

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 MUD was held at 7:10 a.m. on May 29, 2020 by remote access only in accordance with the March 16, 2020 Order by Governor Abbott temporarily suspending certain requirements of the Texas Open Meetings Act to advance the goal of limiting face-to-face meetings to slow the spread of COVID-19. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act and as modified by the Governor's Order.

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 Bill Flickinger and Jeniffer Concienne of Willatt & Flickinger, PLLC, Robert Ferguson of Murfee Engineering, Jesse Kennis and Makenzi Scales of Inframark and Allen Douthitt of Bott & Douthitt.

3. CITIZEN COMMENTS

No citizens were present.

4. MINUTES OF PRIOR MEETINGS

President Chet Palesko entertained a motion for approval of the Minutes. Motion was made by David I. Perl and seconded by Lisa McKenzie to approve the Minutes of the April 24, 2020 meeting as presented. The motion carried unanimously.

5. TEMPORARY MORATORIUM ON DISCONNECTION OF WATER SERVICE FOR NON-PAYMENT DURING COVID-19 VIRUS CRISIS

President Chet Palesko inquired about how many accounts would have been disconnected if the moratorium was not in place. Manager Jesse Kennis reported that two accounts are delinquent. However, Lisa McKenzie noted that only one would have been disconnected. That account is approximately \$400 to \$500 past due. After discussion, President Palesko entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by David I. Perl to continue the temporary moratorium on disconnection of water service for non-payment until the next regular Board meeting. The motion carried unanimously.

6. PAYMENT PLANS FOR DISTRICT CUSTOMERS DURING COVID-19 VIRUS CRISIS

Manager Jesse Kennis advised that he has not received any requests for payment plans.

7. REPORT FROM MR. RIP MILLER ON PROGRESS OF APPROVALS FOR AND DEVELOPMENT OF THE 11.73-ACRE TRACT OWNED BY SENNA HILLS, LTD.

This item was not discussed.

8. STATUS OF REFUNDING BOND ISSUE

Jeniffer Concienne stated that Financial Advisor Doug Whitt reported that if the interest rates remain at or below the current levels, he will likely begin the rating process and price the refunding bonds in June. No action was needed.

9. MATTERS RELATED TO WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

This item was not discussed.

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

- a. Map/database for the effluent irrigation field to include aerial imagery, digital layout of irrigation lines, valves controllers and zones

Engineer Robert Ferguson reported that the irrigation control wiring project is ongoing.

Mr. Ferguson then discussed the process of mapping the irrigation fields. The cost for this project will be \$7,000 to \$12,000. It will take approximately 50 to 75 hours to complete. Murfee Engineering will use drones and physically walk the fields to obtain the information on the lines, valves, controllers and spray heads. Once compiled, everything will be combined into one drawing. Manager Jesse Kennis stated that if the map is developed, it will be very useful in preparing the monthly reports on the irrigation system. President Chet Palesko and Corey Newhouse discussed the cost of the project. Mr. Kennis stated that he can manage the system with or without it, but it would be extremely helpful. President Palesko believes it is overkill but will

go with the majority of the Board on the decision. Lisa McKenzie, David I. Perl and Joe Szoo would like to proceed with the project. After discussion, President Chet Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Lisa McKenzie to authorize Engineer Robert Ferguson to proceed with mapping of the irrigation fields. The motion carried unanimously.

Mr. Ferguson then discussed the electric permit situation at the wastewater treatment plant. As the Board will recall there are open permits existing with Austin Energy that were not closed out at the end of the expansion project in 2012. SHL was denied a meter for their buildings due to the open permits. Due to that denial, SHL has a sub-metering arrangement for the buildings on site. Bookkeeper Allen Douthitt receives a small check from SHL for the electricity used at the buildings. Manager Jesse Kennis will review the process for preparing all costs for SHL's electric usage. There was discussion of who reads the sub-meter. This topic will be discussed further once more information is received.

There was discussion of the timing of the pond liner replacement project. 2021 will be the target date for the liner replacement.

Mr. Ferguson then discussed the site plans and development activity of SHL. The land use plan amendment at the City was approved. Mr. Ferguson contacted the City of Austin staff to inquire about the process of receiving alerts and notices of the filing of a site development permit application. The City has a tool that allows you to monitor all permits, however it was noted that it is not "real" time. After discussion, Mr. Ferguson will set this up for the District and review it. David I. Perl would also like the link.

11. CONSTRUCTION PROJECTS WITHIN THE DISTRICT, INCLUDING ADVERTISEMENT FOR BIDS AND APPROVAL, AWARD, RECOMMENDATION, ADMINISTRATION OF CONSTRUCTION CONTRACTS, CHANGE ORDERS AND PAY ESTIMATES

This item was not discussed.

12. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS

Manager Jesse Kennis reported that they did an inspection on May 21<sup>st</sup> and had nothing significant to report.

13. BOOKKEEPER'S REPORT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS; BUILDER DEPOSITS

Bookkeeper Allen Douthitt discussed the financials with the Board. The District's budget is \$5,000 to the good and year to date is also tracking well. There was discussion of the three years' worth of reserve for the pond liner replacement project. By next year, the reserve will be \$1,000,000. Mr. Douthitt reported that he received an AT&T notice on the phone lines advising that the fixed monthly rate was ending. When they call AT&T, they are unable to get any information on the account. Lisa McKenzie stated that if he will send her the account information, she will work it out with AT&T. After discussion, President Chet Palesko entertained a motion

for approval. Motion was made by Corey Newhouse and seconded by David I. Perl to approve the invoices, per diems and fund transfers as presented. The motion carried unanimously.

