

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 April 25, 2025 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:

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 of Murfee Engineering, Allen Douthitt of Bott & Douthitt, PLLC and Katie May and Darald Berger of Inframark.

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

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 David I. Perl and seconded by Lisa McKenzie to approve the Minutes of the March 28, 2025 meeting. The motion carried unanimously.

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

This item was not discussed.

6. LCRA COST-SHARING PROGRAM

This item was not discussed.

7. HOA IRRIGATION SYSTEM IMPROVEMENTS

Engineer Jason Baze reported that he had a call with Inframark on coordinating the HOA's disposal system related to the District's TLAP. As reported previously, the expanded irrigation plan is for a dual main from the WWTP to the west side of the median and replacing the irrigation system in the median area all the way along Senna Hills Drive to Rivina. Mr. Baze is also trying to coordinate with Yellowstone Landscaping on what percentage of the existing irrigation system is operational but has not yet heard back from them. Mr. Baze is still working through the details on the street boring, conduits and sleeves, etc. To keep the project moving, Mr. Baze presented a proposal for their work on this project. Mr. Baze is also still coordinating with ECO Land Services on the irrigation design. The plan is to keep the same size lines up to Rivina for potential upgrades in the future. He is also working with Yellowstone on what parts of the irrigation system need repairs and which sleeves can be repurposed so that the pavement does not have to be cut. The next steps will be to prepare design, bidding and contract documents. President Chet Palesko asked about the cost for the entire project and Mr. Baze reported approximately \$150,000. This phase is part of the agreement with SHL when they removed themselves from the District's TLAP and these associated costs will be funded by SHL. The HOA will operate and maintain the irrigation system. Ron Preston expressed his concern with the HOA maintaining those areas. Attorney Bill Flickinger noted that all the areas that the HOA irrigates are within the District's permit area and the HOA has an agreement with the District to comply with the permit. If the District does not go over budget on this project, then the SHL funding is already escrowed. The Board expressed their concerns and wanted to be sure that the TCEQ rules are followed. Mr. Baze discussed the differences between a 210 permit and a TLAP. President Palesko advised that this project is important and needs to be taken one step at a time. Mr. Baze advised that he is pulling all the history of the irrigation system to get started.

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

- a. Site Plan for SHL Offices; Status of construction
- b. Effluent Pond Liner Replacement
- c. Effluent Irrigation System Improvements
- d. Re-seeding and maintenance of effluent irrigation areas to comply with current permit
- e. Assignment of Contract with Murfee Engineering Co., Inc. to Consor North America, Inc.

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

In connection with the pond liner replacement project, Engineer Jason Baze reported that Synagro provided all the final close out items required by the contract including the 2-year warranty. Synagro submitted their final Pay Application No. 4 in the amount of \$39,638.66. Mr. Baze recommended the District accept the project for operation and maintenance. The installation and liner warranties are separate and will be monitored accordingly. Lisa McKenzie asked if the District is running the irrigation fields or whether it is relying on the HOA to use the effluent. Mr. Baze stated that right now, the District is waiting on the pond to fill back up but the HOA should be running their system. Mr. Baze stated that all is working well with the pond and Inframark is working on getting the two pumps installed and will be exercising them monthly until the pond is at an appropriate level. President Chet Palesko stated typically we want to run the pond low by the end of summer to prepare for the rainy season and asked if that is still the case. Mr. Baze agreed that the level will be brought down as usual. The HOA is not pulling that much effluent out at this time. Manager Katie May reported that Inframark is conducting weekly irrigation inspections and submitting that information to the HOA on any issues and/or runoff. After discussion, President Palesko entertained a motion. Motion was made by David I. Perl and seconded by Ron Preston to approve Pay Application No. 4 (Final) submitted by Synagro of Texas-CDR, Inc. in the amount of \$39,638.66 for the effluent storage pond liner replacement and accept the project for operation and maintenance. The motion carried unanimously.

