

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 January 28, 2022 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 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, Hunter Hudson and Jeniffer Concienne of Willatt & Flickinger, PLLC, Robert Ferguson and Anand Patel of Murfee Engineering, Kristi Hester and Kay Olsen of Inframark, Allen Douthitt of Bott & Douthitt and Ashlee Martin of McCall Gibson.

3. PUBLIC COMMENTS

No public comments were made.

4. §49.063(c), TEXAS WATER CODE: ANNUAL NOTICE REQUIREMENT FOR DISTRICTS THAT HOLD MEETINGS OUTSIDE OF THE DISTRICT

This notice is an annual notice requirement for Districts that hold meetings outside of the District. No action is required.

5. 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 December 17, 2021 board meeting as presented. The motion carried unanimously.

6. ANNUAL AUDIT SUBMITTED BY MCCALL GIBSON SWEDLUND BARFOOT

Ashlee Martin presented the annual audit to the Board. The District received a clean unmodified opinion, which is the best given. Ms. Martin provided a high-level overview of the District's financials. In regard to the required communications, there were no disagreements or adjustments by management. After discussion, President Chet Palesko entertained a motion. Motion was made by Lisa McKenzie and seconded by Corey Newhouse to approve the audit as presented and authorize the Board President to execute the Annual Filing Affidavit and file it with the TCEQ and Texas Comptroller. The motion carried unanimously.

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

This item was not discussed.

8. LCRA COST-SHARING PROGRAM

This item was mentioned under Item No. 14.

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

a. TCEQ permit amendment

Engineer Robert Ferguson introduced Anand Patel from his office. Mr. Patel has been and will continue to work on engineering matters for the District. He will also start attending the board meetings.

Mr. Ferguson discussed his report as included in the agenda package.

Mr. Ferguson reported on the progress of mapping the irrigation fields. There are still issues with the system, however, a lot of the system is operating and they have come a long way with this project. Lisa McKenzie asked Manager Kristi Hester how they were inspecting the drip irrigation fields. Mrs. Hester discussed the process and reported that Inframark did not end up hiring in-house irrigation specialists as was discussed a few months back.

There was discussion of the WWTP permit amendment application. Mr. Ferguson reported that SHL submitted a few comments to the draft amendment and the application has now been prepared for signatures.

The consultants and Board also discussed the need to repair areas of the pond liner due to folds and ceases being split open. Mr. Ferguson's office will send over some suggestions on those

repairs. These repairs will be minor due to full replacement of the liner this summer. President Chet Palesko asked if the replacement project should be bid out earlier than discussed due to product availability and shipping delays. Mr. Ferguson indicated that it should not be a problem as currently scheduled.

10. 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.

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

Manager Kristi Hester will provide the MS4 information to Lisa McKenzie for the March HOA newsletter.

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

Bookkeeper Allen Douthitt discussed the financials, invoices, per diems, fund transfers and bond payments with the Board. The District's budget is tracking well. The tax collection through December is 60%. Lisa McKenzie discussed the charges from Badger in regard to the endpoints for the electronic meters. It appears that two more endpoints have been connected. Manager Kristi Hester will contact Jeff Watson to advise that the District should not be charged the pilot program costs, as the master agreement was approved and signed previously, and the District should be charged the agreed upon price. After discussion, President Chet Palesko entertained a motion. Motion was made by Corey Newhouse and seconded by Lisa McKenzie to approve the financials, payment of the invoices, per diems, bond payments and authorize the three fund transfers as presented. The motion carried unanimously.

13. DISTRICT MANAGER'S REPORT ON OPERATIONS

- a. Wastewater Treatment Plant
- b. Distribution System – Billing
- c. Collection System
- d. Drainage/Ponds
- e. Customer Requests
- f. Landscape Maintenance Contracts; Additional landscaping services
- g. Inspections of HOA effluent irrigation system
- h. Leak detection investigation; possible refund from SAMCO
- i. Splash pad
- j. Pool construction at 10621 Strawflower
- k. Utilimatics, LLC discussion on pressure & flow monitoring

Manager Kay Olsen discussed the Executive Summary with the Board.

