

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 June 25, 2021 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:

David I. Perl – Vice President
Lisa S. McKenzie – Secretary
Joe Szoo – Assistant Secretary
Corey Newhouse – Assistant Secretary

thus constituting a quorum. President Chet Palesko was absent.

Also present at the meeting were Bill Flickinger and Jeniffer Concienne of Willatt & Flickinger, PLLC, Robert Ferguson of Murfee Engineering, Kristi Hester and Kay Olsen of Inframark and Allen Douthitt of Bott & Douthitt.

3. PUBLIC COMMENTS

No public comments were made.

4. MINUTES OF PRIOR MEETINGS

Vice President David I. Perl entertained a motion for approval of the Minutes. Motion was made by Lisa McKenzie and seconded by Joe Szoo to approve the Minutes of the May 28, 2021 board meeting as presented. The motion carried unanimously.

5. PROPOSAL TO PURCHASE DISTRICT PROPERTY OR OBTAIN PERPETUAL EASEMENT NEAR PRICKLY POPPY LIFT STATION

Vice President David I. Perl discussed the matter of a resident purchasing District property. At the last board meeting, the Board asked the resident to come back with a proposal for consideration. As of today, no proposal has been received. There was discussion of not wanting the lift station in an easement, on land that is not owned by the District. The resident was clear that she would prefer to purchase the land due to their wanting to beautify the area and irrigate as necessary. After discussion, the Board's consensus was to offer a perpetual easement to the resident instead of her purchasing the land. Lisa McKenzie will advise the resident of the decision.

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

There will be an impact fee meeting on July 5th. Bookkeeper Allen Douthitt received notification for other Districts that the wholesale water base fee will be increased, effective October 1st. Mr. Douthitt has not received that notification for Senna Hills MUD.

7. LCRA COST-SHARING PROGRAM

Vice President David I. Perl reported that the Cost-Share Funding Program Agreement was signed by the District and sent to the LCRA for execution. No further action is needed.

8. 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 that they met with PIOS yesterday on mapping of the irrigation fields. The primary reason was to see the demonstration of the function of the system, east of Senna Hills Drive. In the course of that review, a leak was discovered in the system. As a result, there was not enough pressure to pop up the sprinkler heads to test the irrigation system. Inframark was notified and will repair the leak. Once the repair has been made, they will attempt the demonstration again to locate the sprinkler heads in the irrigation field east of Senna Hills Drive.

There was discussion of replacement of the pond liner. MEC has had some personnel changes and therefore the project is not yet ready to bid. Mr. Ferguson would like to meet with the committee in July to go over further details. Mr. Ferguson received some options from a vendor for storing and irrigating the produced effluent during the liner replacement, which would be to use temporary pumping equipment. It is likely that this project will occur next year. September and October are not good times to do the liner replacement due to expected rain. Vice President David I. Perl asked about any risks of waiting until near year. There is no risk of failure of the pond liner if the project commences next year. Lisa McKenzie inquired about the last pond inspection. Within the last six weeks, Murfee Engineering has assessed the area and no issues were noted with the liner. Manager Kristi Hester also indicated that landscaper Zane Furr looks at the pond area on a monthly basis. Inframark remediated the issue with the flap at the upper edge of the pond liner blowing up from the windstorm recently, which was reported by a resident.

In regard to the SHL site plan and development activity, Mr. Ferguson noted no new information from TxDOT. Mr. Ferguson received an email from the SHL engineer requesting copies of correspondence that the District has sent out. The SHL engineer stated that they would be submitting an update to the site plan application to the City. Once that information is received, it will be forwarded to the Board for review.

9. 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.

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

Manager Kristi Hester reported that the Inframark compliance department will be taking over the MS4 project. They will submit all the reports and correspond with the TCEQ.

The pond inspection report was included in the agenda package. Inframark has completed some of the issues, but there is some work that still needs to be done.

Vice President David I. Perl asked about updates to the work done at the HOA amenity center. Lisa McKenzie reported that the stormwater pipe blockage has been resolved. However, the upside-down splitter box is still an issue, along with the filtration and sedimentation basin that also appears to have construction-related issues. This issue appears to be a HOA item, but is also a MS4 permit issue, being that drainage facilities within the District should be operable. Engineer Robert Ferguson explained that the intent of that facility is to catch the first flush of rainfall off the paved areas of the amenity center and remove pollutants before the water enters the District's storm water system.

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

Bookkeeper Allen Douthitt discussed the financials, invoices, per diems and fund transfers with the Board. Mr. Douthitt discussed the District's preliminary values. The values increased by 6.9% from last year. The District can probably look at lowering the tax rate in September. After discussion, Vice President David I. Perl entertained a motion. Motion was made by Joe Szoo and seconded by Corey Newhouse to approve the financials, payment of the invoices and per diems and authorize the fund transfers as presented. The motion carried unanimously.

