

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 November 18, 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 A. Palesko - President  
David I. Perl – Vice President  
Lisa S. McKenzie – Secretary  
Corey Newhouse – Assistant Secretary

thus constituting a quorum. Assistant Secretary Joe Szoo was absent.

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

Attending via Zoom were Bill Flickinger with Willatt & Flickinger, PLLC and Courtney Foré of Hurst Creek Capital.

3. PUBLIC COMMENTS

Courtney Foré stated that she is participating so that she can stay current on the District's rate order discussions.

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 Lisa McKenzie to approve the Minutes of the October 28, 2022 board meeting as presented. The motion carried unanimously.

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

Manager Makenzi Scales reported that the License Agreement with the West Travis County PUA has been executed by both parties. She is waiting on the last proposal for electrical work before they start the installing the meters in the WTCPUA vault.

6. LCRA COST-SHARING PROGRAM

President Chet Palesko reported that he received feedback from Utilimatics on the contract with the District. He has not yet had the time to review the changes. Corey Newhouse stated that it looked fine to him. Once President Palesko looks at the contract, he will provide it to Attorney Bill Flickinger for final review.

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

- a. TCEQ Permit amendment
- b. Site Plan for SHL Offices; Status of construction
- c. Effluent Pond Liner Replacement

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

Mr. Patel reported on the final TCEQ permit. Attorney Bill Flickinger stated that his office received it in the mail. The time frame to overturn the motion is 23 days after issuance, which will be December 8<sup>th</sup>.

Mr. Patel reported that Horizon Environmental Services reported that the residue from the pond is not hazardous material, it is just mud. Anand Patel and Engineer Jason Baze discussed the bidding process for this project, which will occur next year. With the new information, it is hoped there will be additional bidders interested in the project. The rock retaining wall will still be a concern for most bidders.

The site plan for the office center was approved earlier this month.

In regard to the HOA amenity center, MEC provided a draft proposal to install a filtration system to improve the quality of the stormwater discharging into the District's system but have not yet heard back from the HOA. Mr. Patel will keep the Board updated on the process. David I. Perl inquired if this item is a budget item from the HOA. Lisa McKenzie stated she is not sure, but the HOA did increase the dues from \$80 to \$100, effective in January.

Attorney Bill Flickinger discussed the TCEQ TLAP process. The District agreed with Rip Miller to file the administration application with the TCEQ to remove Rip Miller from the permit after the main permit was completed. Since the Board is not meeting until January 6, 2023, the Board should consider authorizing the engineers to proceed with the TCEQ application to remove Rip Miller as co-permittee and authorize the Board President to execute the application when it is complete. Lisa McKenzie asked to discuss this topic further in closed session.

8. CONSTRUCTION PROJECTS WITHIN THE DISTRICT, INCLUDING ADVERTISEMENT FOR BIDS AND APPROVAL, AWARD, RECOMMENDATION, ADMINISTRATION OF CONSTRUCTION CONTRACTS, CHANGE ORDERS AND PAY ESTIMATES

Engineer Jason Baze stated a pre-construction meeting is planned for early December for the office center. Mr. Baze will provide the scheduling to Manager Makenzi Scales. This pre-construction meeting is usually held at the project site. Lisa McKenzie inquired about the erosion controls for the project. Mr. Baze discussed those controls as stated on the project's plans. He will review the plans to check on the construction rock entrances. The concern is mud getting all over Senna Hills Drive. If that is the case, it will need to be reported.

9. MS4 PERMIT; MAINTENANCE OF DRAINAGE EASEMENTS AND PONDS; ISSUES WITH 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 per diem for Joe Szoo will be voided due to his absence. The District's budget is in great shape. Since there will not be a December board meeting, if any issues come up, Mr. Douthitt will contact President Chet Palesko for approval. After discussion, motion was made by David I. Perl and seconded by Corey Newhouse to approve 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. 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/cabana/sports court construction on Straw Flower
- i. Utilimatics, LLC discussion on pressure & flow monitoring; Agreement with Utilimatics, LLC

Manager Makenzi Scales reported on the executive summary.

Mrs. Scales reported that all facilities are in compliance for October. There was 2.52 million gallons of wastewater treated, with an average daily flow of 83,933 gallons. The plant is running at 84% capacity. Mrs. Scales updated the Board on wastewater treatment plant repairs.

There was additional discussion from last month regarding fencing around the lift stations for added security. At the request of the Board, Inframark ensured that the fencing will only encompass the District lift stations and no other utilities. Engineer Jason Baze indicated new rules for the fencing require an 8' fence. This project will also include double gates at each lift station. Mrs. Scales stated that the total project will be \$19,020.00. After discussion, motion was made by Lisa McKenzie and seconded by Corey Newhouse to approve the expenditure for fencing around the Lemon Mint and Senna Hills lift stations. The motion carried unanimously.