Engineer Jason Baze presented his proposal for the engineering portion of the effluent irrigation system expansion in the amount of \$33,800.00. Corey Newhouse asked if there are funds set aside for this and whose responsibility is it to run the system. There was discussion of the District paying for the design and the HOA will maintain it. President Chet Palesko advised that this needs to be done so that the District does not risk violating the permit. After discussion, President Palesko entertained a motion. Motion was made by Lisa McKenzie and seconded by Ron Preston to accept the Limited Professional Services Agreement in the amount of \$33,800.00 as presented. The motion carried unanimously.

Engineer Jason Baze advised that they are working with Inframark on the year-one goals relating to the District's MS4 permit renewal.

In regard to the wastewater operation and maintenance, Engineer Jason Baze is coordinating with Inframark on a five-year outlay for maintenance planning, including drainage. No action is needed at this time.

Attorney Bill Flickinger discussed the Consor Master Assignment Agreement and advised that they will need to add the engineering proposal on the effluent irrigation expansion project to the Appendix. Murfee Engineering was acquired by Consor. Due to the merger, Murfee Engineering will now go by Consor. Mr. Flickinger stated that the District was asked to approve the Master Assignment Agreement formally assigning the contracts to Consor. In the case of a merger, an assignment is not legally required, however this will make it cleaner. President Chet Palesko asked if the District should expect any differences with Consor going forward and Mr. Baze stated the Board should not expect any. Mr. Baze discussed the merger and reported that Consor is headquartered out of Miami. Consor specializes in public works, transportation and water. They aligned well with Murfee Engineering and the level of service should increase as there are 1,700+ employees. After discussion, motion was made by David I. Perl and seconded

by Corey Newhouse to approve the Master Assignment Agreement with the addition of the engineering proposal to the Appendix. The motion carried unanimously.

9. 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.

11. BOOKKEEPER'S REPORT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS; BUILDER DEPOSITS AND QUARTERLY INVESTMENT REPORTS

Bookkeeper Allen Douthitt discussed the financials through March. The District is already halfway through its fiscal year. The District is ahead of budget by \$29,000.00 for the month and year-to-date, \$85,000.00 ahead of budget. The District's tax collection is 99.33%, leaving approximately \$9,000.00 remaining. There was a discussion on the District's estimated taxable value, which appears to be higher than last year's by 4.85%. Travis County is preparing to get the certified values sent out by July 25<sup>th</sup>. After discussion, motion was made by Corey Newhouse and seconded by Lisa McKenzie to approve payment of the vendor invoices, per diems and authorize four fund transfers as presented. The motion carried unanimously.

12. 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 Katie May reported that she met with Lisa McKenzie on review of the Inframark invoices. Going forward, they will meet on a monthly basis.

Manager Darald Berger, Lisa McKenzie and the District's landscaper met in the District regarding a resident's concern with vegetation around the Prickly Poppy lift station and the possibility of attracting snakes. They were several action items noted from the site visit. Mr. Berger reported that the grass, bushes and tree limbs should be cut back around the lift station and the site should be cleaned up. Inframark was concerned about getting large trucks in and out of that area and keeping the trees trimmed up high. Ms. May informed the Board that per the TCEQ rules, there should be no growth on the lift station fences. Mr. Berger also stated that there is dirt

from the lift station that has run onto the driveway and will be removed. Mrs. McKenzie noted some issues at the lift station, which included the doors are rusty and in need of paint, the lock did not work and there was a power cord coming from the lift station to some freestanding item. A list of issues was prepared and will be addressed accordingly. Zane Furr quoted less than \$1,800 for the cleanup. Mrs. McKenzie stated that the fence will be painted because it needs to be tidied up, however, that had been planned for a while. Not for consideration today, but the fencing in general in that area is odd due to the steepness of the lot. The fence going downward could be considered to be abandoned due to that area being the greenbelt and most likely not needing to be maintained. Closing the fence up at the top of the lot where the bumpers are installed might be a better option. President Chet Palesko agreed that something needs to be done about the lift station. Mrs. McKenzie said some of the tree cleanup at the lift station will be over the shared driveway with the resident. There is an easement on the owner's driveway for access to the Prickly Poppy lift station. In regard to cutting the oak trees, an arborist will need to be contacted for a plan, which will consist of pruning other oak trees in the District as well. After discussion, President Palesko prefers that Zane Furr, the District's landscaper, handle the lift station cleanup items. Motion was made by President Palesko and seconded by Corey Newhouse to engage with Zane Furr to clean up the Prickly Poppy lift station as discussed. The motion carried unanimously.