12. 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
- e. Leak detection investigation

Manager Kristi Hester discussed the Executive Summary with the Board.

Mrs. Hester reported on the wastewater treatment plant. There was 2.6 mg of wastewater treated for the month of May. The plant is running at 86% capacity. All facilities are in compliance for the month. Mrs. Hester discussed repairs at the plant. Inframark is investigating a diffuser valve on the MBR 2 that is not working properly.

Mrs. Hester reported on the leak detection investigation. A number of small repairs were made to the system. There were also two large service line leaks. However, all of those repairs are not yet showing in the billing cycle currently reported. This period indicated a 16% water loss. They will get a better feel for the loss calculation next week after review of the master meter reads. She is hopefully that the water accountability will be back to 90%. There have been no further investigations since last month's board meeting.

Mrs. Hester indicated that it appears the meter box issue on Allium as reported by Lisa McKenzie has been fixed. Lisa McKenzie will look at the area again and let her know if all is good. Mrs. McKenzie noted that a meter lid was off, and the meter box was completely filled with dirt.

Mrs. Hester reported that the AMI meters for President Chet Palesko and Corey Newhouse are online and should be working with the Eye On Water app again. Mr. Newhouse confirmed his is in fact working now.

Inframark conducted some work on the Section 2 pond inlet.

There were 11 delinquent letters mailed out, three door tags were hung and no disconnects.

Inframark will repair the leak in the spray irrigation field as indicated by Engineer Robert Ferguson in his report. Mrs. Hester reported that they are looking at bringing on a licensed irrigator and crew that focus only on effluent irrigation for all of Inframark's clients. Lisa McKenzie asked about budgeting for this irrigation system repair. Mr. Ferguson advised that the repair should be minor and that PIOS will be held to its warranty in regard to the craftsmanship under the original contract. The District will need to coordinate with Zane Furr on maintenance of the spray irrigation field east of Senna Hills Drive once the mapping and system repairs are complete. The rest of the fields are now mapped. Mr. Ferguson stated that the TCEQ is now including spray irrigation fields in its inspections and those fields are being looked at more closely in recent times. Mr. Ferguson also advised that a dedicated crew would be advantageous for the District.

Mrs. Hester would like to get with committee to resume communication on amending the Inframark contract with the District.

Lisa McKenzie asked about the status of inspecting the HOA's effluent irrigation system along Senna Hills Drive. Mrs. Hester advised that Inframark goes out once a week and inspects the system. They conduct drive thrus and provide photos to WLE. Mrs. McKenzie has not received the monthly reports from WLE for months. Mrs. Hester will follow-up with WLE on the reports.

13. ELECTRONIC METERS

Manager Kristi Hester reported that the electronic meters have been ordered, however they are on backorder due to a chip in the meter not being available. It appears that they will ship mid-July. In reality, it will probably be August or September.

14. INSURANCE PROPOSALS WITH AJ GALLAGHER; NOTICE TO TML

Vice President David I. Perl would like to have a further discussion of cybersecurity for wastewater plants and steps the District might need to take in order to be more proactive. Vice President Perl asked Manager Kristi Hester to be prepared to discuss this topic at next month's board meeting.

Corey Newhouse discussed the differences between the coverages from TML and AJ Gallagher. After review, the AJ Gallagher proposal is much more comprehensive than what TML offers. However, the premiums are higher of course. Mr. Newhouse is waiting for further information from AJ Gallagher and will be prepared at the July board meeting to make a recommendation. Attorney Bill Flickinger discussed cybersecurity coverage provisions. The District's information is covered with its vendors.

No action is needed today.

15. BILLING ADJUSTMENTS

This item was not discussed.

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

This item was discussed under the Engineer's Report above.

17. DATES FOR FUTURE BOARD MEETINGS; STATUS OF TEMPORARY RULES ALLOWING REMOTE BOARD MEETINGS

The next several Board meeting dates are as follows: July 30th, August 27th, September 24th and October 29, 2021.

Attorney Bill Flickinger stated that a special meeting might be needed for the adoption of the tax rate.

18. LEGISLATIVE UPDATE

Attorney Bill Flickinger discussed the legislative update with the Board.

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. CONTRACT BY AND AMONG THE DISTRICT, SENNA HILLS HOMEOWNERS ASSOCIATION, INC.; SENNA HILLS, LTD. AND THE SENNA HILLS TRUST

Vice President David I. Perl 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 8:42 a.m.

At 8:59 a.m., Vice President Perl 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.

21. ADJOURN

Vice President David I. Perl adjourned the meeting.



Chet Palesko, President

ATTEST:



Lisa S. McKenzie, Secretary

[SEAL]