that someone is either taking the tiles or breaking them. Lisa McKenzie saw that too. Mrs. Hester stated that she may have some extra tiles that can be used to replace the missing/broken ones.

Mrs. Hester is also in the process of trying to schedule the cleaning of the two ponds for December. Once the cleaning is started, it should take about two weeks to complete.

Engineer Robert Ferguson presented the MS4 map for review and comment.

Lisa McKenzie asked about the status of the task list. Mrs. Hester replied that years 1 and 2 have been done. There is still money left in the budget, and the outfalls should be done next. The Board discussed the MS4 letter on the drainage fee of \$4.00 per month. That fee will generate about \$20,000 annually. Mrs. Hester stated that there will also be maintenance on the ponds. Mrs. McKenzie will revise the letter and send it to Mrs. Hester so that it can be sent with the water bill and be effective in December.

## 8. EFFLUENT IRRIGATION AGREEMENT BETWEEN THE HOA AND THE DISTRICT

There was no discussion on this item.

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

Bookkeeper Allen Douthitt discussed the bookkeeper's report as included in the agenda package and presented an updated Cash Activity Report for review. The District's budget came in a lot better than planned; however, the District did take a hit on the water line repairs. Mr. Douthitt discussed setting up an account with Logic once the bonds have been sold. David I. Perl discussed the delinquent taxes from Arcadia and if the land is donated to the District, would the District be willing to pay the delinquent taxes. The consensus was yes. After discussion, motion was made by Joe Szoo and seconded by David I. Perl to approve payment of the vendor invoices, per diems and fund transfer as presented. The motion carried unanimously.

## 10. DISTRICT MANAGER'S REPORT ON OPERATIONS

Manager Kristi Hester discussed her report as included in the agenda package.

Mrs. Hester discussed the District's billing summary for the connections and consumptions. The District is doing well on collections. Eight delinquent letters were sent out, but no door tags were hung. The water quality monitoring is at 3.3, which is where it should be. The water accountability is at 95.7%. The wastewater flows look good, and the plant is running at 88% capacity. Mrs. Hester discussed the sludge hauling at the plant last week. Basins 1 and 2 had to be cleaned and about 50 membranes were replaced.

Lisa McKenzie discussed the cleanout that was in the middle of the sidewalk. Mrs. Hester said that it connects to a resident's French drain. ST cut the top off and placed a flat cap on it so that it was not a tripping hazard any longer.

Mrs. Hester discussed the request from the District's landscaper to trim trees along the wastewater plant site and trim bushes on the fence around the chlorination system. President Chet Palesko wants evidence of the hours being spent per the contract price and also asks that Zane starting quoting projects with "not to exceed" prices.

11. DISTRICT WEBSITE

Manager Kristi Hester stated that the website is in process and should go live after the November meeting.

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

This is a standing item and not discussed.

13. BILLING ADJUSTMENTS

Manager Kristi Hester had one adjustment to discuss with the Board. There was a major repair to the service line at 10501 Prickly Poppy Cove. The homeowner turned in the repair bill. Mrs. Hester is recommending an adjustment of \$903.04 on the bill, which brings it down to the first billing tier. After discussion, motion was made by David I. Perl and seconded by Lisa McKenzie to approve the billing adjustment as presented. The motion carried unanimously.

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

This is a standing item and not discussed.

15. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S CURRENT BOND ISSUE

This matter was discussed under the Engineer's Report.

16. 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

Attorney Bill Flickinger provided the Board with a quick update. Rip Miller and the HOA are working through issues and will probably take a few more meetings to get it all worked out.

17. DATES FOR FUTURE BOARD MEETINGS

The meeting dates for November and December were set at the last Board meeting. Those meetings are scheduled for November 23<sup>rd</sup> and December 30<sup>th</sup>.

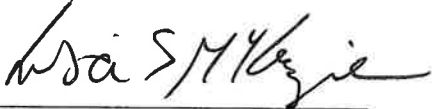
18. ADJOURN

The meeting was adjourned.



Chet A. Palesko, President

ATTEST:



Lisa S. McKenzie, Secretary

[SEAL]