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MEMORANDUM

TO: Board of Directors -
Block House Municipal Utility District

FROM: Denise L. Motal
Legal Assistant

DATE: June 6, 2023

RE: Block House Municipal Utility District -
June 12, 2023 Special Meeting

Enclosed please find the agenda and support materials for the special meeting of the Board of Directors of Block House Municipal Utility District scheduled for Monday, June 12, 2023, at 6:30 p.m., at 2600 Block House Drive South, Leander, Texas.

Please let me know if you cannot attend the meeting so that I can confirm that a quorum will be present.

Please do not hesitate to contact me if you have any questions.

Lisa Torres (Crossroads Utility Services, LLC)
Andrew Hunt (Crossroads Utility Services, LLC)*
Taylor Kolmodin (Municipal Accounts & Consulting, L.P.)
Mark Burton (Municipal Accounts & Consulting, L.P.)*
David Gray (Gray Engineering, Inc.)*
Cheryl Allen (Public Finance Group LLC)*
Carol Polumbo (McCall, Parkhurst & Horton L.L.P.)*
Tripp Hamby (Priority Landscapes, LLC)*
Antonio Lovato (Williamson County Sheriff's Dept.)*
Jay Howard (Texas Disposal Systems, Inc.)*

Ja-Mar Prince (Texas Disposal Systems, Inc.)*
Cynthia Magallanez (Texas Disposal Systems, Inc.)*
Chris Swedlund (McCall Gibson Swedlund Barfoot PLLC)*
Brian Toldan (McCall Gibson Swedlund Barfoot PLLC)*
Jan Gibson (McCall Gibson Swedlund Barfoot PLLC)*
Ashlee Martin (McCall Gibson Swedlund Barfoot PLLC)*
Tom Davis (Lifeguard 4 Hire, L.L.C.)*
Sandy Martin (BHC Owners Association)*
Amanda Stanfield (Tidal Waves Swim Team)*

*AGENDA ONLY (via email)

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT

June 12, 2023

TO: THE BOARD OF DIRECTORS OF BLOCK HOUSE MUNICIPAL UTILITY DISTRICT AND ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of Block House Municipal Utility District will hold a special meeting at **6:30 p.m.** on **Monday, June 12, 2023**, at 2600 Block House Drive South, Leander, Texas. The following matters may be considered and acted upon at the meeting:

PLEASE NOTE: Public comments will be accepted only during designated portions of the Board meeting. Citizens wishing to address the Board must complete the citizens’ communication form provided at the entrance to the meeting room, so they may be recognized to speak.

The meeting will be preceded by the U.S. Pledge of Allegiance and a moment of silence or prayer.

Board member announcements and agenda prioritization requests may be considered at the beginning of the meeting. The meeting will be recorded via video. The link to the video can be found at <https://www.youtube.com/@blockhousemud>.

Note: Matters on which Board action is anticipated are noted as “Decision”. Matters on which Board action is not anticipated are noted as “Informational”. Such notations are intended as a guide to facilitate the conduct of the meeting based on information available at the time that this agenda was finalized and are not binding. The Board reserves the right to take action on any of the following matters.

<u>AGENDA</u>	<u>ANTICIPATED ACTION</u>
GENERAL	
1. Citizens’ communications;	Informational
DISCUSSION / ACTION ITEMS	
2. Pool Services Agreement with Lifeguard 4 Hire, L.L.C.;	Decision
3. CD&P workshop regarding Survey Monkey and newsletter input;	Informational
4. Review of Meeting Notes;	Informational
5. Future Board meetings/agenda items.	Informational

The Board of Directors is authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code, to convene in closed or executive session for certain purposes, including receiving legal advice from the District’s attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073); discussing personnel matters (Section 551.074); discussing security personnel or devices or security audits (Section 551.076); and discussing information technology security practices (Section 551.089). If the Board of Directors determines to go into executive session to discuss any item on this agenda, the presiding officer will announce that an executive session will be held and will identify the item to be discussed and the provision of the Open Meetings Act that authorizes the closed or executive session.

