

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 28, 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:

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, Kristi Hester of Inframark, Allen Douthitt of Bott & Douthitt and resident Tina Cook.

3. PUBLIC COMMENTS

Resident Tina Cook discussed the possibility of purchasing District land that is behind her house. That land is the Prickly Poppy lift station site. Mrs. Cook is interested in the area directly behind her house. She noted that the lot is unsightly and she is concerned with snakes and poison ivy. She would like to extend her fence out to that area and landscape it. There was discussion of splitting off the lift station area and selling the rest of the land. Attorney Bill Flickinger advised it will be difficult to split the land and maybe a perpetual easement could be considered. There was discussion of notifying the other surrounding owners on the possibility of a perpetual easement. President Chet Palesko advised of three options: 1) sell the entire lot; 2) provide a perpetual easement or 3) do nothing. The Board asked Mrs. Cook to come back with a written proposal at the next board meeting of what she is actually seeking for further discussion.

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 April 30, 2021 regular board meeting and the May 17, 2021 special board meeting as presented. The motion carried unanimously.

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

This item was not discussed.

6. LCRA COST-SHARING PROGRAM

President Chet Palesko reported that the LCRA approved the Cost Sharing Application. The LCRA will provide the District \$17,000 to upgrade the District's meters. There was discussion of the insurance provisions in the contract. The contract provides that Inframark will need to indemnify the LCRA and obtain insurance sufficient to protect the District and the LCRA. President Palesko will discuss this matter directly with Inframark and Attorney Bill Flickinger. President Palesko reported that the District will be required to provide annual updates on the project to the LCRA, as well as provide actual costs associated with the project versus what the District has actually spent on the project. President Palesko advised that he will handle the reporting with the LCRA.

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 that in connection with the mapping of the irrigation fields, they still need to get with Pios on establishing signal wire connections for the part of the system east of Senna Hills Drive. He will also work with Inframark on this matter.

Mr. Ferguson did not have an update on the improvements to the stormwater collection system at the amenity center during the recent rain events. Lisa McKenzie reported that Brian Klaas advised that the water cleared the area.

There was discussion of the status of the pond liner project. The project is still on plan for August. President Chet Palesko would like to have a committee meeting the second week of June to review the details and have time to inform the residents. Lisa McKenzie inquired about the possibility of a supply chain delay. Mr. Ferguson noted that he has not yet heard from the pond liner supplier on this issue. However, overall there is a supply chain delay with multiple suppliers.

Mr. Ferguson discussed the status of the SHL site plans and development activity. TxDOT reported that there has been no progress on the driveway permit. Mr. Ferguson received an email from the SHL engineer indicating that they are responding to City of Austin comments on the site

plan and will be updating them. He will provide the updated plans to Mr. Ferguson when they are ready.

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, per diems and fund transfers with the Board. The District's budget is \$30,000 to the good year-to-date. Lisa McKenzie inquired if the remaining electronic meters have been ordered and paid for. Manager Kristi Hester stated that they have been ordered but the time to delivery is expected to be two months so payment has not been made. Mr. Douthitt discussed the District's values and tax rate. The values should be received in July and then the District will start preparing the annual budget and proposed tax rate. After discussion, President Chet Palesko entertained a motion. Motion was made by Lisa McKenzie and seconded by Corey Newhouse to approve the financials and payment of the invoices, per diems and authorize the 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
- e. Leak detection investigation

Manager Kristi Hester discussed the Executive Summary with the Board.

Mrs. Hester reported on the wastewater treatment plant. The average flow was 80,000 gpd. The plant is running at 80% capacity. All facilities are in compliance for the month. Mrs. Hester discussed repairs at the plant. David I. Perl asked if the drum screen failures are unusual. Mrs. Hester stated that she inquired about those failures as well and determined that this is not unusual. She suggested this is something the District should probably start budgeting for. The cost to replace the gear motors on the drum screens is \$3,580.

