

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 22, 2024 at Willatt & Flickinger, PLLC, 12912 Hill Country Boulevard, Suite 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
Ron Preston – Assistant Secretary

thus constituting a quorum. President Chet Palesko was absent.

Vice President David I. Perl presided over the meeting.

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

Participating in the meeting via Zoom were Bill Flickinger of Willatt & Flickinger, PLLC, Makenzi Scales of Inframark and Andrew Boyle of Utilimatics.

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 Ron Preston to approve the Minutes of the October 18, 2024 meeting as presented. The motion carried unanimously.

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

Attorney Bill Flickinger reported that the WTC PUA met on Monday and moved back to Stage 1 watering restrictions. The District will need to move back to Stage 1 as well. President Chet Palesko usually makes that decision, however, in his absence, Mr. Flickinger recommends a motion to move back to Stage 1 of the District's Drought Contingency Plan. Stage 1 allows twice per week watering. Mr. Flickinger discussed the permanent year around restrictions and the Stage 1 drought restrictions, which are basically the same. After discussion, Vice President David I. Perl entertained a motion. Motion was made by Lisa McKenzie and seconded by Ron Preston to move to Stage 1 in the District's Drought Contingency Plan. The motion carried unanimously. Mr. Flickinger also reported that the WTC PUA amended their Drought Contingency Plan. President Chet Palesko prepared a red-line version of the District's plan with the proposed changes, including the change in watering hours in Stage 1 to 6AM-10AM and 7PM-10PM. The reason for that change is that the WTC PUA wants to fill its tanks at night. Ron Preston noted that another change the WTC PUA made was to remove the provision in Stage 2 that did not allow for irrigation from November through February. Mr. Flickinger advised that this provision still remains in Stage 3.

6. PUBLIC HEARING ON DROUGHT CONTINGENCY PLAN

Vice President David I. Perl opened the public hearing on the Drought Contingency Plan. Hearing no comments, Vice President Perl closed the public hearing.

7. AMENDMENT TO DROUGHT CONTINGENCY PLAN

After discussion of the changes made by the WTC PUA to its Drought Contingency Plan and the changes to the District's Drought Contingency Plan, Vice President David I. Perl entertained a motion. Motion was made by Lisa McKenzie and seconded by Corey Newhouse to adopt the Resolution Approving Amended Drought Contingency Plan as presented. The motion carried unanimously.

8. LCRA COST-SHARING PROGRAM

Corey Newhouse reported that the committee and Andrew Boyle met a couple of times and then with the LCRA after the last board meeting regarding an additional Cost Sharing Agreement. The LCRA agreed to provide \$14,609. This grant will help fund the District's efforts on water conservation and leak detection through the Utilimatics contract. President Chet Palesko will provide documentation on this matter when he returns from vacation.

9. HOA IRRIGATION SYSTEM IMPROVEMENTS

Vice President David I. Perl reported that the committee recently met on this matter. The first step is to obtain quotes for the improvements to the irrigation system. Lisa McKenzie discussed the effluent irrigation map that was included in the agenda package. The map shows

new irrigation lines which were included in the SHL Costs. There was discussion about needing an irrigation planner/designer for this project and Engineer Jason Baze is working on finding one. Corey Newhouse pointed out that the west side of the District has irrigation issues. Mrs. McKenzie asked Manager Makenzi Scales if Inframark has conducted physical inspections on the HOA's irrigation system. Mrs. Scales does not believe so but will get it scheduled. Once the inspections are completed and the deficiencies are noted, the District can cause the HOA to make any needed repairs and move toward the new improvements or systems which will include being able to push enough effluent through the new lines to irrigate all the areas included in the plan. The project will be funded by the District, SHL and HOA. Mr. Baze received proposals on landscape design with a couple different options. He is planning to get with designers/licensed irrigators and meet on site in December. He hopes that he will have proposals for the Board to review at the December board meeting.

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

- a. Site Plan for SHL Offices; Status of construction
- b. Relocation of wastewater and effluent lines under SHL garage
- c. Effluent Pond Liner Replacement
- d. Re-seeding and maintenance of effluent irrigation areas to comply with current permit
- e. Agreement for the Provision of Limited Professional Services submitted by Murfee Engineering for MS4 Permit Renewal

Engineer Jason Baze discussed the Engineer's Report as included in the agenda package.

