MINUTES OF MEETING

OF

SENNA HILLS MUNICIPAL UTILITY DISTRICT

STATE OF TEXAS §

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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 October 18, 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.

1. 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

Ron Preston – Assistant Secretary

thus constituting a quorum. All Directors were present.

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

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

1. PUBLIC COMMENTS

No public comments were made.

1. 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 September 20, 2024 meeting as presented. The motion carried unanimously.

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

President Chet Palesko stated that the West Travis County PUA had a board meeting yesterday and it was reported that the PUA did not come out of Stage 2 watering restrictions. If Stage 2 does not get lifted soon, then as of November 1st there will be no watering at all through the winter months. This information will need to be communicated to the residents if Stage 2 is not lifted by October 31st.

1. LCRA COST-SHARING PROGRAM

President Chet Palesko reported that he submitted the Cost Sharing Application to the LCRA. This cost sharing program will help pay for the Utilimatics contract costs. President Palesko will discuss this matter in closed session at the end of the board meeting.

1. HOA IRRIGATION SYSTEM IMPROVEMENTS

Lisa McKenzie discussed the HOA irrigation along Senna Hills Drive. The irrigation supply line is too small and problematic, and the HOA feels that the maintenance costs are too much. Months ago, Mrs. McKenzie and Engineer Jason Baze met with Chris Lupton of Lupton Irrigation to discuss and review the irrigation improvements. After inspection of the system, Mr. Lupton recommended a separate system instead of the numerous repairs and upgrades needed to get the system to run better. This approach would also be more cost-effective. The idea was to add another tank at the plant to supply the irrigation and run another irrigation line. This would run from the traffic light at Senna Hills Drive to Rivina and to the triangle lot at Gilia and Senna Hills Drive. The District put $100,000 in its budget for HOA irrigation upgrades. It would be a good idea to get these improvements/upgrades done before it is time to reseed with Bermuda in March. Mrs. McKenzie discussed the HOA’s responsibility in connection with irrigation within the District. President Chet Palesko is concerned about paying for items that are the HOA’s responsibility but feels this matter is more of a 50/50 item. At the time when Mr. Lupton inspected the system, it was a rough estimate of $150,000 for the upgrades. Mr. Baze noted that this was not a written estimate. Corey Newhouse pointed out that it seems like a lot of money for such a small area and should this cost be split between the HOA and the District. Mrs. McKenzie noted that she is not sure if the HOA has the funds for this project. David I. Perl believes the first step is to get actual quotes to see the costs in real time. Attorney Bill Flickinger discussed bidding requirements. Mr. Flickinger stated that some of these irrigation improvements/upgrades may interface with the costs that SHL is responsible for. President Palesko noted that in general, the Board is in favor of moving forward with this project.

1. ENGINEER’S REPORT ON SOME OR ALL OF THE AGENDA ITEMS
   1. Site Plan for SHL Offices; Status of construction
   2. Relocation of wastewater and effluent lines under SHL garage
   3. Effluent Pond Liner Replacement
   4. Lead and Copper Service Line Inventory and Testing
   5. Re-seeding and maintenance of effluent irrigation areas to comply with current permit

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

There were no new updates in regard to the Senna Center Office site.

Mr. Baze reported that he is still waiting on the required close-out documents from the contractor for the wastewater treatment plant force main relocation project. Other than those required documents, the project is complete. The final payment from the change order will be held pending receipt of those close-out documents.

Mr. Baze reported on the status of the effluent pond liner replacement project and the photo that was included in the engineer’s report. There are some punch list items remaining on the project. Mr. Baze walked the area with the contractor yesterday and had some corrections that still need to be made, including removal of some black liner along the sides of the pond, some slope issues and the underdrain system. Apparently, the underdrain system is not communicating and gathering the groundwater that is coming in from the low side near Gilia. All parties are monitoring that issue. The contractors staged in the irrigation field so that area is being inspected to be sure no damage occurred during staging and if any are found, the contractor will make the repairs. President Chet Palesko inquired about the status of the third-party inspection of the pond and Mr. Baze confirmed it has been completed. The third-party inspectors inspected the pond during the installation of the liner. The inspection report has been submitted to Mr. Baze and no issues were noted in the report. Ron Preston noted that the wrought iron fence repair does not seem to be up to par, per a concerned citizen. There was discussion of the damaged areas and the drip line irrigation around the plantings that surround the pond. Inframark will check the irrigation function of those lines at a later time. Lisa McKenzie would like to discuss the possibility of pond fountains. Mr. Baze advised it will most likely take several months to fill the pond back up. After the pond has been filled, that will be the appropriate time to discuss the fountain(s).

