

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 22, 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.

Also present at the meeting were Hunter Hudson and Jeniffer Concienne of Willatt & Flickinger, PLLC, Darald Berger of Inframark, Jack Miller of Consor and HOA Landscaping volunteer, Cheryl Napier.

Participating in the meeting via Zoom were Bill Flickinger of Willatt & Flickinger, PLLC, Andrew Boyle of Utilimatics, Allen Douthitt of Bott & Douthitt, PLLC, Stephen Jones of Consor and resident Michael Miller.

3. PUBLIC COMMENTS

President Chet Palesko reported that Parkspring Multifamily has not acknowledged the District's response or the HOA's response in reference to their utility service request. 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 Corey Newhouse to approve the Minutes of the May 1, 2026 meeting as presented. The motion carried unanimously.

****President Chet Palesko moved to Item 10, Bookkeeper's Report at this time.**

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

Bookkeeper Allen Douthitt thanked President Chet Palesko for moving his report up. Mr. Douthitt has investment training this morning and will need to leave early.

Bookkeeper Allen Douthitt reported on the financials through April. The District came in about \$3,000 ahead of budget. Year-to-date the District is about \$133,000 ahead of budget. Service revenues are up due to water sales but will most likely go down next month. On the expense side, several items on wastewater collection, drainage and engineering were ahead of budget but year-to-date level out. Overall the District is trending well.

There was discussion of the AT&T lines at the lift stations. The copper POTS lines will be transitioning and going away soon. Bookkeeper Allen Douthitt passed that information on to District Manager Darald Berger. AT&T has been wanting to make those landlines go away for years now. Lisa McKenzie reported that those lines are for the auto dialers at the lift stations and should be kept as landlines for dependability. District Manager Darald Berger stated that he contacted AT&T and was told that the new cost of the AT&T lines will be \$150/\$175 each. Corey Newhouse asked if there were any laws on monitoring the auto dialers. These lines must be dependable as they alert the District of any issues at the plant and lift stations. These notifications help prevent sewage from overflowing. President Chet Palesko asked what other districts are doing in this regard. Mr. Berger stated that most other districts use cellular service but there are some that have kept the hardlines for dependability. Mr. Douthitt stated that they are also paying a lot of money for those landlines. Mr. Berger will evaluate the landlines at the lift stations and get back with the Board on options.

The District is currently at 99.88% collected on its taxes. Bookkeeper Allen Douthitt discussed the new ABC Bank cards that need to be signed so that Ben Morse can be added to the District's bank account and have the ability to sign checks.

After discussion, President Chet Palesko entertained a motion. Motion was made by Corey Newhouse and seconded by Ron Preston to approve payment of the vendor invoices and per diems and authorize three fund transfers 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 reported that someone apparently ran over a fire hydrant that had a pressure monitor installed on it. This matter will be discussed further under the Manager's Report.

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 appeared on Zoom to present the engineer's report. Mr. Jones introduced Jack Miller who was present at the Board meeting and stated that Grace Bank in his office was leaving the firm. Jack Miller will fill the EIT role for the District.

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

Conсор has been providing a support role in connection with the Senna Hills median irrigation expansion. Lisa McKenzie is coordinating the License Agreement with the HOA. Engineer Stephen Jones has requested exhibits from Yellowstone for the existing irrigation system along Senna Hills Drive that can be provided in preparation of the License Agreement. He has not yet received anything from Yellowstone. Once the License Agreement has been drafted, executed and recorded, Conсор will proceed with advertisement and bidding of the irrigation improvement project. Lisa McKenzie provided an update on the status of the HOA's contracting with an attorney to draft the License Agreement. For preparation of the License Agreement, they will need a survey of the area and plans for the new irrigation system. President Chet Palesko asked that the District provide the attorney working on the License Agreement the documentation that the District already has and then let the attorney request additional information if it is needed. President Palesko does not want the District to do a lot of work on the License Agreement, as it is between the HOA and County. Cheryl Napier does not believe plans for the existing irrigation system exist.

Engineer Stephen Jones reported that District Landscaper Zane Furr cleaned up the vegetation around the pond liner.

Kopatheat Electric, LLC completed the electrical work for the fountains at the effluent pond. During the kick-off meeting with SŌLitude Lake Management, a few key issues were discussed. SŌLitude Lake Management will need a licensed electrician to connect the fountain control panels to the power supply. Engineer Stephen Jones was irritated about this requirement as it was not discussed at the beginning of the project. However, Mr. Jones reached out to Kopatheat Electric and they can come back out and provide that service at an hourly rate. SŌLitude Lake Management will also install conduit for protection of the power cables. There was discussion of the methods of anchoring the fountains by in-water or on-shore anchoring.