Manager Katie May then discussed the Executive Summary with the Board.

All facilities are in compliance for the month of March. There were 2.09 million gallons of wastewater treated, showing an average daily flow of 69,900 gallons, putting the wastewater treatment plant capacity at 70%.

Manager Katie May reported that the installation of the second pump at the pump station near the effluent pond was completed.

Manager Katie May reiterated that the contractor is still waiting for a TCEQ permit to remove the 55-gallon drums that are stored at the WWTP and which contain chemicals.

Water accountability for March continues to decrease and was measured at 86.1%. Inframark found and repaired a curb stop leak, but there is still a large leak in the District. After reviewing information provided by Andrew Boyle, President Chet Palesko believes they know where the leak is, but are not completely confident to start digging up the cul-de-sac on Datura. It is possible that the leak is under the sidewalk and not under the street. Mr. Boyle reported that the flow sounds like a large leak. After discussion, the Board authorized the committee to pull the trigger on the dig and schedule an onsite meeting with Inframark and Andrew Boyle on this issue. Manager Katie May reported that the District spent a total of \$11,000 on repairs in that area back in 2021 and 2024.

Manager Katie May reported that delinquencies for the month included nine (9) mailed notices, five (5) door tags and zero disconnects.

The pond inspections were conducted, and one work order was generated based on the report.

Manager Katie May reported on a new item in the manager's report, which is the Irrigation Runoff Report. As stated earlier, Inframark is inspecting the irrigation system on a weekly basis and providing the findings to the HOA. The charge is \$190 per week. Lisa McKenzie stated that there has been a dramatic increase in Inframark charges, and she reviewed the past invoices in detail. There were a lot of fees/charges that were not historically done for this District. Mrs. McKenzie believes that weekly reports to the HOA are not needed and seem to be a waste of the District's money. The HOA is aware of the issues and sending it over to them each week is too repetitive. Corey Newhouse asked about the Board's thoughts on this issue. The annual inspections that were to be provided by Inframark on the irrigation system were never done. President Chet Palesko asked Inframark to stop doing weekly irrigation inspections and conduct them on a monthly schedule. David I. Perl suggested sending the HOA a letter reminding them that they need to operate under the Effluent Disposal Agreement with the District. Attorney Bill Flickinger noted that the District is responsible for any permit violations. There was discussion about turning off the HOA's irrigation if runoff persists. If the HOA is not fixing the issues, then the District has the right to fix them and back charge the HOA. However, if that is the case, there was discussion as to who the District would use to fix the irrigation issues. There was also mention that the HOA had discussed using potable water for irrigation due to the irrigation repairs to comply with effluent use requirements being so costly. The HOA will still have to use effluent for the District's permit. Mr. Flickinger stated that maybe a HOA representative could attend the monthly board meetings, as there needs to be better communication between the HOA and District. President Chet Palesko and Lisa McKenzie will be the committee for matters relating to HOA effluent irrigation.

Manager Katie May reported that Zane Furr completed the annual spring overseeding of the irrigation fields at a cost of \$22,042.20.

Manager Katie May stated that they are going to create an Infrasmart Report as a five-year plan for preventative maintenance for the District. Lisa McKenzie asked that Inframark bring plans/quotes to the Board prior to any work being done in the District.

President Chet Palesko asked about the fire hydrant on Peonia as he saw it was covered with a garbage bag. Manager Katie May stated it was repaired due to a small leak.