Mrs. Scales reported on a sink hole located on Rivina Drive. The concaved concrete is near an irrigation shut-off valve. The Inframark crew checked for any leaks in that area, and none were found. It is likely that there may have been a leak at some time, but it had been repaired and over time caused the ground to concave.

The water accountability is 93.9% for October.

Mrs. Scales stated that six delinquent letters were mailed out, four door tags were hung and no disconnects occurred this period.

The new effluent pond meter has been installed.

Mrs. Scales reiterated the status of the remote shut-off meter, wherein the meter is located within a resident's fence. The meter has been ordered, but they do not have an estimated time of arrival yet.

Lisa McKenzie asked that Inframark inspect the HOA irrigation system on an annual basis. This is probably a couple years past due. The Board also needs to discuss the treated water irrigation. The numbers are very high. Mrs. McKenzie has discussed this with HOA member Brian Klaas. Something is still off with the HOA irrigation use. Mrs. Scales met with PIOS and they repaired some issues under warranty. There are still zone issue repairs that need to be made. Mrs. McKenzie would like to find a more reliable irrigation contractor for the next phase of repairs.

Mrs. Scales reported that there are now 106 users on EyeOnWater.

President Chet Palesko stated that all the electronic meters are now installed except for the two vault meters and the one with the driveway extension. Mrs. Scales stated that all the accounts are set up with EyeOnWater, but the residents must log into the system. Inframark is able to track all the water use. Once those three additional meters are installed, water accountability can be tracked through the EyeOnWater.

12. DEMAND LETTERS TO OWNERS REGARDING DUMPING ON DISTRICT PROPERTY AND DRIVEWAY IMPROVEMENTS IMPACTING UTILITY OPERATIONS; CHARGES, FINES AND POSSIBLE LEGAL ACTION IN CONNECTION WITH SAME

Attorney Greg Szuman reported that the last letter went out on November 1<sup>st</sup> with Inframark's quote and rejection of the pea gravel. The owners rejected the Inframark's quote and

wanted to get their own contractor. Their contractor began work but then the owners found out that he was not insured or licensed, and the work stopped. Fast forward a couple of weeks and now the owners want to revisit relocating the meter. The committee is not inclined to review that request again as the deadline is December 1<sup>st</sup>. This matter has been ongoing since June. President Chet Palesko stated that there will be no more extensions. Attorney Bill Flickinger discussed a couple of alternatives, one being tear up the driveway and the other is to start fining the owners and charging costs associated to the violation of the District's rules. There was consensus to start the fining process. Attorney Greg Szuman will notify the owners of the December 1<sup>st</sup> deadline and the fining process. Once again, it was noted the HOA did not approve the driveway extension. Attorney Bill Flickinger will circle back to the committee on the amount of fines and then will coordinate with Inframark.

13. RATE ORDER

President Chet Palesko will defer any discussion on the rate order until after closed session.

14. ELECTRONIC METERS

Lisa McKenzie stated that she would contact the HOA to do an email blast on signing up for EyeOnWater. Manager Makenzi Scales stated that when the meters are read, they can hang door tags with the information.

15. BILLING ADJUSTMENTS

This item was not discussed.

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

David I. Perl reported on some purple irrigation hose that is exposed up and down Senna Hills Drive. Manager Makenzi Scales stated that she would send a technician out to check on it.

17. DATES FOR FUTURE BOARD MEETINGS

The next Board meeting dates are as follows: January 6<sup>th</sup>, January 27<sup>th</sup> and February 24<sup>th</sup>.

18. DIRECTORS ELECTION

- a. Certificates of Election, Statements of Elected Officials and Oaths of Office
- b. Election of Officers

Attorney Bill Flickinger reported that Chet Palesko and David I. Perl have been re-elected for another term as there was no contest. Jeniffer Concienne swore Chet Palesko and David I. Perl into office. After every election, you the Board will need to elect officers. Motion was made by President Chet Palesko and seconded by Corey Newhouse to keep the officer assignments as they are currently. 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.

Courtney Foré has nothing further than what the engineers have already covered.

20. 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; SITE PLAN APPROVAL; AGREEMENT FOR PAYMENT OF SHL COSTS

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 and 14. The Board went into closed session at 7:54 a.m.

At 8:22 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.

President Chet Palesko entertained a motion. Motion was made by David I. Perl and seconded by Lisa McKenzie to approve the Agreement Concerning Payment of SHL Costs as presented. The motion carried unanimously.

A motion was made by Lisa McKenzie and seconded by Corey Newhouse to authorize the District's engineer to proceed with the administrative amendment to the TCEQ permit to remove Senna Hills, Ltd. from the permit as co-permittee and authorize President Chet Palesko to execute the application when it is prepared. The motion carried unanimously.

President Palesko stated that there will be no further discussion of the District's rate order at this time.

21. ADJOURN

President Chet Palesko adjourned the meeting.

  
Chet Palesko, President

ATTEST:



Lisa S. McKenzie, Secretary

[SEAL]