Mr. Baze reported that Travis Robinson advised that there were no updates in regard to the Senna Center Office site.

The wastewater treatment plant force main relocation project has been completed. The contractor has been paid and the project will include a one-year maintenance warranty.

Mr. Baze reported on the status of the effluent pond liner replacement. The leak detection system is still being monitored. The contractor repaired some pin holes in the seam of the liner, which is not uncommon. Inframark is working on the irrigation pump and jetting the line. Effluent should be flowing to the pond soon. Right now, the District is using temporary pumps. Before the effluent goes in the pond, the irrigation zones will be tested. Once the effluent is diverted to the pond, irrigation will be unavailable until the level rises above the intake screen. The basin from which the HOA's irrigation system draws effluent will continue to be available.

There was discussion on the overseeding, irrigation and MS4 permit renewal. Mr. Baze is coordinating with Inframark for the annual permit overseeding, community outreach, annual reports and inspections. The renewal application will need to be submitted to the TCEQ by February 11, 2025. Manager Makenzi Scales discussed the new regulations. The outreach and reporting deadlines have changed to on a calendar year basis, due by December 31, 2025. All the changes are per the EPA and TCEQ. Murfee is in the process of researching the new permit requirements and preparing for the application process. Mr. Baze discussed the Agreement for the Provision of Limited Professional Services between the District and Murfee Engineering

Company, Inc. in connection with the MS4 permit renewal. Corey Newhouse discussed the fees for time and material on the project. Mr. Baze clarified that this new agreement allows Murfee to account separately for work that it performed for the District under their primary contract in prior years. The cost is not expected to be additive to Murfee's prior invoices. Attorney Bill Flickinger reported that the renewal will go through the TCEQ and then the work will be performed by Inframark. After discussion, Vice President David I. Perl entertained a motion. Motion was made by Lisa McKenzie and seconded by Ron Preston to approve the Agreement for Provision of Limited Professional Services in connection with the MS4 permit renewal as presented. The motion carried unanimously.

11. 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.

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

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

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

Bookkeeper Allen Douthitt discussed the financials with the Board. This reporting is for the new fiscal year. The per diem for President Chet Palesko will be voided due to his absence. Mr. Douthitt reported that he is working on the District's annual audit. The auditor will present the audit at the January board meeting. After discussion, motion was made by Corey Newhouse and seconded by Ron Preston to approve payment of the vendor invoices, per diems and authorize two fund transfers as presented. The motion carried unanimously.

14. 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

Manager Makenzi Scales discussed the Executive Summary with the Board.

All facilities are in compliance for the month of October. There were 2.15 million gallons of wastewater treated, showing an average daily flow of 71,633 gallons, putting the wastewater treatment plant capacity at 71%.

There was an issue discovered with the 240-volt electrical panel for the irrigation pump station near the effluent pond. It appears that when conduit was pulled by Synagro, the contractor on the effluent pond liner replacement project, the conduit was interlaced with the electrical panel and caused the panel to fall over and the panel was damaged. Engineer Jason Baze reported that the panel was located on the backside of the pond by the trail. A list of all items that have been damaged due to this project will be submitted to the contractor for repair/replacement/payment.

As discussed last month, the AC system for Lift Station #1 has been purchased and Inframark is awaiting shipping notification. As the Board will recall, the AC system is needed to keep the control panel from overheating.

Mrs. Scales reported that there are six (6) 55-gallon drums at the wastewater plant that need to be properly removed and disposed of. The TCEQ mentioned this during the last inspection. Several of the drums have been at the wastewater plant for a few years. A proposal for \$4,999.00 was submitted by Phoenix Pollution Control and Environmental Services for removal and disposal of the drums. After discussion, motion was made by Corey Newhouse and seconded by Lisa McKenzie to approve the proposal as submitted. The motion carried unanimously.

