

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 May 1, 2026 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
Ron Preston – Vice President
Lisa S. McKenzie – Secretary
Corey Newhouse – Assistant Secretary
Ben Morse – Assistant Secretary

thus constituting a quorum. All Directors were present; Corey Newhouse arrived after the meeting was already in progress.

Also present at the meeting were Greg Szuman and Allison Nix of Willatt & Flickinger, PLLC, Darald Berger of Inframark, Stephen Jones of Consor and Allen Douthitt of Bott & Douthitt, PLLC.

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

3. PUBLIC COMMENTS

President Chet Palesko had nothing to report regarding the proposed office building site area. Parkspring Multifamily has not responded to the District's letter nor have they responded to the HOA's letter. There were no additional comments 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 Ron Preston to approve the Minutes of the March 27, 2026 meeting as presented. The motion carried unanimously.

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

President Chet Palesko had nothing to report regarding this item.

6. LCRA COST-SHARING PROGRAM

President Chet Palesko had no updates regarding this item. Stacey Pandey with the LCRA seemed pleased with the information that was previously provided to her.

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

- a. Site Plan and Water and Wastewater requirements for proposed multi-family development at SHL's 11.73-acre tract
- b. Effluent Irrigation System Improvements
- c. Re-seeding and maintenance of effluent irrigation areas to comply with current permit
- d. Water, Wastewater & Drainage O&M
- e. Fountain(s) for effluent pond

Engineer Stephen Jones discussed his engineering report as included in the agenda package.

Engineer Stephen Jones reported he had no updates on his report until 7E, which is the fountains for effluent pond.

Both proposals for the installation of the electrical components and the effluent pond fountains were previously approved and executed. The electrical work has already been completed. Mr. Jones provided construction photos for review. The photos show the end product being the subpanel on the rack. Once the fountains are installed, there will be two additional panels on the rack. The contractor has received the initial deposit for the fountains and has placed the order. One issue that has been brought up is the pipe conduit. The electricians are suggesting they put the electrical cable in a conduit, which would lie on top of the pond liner. Mr. Jones stated that he does not have an objection to that, but it may be a little visually obtrusive. Mr. Jones asked them to put the cable in a gray conduit to hide it so that it is not so obvious laying on top of the tan pond liner. It will probably be a 3/4" conduit. They could alternately put the cable itself over liner but that would degrade the conductors over time. The contractor suggested two separate conduits, one for each fountain and anchor them at the top with concrete bags. Corey Newhouse arrived at this time. Mr. Jones admitted it might look a bit funky over time because the paper from the concrete bags will degrade and then it will just be the concrete blobs. Ron Preston asked if the concrete would cause an issue sitting on the pond liner and Mr. Jones stated it would not. There

was discussion about the water level in the pond. The fountains are anchored but will move around a little bit. The conduit would need to extend -below the water level. President Chet Palesko asked that they try to get the conduit as close to the liner color as possible. The color gray will get it as close as they can get, as there is no tan conduit. President Chet Palesko asked about the locations for the conduits. Mr. Jones stated that the conduit would run under the boulders and lie on top of liner. Mr. Jones addressed the photo showing the brown drip irrigation line lying on top of the boulders. Mr. Jones will need to talk to District Manager Darald Berger about that to figure out if the contractor did this because it looks like unfinished work. Ron Preston noted that one of the photos show an irrigation control box so someone is or was irrigating something in the pond area. President Chet Palesko asked Mr. Jones to get that figured out. Mr. Jones stated that they will be having a kickoff meeting with the fountain installation contractor on Monday and will figure these items out.

