

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 June 22, 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:

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

thus constituting a quorum. President Chet A. Palesko participated via Zoom.

Also present at the meeting were Bill Flickinger, Greg Szuman and Jeniffer Concienne of Willatt & Flickinger, PLLC, Anand Patel and Jason Baze of Murfee Engineering, Makenzi Scales and Missy Roberts of Inframark and Allen Douthitt of Bott & Douthitt.

3. PUBLIC COMMENTS

No public comments were made.

4. MINUTES OF PRIOR MEETINGS

President Chet Palesko 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 20, 2022 board meeting. The motion carried unanimously.

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

There was discussion of the watering restrictions from the PUA. It appears that residents are watering on Sundays. The District will need to notify the residents of the current restrictions. President Chet Palesko noted that the drought is going to probably get worse and the restrictions will most likely go to Stage 4. If it gets worse, the District can fine violators if need be. The Board discussed the best method for notifying residents of the restrictions, such as signage, Inframark patrols, posting on Nextdoor, TownSquare, the District's website and providing the information on the water bills. President Palesko advised that this is serious and needs to be paid attention to. It needs to be clear that the message is from the MUD and not the HOA. Attorney Bill Flickinger advised that the most recent PUA notice does not match the District's Drought Contingency Plan nor the PUA's. The District can only enforce what its current plan says. The PUA is issuing notices that do not follow the District's plan. David I. Perl wants to notify the residents that the water restrictions will start being enforced. Mr. Flickinger will determine which District stage matches the PUA's Drought Continue Plan the closest and that will be the notice sent to the residents. It appears that Stage 2 is the closest. Corey Newhouse asked about the fines. The fines are \$500 and up depending on the violation. There is no fine associated with the first notice of violation. Lisa McKenzie advised that she will help coordinate the appropriate notices. Mrs. McKenzie asked about including a rate in the rate order for high volume water consumers. Consensus was not to change the rate order at this time.

6. LCRA COST-SHARING PROGRAM

The Board discussed the formal requirements on reports for the LCRA Cost-Sharing Program. The funds were provided to the District in July 2021 and the one-year deadline is coming up. However, due to supply issues and shipping delays, President Chet Palesko feels that the District is in good shape. President Palesko stated that he is the lead on the reporting. The District has already spent a lot of money for the electronic meters and endpoints, demonstrating its commitment to completing the project. President Palesko asked Bookkeeper Allen Douthitt to take all the transactions on this project and export them from accounting so that President Palesko can see the costs. Mr. Douthitt anticipated this and will pull all the invoices and provide them to President Palesko.

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

- a. TCEQ Permit amendment
- b. Effluent Pond Liner Replacement

Anand Patel discussed the engineer's report as included in the agenda package.

Mr. Patel updated the Board on the mapping of the irrigation fields. Mr. Patel has been contacting the PIOS representative to see when he is planning to visit the irrigation fields but has not received a response from him in the past few weeks. Last time the PIOS representative was in the District, they did not notify MEC. Mr. Patel has asked PIOS to keep him in the in loop on the visits to the irrigation fields.

In connection with the wastewater treatment plant permit, the 30-day public comment period ended in early June. No public comments were received. Mr. Patel reported that they did receive TCEQ agronomy review comments. David I. Perl asked what those comments were about. Mr. Patel reported that MEC asked to increase the permitted slope to 11% and the TCEQ denied that request and stayed at the original 10%. MEC then decided to increase the application rate to 3.1% and the TCEQ accepted that request. The revised exhibits were submitted to the TCEQ. Lisa McKenzie asked for clarification confirming that the District can put more water on the existing irrigation fields but cannot expand the area under irrigation in the existing irrigation fields.

Mr. Patel reported that they are stilling working with Inframark on getting the pond level low enough to sample the residue at the bottom of the pond. Once that occurs, they will get a third-party to sample the residue. Manager Makenzi Scales stated that this is a slow process and hopes to be able to take samples next month. Mr. Perl asked if the residents closest to the pond have been notified. Mrs. Scales advised that she will check on that with Manager Kay Olsen and if not, can hang door tags.

The 90-day review period ended as of June 1<sup>st</sup> for TCEQ comments on the Emergency Preparedness Plan. No comments were received.

Mr. Patel discussed the status of the SHL site plans and development activity. The SHL site engineer has been addressing the comments provided by the City of Austin and MEC. MEC is reviewing SHL engineer's request regarding water impact fees and the PUA. The review process is still underway. Mr. Perl asked about the next steps with the City of Austin. Mr. Patel indicated that he believes the City of Austin will approve the site plan once all the comments are addressed. Once that is received and the TLAP is completed from TCEQ, construction on the office building will probably commence. Attorney Bill Flickinger reminded the Board that the District will have to sign off on the site plan. There was also discussion of updating the Phase 1 Environmental Assessment plan on the lots deeded to the HOA.

There was discussion of the HOA MS4 compliance issue at the amenity center. Mr. Patel had no significant update on that matter. The HOA is still trying to see how to move forward with the required improvements.