SOLitude Lake Management recommends on-shore anchoring. Mr. Jones also talked to another pond/fountain expert and Aquatic Features agreed to this method as well. Mr. Jones advised he has no reservations about this method. The ropes/stainless steel cables will go from the fountain, across the top of the water and anchored to the rocks that are on shore. President Chet Palesko and Lisa McKenzie are ok with using ropes instead of stainless steel cables. Mr. Jones thanked the Board and will have SOLitude Lake Management proceed with the fountain installation using the on-shore anchoring method.

8. 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.

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

Engineer Stephen Jones reported that they are still working on the MS4 survey. The flyer will go out to residents via email blast. This information will need to reach at least 75% of the residents in the District. District Manager Darald Berger will address this matter further in his report below.

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 10 mailed notices, six door tags hung and zero disconnects. Inframark received 13 customer calls in April.

Current enrollment for EyeOnWater is still at 62%. Ron Preston reported that his EyeOnWater reading is still not being updated. He called Inframark and someone is coming out to his residence to look at the endpoint as April 20th is the last time data was registered. President Chet Palesko reiterated that it is not the customer's responsibility to report a nonresponsive meter. District Manager Darald Berger will talk with Missy Roberts to determine who all sees the meter reports. President Palesko asked about Inframark's standard work process on nonresponsive meters and would be willing to have a call with Inframark on how to handle these situations. Corey Newhouse's meter also had issues and Inframark went out and did manual reads, but someone should have asked at that time why the endpoint was not working. Mr. Preston also mentioned

that AT&T installed fiber near his meter box and wondered if that would be causing any issues. District Manager Darald Berger has not had any reports on issues with the fiber installation in the District. District Manager Darald Berger advised that with the help of Lisa McKenzie, the District was able to contact AT&T regarding its fire hydrant meter, which was installed on a fire hydrant on Milagro Drive without the District's knowledge. AT&T is using water for its water truck during the fiber installation and will be charged for the water use. For the District's protection, there is a backflow prevention device on the fire hydrant.

District Manager Darald Berger reported that the District's water accountability was 97.5% for April. There were 2.172 million gallons of wastewater treated, showing an average daily flow of 72,400 gallons, putting the wastewater treatment plant capacity at 72%.

District Manager Darald Berger reported on the need to remove the Roosevelt weeds located outside of the pond boulders. The proposal is in the amount of \$7,000.00. This includes removal of Roosevelt weeds between the boulders and iron fence and outside of the north fence.

The Board asked District Manager Darald Berger to wait until the rain stops to discuss the next inspections for the storm drainage and ponds.

District Manager Darald Berger noted that the HOA's April maintenance report has not been submitted. Cheryl Napier stated that there is no need to submit a report due to the irrigation system not running.

There was a road maintenance issue at the east entrance to the District. The concrete apron is beginning to wash out due to stormwater flowing along Bee Cave Road. This is a Travis County issue and Inframark will report it to them.

District Manager Darald Berger reported on the operational items previously approved and the status of each. The replacement work of the effluent Cla-Vals with check valves and a control panel has started but has not yet been completed. The spare process pump that feeds the chlorine system has been received and placed in storage. The spare anoxic pump that moves the liquid through the membranes in the basins has been ordered as well as the starter but has not yet been delivered. The microscope for the lab has been ordered. Mr. Berger presented a photo of the microscope to Corey Newhouse as requested. Lastly, the failed HOA irrigation pump was pulled.

District Manager Darald Berger then discussed the following items for Board consideration:

1. 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. Preventative maintenance should be done after the pump is replaced.
2. Purchase a new mixer in the amount of \$11,145.80 for the wastewater treatment plant, which will be stored as a spare.

Lisa McKenzie asked how old the other mixers were because she does not want them to age out in the hot storage unit. In the past, some of the equipment aged out and the warranties ran out before the equipment could be used. Mrs. McKenzie asked that District Manager Darald Berger obtain that information for discussion at the June board meeting.

3. Order and install a new handle for the Lift Station #5 control panel in the amount of \$1,499.47.

The Board advised that amount was too much for a handle on a control panel. The Board asked that District Manager Darald Berger obtain another price option for the handle. Lisa McKenzie noted that the control panel is inside a locked fence and building. This is not an urgent situation.