(SEAL)



Attorney for the District

Block House Municipal Utility District is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call Armbrust & Brown, PLLC at (512) 435-2300 for additional information. Hearing impaired or speech disabled persons equipped with telecommunications devices for the deaf may utilize the statewide Relay Texas program at (800) 735-2988.

POOL SERVICES AGREEMENT

This Pool Services Agreement ("Agreement") is entered into effective November 1, 2022, by **BLOCK HOUSE MUNICIPAL UTILITY DISTRICT**, a political subdivision of the State of Texas (the "District"), and **LIFEGUARD 4 HIRE, L.L.C.**, a Texas limited liability company (the "Contractor").

I. PURPOSE OF AGREEMENT

The purpose of this Agreement is to state the terms and conditions under which the Contractor will provide pool management, operations, and maintenance services for the District's swimming pools located at 2800 Block House Drive, Leander, Texas (the "Tumlinson Pool") and 3100 Block House Drive, Leander, Texas (the "Apache Pool") (sometimes referred to individually as a "Pool" and collectively as the "Pools"). When used in this Agreement, the term "swim season" means the period commencing on the date established by the District's Board of Directors (the "Board") for the opening of the Pools for use by the District's residents and Pool patrons and ending on the date established by the Board for closing of the Pools for each year during the term of this Agreement.

The Contractor will regularly meet with the District's general manager (the "General Manager") or its designated pool subcommittee (the "Pools Subcommittee") to coordinate programs and scheduling for the benefit of the District's residents and Pool patrons.

II. POOL SCHEDULES

The approved pool schedule at the time of execution of this Agreement is attached as **Exhibit "A"**. The hours and dates of operation for each of the Pools may be changed at the Board's discretion, upon reasonable notice to the Contractor. The Contractor will cooperate with the Pools Subcommittee to revise the schedules established under this Agreement as necessary to accommodate the District's programming and the needs of the District's residents. If the schedules are updated or changed, the Contractor will promptly post the updated schedules on the bulletin boards at each of the Pools and will also provide them to the District's Website Administrator for posting on the District's website. The Contractor will ensure that postings on the bulletin boards at each of the Pools are kept current at all times.

III. BASIC SERVICES

The Contractor will provide the following basic services to the District for the compensation set forth in Article V:

A. **POOL STAFF**

The Contractor will provide all lifeguards, management personnel, and adult supervisory personnel required to ensure the safety of all Pool patrons in accordance with generally recognized safety standards for public pools including, without limitation, the current rules promulgated by the Texas Department of Health. A full-time adult supervisor (the "Pool Supervisor"), in addition to the Manager and Assistant Managers, will be provided by the Contractor. The Contractor must provide sufficient lifeguards to maintain a minimum ratio of one lifeguard to 25 Pool patrons at all times. Any major staffing changes must be promptly reported to the General Manager. At a minimum, the following staff will be provided by the Contractor:

1. Pool Management Consultant. Tom Davis will serve as pool management consultant (the "Pool Management Consultant"), and will manage and supervise the services to be provided by the Contractor under this Agreement. The Pool Management Consultant will make recommendations on modifications or improvements to the District's Pool facilities and services on a quarterly basis at a meeting to be scheduled with the Pools Subcommittee.

2. Management. A Manager and at least one Assistant Manager for each Pool be designated by written notice to the General Manager and the Pools Subcommittee prior to the Contractor's initiation of services under this Agreement and at least two weeks prior to the Tumlinson Pool opening for each swim season. At least one Manager or Assistant Manager must be at each Pool whenever the Pool is open. Assistant Managers who are on duty may also perform lifeguard duties. All managers must meet the following requirements:

a. Manager. A Manager is required, at a minimum, to be at least 18 years of age, to be trained in the operation of all pool equipment and appurtenances, and to have at least three years of prior pool management experience and the following current certifications:

- (1) Red Cross Lifeguarding or equivalent;
- (2) Red Cross or American Heart Association CPR, AED, and O2 Administration;
- (3) Red Cross or National Safety Council First Aid; and
- (4) Pool operator training, including for operation and use of the handicap lift.

b. Assistant Manager. An Assistant Manager is required, at a minimum, to be at least 18 years of age, to be trained in the operation of all pool equipment, and to have at least two years of prior lifeguarding experience and the following current certifications:

- (1) Red Cross Lifeguarding or equivalent;
- (2) Red Cross or American Heart Association CPR; AED and O2 Administration;
- (3) Red Cross or National Safety Council First Aid; and
- (4) Training in operation and use of the handicap lift.