Mr. Patel advised that MEC is available to assist with the HOA's median irrigation issues. Lisa McKenzie discussed the runoff and pooling of effluent during irrigation of the median, which has been a long-standing issue. When areas are in use, there is not supposed to be any effluent irrigation. A while ago, the HOA switched from spray irrigation to dip irrigation to help alleviate the issues, but that has not solved them. Manager Makenzi Scales contacted the new manager for the HOA irrigation company this week to discuss the irrigation issues. They appear to be working towards a fix. Attorney Bill Flickinger advised that the biggest concern is that the runoff is a violation of the District's TCEQ permit. If not fixed, that station will need to be turned off. Mrs. Scales will notify the irrigation company that these issues are a violation of the District's permit so that they are aware. There was discussion of how to get irrigation repairs made in a timely manner, keeping the effluent on and not letting the plants die. Engineer Jason Baze noted that if the effluent is turned off, then there will be more effluent going into the pond and will need to be irrigated out, which could also cause an issue.

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 HOA AMENITY CENTER DRAINAGE FACILITIES

This item was discussed in the engineer's report.

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

Bookkeeper Allen Douthitt discussed the financials, invoices, per diems and fund transfer with the Board. Mr. Douthitt reported that the District sold more water this year than last. Year to date, the budget is \$127,000 to the good. Mr. Douthitt presented proposed budget numbers for the upcoming year. He would like the District to never get under one year of operating reserves. As previously stated, the District's financials look good if the Board is wanting to move forward with the pond liner replacement this fiscal year. Mr. Douthitt discussed the Atlas invoice that is outstanding. There was discussion of whether or not the master meters have been shipped. After discussion, motion was made by Corey Newhouse seconded by Lisa McKenzie to approve payment of the invoices and per diems and authorize the fund transfer as presented and hold the Atlas payment until the meters are received. The motion carried unanimously.

11. 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. Pool construction at 10621 Strawflower
- i. Utilimatics, LLC discussion on pressure & flow monitoring; Agreement with Utilimatics, LLC

Manager Makenzi Scales reported on the executive summary.

Mrs. Scales reported that Zach Willeford, the District's Operations Manager, will be transferring to the Dallas office. Jesse Black has been hired to replace him. The District should not see any difference. Mr. Black has been working with Mr. Willeford for a few weeks and will continue to do so for a few more months before the transfer occurs.

There was discussion of the wastewater treatment plant and needed maintenance items. Mrs. Scales reported on the permeate pump replacement. The quote came in at \$5,772 for the

pump only. In addition to that, a bleach tank replacement needs to be done now. The quote for that repair is \$2,715. David I. Perl asked if the spare pump motor needs to be replenished at this time. Ideally, the District should have one of each as reported by Mrs. Scales. The District can probably put that item in next year's budget. Mrs. Scales reported to the Board that Rip Miller reached out to Inframark about an intruder coming and going from the pond area. The intruder is utilizing the area next to the gate for entrance. Mr. Miller would like to put a large rock to block the entry next to the gate. Inframark informed Mr. Miller to go ahead with installing a large rock but do not block the access to the gate. There were a few more maintenance items, such as the Y strainer replacement and the main water feed line to the rotary screens. Inframark has repaired this several times, but the water pressure is causing leaks. Inframark is looking for a more durable solution. Mrs. Scales will bring an update back to the next board meeting.

The water accountability for May is 99.7%. The update to the grinder station procedures will be discussed under the rate order. There was discussion of the updated notices for the paperless billing. All paperless billing customers have the ability to review the notices. The 2021 Consumer Confidence Report was completed. After discussion, motion was made by Joe Szoo and seconded by Lisa McKenzie to approve the 2021 Consumer Confidence Report as presented. The motion carried unanimously. Mrs. Scales discussed the commercial/non-residential accounts audit. Inframark verified all meters are being billed correctly. Mrs. McKenzie inquired about what meters were checked other than the pool since there are no commercial users in the District. Mrs. Scales advised it would have been the tracking meters and the pool. In connection with delinquent accounts, there were nine letters mailed out, six door tags hung and three disconnects. There was discussion of the 120-day delinquents. Missy Roberts discussed those accounts and reported they were false balances. It is hoped they will be cleared by next month's Board package.

Inframark has made good progress on draining the effluent pond and hopes to be able to take sediment samples next month.

Mrs. McKenzie asked Mrs. Scales to inform the District's operators that if they see effluent runoff occurring on Senna Hills Drive to please report it to her and then for her to report it to the Board if it is ongoing.

