

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 December 18, 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 of Inframark and Allen Douthitt of Bott & Douthitt.

3. CITIZEN COMMENTS

No citizens commented under this section.

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 Joe Szoo to approve the Minutes of the November 20, 2020 meeting as presented. The motion carried unanimously.

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

This item was discussed under the Manager's Report.

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

President Chet Palesko reported that the PUA had an impact fee meeting. However, there was no quorum. There was discussion of the projected population growth for next year and impact fees for new construction.

7. 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 reported on the mapping of the irrigation fields. The drawing with the surveyed irrigation data points overlaid is done. They are working with Inframark to mark things up, such as the valve and head locations.

Mr. Ferguson had no further information on the HOA's amenity center issues. Lisa McKenzie reported that last she heard, the leak project at the amenity center was out to bid.

Mr. Ferguson reported that he will be meeting with the committee soon on the pond liner replacement. There was discussion of the boulders and landscaping around the pond, including the liner options. David I. Perl inquired if the District owns the boulders. Attorney Bill Flickinger indicated it does. There was further discussion on the history of the boulders.

8. 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.

9. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS; ISSUES WITH THE HOA AMENITY CENTER DRAINAGE FACILITIES

This item was not discussed.

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

Bookkeeper Allen Douthitt discussed the financials, invoices and fund transfers with the Board. The District's budget is over plan this period. Mr. Douthitt discussed the additional water sales. He has seen an increase in water sales for November across the board in most Districts where he works. President Chet Palesko noted that the water loss is almost zero this period but

last period it was 18%. President Palesko and Mr. Douthitt noted it was most likely a timing issue. After discussion, motion was made by David I. Perl and seconded by Joe Szoo to approve the financials and payment of the invoices and per diems and authorize four fund transfers as presented. The motion carried unanimously.

11. DISTRICT MANAGER'S REPORT ON OPERATIONS

- a. Customer Requests
- b. Landscape Maintenance Contracts; Additional landscaping services
- c. Inspections of HOA effluent irrigation system
- d. Maintenance and trimming of trees and vegetation on District property; removal of vegetation on District property planted by homeowners without permission

Manager Jesse Kennis stated that they will continue to monitor the water loss in the District. Mr. Kennis reported that a dissolved oxygen probe in the reactor basin became dislodged from the brackets that hold it in position, so that was repaired. He will get the contractor to come out and be sure it is fully functional. Inframark completed installing and cleaning the backflow prevention devices at the lift stations. Mr. Kennis stated that he was unable to meet with the irrigators for the HOA, so that a joint inspection in December was not done. He will try to meet with them in the next 30 days. Last weekend, Mr. Kennis had to get the HOA's effluent irrigation supply shut down due to seeing a large amount of water runoff at the entrance to the subdivision.

Inframark made a leak adjustment under \$200 to a water bill at 10640 Indigo Broom.

Lisa McKenzie discussed the delinquent accounts. Mrs. McKenzie sent two prior residents' their last bill for payment via certified mail. Those bills remain unpaid. There was also discussion of two residents that were on payment plans and have defaulted. Mr. Kennis advised that there are a few accounts that if they are not paid in full or possibly reinstated on a payment plan, their water service will be disconnected on December 29th. Mrs. McKenzie and the Board discussed implementing a better system to flag move-outs before they become delinquent accounts and the possibility of raising the deposits for water service.

David I. Perl inquired about the reported running loss percentage for water loss. Mr. Kennis stated it is calculated for a two-year period.

There was discussion of the tree root issue on Prezia by the clean out.

12. ORDER ESTABLISHING WATER AND WASTEWATER SERVICE RATES, CHARGES AND TAP FEES, AND ADOPTING GENERAL POLICIES AND RULES WITH RESPECT TO THE DISTRICT'S WATER, WASTEWATER AND DRAINAGE SYSTEMS

Attorney Bill Flickinger discussed the proposed revisions to the rate order. The main concern this round is for repairs to the wastewater service line at a residence when there is a blockage, and who pays for what, and the procedures of Inframark when they go out to investigate

the issue. There was also discussion of having the residents sign a form that advises them if the cause of the blockage is on their side, they will be responsible for paying for the costs. Lisa McKenzie had some additional changes to the rate order as well. There was additional conversation about the tree stump by the cleanout on Prezia. That repair cost the District \$5,000, which possibly should have been billed to the customer. Attorney Bill Flickinger discussed the proposed changes to the rate order in detail with the Board.

The Board also discussed the wastewater charges for the Weaver tract. Inframark does not read the water meter on that tract because the MUD does not supply Weaver with water. The water meter read is done by the PUA. Mr. Weaver is not currently billed for the District's drainage fee.

After discussion, motion was made by David I. Perl and seconded by Corey Newhouse to adopt the amended Rate Order as discussed. The motion carried unanimously.

13. ELECTRONIC METERS

President Chet Palesko advised that he would like to get through the pond liner replacement before looking at the electronic metering again, including the monitoring facilities and software and who will pay for them. Manager Jesse Kennis advised that 103 meters have been replaced and they are halfway through replacing meters that have read more than 1 million gallons. There will be further discussion once all 400+ of the meters have been replaced with electronic meters.

13. BILLING ADJUSTMENTS

This item was not discussed.

15. TAYLOR LAKE EFFLUENT POND, THE DISTRICT'S EFFLUENT DISPOSAL SYSTEM; EFFLUENT DISPOSAL CONTRACT BETWEEN THE DISTRICT AND HOA

This item was not discussed.

16. DISTRICT INSURANCE AND SURETY BONDS

President Chet Palesko discussed the current insurance with TML. Attorney Bill Flickinger discussed the additional coverages with AJ Gallagher versus TML.

There was also discussion of the directors' bond. AJ Gallagher provided that bond to the Board for a premium of \$250.

17. DATES FOR FUTURE BOARD MEETINGS

The next several Board meeting dates are as follows: January 29th, February 26th and March 26th and April 30, 2021.

18. INFRAMARK CONTRACT

Manager Kristi Hester will need to send the draft contract to Attorney Bill Flickinger for review.

19. 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.


20. ADMINISTRATION OF CONTRACT BY AND AMONG THE DISTRICT, SENNA HILLS HOMEOWNERS ASSOCIATION, INC., SENNA HILLS, LTD. AND THE SENNA HILLS TRUST; ADDITIONAL AMENDMENT TO THE CONTRACT; STORAGE OF SHL MATERIALS ON PROPERTY NEAR SHEDS; POSSIBLE DAMAGE TO DISTRICT'S IRRIGATION SYSTEM; DAMAGE TO HOA EFFLUENT IRRIGATION SYSTEM BY SHL CONTRACTORS; REPLACEMENT OF ELECTRICAL SUBMETER TO SHL BUILDINGS AND REIMBURSEMENT BY SHL FOR ELECTRICITY EXPENSES

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. 20. The Board went into closed session at 8:32 a.m.

At 8:48 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.


Chet A. Palesko, President

ATTEST:


Lisa S. McKenzie, Secretary

[SEAL]