All certifications must be sufficient to meet applicable Texas Department of State Health Services requirements.

3. Lifeguards. Qualified lifeguards must be at each Pool at all times during that Pool's hours of operation. The Pools will be staffed at all times with the appropriate amount of lifeguards, in accordance with generally accepted national standards or with applicable local law or regulation. All lifeguards on duty must wear distinguishing clothing, such as a shirt, swimsuit, or hat with "Lifeguard" or "Guard" clearly printed on it. All lifeguards must, at a minimum, be 16 years old, with the following current certifications:

- a. Red Cross Advanced Lifeguarding or equivalent;
- b. Professional Rescuer CPR; AED and O2 Administration; and
- c. Red Cross or National Safety Council First Aid.

All certifications must be sufficient to meet applicable Texas Department of State Health Services requirements.

4. Training. The Contractor must provide one pre-season training session for the Manager, all Assistant Managers, and all lifeguards. The Contractor must also provide at least

one mid-season training session for all lifeguards. Training must include instruction on the proper maintenance and use of the District's equipment and pool systems, including the pool heaters at Apache Pool and the District's registration database, which stores the contact information of residents registered to use the Pools and includes desktop computers and barcode scanners (the "Database System"). Unqualified personnel will not be permitted to adjust or tamper with the District's equipment, including the Database System, pool operating systems and specifically the heaters at Apache Pool. The Contractor will not permit any lifeguard who fails to maintain required certifications or to perform to the District's standards to continue to work at the District's Pools. The Contractor must promptly report any computer malfunctions or operational issues to the General Manager. Training records will be kept and provided to the General Manager and the Pools Subcommittee upon request. Training logs will include the name of participants, date and time of training, and the training materials covered. Unauthorized Presence on Pool Premises. The Contractor's personnel are not permitted on the Pool premises either before or after designated work hours, and may only remain on the premises while on duty and performing services under this Agreement. If the Contractor's personnel are on the Pool premises when not on duty, they must be dressed in their personal clothing rather than their lifeguard attire. No unauthorized access to the Pool premises will be permitted.

5. Emergency Notification Information. The Contractor must provide the General Manager and the Pools Subcommittee with cellular telephone numbers and company email addresses (not personal email addresses) for the Contractor's personnel who are available to be notified in the event of an emergency at either of the Pools.

B. POOL OPERATION

1. District Rules Enforcement. Either the Manager or an Assistant Manager will be responsible for enforcement of the Rules. The Manager must oversee enforcement of the Rules and promptly report enforcement problems, and must make recommendations on any changes to the Rules to the General Manager immediately.

2. Daily Log of Activities. The Contractor will maintain a daily log of significant activities and information, including a usage log (showing pool usage by hour), water analysis, work order requests submitted, condition of equipment, maintenance log, chemical supply log and record of time worked by the Contractor's staff. The log will be accessible to the District, including the General Manager and Pools Subcommittee, at all times and submitted weekly to the General Manager. The log will be maintained in electronic format and available online.

3. Accident Reports. All accidents or injuries requiring medical or lifeguard attention that occur at the Pools must be reported to the General Manager and the Pools Subcommittee within two hours of the incident, followed by a written accident report to be submitted to the General Manager within 24 hours of the incident.

4. Water Quality. The Contractor must follow the water quality policy contained in the Rules. If a Pool is closed due to water quality problems outside the control of the Contractor and within the terms of the District's water quality policy, the Contractor must (i) email notification to the General Manager and Pools Subcommittee, (ii) post a sign at the Pool notifying the residents of the reason for and duration of the Pool closure and stating when the Pool will re-open and (iii) email notification to the District's website administrator to post the Pool closure on the District's website and Facebook page.