The water accountability for October registered at 91.6%. Mrs. Scales reported that the additional flushing during the PUA's recent cl2 burn could be the cause for the water loss. The lines were flushed for over an hour several times.

Delinquencies for the month included eight (8) mailed notices, four (4) door tags and one (1) disconnect.

Mrs. Scales discussed the PFAS letter, including a FACT sheet included in the agenda package. The EPA is requiring notification to districts that provide water to residents, regardless of whether it's via a wholesale agreement. There are new regulations on drinking water and hazardous substances. PFAS is a category of chemicals that can cause serious health problems if people are exposed over a long period of time or at critical life stages. The District will be subject to more frequent and stringent sampling and will be subject to additional reporting deadlines. It was noted that the EPA will use the TCEQ for tracking and enforcement purposes.

In connection with the District's TLAP, there was discussion of overseeding in the median and irrigation fields, and the need for additional mows related to that overseeding. In the winter, the overseeding will be done with Winter Rye and in the spring, it will be done with Bermuda grass. To simplify accounting for the additional mows in HOA-maintained areas, the District's landscaper Zane Furr will mow the ROW during the winter months and invoice the District.

15. RATE ORDER

Attorney Bill Flickinger discussed the changes to the District's Rate Order in connection with leak adjustments. President Chet Palesko prepared a red-line version for consideration. The leak adjustment will now be considered using data from EyeOnWater. Vice President David I. Perl served on the committee with President Palesko to amend the Rate Order. There will be no

more estimates of water usage when leak adjustments are considered. After discussion, Vice President Perl entertained a motion. Motion was made by Corey Newhouse and seconded by Ron Preston to adopt the amended Rate Order as discussed. The motion carried unanimously.

16. ELECTRONIC METERS

This item was not discussed.

17. BILLING ADJUSTMENTS

Manager Makenzi Scales reported that Missy Roberts is working on a billing adjustment with a resident.

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 in the Engineer's Report.

19. UTILIMATICS CONTRACT

Corey Newhouse reiterated that the LCRA approved an additional Cost Sharing Agreement with the District. Mr. Newhouse stated that he believes President Chet Palesko will provide documentation at the December board meeting for consideration.

20. DATES FOR FUTURE BOARD MEETINGS

After discussion by the Board, the District's board meeting schedule will be as follows: December 20th, January 31st and February 28th.

21. DIRECTORS ELECTION

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

Attorney Bill Flickinger discussed the election procedures. The directors' election was cancelled due to no contest. The elected directors will serve a four-year term. The incumbents elected to office are Lisa McKenzie, Corey Newhouse and Ron Preston. Jeniffer Concienne provided the directors with a Certificate of Election and swore each of them into office. The Oaths of Office will be filed with the Secretary of State.

Attorney Bill Flickinger advised that after an election, the Board must elect officers. After discussion, Vice President David I. Perl entertained a motion. Motion was made by Lisa McKenzie and seconded by Ron Preston to maintain the current board structure and keep the positions the same. The motion carried unanimously. The positions are President Chet Palesko, Vice President David I. Perl, Secretary Lisa McKenzie, Assistant Secretary Corey Newhouse and Assistant Secretary Ron Preston.

22. REPORT FROM SENNA HILLS, LTD. REPRESENTATIVE ON PROGRESS OF APPROVALS FOR AND DEVELOPMENT OF THE 11.73-ACRE TRACT OWNED BY SENNA HILLS, LTD.

This item was not discussed.

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


Attorney Bill Flickinger provided an update to the Board on SHL matters. On November 14th, a letter was sent to Rip Miller on the annual payment for the overseeding, mowing and maintenance pursuant to the Agreement Concerning Payment of SHL Costs. Another letter will be sent by the end of the week relating to unpaid costs pursuant to the First Amendment to Amended and Restated Contract and the Mediated Settlement Agreement between the District and SHL.

24. ENFORCEMENT PROCEDURES IN CONNECTION WITH DROUGHT CONTINGENCY PLAN

This item was not discussed.

25. ADJOURN

Vice President David I. Perl adjourned the meeting at 8:39 a.m.


Chet A. Palesko, President

ATTEST:


Lisa S. McKenzie, Secretary

[SEAL]