14. DISTRICT MANAGER'S REPORT ON OPERATIONS

- a. Customer Requests
- b. Landscape Maintenance Contracts; Additional landscaping services
- c. Inspections of HOA effluent irrigation system
- d. Drum screens; waste disposal process
- e. Replacement of control components at Lift Station #1

Manager Jesse Kennis discussed his Executive Summary of the Manager's Report.

The plant is running at 82% capacity. Mr. Kennis reported that the internet cable at the plant was never buried by Spectrum so they went ahead and buried it so that it does not get cut.

In regard to the re-use water system, the effluent irrigation pump piping was repainted purple. Zane Furr completed a lot of work around the pond including removal of the Roosevelt weeds. There was discussion of the aerators in the pond. Mr. Kennis stated that to get everything working again, it would cost upwards of \$26,000. Lisa McKenzie noted that the District is spending \$300 to \$500 a month now on repairs. Engineer Robert Ferguson stated that there is better technology now for aerating ponds and that the current aerators would not be replaced when the pond liner is replaced. The Board consensus was to just remove them now, rather than continuing to repair.

Mr. Kennis reported on the District's 43.6% water loss. Mr. Kennis initiated a leak detection survey and has reviewed the billing reports. Last month there was a formula error in the reporting. It was reported that there was only a 9.6% loss when in fact it was 43%. President Chet Palesko stated that this type of error is unacceptable, as is the delay in reporting it to the Board. Mr. Kennis explained that the monthly reports are always several weeks behind on the reporting. Engineer Robert Ferguson asked if there were any issues with the PUA master meters. Mr. Kennis stated that the PUA calibrated the meters back in August 2019. Mr. Kennis asked the PUA to calibrate them again. SAMCO submitted a proposal in the amount of \$5,875 for the leak detection survey. After discussion, motion was made by Lisa McKenzie and seconded by Corey Newhouse to accept the SAMCO Leak Detection Survey proposal as submitted. The motion carried unanimously.

There was discussion of the repairs made and needed to Lift Stations #1 and 3. The ~~wet~~ well PLC for pump controls at the lift station on Senna Hills Drive is defective and needs to be replaced. Central Texas Water Maintenance submitted an estimate for \$13,000 to replace the controller. After discussion, President Chet Palesko entertained a motion for approval. Motion was made by Lisa McKenzie and seconded by Corey Newhouse to approve the estimate to replace the controller at Lift Station #1 in an amount not to exceed \$15,000. The motion carried unanimously. Lift Station #3, which is on the roadway to the WWTP, sustained a lightning strike. Emergency pump and haul had to be implemented. The repairs cost approximately \$10,000. Mr. Kennis will submit a claim to TML. If accepted, insurance should cover the District's costs in

excess of our \$5,000 deductible. Mr. Kennis also discussed the replacement of the auto-dialers. The auto-dialers for Lift Station #1, the Lemon Mint Lift Station and wastewater treatment plant will be replaced by the end of the fiscal year.

Pios was delayed on getting the wiring for the spray fields. They will begin work tomorrow. Pios will be abandoning the bundle of wires between the buildings in the area that will become the Perpetual Use Easement Area under the Contract with SHL.

Mr. Kennis reported that he is still working on the drum screen process improvements.

15. PURCHASE OF ELECTRONIC METERS

President Chet Palesko reported that 319 electronic meters were ordered. The oldest mechanical meters will be replaced first.

16. BILLING ADJUSTMENTS

This item was not discussed.

17. TAYLOR LAKE EFFLUENT POND, THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM; EFFLUENT DISPOSAL CONTRACT BETWEEN THE DISTRICT AND HOA; REQUEST FROM HOA FOR POSSIBLE DOG PARK

This item was discussed under the engineer's report.

18. DATES FOR FUTURE BOARD MEETINGS

The next several Board meeting dates are as follows: June 26<sup>th</sup>, July 31<sup>st</sup> and August 28<sup>th</sup>.

19. DIRECTORS ELECTION

- a. Resolution Authorizing Secretary's Appointment of Agent to Perform Duties During Election Period
- b. Notice of Deadline to File Application for Place on Ballot

Jeniffer Concienne reported that Lisa McKenzie, Corey Newhouse and Joe Szoo are up for re-election. Attorney Bill Flickinger discussed the process and deadlines for filing in the upcoming November 3<sup>rd</sup> directors' election. The Notice of Deadline to File Applications for Place on Ballot will be published on the website and posted in the District. The first day to file an application is July 18, 2020. After discussion of the election process, President Chet Palesko entertained a motion for approval. Motion was made by David I. Perl and seconded by Joe Szoo to adopt the Resolution Authorizing Secretary's Appointment of Agent to Perform Duties During Election Period as presented. The motion carried unanimously.

19. ADMINISTRATION OF CONTRACT BY AND AMONG THE DISTRICT, SENNA HILLS HOMEOWNERS ASSOCIATION, INC., SENNA HILLS, LTD. AND THE SENNA HILLS TRUST; STORAGE OF SHL MATERIALS ON PROPERTY NEAR SHEDS; POSSIBLE DAMAGE TO DISTRICT'S IRRIGATION SYSTEM; DAMAGE TO HOA EFFLUENT IRRIGATION SYSTEM BY SHL CONTRACTORS

President Chet Palesko announced that the Board of Directors will 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. 19. The Board went into closed session at 8:32 a.m.

At 8:51 a.m., President Palesko announced that the Board of Directors had concluded its closed session and was returning to open meeting, and that no action was taken during the closed session.

20. ADJOURN

President Chet Palesko adjourned the meeting.



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Chet A. Palesko, President

ATTEST:



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Lisa S. McKenzie, Secretary

[SEAL]