5. Rain Days. If the weather is deemed unsuitable for swimming within two hours of the normal Pool closing time on any rainy day, the Pools may be closed for the remainder of

the day. In the event of severe inclement weather, the Contractor may, subject to prior notice to and approval of the General Manager, close the Pools early. If the Pools are closed due to inclement weather, the Contractor must (i) notify the General Manager and Pools Subcommittee by email, text, or telephone call, (ii) post a sign at the Pool notifying the residents of the reason for and duration of the Pool closure and stating when the Pool will re-open, and (iii) email notification to the District's website administrator or General Manager to post the Pool closure on the District's website and Facebook page.

C. POOL MANAGEMENT

1. Monthly Report. The Contractor must submit monthly written reports, including a summary of items reflected in the daily log for each Pool, to the General Manager, with a copy to the District's attorney, for inclusion in Board packets for regular Board of Directors meetings. This report will include hourly pool usage, water analysis, accidents reported and other information requested by the Board. The Contractor's failure to submit the reports will entitle the District to withhold payment to the Contractor until the reports are received.

2. Meetings. The Pool Management Consultant or another responsible member of the Contractor's management staff must attend all Board meetings during each swim season and all meetings of the Pools Subcommittee during each swim season when such attendance is requested. In addition, the Pool Management Consultant must attend quarterly meetings scheduled by the Pools Subcommittee.

3. Safety Services. The Pool Management Consultant will conduct a safety audit of Apache Pool prior to the initiation of the Contractor's services under this Agreement and a safety audit of the Tumlinson Pool prior to commencement of each swim season for Tumlinson Pool. The Contractor will also monitor the safety of the Pools and Pool areas during the term of this Agreement by performing a State Code and National Standards (Professional Standards) Safety Audit (American National Standard/Association of Pool and Spa Professionals or equivalent National Standards) on a monthly basis during each swim season. The General Manager will be notified of and invited to attend each of these safety audits. Written documentation of each safety audit, including any recommended modifications in facilities or procedures required for proper and safe operation of the Pools in conformity with all state and federal safety standards, must be prepared by the Contractor and will be submitted to the General Manager upon request. No additional charge will be assessed by the Contractor for services under this Section. The District may periodically hire a third-party inspector to audit and evaluate safety considerations at the Pools. Contractor agrees to work with, assist, and cooperate with any third-party auditing or evaluating safety considerations at the Pools.

4. Customer Relations. The Contractor will monitor all formal customer complaints. and provide notice of such complaints to the General Manager. The District will install signage at the Pools requesting that complaints be directed to the General Manager.

5. Additional Services. The Contractor may be authorized to perform additional services requested by the Board in accordance with Article IV. All additional services must be approved in advance by the General Manager.

D. POOL MAINTENANCE AND REPAIRS

1. The District agrees to provide the following, at no cost to the Contractor:

a. Access to Pools. The General Manager will provide the Contractor with six sets of keys necessary to open locks at the Pools. These keys will be properly safeguarded by

the Contractor, and released only to authorized personnel. Duplication of these keys by the Contractor is prohibited and, if any additional keys are needed, they must be obtained from the General Manager at the Contractor's expense. For security purposes, the Contractor will periodically change the access code to the lock boxes used for access to the keys. If an employee of the Contractor is terminated and that employee's keys are not returned to the Contractor, the General Manager will re-key the locks, at the Contractor's expense. All keys will be returned to the General Manager upon termination of this Agreement.

b. Utilities. The District will provide, at each Pool, water, electric and telephone utility services, a 110-volt electrical outlet in the pump room, a telephone (restricted to local calls only), lifeguard stands and umbrellas for the lifeguard stands, and solid waste collection services.