4. Purchase and install irrigation pump in the amount of \$11,857.05.

President Chet Palesko wanted to see raw quotes for this pump. Austin Pump shows it for \$8,000.00, but a quick internet search shows that you can get the same pump and motor for \$5,000.00. President Palesko stated he has an issue with all the markups from everyone. With the markups across the board, it appears that the District is buying equipment for double the price and the system is broken. PumpProducts.com has a variety of pumps/motors that can be bought. District Manager Darald Berger explained that they are using local vendors that have the equipment in stock with warranties. District Manager Darald Berger reported that this pump and motor are original. President Palesko stated that he understands that this is the process, not behavior, but wants the process changed as there are too many markups. The District can buy equipment directly and not have a 15% Inframark contract markup and the District can participate more in the decision making. Corey Newhouse suggested directing Inframark on where to buy the equipment, such in this case, Inframark can use PumpProducts.com and President Palesko agreed.

President Chet Palesko entertained a motion on Item 4. Motion was made by Ben Morse and seconded by Lisa McKenzie to use PumpProducts.com to purchase the irrigation pump and to authorize the committee to accept the lowest bid as provided by Inframark if the pump cannot be received in time or any issues arise. The motion carried unanimously. The committee will be President Chet Palesko and Lisa McKenzie. President Palesko asked why Inframark is wanting to replace both the pump and motor. District Manager Darald Berger explained that the motor failed, and the pump was old and while both components were pulled out, Inframark recommends replacement of both. Cheryl Napier asked that since the irrigation system has been down, is Inframark going to run water through it so that it is flushed out because one spec of sand will cause issues in the irrigation lines. President Palesko stated that the District will stay in contact with the HOA when it's time to start the system back up. Ms. Napier will provide contact information for Elliott Sanchez of Yellowstone that runs and maintains the HOA's irrigation system. Ms. Napier inquired about the timeline for replacing the pump and President Palesko advised that he is not sure. Lisa McKenzie stated that maybe a week or so after the Memorial Day holiday. President Palesko reiterated to Inframark that if there are any issues with purchasing the pump/motor, to contact the committee.

Related to Item 2 above, President Palesko asked that Inframark provide the raw quotes for the mixer for his review.

5. Landscape services at the effluent pond between the boulders and iron fence in the amount of \$5,000.00 and another \$2,000.00 for landscape services outside of the north fence on the far side of the pond.

After discussion, President Chet Palesko entertained a motion. Motion was made by Lisa McKenzie and seconded by Ron Preston to approve both proposals in Item 5 as discussed. The motion carried unanimously.

6. Additional ad hoc mowing in the amount of \$2,700.00 and weed eating of the irrigation fields to keep it within TCEQ requirements.

Item 6 was authorized at the May board meeting. This mowing has not yet been done but Landscaper Zane Furr plans to do it during the first week of June.

Ron Preston noted there are a lot of items for Board consideration and wanted to run through them to be sure that they all are addressed. At this time, the Board will defer action on Items 1, 2 and 3 above and took action on Items 4 and 5.

District Manager Darald Berger discussed photos taken by Landscaper Zane Furr showing the top of a tree that snapped and the down limbs at the Milagro pond. He is quoting \$500.00 to cut and remove the limbs. There is also a photo of a small pedestrian foot bridge. Lisa McKenzie stated that the foot bridge does not belong to the District and apparently is not the HOA's either. After discussion, the Board said to leave these items alone and there was no action on this item.

District Manager Darald Berger advised that he will be at the CASE conference in June and will attend the Board meeting via Zoom. Missy Roberts will attend in person.

Attorney Bill Flickinger advised that the Consumer Confidence Report ("CCR") is also included in the manager's report. The report does not have to be approved by the Board, however he recommends the Board review and comment on it. After review, President Chet Palesko entertained a motion. Motion was made by Lisa McKenzie and seconded by Corey Newhouse to approve the CCR as presented. The motion carried unanimously.

Andrew Boyle with Utilimatics commented on Ron Preston's meter not reading. The report he saw indicated that the battery and signal were ok. Ron Preston will check to see what his next water bill shows. Mr. Boyle can generate an alert on meters that are not reporting if need be.