Engineer Stephen Jones updated the Board on the MS4 requirements. As the Board will recall, last month they discussed the pricing for additional information and a link to be included on the District's website, which the Board elected not to pursue. At some point he would like to have some sort of method for public reporting for illicit discharges as indicated in the Notice of Intent. He is open to any other suggestions. Ron Preston and President Chet Palesko stated that the website issue was that the price was too high to include that information on the District's website. Mr. Jones discussed using a utility bill insert for the public survey. A utility bill insert example was included for the Board's review. There is a QR code that leads to an online survey. Ron Preston reviewed the information that was provided and asked if all of those items were required and Mr. Jones stated that the requirements highlighted in yellow are the ones that were agreed to by the District. After discussion, President Palesko stated that the District needs to do what is required in the most economical and efficient way possible. Mr. Jones stated that the requirements do not have to be done right away but the District needs to work on it. Mr. Jones asked that today, he wants to get direction on whether or not to proceed with the water bill insert for the survey. Ben Morse asked if the survey has to be done in physical form or if it can be emailed. President Palesko advised that Inframark has approximately 95% of the residents' emails, but some may be out of date. Corey Newhouse discussed the most efficient way to do this. District Manager Darald Berger stated that anyone who receives a utility bill via email would also get the survey digitally. President Palesko believes that the email blast would probably be better. District Manager Darald Berger is not sure that can be done, but he will ask. Ron Preston read over the requirements. After discussion, the consensus was to send the survey via email distribution only. Lisa McKenzie asked where the QR code survey results go and Mr. Berger stated that it goes to him. Mrs. McKenzie would like to see the survey before it goes out for proofing. Mrs. McKenzie also asked where the District would plant the required trees. Mr. Jones discussed the requirements and stated that it is more of an event for public participation for cleanup and does not think the District has to plant trees.

Engineer Stephen Jones stated that they have researched groundcover options for the area between the boulders and the pond liner. One option would be to use the same liner material as in the pond and extend it up to the boulders. He is still waiting on an update for that pricing. Some time ago, it was priced at approximately \$90,000.00. Mr. Jones does not know if that is a viable option and personally does not like that option. The other option would be installing artificial turf in that area, but that also is not a great option. Mr. Jones brought samples of the artificial turf for

the Board to look at. The pricing for this would be approximately \$90,000.00. Mr. Jones reported that the area between the boulders and pond liner is not flat and even, so it will be hard to get a consistent look. Mr. Jones stated that he talked to Yellowstone Landscaping about installing river rock, but again, that is not great either as the rocks could roll off into pond. This option would need excavation prep work. Mr. Jones discussed another option, which would be to use EcoRaster. This is a plastic grid product to keep rocks from rolling into pond but would require extensive prep work. Mr. Jones looked into ongoing maintenance for this option and District Landscaper Zane Furr would still have to periodically maintain this area. He did not like the idea of spraying. Ron Preston stated that the spray would run into the pond and could kill everything that was irrigated from the pond. President Chet Palesko stated that the goal is to keep weeds from growing in that area. President Palesko stated that if the District spends money on an installation, he would want it to be maintenance free going forward. There is concern with weed whacking as there is a risk of damaging the pond liner. Mr. Jones stated that the District Landscaper Zane Furr is aware of that issue and said the pond liner is robust but that he would be careful and stay away from it. The initial cleanup of that area would be approximately \$1,000.00 and then maintenance of the area twice per month at \$100.00 on top of the existing contract. President Palesko stated that twice a month maintenance is probably not necessary. President Palesko is more in favor of that option until it is determined that it is not working. Mr. Jones stated that any of the options discussed above will not be maintenance free. Ben Morse thinks the area just needs to be cleaned up on semiannual basis. President Palesko suggested a one-time cleanup then let it go to see how long before it needs maintenance again. After discussion, motion was made by Ron Preston and seconded by Lisa McKenzie to authorize a one-time cleanup of the area between the boulders and the pond liner. The motion carried unanimously. Corey Newhouse would like to see pictures of the area before it is cleaned up. District Manager Darald Berger will resend the pictures that he took within the last couple of months. Mr. Berger will request a quote from Zane Furr for cleanup of the outside perimeter of the boulders.

Engineer Stephen Jones reported that there has been no progress on the irrigation improvements as they are waiting on HOA. Lisa McKenzie stated that the HOA has not been able to get an attorney to respond to them on drafting a License Agreement.

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

There was nothing new to report.

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

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

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

Bookkeeper Allen Douthitt reported on the financials through March. On the expense side, there was an overage on landscaping which was related to the overseeding. The District is doing well year-to-date. The District is substantially collected on taxes. Ben Morse asked about payments to both the LCRA and West Travis County PUA. It was explained that the LCRA provides the raw water and the West Travis County PUA treats and delivers the water. After discussion, President Palesko entertained a motion. Motion was made by Ron Preston and seconded by Corey Newhouse to approve payment of the vendor invoices and per diems and authorize three fund transfers as presented. The motion carried unanimously.