### 13. RATE ORDER

Attorney Bill Flickinger and President Chet Palesko discussed amending the Rate Order. President Palesko provided background information on a resident that had a severe water leak that drove their winter average up to 84,000 gallons and would add about \$210 to their monthly wastewater bill. The resident did not have EyeOnWater, which is required for a leak adjustment. The current Rate Order did not include a provision to adjust winter averaging, therefore, proposed language was submitted to allow for an adjustment. This change will allow the Board to provide relief to residents on their winter averaging. The other amendment to the Rate Order was to change the fee amount for a dishonored check to the statutory maximum, which is \$30.00. The Board discussed other possible changes such as the MS4 drainage fee and the time period for a leak adjustment. Lisa McKenzie provided information relating to the MS4 drainage fee. Currently, the fee is \$4.00 per month but does not cover the District's costs. To cover the District's costs, the

fee should be around \$16.00 per month. After discussion, the Board did not want to change the MS4 drainage fee or the one-month period for leak adjustments. President Chet Palesko entertained a motion. Motion was made by Corey Newhouse and seconded by Lisa McKenzie to adopt the Rate Order as discussed. The motion carried unanimously.

#### 14. ELECTRONIC METERS

President Chet Palesko stated that he is still concerned about the accuracy of the strap-on meters in the PUA vaults. The District does not have anywhere else to place the meters. President Palesko stated that he would not have agreed to this project if he knew the meters would not have worked well in the vaults.

Lisa McKenzie noted that there are about 40% of the residents in the District that are not on EyeOnWater. There was discussion about hanging door tags and sending emails to the residents who have not yet signed up. Corey Newhouse stated it would be easier for the residents to sign up on the app if they had all their information readily available. Manager Katie May stated that they can add the account number and a QR code on the door hangers. Once the door hangers are ready, Corey Newhouse will review them.

#### 15. BILLING ADJUSTMENTS

After discussion, President Chet Palesko made a motion to allow for adjustment to the resident's winter averaging that had the large leak and drove their winter average up. Lisa McKenzie seconded that motion and the motion carried unanimously.

#### 16. 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 under the Engineer's Report above.

#### 17. DATES FOR FUTURE BOARD MEETINGS

After discussion, the District's board meeting schedule will be as follows: May 30<sup>th</sup>, June 27<sup>th</sup>, July 25<sup>th</sup> and August 29<sup>th</sup>.

#### 18. 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.

#### 19. AGREEMENT CONCERNING PAYMENT OF SHL COSTS EFFECTIVE OCTOBER 31, 2022 BY AND BETWEEN SENNA HILLS MUD AND SHL

This item was not discussed.

20. FIRST AMENDED AND RESTATED CONTRACT EFFECTIVE MAY 23, 2018 BY AND AMONG SENNA HILLS MUD, SENNA HILLS HOMEOWNERS ASSOCIATION, INC., SHL AND THE SENNA HILLS TRUST, AS AMENDED BY THE FIRST AMENDMENT TO AMENDED AND RESTATED CONTRACT EFFECTIVE APRIL 30, 2020 AND AS FURTHER AMENDED BY THE MEDIATED SETTLEMENT AGREEMENT DATED AUGUST 24, 2021

This item was not discussed.

21. ENFORCEMENT PROCEDURES IN CONNECTION WITH DROUGHT CONTINGENCY PLAN

22. PROFESSIONAL SERVICES AGREEMENT BETWEEN THE DISTRICT AND SEVERN TRENT ENVIRONMENTAL SERVICES, INC. (NOW INFRMARK) DATED SEPTEMBER 1, 2012

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 21 and 22.

The Board went into closed session at 8:51 a.m.

At 9:34 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.

23. ADJOURN

President Chet Palesko adjourned the meeting at 9:35 a.m.

  
Chet A. Palesko, President

ATTEST:

  
Lisa S. McKenzie, Secretary

[SEAL]