Mr. Baze discussed the MS4 permit renewal process. They are in the process of researching the new permit requirements and preparing for the application process. Murfee Engineering will work with Inframark on necessary maintenance items and come back to the Board with a proposal. The District’s application must be submitted by February 11, 2025.

The Lead and Copper Service Line inventory was submitted to the TCEQ. As previously reported, there are no lead service lines within the District. Attorney Bill Flickinger reported that the inventory summary will be posted on the District’s website. However, the street address for each customer will be removed so as not to include any confidential customer information.

Mr. Baze stated that he will follow up with Lupton Irrigation on the irrigation improvements as discussed earlier in the meeting by Lisa McKenzie.

President Chet Palesko thanked Mr. Baze for all his hard work on the pond liner replacement project.

1. 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.

10. 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.

1. BOOKKEEPER’S REPORT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS; BUILDER DEPOSITS

Bookkeeper Allen Douthitt discussed the financials with the Board. Mr. Douthitt noted that the report is thin due to the early board meeting date and the bank statements not being received in time. Mr. Douthitt presented a fiscal year budget comparison for discussion. After discussion, motion was made by David I. Perl and seconded by Corey Newhouse to approve payment of the vendor invoices, per diems and authorize four fund transfers as presented. The motion carried unanimously.

1. DISTRICT MANAGER’S REPORT ON OPERATIONS
2. Wastewater Treatment Plant
3. Distribution System – Billing
4. Collection System
5. Drainage/Ponds
6. Customer Requests
7. Landscape Maintenance Contracts; Additional landscaping services
8. 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 September. There were 2.04 million gallons of wastewater treated, showing an average daily flow of 68,033 gallons, which puts the wastewater treatment plant at 68% capacity. President Chet Palesko noted that the capacity was trending in the 80% range and wondered why it was currently down to 68%. Mrs. Scales stated that the capacity has been in that range before, and it now appears that more people are going back to the office rather than staying at home. Engineer Jason Baze stated that another possible reason why the wastewater plant capacity is down is less I&I getting into the plant.

Inframark is working with Murfee Engineering to close out the effluent pond liner replacement project.

Mrs. Scales reported on the need to replace the AC system for Lift Station #1. The new AC system is needed to keep the control panel from overheating. Crawford Electric Supply submitted a proposal for $6,882.78. After discussion, motion was made by David I. Perl and seconded by Lisa McKenzie to approve the proposal as submitted. The motion carried unanimously. Mrs. Scales also reported that preventative maintenance at the wastewater plant and lift stations will be upcoming.

The water accountability for September registered at 94.6%. President Chet Palesko asked if there were any issues to be reported. Andrew Boyle stated that he is not aware of any issues. Mrs. Scales noted that the loss was most likely just a timing issue on the meter reads between the PUA and Inframark.

Delinquencies for the month included seven mailed notices, five door tags and zero disconnects.

1. RATE ORDER

President Chet Palesko reiterated that the Rate Order will need to be amended to include language on the calculation for leak adjustments based on the usage information from EyeOnWater. President Palesko will work on the revisions to Rate Order and be ready to present them at the November board meeting.

1. ELECTRONIC METERS

President Chet Palesko reported on the accuracy of the strap-on meter near the new check valve. There were some reported anomalies, but the meter reads appear to be accurate. Andrew Boyle stated that he sent the meter data to President Palesko for his review.

1. BILLING ADJUSTMENTS

This item will be discussed in closed session at the end of the board meeting.

1. 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.

1. UTILIMATICS CONTRACT

President Chet Palesko reported that the committee came to an agreement with Utilimatics. The details of the agreement will be discussed in closed session at the end of the board meeting.

1. DATES FOR FUTURE BOARD MEETINGS

After discussion by the Board, the District’s board meeting schedule will be as follows: November 22nd, December 20th and January 31st. President Chet Palesko and Engineer Jason Baze will not be in attendance for the November 22nd board meeting.

1. 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.

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

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 Items 17 and 20.

The Board went into closed session at 8:06 a.m.

At 8:43 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.

1. ENFORCEMENT PROCEDURES IN CONNECTION WITH DROUGHT CONTINGENCY PLAN

This item was not discussed.

1. ADJOURN

President Chet Palesko adjourned the meeting at 8:44 a.m.

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David I. Perl, Vice President

ATTEST:

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Lisa S. McKenzie, Secretary

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