Mrs. Hester and the Board discussed the leak investigation results from SAMCO. The repairs were completed yesterday. Mr. Perl asked for details regarding the leaks. The report indicated that a number of small leaks were detected, but not significant altogether. President Chet Palesko and Lisa McKenzie are still concerned with the water loss and want to move forward with further investigation. The leaks total 2 million gallons per month, which is a significant loss. Mrs. Hester will contact SAMCO for another round of review and possible isolation testing by Inframark.

Mrs. Hester then discussed the pump repairs needed at Lift Station 1. The repair costs total \$13,492. If the pump is replaced, it would cost \$23,927. Inframark suggests that the District rebuild pumps one time and then when another repair is needed, replace the pump, so repairs are recommended at this time.

The pond inspection report was included in the agenda package for review. The report notes several items for repairs at a cost of \$8,000.

After discussion of the expenditures above, President Chet Palesko entertained a motion. Motion was made by David I. Perl and seconded by Lisa McKenzie to approve the following: 1) additional expenditures for leak testing not to exceed \$3,000; 2) expenditure of \$13,492 to repair the pump at Lift Station 1; 3) expenditure of \$3,580 to replace the gear motors on the drum screens and 4) expenditure of \$8,000 for pond maintenance by Inframark. The motion carried unanimously.

President Chet Palesko inquired if there was significant flow into the plant after the big rain events. Mrs. Hester reported that there was some I&I flow. Inframark also found open stacks and replaced six caps during the recent leak investigation.

Mrs. Hester discussed a customer's grinder pump failure. Inframark is providing the repairs and will put the cost of the repairs on the owner's water bill. The owner was put on a payment plan to pay for the repairs. There was discussion of the current grinder pump letter that has previously been sent to residents that have grinder pumps and which is posted on the District's website. President Palesko would like to update the letter. Lisa McKenzie asked if Inframark has an inventory of the age of the 33 grinder pumps within the District. Mrs. Hester indicated she does not.

Mrs. Hester reported that the Water Quality Report is all in compliance. This report will be posted on the District's website.

Lisa McKenzie inquired about the irrigation signs within the District. She asked that a notice be put in the water bills this month. There was discussion of the location of the signs and their design. Mrs. McKenzie and Corey Newhouse will review the sign design with Mrs. Hester. President Palesko advised that those signs need to be put back up.

There were two disconnects of water service due to nonpayment this period. After disconnection, those accounts were paid and reactivated.

12. ELECTRONIC METERS

This item was discussed as part of the Bookkeeper's Report.

13. INSURANCE PROPOSALS WITH AJ GALLAGHER; NOTICE TO TML

Joe Szoo stated that he is reviewing the proposed insurance from AJ Gallagher. It appears that there is a cost difference between AJ Gallagher and the current provider. Attorney Bill Flickinger advised of the different coverages from TML and AJ Gallagher. Director Szoo would like to see a side-by-side comparison. Jeniffer Concienne will forward that information to the committee for review. Directors Szoo and Newhouse will provide an update at the next board meeting.

14. 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 discussed under the Engineer's Report above.

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

The next several Board meeting dates are as follows: June 25th, July 30th, August 27th, September 24th and October 29, 2021.

Attorney Bill Flickinger discussed the possibility of the Board's meeting back in person. After discussion, the Board will continue to meet via Zoom for the time being.

17. LEGISLATIVE UPDATE

Attorney Bill Flickinger discussed the legislative session. After June 16th, he will provide an update on the bills that have passed and that could affect the District. Bookkeeper Allen Douthitt discussed S.B. 3 that mentions not being able to collect utility payments during heat or freeze advisories.

18. REQUEST FOR RECOMMENDATION BY THE DISTRICT FOR WILLATT & FLICKINGER, PLLC.

Attorney Bill Flickinger asked if the District would provide a recommendation letter for his firm. After discussion, motion was made by Corey Newhouse and seconded by Lisa McKenzie to authorize President Chet Palesko to write a letter of recommendation for Willatt & Flickinger, PLLC. The motion carried unanimously.

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

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 8:44 a.m.

At 9:16 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.


21. ADJOURN

President Chet Palesko adjourned the meeting.



David I. Perl, Vice President

ATTEST:



Lisa S. McKenzie, Secretary

[SEAL]