As discussed at last month's board meeting, Andrew Boyle reported that he went out and replaced all the locks on the recorders because they were corroded. He will be using key locks in the future and believes they will be better. President Chet Palekso has been provided with those keys. Mr. Boyle also changed the batteries on the Milagro Drive and Heliotrope Court recorders. Those recorders were reporting too often on surge events and Utilimatics did not need all that

information. Mr. Boyle also tried moving the east entrance recorder back to the fire hydrant that was repaired closer to the entrance. However, after doing that it was still dripping above ground, so he moved it and back and then that was the fire hydrant that got hit. In the future, he can install the recorders in the entry vaults to be safer but will need to think about the placement. Mr. Boyle discussed the sequence of events on the fire hydrant that was hit. That fire hydrant did not report so he went out and checked it, and it was on the ground. The flange had been punctured, and he did not know how it did not turn into a geyser but thankfully it did not. There were no tire tracks, and the situation was bizarre. Its last recording was around 4:00 p.m. on Saturday. After the battery on the Milagro Drive recorder was changed, the AT&T construction meter was installed, and they will be able to track the water consumption on that meter. The west entrance fire hydrant has some issues. It has a subgrade hissing sound, and the fire hydrant was turned off to be sure that the District was not losing water underground. Right now, there are only two recorders in the District. A new recorder is \$2,795.00. Repairing a recorder can be around the same cost and possibly not work as well. President Chet Palesko asked about an insurance claim. Attorney Bill Flickinger said it will depend on the deductible. District Manager Darald Berger will check to see if a police report was filed. Corey Newhouse advised that the District should file a police report and Andrew Boyle has information that he can provide to District Manager Darald Berger so that the report can be filed. President Palesko discussed the east entrance pressure monitor because the fire hydrant leaked when pressurized. The preferred fire hydrant to use is the one on the hill by the master meter vault. With the west entrance fire hydrant being turned off, if there is a leak in that section, it will not be discovered. Mr. Boyle has another option which is using a permanent recorder in the vault, not on a fire hydrant. President Palesko asked Mr. Boyle to obtain pricing for a permanent recorder. Lisa McKenzie asked about communications with the WTCPUA. Mr. Boyle advised that there may be an added expense with the permanent recorder of needing to tap into the waterline. President Palesko advised that this item will be discussed further at next month's board meeting.

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

Attorney Bill Flickinger reported that the Effluent Disposal Contract will need to be amended when the new irrigation improvements project is completed. Mr. Flickinger would like to start working with the committee of Lisa McKenzie and President Chet Palesko on this amendment. Lisa McKenzie noted that it will be several months before the amendment is needed.

13. DATES FOR FUTURE BOARD MEETINGS

After discussion, the District's board meeting schedule will be as follows: June 26th, July 31st, August 28th, September 25th, and October 30th.

Ron Preston reiterated that he will not be available for the June 26th meeting and neither will District Manager Darald Berger. Missy Roberts will attend in place of Mr. Berger. Allen Douthitt will have to Zoom into the meeting. Ben Morse may not be able to attend the September 25th board meeting and President Chet Palesko will not be able to attend the October 30th board meeting.

14. 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.

15. 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

This item was not discussed.

16. 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

This item was not discussed, other than the brief statement made by President Chet Palesko at the beginning of the meeting.

17. INQUIRY REGARDING WASTEWATER SERVICE TO 67-ACRE TRACT OUTSIDE OF THE DISTRICT'S BOUNDARIES

Attorney Bill Flickigner reported that he received an inquiry regarding excess wastewater capacity for a 67-acre tract of land across Bee Cave Road from the District and wanted to alert the Board about it. Broker Jim Young represents a couple that owns the land and was interested in selling. As the Board is aware, there is not enough wastewater capacity to serve that land.

18. ENFORCEMENT PROCEDURES IN CONNECTION WITH DROUGHT CONTINGENCY PLAN

President Chet Palesko reported on the recent enforcement procedures for watering violations. There have been 10 courtesy warnings in the last three weeks. The next notice will be an official warning. Two weeks ago, the District sent out six additional final courtesy warnings. Next week, if those owners have not corrected their watering schedule, then they will get an official warning. President Palesko discussed the difference between minor and major violations. Inframark is emailing the warnings and in some instances the Inframark operator hung a door tag, at no charge. If it is inconvenient for Inframark to hang a door tag, President Palesko is ok with mailing a warning instead.

19. ADJOURN

President Chet Palesko adjourned the meeting at 8:58 a.m.


Chet A. Palesko, President

ATTEST:


Lisa S. McKenzie, Secretary

[SEAL]