2. The Contractor will perform the following services:

a. Cleaning. The Contractor must keep the Pools and Pool areas clean at all times, including picking up and disposing of litter around the Pools and Pool areas; skimming the Pool water surface; vacuuming and brushing the Pool walls and bottom; cleaning and performing skimmer maintenance; cleaning the Pool decks. and inspecting dressing areas, chemical room, pump room, and lifeguard offices. The chemical room and pump room will be cleaned and maintained in accordance with all best practices and in compliance with all applicable rules and regulations. The District will hire a third party to clean the restrooms once a week at the Pools. In between such cleanings, Contractor shall undertake best efforts to ensure that the restrooms are adequately clean and will provide notice to the General Manager if the restrooms require significant immediate attention. Combustible items must be stored away from the pump room equipment. These services will be performed daily either before the Pool opens or after the Pool closes and throughout the day, as needed. In addition, skimmers will be checked and cleared of debris regularly throughout the day. Water standing on the Pool decks will be squeegeed from the decks regularly throughout the day. Pool trash containers and recycle bins will be emptied and placed in designated trash and recycle receptacles at curbside for pick-up or trash may be placed in dumpsters, as designated by the General Manager, on Monday and Friday of each week, and returned to the usual storage areas after trash and recycle pick-up.

b. Water Level. Water will be added to the Pool as needed.

c. Damage. The Pool area will be checked for damage and vandalism daily, and any damage will be reported to the General Manager and the Williamson County Sheriff's Department promptly. The Contractor will provide photographic documentation of any damage and vandalism to the General Manager. Repairs or clean-up necessitated by vandalism will be additional services which must be authorized in advance and will be paid for by the District.

d. Chemical Levels. The Contractor will monitor and maintain proper chemical levels in the Pools in order to ensure the safety of all Pool users. All chemical levels will be maintained in accordance with American National Standard/Association of Pool and Spa Professionals standards. The Contractor will add chemicals, as necessary, to obtain:

- (1) pH between 7.2 and 7.8;
- (2) Total alkalinity between 80 and 120;
- (3) Free chlorine residual between 1.0 and 3.0 ppm;
- (4) Chlorine stabilizer less than 50 ppm; and
- (5) Proper algae control (The use of copper sulfate will not be allowed during any swim season. If super chlorination is utilized,

returning free chlorine residual to between 1.0 and 3.0 ppm is a required task of weekly Pool maintenance).

The Contractor will perform and record water chemistry tests at the Pools every two weeks during the periods that the Pools are open. Tests will be conducted at a minimum water depth of 18 inches, at locations to be determined by the Contractor. The tests will provide analysis of mineral content, chlorine residual, total alkalinity and cyanuric acid level, calcium buildup, water pH, water hardness and other factors affecting optimum water quality and efficient chemical use. The test results will be maintained in a log book and submitted to the General Manager upon request. If the Contractor determines that a Pool should be closed due to poor water quality, the Contractor must (i) email notification to the General Manager and Pools Subcommittee, (ii) post signage at the Pool notifying the residents of the reason for and duration of the Pool closure and stating when the Pool will re-open, and (iii) email notification to the District's website administrator to post the Pool closure on the District's website and Facebook page. Unless the water quality problem is caused by an act of God, needed repair or other reasons outside the control of the Contractor, the District may, at its discretion, require a credit for each hour the Pool is closed due to poor water quality. If a water quality problem continues for eight hours or more, the District may, at the discretion of the Pools Subcommittee, require a credit of \$50 per hour for each hour the Pool is closed due to poor water quality.

e. Chlorine and pH. The Contractor will test automatic chlorination equipment and record chlorine and pH levels hourly, and make any required adjustments to chlorine and pH levels to comply with all applicable health and safety requirements. The Contractor will test the chlorine and pH levels hourly and test results will be maintained in a log book. Test results will be made available to the General Manager upon request.

f. Filter and Pumps. The Contractor will check filter and pump pressure readings daily, and will check and empty pump strainers as needed, and in no event less than once per day.

g. Pool Heaters. The Contractor will monitor the water temperature at Apache Pool and adjust the heaters as necessary.

h. Maintenance Checks. The Contractor will perform preventive maintenance checks and services on equipment in accordance with manufacturer recommendations.

i. Grounds Inspection. The Contractor will inspect grounds, restrooms and dressing areas hourly during periods that the Pools are open, and will take necessary steps to keep the areas clean.

j. Work Orders and Repairs. The Contractor will promptly initiate work orders for repairs or non-routine maintenance by request to the General Manager, and each work order request will be noted on the daily log maintained by the Contractor.

k. Notification. The Contractor will promptly notify the General Manager of any equipment repairs needed or operational problems. The Contractor will notify the General Manager and the Williamson County Sheriff's Department of any vandalism, and provide photographic documentation of any vandalism to the District Manager.