Mrs. Scales reported on the driveway extension on Gaillardia. It appears that this work was done back in 2021 and was not approved by the HOA nor was the District notified. The extension paved over the District's clean out and meter box. Last month, the meter reader discovered the sewer clean out cap was broken. The meter box and lid are not traffic grade. The cap has since been replaced. The Board reviewed the photos and discussed the next steps. The District's issue is that the residents are driving over the meter box, which could cause damage to the District's meter and water connection. If repairs need to be made, the concrete will need to be broken up around the meter box, sidewalk and driveway apron to fix any issues. The infrastructure in the meter box belongs to the District. Inframark is getting a quote to replace the meter box and lid with a traffic grade box and lid. There was also discussion if the endpoint for the electronic meter will withstand being run over. These repairs will need to be paid by the owner. As of today, the owners have not been contacted on these issues. Joe Szoo recommends that since the owners did not seek approval before the construction, it should be put back to its original condition and

counsel should send a demand letter to the owners on that remedy. After further discussion, Attorney Bill Flickinger recommended having his office prepare a demand letter to the owners. Motion was made by Corey Newhouse and seconded by Joe Szoo to authorize the District's attorney to write a demand letter to the owners advising them that the work that was done was not approved by the District or HOA and they need restore the area to its original condition or the District will take action to restore it at the owner's cost. The motion carried unanimously. The demand letter will include a 30-day deadline. Mr. Flickinger will also include language asserting a DRV violation.

Ms. Roberts discussed the electronic meter installation status. Inframark has all the endpoints in inventory and has started installing them. There are approximately 172 meters ready for direct reading. The conversion has been completed and the owners can be notified they can access EyeOnWater to monitor their water use and identify possible leaks. Ms. Roberts stated that Inframark can now start to pull those reads directly. Inframark will provide notification to those owners soon. The remainder of the endpoints still need to be installed and converted, but the delay in receipt of the District's order for plastic meter box lids is delaying those installations. David I. Perl and Mrs. McKenzie discussed the failures with their endpoints/reads. President Chet Palesko expects that there will be failures at first and it will be a learning curve for all. If there is failure, the meters can always be read manually. Mrs. McKenzie asked about the number of spare endpoints that will be in stock for use. Inframark will have around 15 in stock. Notification of the installation of the endpoints and possible ways the endpoint could get damaged should be sent to the owners so that they are aware. Mrs. McKenzie inquired about the status of the plastic meter lids. Mrs. Scales advised that they should arrive in July but could be delayed until fall. President Palesko noted that as soon as the large tracking meters arrive, they should be installed. This will help with leak detection if needed. President Palesko requested that Inframark prioritize this installation ahead of the residential meters. There was discussion as to the location of the endpoints on the master meters. Inframark is working on this and will get back with the Board. President Palesko informed Inframark that they are strap-on devices that go around the existing pipe. Theoretically, they can be installed where convenient.

Motion was made by Lisa McKenzie and seconded by Joe Szoo to authorize the expenditures for the bleach tank replacement for \$2,715 and the permeate pump #1 for \$5,772. The motion carried unanimously.

## 12. RAS SIDEWALK STUDY IN SECTIONS 5B AND 6

Lisa McKenzie discussed the RAS sidewalk study in Sections 5B & 6 that was approved by the HOA. The driveway extension on Gaillardia is an example of an issue that may arise with needed accessibility corrections to the sidewalks. There are potential issues with handicap accessibility on the sidewalks, such as a meter that may be at the edge of the driveway. This meter location would need to be corrected for accessibility. No action is required by the District, this is just an item to be placed on the radar.

## 13. STORMWATER ISSUES ON RIVINA

There was no update. This item will be removed from the next agenda.

#### 14. LIGHTING AT LEMON MINT PARK

Lisa McKenzie discussed the lighting at Lemon Mint Park. This topic was discussed a while back. Recently, the HOA approved installing those lights. The lighting would help discourage bad behavior at the gazebo by the playground. The HOA will need to connect to the District's electrical source at the lift station. After discussion, motion was made by Corey Newhouse and seconded by Lisa McKenzie to allow the HOA to connect to the District's electrical source at no charge. The motion carried unanimously.

#### 15. RATE ORDER (GRINDER PUMPS)

Attorney Bill Flickinger discussed the grinder pump process in relation to the rate order. This matter should be addressed by a committee to work through the process and prepare an approved vendors list so that there is an option of who can work on the grinder pumps. President Chet Palesko and David I. Perl will make up the committee. This item will be brought back to the Board for discussion at a later time.

#### 16. ELECTRONIC METERS

This matter was discussed in the Manager's Report.

#### 17. BILLING ADJUSTMENTS

Missy Roberts discussed a leak adjustment in the amount of \$445.00. The homeowner repaired the underground connection from the copper pipe to the PVC pipe. After discussion, motion was made by Joe Szoo and seconded by Lisa McKenzie to approve the \$445.00 leak adjustment as presented. The motion carried unanimously.

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

This item was discussed above in the engineer's report.

#### 19. DATES FOR FUTURE BOARD MEETINGS

The next Board meeting dates are as follows: July 29<sup>th</sup> and August 26<sup>th</sup>.

#### 20. 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

Attorney Bill Flickinger reported that Chet Palesko and David I. Perl are up for re-election. Mr. Flickinger discussed the Resolution authorizing the Board Secretary to appoint our office to perform the duties during the election period. Motion was made by Corey Newhouse 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.

Mr. Flickinger stated that the Notice of Deadline to File Application for Place on Ballot will be posted as required.

21. 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 discussed in the engineer's report.

22. 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

This item was discussed in the engineer's report.

23. ADJOURN

Vice President David I. Perl adjourned the meeting.

  
Chet Palesko, President

ATTEST:

  
Lisa S. McKenzie, Secretary

[SEAL]