11. DISTRICT MANAGER'S REPORT ON OPERATIONS

- a. Wastewater Treatment Plant
- b. Distribution System – Billing & Adjustments
- c. Collection System
- d. Drainage/Ponds
- e. Customer Requests
- f. Landscape Maintenance Contracts; Additional landscaping services
- g. Inspections of HOA effluent irrigation system

District Manager Darald Berger discussed his manager's report.

The delinquencies for the month included 15 mailed notices, eight door tags hung and two disconnects, which have since been paid. Inframark received 30 customer calls in March. District Manager Darald Berger reported that the residents' enrollment in EyeOnWater is now up to 62%. Ron Preston reported that his EyeOnWater reading is not being updated. President Chet Palesko asked that Inframark stay on top of what meters are not reporting as it should not be the customer's responsibility to report a nonresponsive meter.

District Manager Darald Berger reported that the District's water accountability was 93.5% for March. There were 2.044 million gallons of wastewater treated, showing an average daily flow of 65,935 gallons, putting the wastewater treatment plant capacity at 66%. Mr. Berger stated that the ammonia nitrogen was a little bit high due to failed mixer in one of the tanks. The pump has since been received and put into operation. Ron Preston asked about the late-night billing for sludge hauling. Mr. Berger advised that this could be the prior month's invoice for hauling when the plant was not operating at full capacity, as discussed last month.

District Manager Darald Berger asked, with the recent rainfall, if the Board wants an inspection of the outfalls and inlets. The last inspection was done in October. President Chet Palesko stated that they can talk about it next month once they get through this rainy period.

District Manager Darald Berger reported on the operational items previously approved and the status of each. The extra mowing in April in the irrigation fields so that the District stays within TCEQ compliance was completed. The conversion of Lift Station #6 controller was completed. Outfall #22 cleanout was completed yesterday. District Landscaper Zane Furr

completed the spring overseeding. The permeability pump at the wastewater treatment plant has been replaced. The mixer has been replaced as well as the pump chains on Lift Stations 1,3 & 5. The spare process pump has been ordered as well as the spare anoxic pump and starter.

District Manager Darald Berger then discussed the items for Board consideration.

Inframark wants to get all of its clients to purchase an onsite microscope to allow the operators at the wastewater treatment plant to take samples to look at the bugs to help better adjust chemicals and the SCADA settings. This was discussed in detail and after discussion, President Chet Palesko was fine with this expenditure so long as the microscope gets used. Corey Newhouse would like to see a picture of the microscope. After further discussion, motion was made by Corey Newhouse and seconded by Ron Preston to approve the expenditure of \$324.00 to buy a microscope to use at the wastewater treatment plant. The motion carried unanimously.

District Manager Darald Berger discussed the next item for consideration which is a preventative maintenance item in the amount of \$1,602.00 for the chlorination system that chlorinates the reuse water that goes into the HOA irrigation system. Corey Newhouse asked about the process and if it is done now. It was reported that this is an annual preventive maintenance item. President Chet Palesko is fine with this if it is an annual preventive maintenance item. Lisa McKenzie discussed the process and then onto the next item where the HOA's system irrigation pump failed. Mr. Berger stated that the quote to pull the pump and have it evaluated is \$1,400.00. Alterman provided a quote for less than \$3,000.00 to do same work. Inframark has notified Yellowstone Landscaping to turn off the irrigation because the pump is not working. Due to this, the HOA system is not irrigating at this time. This needs to be fixed for multiple reasons and to water the grass seed that was just put out. Mr. Berger stated that they would not perform the preventative maintenance until the pump repair is complete. Lisa McKenzie asked if a second pump should be in stock. President Chet Palesko asked Mr. Berger to figure out the details about the pump. The preventative maintenance item will be brought back to the Board for consideration next month.

District Manager Darald Berger reported on an item that was not included in his report. Given the recent rains, District Landscaper Zane Furr is anticipating needing additional mowing of the irrigation fields again in May or June. President Palesko stated that if it needs to be done, he agrees with the expenditure. The cost for a single mowing and weed whacking is \$2,700. After discussion, motion was made by Lisa McKenzie and seconded by Ben Morse to approve the Inframark quote of \$1,443.58 to pull the HOA system irrigation pump for evaluation. The motion carried unanimously. Attorney Bill Flickinger stated that the next meeting is in three weeks so the Board can make the decision at the next meeting on preventative maintenance after the pump gets pulled and additional pricing is received. Lisa McKenzie asked if the HOA is aware that their irrigation system is turned off and District Manager Darald Berger advised that they will need to be notified. Mrs. McKenzie will send an email to the HOA Board notifying them their irrigation system is turned off.