3. Pool Opening. The Contractor agrees to make each Pool "ready to swim" by completing the following services prior to opening day of the season for each Pool:

- a. vacuum Pool;
- b. clean Pool enclosure area;
- c. inspect chemical feeders;
- d. inspect all filtration equipment;
- e. inspect flow meters, pressure gauges, and valves;
- f. thoroughly clean bathhouse;
- g. inspect and re-stock water testing supplies;
- h. inspect underwater lights;
- i. inspect all pool systems as provided in the Pool opening and closing checklists;
- j. start up equipment;
- k. perform a walk-through with the General Manager prior to opening to develop a list of items needed for operation of the Pool and to review any items identified by the Health Department as deficient from the previous year; and
- l. perform requisite repair work as needed and authorized by the General Manager and the Pool Subcommittee.

4. Tumlinson Pool Schedule. The Tumlinson Pool will be open in accordance with the schedule attached as **Exhibit "A"**, as it may be revised by the Board. The Tumlinson Pool will be closed to swimmers if the water temperature drops below 78°. In addition, the Tumlinson Pool may be closed for maintenance purposes from time to time. Upon closing of the Tumlinson Pool for the season, the Contractor will be responsible for performing all necessary closing operations, including properly storing all equipment.

5. Apache Pool Schedule. Apache Pool will be open in accordance with the schedule attached as **Exhibit "A"**, as it may be revised by the Board. Apache Pool may be temporarily closed from time to time due to winter weather conditions. The pool cover must be completely removed at all times that any portion of Apache Pool is in use. In order to conserve energy resources, the cover must be placed on Apache Pool at pool closing each day while the pool heaters are in operation. If the Contractor fails to do so, the Contractor will be charged the sum of \$100 per occurrence, as liquidated damages, to compensate the District for utility costs expended due to the cover not being in place. This fee will be deducted from the compensation due for the next pay period. In addition, Apache Pool may be closed for maintenance purposes from time to time.

6. Apache Pool Opening, Closing, and Hourly Responsibilities. The Contractor will open and close Apache Pool, and perform hourly checks at Apache Pool, following protocols and checklists.

E. CHEMICALS AND SUPPLIES

1. The Contractor will be responsible for purchasing and maintaining a sufficient chemical inventory and coordinating delivery of all chemicals necessary to provide safe and clean pool water throughout the term of this Agreement to meet the standards required in Section D above at its expense. The Contractor agrees that it has sufficient knowledge of the operation of the Pools to determine the amount of chemicals necessary for operation. If chemical supplies anticipated to be required based on normal operation prove to be inadequate to meet Pool water quality requirements, resulting in an increase in the cost expended by the Contractor for chemicals, an additional fee may be requested by the Contractor, subject to review by the Pools Subcommittee and approval by the Board. Unless otherwise directed by the Board, the Contractor will seek the lowest competitive prices for, order and supply all chemicals required for the Pools on behalf of the District. The Contractor will be responsible for accepting

deliveries of chemical supplies from its suppliers, and must take adequate precautions to prevent damage to the District's facilities by any suppliers. Delivery trucks are not allowed on the grass. The Contractor will be responsible for repair of any damages that may be caused by the Contractor's suppliers. Proper handling and disposal of all chemical products is required.

2. During the term of this Agreement, the Contractor will provide lifeguard and Managers' shirts, lanyards, whistles, inhalation bags, administrative forms and training supplies, at its own expense.

