

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 30, 2015, the CE-Bar Fire Department, 353 South Commons Ford Road, 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

Directors present were Chet A. Palesko, David I. Perl, Lisa McKenzie, Corey Newhouse and Joe Szoo, thus constituting a quorum. No Director was absent.

Also present at the meeting were Robert Ferguson, Allen Douthitt, Kristi Hester and Bill Flickinger.

3. CITIZEN COMMENTS

There were no citizen comments.

President Chet A. Palesko moved to Item No. 5.

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

President Chet A. Palesko commented that there was good communication with the PUA regarding the raw water line break.

Kristi Hester reported that she has made an information request to the PUA for information related to possible high pressure in the District's water system. She also reported that she has placed some temporary monitors on the master water meters to measure pressure.

Robert Ferguson reported that the PUA's operation of their system at present may be contributing to high pressure complaints that the PUA has received from its retail customers. The PUA distributes water to Dripping Springs, and in order to get the water to that location, the PUA may be adjusting water pressure. The information received from the PUA will be reviewed to determine if high pressure is being transmitted to the District's system from the PUA. Robert

Ferguson also reported that the PUA plans to install a parallel pipe which may be in service later this month. That new pipe may alleviate these types of problems.

****President Chet A. Palesko moved to Item No. 4.****

4. MINUTES OF PRIOR MEETINGS

The Board reviewed the minutes from the prior Board meeting on September 24, 2015. Motion was made by David I. Perl and seconded by Lisa McKenzie to approve the minutes with correction of typographical errors on pages 1, 2 and 3. The motion carried unanimously.

****President Chet A. Palesko 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 AND LITIGATION WITH SENNA HILLS, LTD. OVER THE FOREGOING AND THE WEAVER SEWER LINE PROJECT

The Board President announced that the Board of Directors will now go into closed session for consultation with the District's attorney pursuant to Section 551.071 of the Texas Government Code regarding matters related to Agenda Item No. 18. The Board went into closed session at 7:27 a.m.

At 7:57 a.m., the Board President announced that the Board of Directors has concluded its closed session and is returning to open meeting, and that no action was taken during the closed session.

****President Chet A. Palesko moved to Item No. 6.****

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

Robert Ferguson presented the Engineer's Report.

1. Robert Ferguson reported that he is continuing to work with ST to attempt to incorporate equalization and storage in the wastewater treatment plant expansion to alleviate operational concerns.
2. In parallel, the bond application is proceeding, and he will get with the financial advisor and obtain additional information.

Director Lisa McKenzie asked if there were alternatives for financing the wastewater treatment plant cost. Robert Ferguson commented that the District may use its line of credit. Allen Douthitt stated that the use of the line of credit would require a tax levy. Allen Douthitt also reported that the District has \$200,000 in reserves.

7. MS4 PERMIT

Robert Ferguson reported that the TCEQ is conducting MS4 audits of other districts. Kristi Hester concurred. Robert Ferguson will proceed to address the MS4 permit requirements and document compliance. The Board discussed the required tasks and deadlines and addressed which tasks need to be completed now. Directors Joe Szoo and Lisa McKenzie will work with Kristi Hester and Robert Ferguson to address the MS4 permit requirements.

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

Allen Douthitt presented the bookkeeper's report. David I. Perl asked questions regarding the AT&T invoice. Kristi Hester explained that the alarm system requires expensive phone connections. She will review to determine if that cost can be reduced. The alarm system will also be addressed in connection with wastewater treatment expansion. Allen Douthitt commented that the hard line alarm lines are expensive. Motion was made by Lisa McKenzie and seconded by David I. Perl to authorize payment of the bills and the fund transfers as presented. The motion carried unanimously.

9. DISTRICT MANAGER'S REPORT ON OPERATIONS

Kristi Hester provided the Manager's Report.

Kristi Hester presented information related to the request by Mr. Totah of 11109 Muddler Cove. ST recently completed a replacement of the grinder station and made repairs to the sewer line at that address. The total invoice was \$3,705.46. Mr. Totah has requested a reduction of that amount and has provided an email to Kristi Hester, which was discussed with the Board. After discussing the details of the repair and the cost, the Board was of the opinion that the charges were appropriate and no modification to the billing was made. Director Lisa McKenzie suggested communication to the residents regarding grinder pumps, and Kristi Hester agreed to send an informational letter. Kristi Hester added that prior to sending the invoice to Mr. Totah, some of the labor charges were removed by her.

Kristi Hester also presented an adjustment to the water bill to Mr. Marsh due to a leak. The total adjustment was \$8.65. Motion was made by Lisa McKenzie and seconded by David I. Perl to approve that billing adjustment. The motion carried unanimously.

The Board discussed the high user history at 10628 Senna Hills Drive. Kristi Hester stated that they have been in touch with the owners and leak repairs have been made. The owners stated that the plumber checked their system and had some issues at the pool. The owners have not requested a billing adjustment.

Water accountability is at 94%.

Kristi Hester reported that she recently met with the representatives of Ovivo and the Kubota representative that manufactures membranes. She reported that a new membrane is available which may operate more reliably in the District's wastewater treatment plant due to an improved seal. When the plant is cleaned, the current membranes fail due to the chemical reaction with the seals. She has obtained some of the new membranes and will install them in the wastewater treatment plant to test this month.

Director Joe Szoo left the meeting at 9:00 a.m. prior to Item No. 10.

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

This item was discussed as part of the District Manager's Report on Operations in Item 9 above.

11. THE DISTRICT'S WASTEWATER TREATMENT PLANT

This item was discussed as part of Item 9 regarding District Manager's Report on Operations.

12. BILLING ADJUSTMENTS

There were two billing adjustments this month, being the adjustment to Mr. Marsh's account that was approved above as part of Item No. 9, District Manager's Report on Operations, and the billing adjustment for grinder pump repairs requested by Mr. Totah, which was discussed as part of Item No. 9 above but not approved.

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

This item was not discussed.

14. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS AND RULES PERTAINING THERETO

This item was not discussed.

15. THE DISTRICT'S WATER AND SEWER RATES; AMENDED RATE ORDER

After discussion, motion was made by President Chet A. Palesko and seconded by Corey Newhouse to approve the District's amended rate order to include the changes presented for meter re-reads and meter testing. The motion carried unanimously.

16. DROUGHT CONTINGENCY PLAN

The Board discussed the possibility of lifting the two-day-a-week watering restriction. Kristi Hester indicated that the two-day-a-week restriction is mandatory at present. Until the PUA lifts this restriction, the District residents must comply with the two-day-a-week watering requirement.

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

No action was taken on this item.

The Board decided that the November Board meeting will be held on November 16, 2015 at 7:00 a.m., and the December Board meeting will be held on December 21, 2015 at 7:00 a.m. to accommodate the holidays.


19. ADJOURN

The meeting was adjourned.



VICE President, Board of Directors
Senna Hills MUD

ATTEST:



Secretary, Board of Directors
Senna Hills MUD