12. RATE ORDER

Lisa McKenzie discussed amending the Rate Order for the Site Plan Review Fee which came to her attention while handling the Parkspring Multifamily service request. Currently the fee is \$5,000.00 and is nonrefundable. There was not an extreme amount of engineering and legal review for the Parkspring Multifamily service request and the cost for that review was closer to \$10,000.00 than \$5,000.00 for the initial review. Mrs. McKenzie suggests increasing the review fee. Attorney Bill Flickinger advised this fee would be for site plan review for commercial development only, not residential development. Attorney Bill Flickinger suggests a review fee of \$20,000.00 because of both engineering and legal review being involved. The Board could always consider waiving a portion of the review fee if requested by a developer. Ben Morse stated that \$20,000.00 makes more sense to him than \$5,000.00 and asked if it was okay to have that fee determined each time the District gets a service request. Ron Preston stated it would be better if a stated fee is set for the initial review. Ben Morse then suggested possibly an annual escalator be set. After discussion, motion was made by Lisa McKenzie and seconded by Corey Newhouse to approve increasing the nonrefundable Site Plan Review Fee in the District's Rate Order to \$20,000.00 for commercial development. The motion carried unanimously.

13. HOT DOG MARKETING WEBSITE MAINTENANCE PLANS

Attorney Bill Flickinger stated that Hot Dog Marketing's proposal is in the agenda package for consideration. The proposal is to upgrade the District's maintenance plan to \$375 per month which will include an extra hour over the current plan. It appears that if the allocated three hours are not used, they do not roll over to the next month. The current plan is \$250 per month, plus any overages. President Chet Palesko stated that the District's website is a basic website and he does not believe the upgrade is needed and prefers to keep the current plan in place.

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

As noted above, there has been no progress on the HOA License Agreement.

15. RECENT FIRES IN DISTRICT'S REMOTE IRRIGATION LAND

Lisa McKenzie wanted everyone to be aware that she got a call from Rex Hoover regarding multiple fires in the District. She was home at the time and there was a helicopter circling for a long time but she was not aware of the fires at that time. A couple weeks later she got note from Rex Hoover about the 18 fires that were set near her house on the District's side of the new Dell perimeter fence but very close to the Dell property. There was discussion about whether someone accessed the area from the Lemon Mint Park or whether it may have been a Dell fence installer. Mrs. McKenzie has a map of where the fires were located. The fires were not large and did not go very far but it was a real threat. Mrs. McKenzie called the fire marshal's office and left a message, but no one has called her back. She wanted to get any new information if any was available. Corey Newhouse was not aware of the fires. Ben Morse saw it on Facebook. Mrs. McKenzie noted that section of District land is not irrigated or maintained. Someone from the Palomino Ridge

neighborhood called the fire dept after seeing smoke. Mrs. McKenzie just wanted to make the Board aware of these fires.

16. DATES FOR FUTURE BOARD MEETINGS

After discussion, the District's board meeting schedule will be as follows: May 22nd, June 26th, July 31st, and August 28th. Ron Preston reiterated that he will not be available for the June 26th meeting.

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

There was no SHL representative present at the meeting.

18. AGREEMENT CONCERNING PAYMENT OF SHL COSTS EFFECTIVE OCTOBER 31, 2022 BY AND BETWEEN SENNA HILLS MUD AND SHL; ANNUAL ACCOUNTING OF OVERSEEDING AND ADDITIONAL MOWING

There is nothing new to report.

19. 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; REMOVAL OF SHL PROPERTY FROM AUSTIN ETJ; PROPOSED MULTI-FAMILY DEVELOPMENT

There is nothing to report other than the brief update from President Chet Palesko at the beginning of the meeting.

20. ENFORCEMENT PROCEDURES IN CONNECTION WITH DROUGHT CONTINGENCY PLAN

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. The Board went into closed session at 8:37 a.m.

At 9:04 a.m., President Chet Palesko announced that the Board of Directors has concluded its closed session and is returning to open meeting and that no action was taken during the closed session.

21. ADJOURN

President Chet Palesko adjourned the meeting at 9:04 a.m.



Chet A. Palesko, President

ATTEST:



Lisa S. McKenzie, Secretary

[SEAL]