

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 September 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 Perl, Kenneth A. Fox, Chet Palesko and Fred Garcia, thus constituting a quorum. Director David I. Perl and Mike Dansby were 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 AUGUST 26, 2006 MEETING

Motion was made by Kenneth A. Fox and seconded by Fred Garcia to approve the Minutes of the August 26, 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 explained that there was need to decide between a MBR plant and a conventional plant, and a need to authorize the engineer to proceed with the design and permitting of the waste treatment plant. He estimated the cost of design at \$75,000 with a cost of permitting and City of Austin approval to be \$15,000. After discussion, motion was made by Kenneth A. Fox and seconded by Fred Garcia to proceed with an MBR plant and to authorize the engineers, Hearne & Associates and Bruce Aupperle to proceed with the design and permitting of the plant, not to

exceed \$90,000 without further Board action. The motion carried unanimously. There was discussion of the District's contribution to the aesthetic improvements to the effluent storage pond. The Board had originally considered the concept of paying for functional improvements, up to \$50,000. There was discussion in the significant increase in estimated costs following hurricanes Katrina and Rita. After discussion, motion was made by Chet Palesko and seconded by Kenneth A. Fox to contribute up to \$50,000 to the project, payable upon completion, and to authorize Rip Miller to arrange to get the work done in a manner that provides a guarantee of the work, to the satisfaction of the Board of Directors, such guarantee to be made by a single party that will be responsible for the whole job. The motion carried unanimously.

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

Jerri Strain and David Ripley presented the Manager's Report. After discussion, motion to pay the bill as presented in the Manager's Report and an additional bill for legal services received by Kenneth A. Fox, with a correction for overbilling by Willatt & Flickinger in the amount of \$153.00. The motion carried unanimously.

7. 2006-2007 BUDGET

Chet Palesko noted that the budget was approved at the last meeting.

8. PUBLIC HEARING ON PROPOSED TAX RATE FOR TAX YEAR 2006

Chet Palesko opened the public hearing on the proposed tax rate for the tax year 2006. No one appeared to present comments at the public hearing. Mr. Palesko closed the public hearing.

9. ORDER APPROVING THE DISTRICT'S APPRAISAL ROLL AND SETTING THE DISTRICT'S TAX RATE FOR 2006

After discussion, motion was made by Kenneth A. Fox and seconded by Fred Garcia to approve the Order Approving the District's Appraisal Roll and Setting the District's Tax Rate for 2006 as presented. The motion carried unanimously. The order set the operations and maintenance tax at \$0.0950, the debt service tax at \$0.5125, with a total tax of \$0.6075.

10. RETAIN AUDITOR

The auditor had not presented a retainer agreement, so no action was taken. This item will be placed on the agenda again next month.

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

difficult

David Ripley advised that receipt of sewage from the medical center makes it increasingly ~~different~~ to meet the ammonia limit. After the next two months, it will become difficult to meet permit for ammonia if the District continues to take sewage from the medical center.

12. THE DISTRICT'S WATER AND WASTEWATER SYSTEMS

No action was taken under this item.

13. STATUS OF EVANS WEAVER

There was discussion as to whether the Motion for Summary Judgment has been filed.

14. ADJOURN

President Chet Palesko adjourned the meeting.



Board of Directors, Senna Hill MUD

ATTEST:



Board of Directors, Senna Hills MUD