Ms. Olsen reported on the wastewater treatment plant. No compliance issues were noted in the month of December. There was 2.39 mg of wastewater treated for the month of December. The plant is running at 77% capacity. There were several repair items done at the WWTP and Lift Stations 2 & 5.

In connection with the Distribution System & Billings, PRV information was distributed to residents with Lisa McKenzie's help via the HOA's newsletter. The District had a 5% water loss this reporting period. Ms. Olsen stated that Lonestar Paving will be patching the area on Datura, completing the repairs required in connection with the large water leak.

There was discussion of a resident's unauthorized access to the detention pond beside Bee Cave Road and subsequently getting his truck stuck in the mud. The Board discussed the access to the pond. President Chet Palesko stated that the resident issued an apology letter and repaired the ruts in the grass. Inframark will place large rocks along the roadway to the WWTP to prevent future unauthorized access to this pond area. No further action is needed.

Ms. Olson discussed the various customer requests that were received. One resident is disputing the \$175 fee charged by Inframark for the after-hours inspection of a sewer backup. The sewer backup was found to be on the resident's side. After discussion, the Board's consensus was to collect the fee as charged.

Manager Kristi Hester reported that she talked to Sam Godfrey regarding the recent leak detection survey and the Board's wish to receive some type of credit due to the missed water leak on Datura. Mr. Godfrey stated he gave it his best effort and there can never be a guarantee that all leaks will be found. He denied the credit request. The Board will keep this in mind when a future water leak investigation is needed.

President Palesko reported on Utilimatic's proposal for pressure and flow monitoring. Utilimatics is creating a pilot model to help with leak detection. They have presented a draft contract for the Board's review. After discussion, President Palesko would like to meet with them to obtain further details. President Palesko and Corey Newhouse will be the committee to work on this project. Ms. Olsen will send President Palesko the GIS map for the distribution system for his review and preparation.

14. ELECTRONIC METERS

President Chet Palesko reported that he received a quote for the two tracking meters for \$3,900 each. These meters will be installed adjacent to the PUA master meters, allowing for real time tracking of flows into the District. Joe Szoo asked if an electronic meter was going to be installed at the pool. There was discussion of ordering a 2" meter for that purpose. There was also discussion of needing endpoints for the two tracking meters. President Palesko said that two of the Directors' endpoints could be used. After discussion, motion was made by Corey Newhouse and seconded by Joe Szoo to authorize President Palesko to order the two tracking meters and a 2" meter for the amenity center. The motion carried unanimously.

15. BILLING ADJUSTMENTS

Manager Kay Olsen reported that one water account was disconnected due to non-payment.

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.

17. DATES FOR FUTURE BOARD MEETINGS

The next several Board meeting dates are as follows: February 25th, March 25th, April 29th May 20th.

18. 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.


19. CONTRACT BY AND AMONG THE DISTRICT, SENNA HILLS HOMEOWNERS ASSOCIATION, INC.; SENNA HILLS, LTD. AND THE SENNA HILLS TRUST; IMPLEMENTATION OF MEDIATED SETTLEMENT AGREEMENT; APPLICATION TO AMEND PERMIT

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 8:45 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.

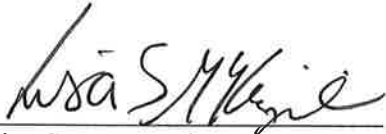
20. ADJOURN

President Chet Palesko adjourned the meeting.



Chet Palesko, President

ATTEST:

A handwritten signature in cursive script, appearing to read "Lisa S. McKenzie". The signature is written in black ink and is positioned above a horizontal line.

Lisa S. McKenzie, Secretary

[SEAL]