

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 September 29, 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:

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

thus, constituting a quorum. Corey Newhouse was absent.

Also, present at the meeting were Jason Tyler of ST, David Malish 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. President Chet A. Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Joe Szoo to approve the Minutes of the September 1, 2017 board meeting as revised. The motion carried unanimously.

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

President Chet A. Palesko had nothing new to report on in connection with the PUA.

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

Engineer David Malish updated the Board on the wastewater treatment plant project. Overall the project is on schedule. The submittals for this project are a bit different than most because of the performance guarantee. Mr. Malish reported that the expansion proposal included four pumps being installed but now they are suggesting only two pumps. If that is the case, which Murfee will review, then the District should get a credit if the other two pumps are not used. Murfee is working with ST to add some tankage for sludge management to the scope of work.

Lisa McKenzie asked if there are places where extra parts can be stored on site. Mr. Malish and Jason Tyler advised that they have some off-site shared storage that can probably be used.

7. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Jason Tyler reported that the drainage areas have been cleaned out and the project came in under budget.

Lisa McKenzie asked if the manholes will be checked since there are rain events occurring. Mrs. McKenzie also inquired about the commencement of work on the gabion wall. Mr. Tyler reported that work should start in about two weeks.

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

Bookkeeper Allen Douthitt discussed the updated cash activity report. For today's consideration, he presented approval of the director and vendor payments and a fund transfer. Corey Newhouse's per diem will be voided due to his absence. After discussion, President Chet A. Palesko 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 fund transfer as presented. The motion carried unanimously.

9. ORDER APPROVING BUDGET

Bookkeeper Allen Douthitt discussed the proposed budget with the Board. There were no changes made to the draft from last month. Lisa McKenzie asked if the MS4 drainage fee is close to paying for the required maintenance. Mr. Douthitt advised that it is not covering all the MS4 maintenance, but once all the scheduled work is done, it should be sufficient. However, as Mrs. McKenzie noted, that fee can be increased at any time. David I. Perl discussed his concern of wanting to ensure that the District has a maintenance reserve due to the system being older. Engineer David Malish advised that some of the older districts start an inventory on their system. Then, a schedule and prediction of costs and maintenance for the pipes and equipment is prepared so that they can be proactive with the system's maintenance. After discussion, President Chet A.

Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Lisa McKenzie to adopt the Order Approving Budget with the blue column as presented. The motion carried unanimously.

10. PUBLIC HEARING ON TAX RATE

President Chet A. Palesko opened the public hearing on the tax rate. Being no citizens were present, President Palesko closed the public hearing.

11. ORDER APPROVING THE DISTRICT'S APPRAISAL ROLL AND SETTING THE DISTRICT'S TAX RATE FOR 2017

Attorney Bill Flickinger reported that the Notice of Public Hearing on Tax Rate was published in the newspaper. Motion was made by President Chet A. Palesko and seconded by Joe Szoo to approve the Order Approving the District's Appraisal Roll and Setting the District's Tax Rate for 2017 as presented with the debt service rate at \$0.3400, the O&M rate at \$0.2011, for a total tax rate of \$0.5411 per \$100 of taxable value. The motion carried unanimously.

12. DISTRICT MANAGER'S REPORT ON OPERATIONS

Jason Tyler presented a supplement to the water accountability. It appears that a PUA master meter is malfunctioning, but it could also be a timing issue on reading the meters.

Mr. Tyler discussed the manager's report as included in the agenda package. There are 412 total connections, of which 405 are residential. The total average for residential water consumption is down again from last year at 9,389,000 million gallons. The average monthly residential water consumption is 22,789 gallons for August. Lisa McKenzie asked Mr. Tyler if ST figured out what the reclaimed usage was for. Mr. Tyler stated that he would check with Kristi Hester, but he believes it could be for the wash down at the wastewater treatment plant. Mr. Tyler reported on the August collection report. There were 20 delinquent letters mailed out, eight door tags hung and four disconnects for non-payment. The water quality monitoring is staying consistent and shows the annual average chlorine level at 3.22 ppm. There are no issues at the wastewater plant and it is in full compliance.

Lisa McKenzie asked Mr. Tyler to start looking at the meter replacement program for the older meters. His findings can be discussed at the next meeting.

Mr. Tyler discussed the District's maintenance issues. To be proactive, the sewer pipes can be put on a cleaning schedule, which would include washing and conducting smoke testing every five years. Mr. Tyler will get the Board more detailed information and a cost estimate for review.

There was discussion of President Palesko's grinder pump issues. Mr. Tyler reported it appears to be related to the control panel.

13. BILLING ADJUSTMENTS

This is a standing item and was not discussed.

14. DISTRICT WEBSITE

This is a standing item and was not discussed.

15. TAYLOR LAKE EFFLUENT POND AND THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM AND HOA EFFLUENT IRRIGATION CONTRACT

Lisa McKenzie asked about the status of the Effluent Disposal Contract. Attorney Bill Flickinger advised that he has not yet heard back from Lance Lackey but will follow-up with him.

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

This is a standing item and was not discussed.

17. 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 reported that he is working on a few changes to finalize the contract.

18. DATES FOR FUTURE BOARD MEETINGS

The following meeting dates have been scheduled through the end of the year: October 27th, December 1st and December 29th.

19. ADJOURN

The meeting was adjourned.



David I. Perl, Vice President

ATTEST:



Lisa S. McKenzie, Secretary