3. During the term of this Agreement, the District will provide the following supplies, at its expense. The Contractor will notify the General Manager of any of these supplies that need to be ordered.

a. Pool and Janitorial Supplies. This includes soap, disinfectant, paper towels, deodorizer, toilet tissue, correct size trash can liners for the Pool area and bathrooms, glass cleaner, tile scrub pads and tile cleaner.

b. Light Bulbs. This includes normal incandescent light bulbs for the bathrooms, pump rooms and lifeguard rooms.

c. Office Supplies. This includes paper, pencils, pens, calculators, staples, paper clips and storage/file boxes.

d. Paper Forms. This includes guest passes, Pool schedules, copies of the Rules, incident reports and Pool party information and reservation forms.

e. First Aid Supplies. This includes bandages, band aids, antibacterial disinfectant, aloe, gauze pads and ice packs.

f. Other Equipment. This includes pool operating equipment, including water hoses, pool vacuum heads, pool poles, pool vacuum hoses, rescue tubes, ring buoys, life hooks, pool rules signs, trash receptacles, water test kit, life line, safety goggles, chemical resistant gloves, mops, brooms, dust pan, brushes, buckets, sponges, pool brushes, leaf skimmers and algae brushes.

IV. OPTIONAL SERVICES

A. PARTIES

1. Subject to the availability of the Pool facility and adequate staff, the Contractor will make reservations and provide lifeguards for private parties on Fridays, Saturdays and Sundays during the "summer swim season", between the hours of 8:00 p.m. and 10:00 p.m. Only residents registered into and shown to be in "good standing" in the Database System will be permitted to make reservations for private parties, and reservations will be made on a first-come, first-served basis. The total number of attendees at any private party may not exceed 50, unless approved in advance by the Pools Subcommittee. The Contractor will coordinate directly with the resident hosting a private party with respect to staffing requirements at and payments for the party. Payment for all private parties, as specified below, must be sent directly to the Contractor by the resident hosting the party, and the District will have no responsibility for such payment. No alcoholic beverages will be permitted and the Contractor's staff will strictly enforce the Rules at all times. Staffing requirements and payments for each Pool is as follows:

a. Tumlinson Pool. Private parties with up to 50 guests will require six lifeguards to be present at all times. At the time of scheduling of a private party, the resident hosting the party must pay \$400 to the Contractor as compensation for scheduling and staffing the party, and \$100 to the District for a facilities and clean-up deposit, for a total of \$500.00. These payments must be made by separate check, payable to the Contractor and the District, respectively, and sent directly to the Contractor.

b. Apache Pool. Private parties with up to 50 guests will require two lifeguards to be present at all times. At the time of scheduling of a private party, the resident hosting the party must pay \$250 to the Contractor as compensation for scheduling and staffing the party, and \$100 to the District for a facilities and clean-up deposit, for a total of \$350. These payments must be made by separate check, payable to the Contractor and the District, respectively, and sent directly to the Contractor.

2. No event will be scheduled and no lifeguards will be provided on days that the Pools are scheduled to be closed, on days before the Pools open, or after 10:00 p.m. on any day.

B. REPAIRS

The Contractor represents that it is qualified and capable of performing routine Pool maintenance that may be required during the term of this Agreement. Routine maintenance means maintenance specified in this Agreement or not requiring parts or materials, and this work will be performed at no additional cost to the District. The General Manager will be notified of any required or recommended nonroutine maintenance or repairs, and such work will be subject to approval by the Board or the Pools Subcommittee in advance and will be coordinated with the General Manager.

C. SWIM TEAM

The Contractor acknowledges that the District currently makes Apache Pool available for use by the Tidal Waves Swim Team and the Leander Independent School District High School Swim Teams. The Contractor will not be responsible for providing lifeguarding services during established team practice times unless the Pool in question is otherwise open to the public. The Contractor acknowledges that open communication and a good working relationship between the Contractor, as the District's pool manager, and the swim teams utilizing the Pools is a priority to the Board. Therefore, the Contractor agrees to notify the General Manager of, and to use its best professional judgment to resolve, any scheduling issues or conflicts so as to maximize use of the Pool and enhance the experience of all Pool patrons.

V. COMPENSATION AND BILLING

The District will pay the Contractor the total sum of \$331,835.04 for the basic services described in Article III, payable in installments of \$27,652.92 per month, each of which will be paid within five days following the Board's regular monthly meeting.

The Parties recognize that from time to time additional lifeguarding services may be required to accommodate the schedule of the Pools. In such circumstances, the Contractor will provide such services at a rate of \$28.50/hour and the Board will approve such expenditures.

If circumstances arise that render the Contractor unable to employ the necessary amount of lifeguards to staff the Pools as contemplated under this Agreement, the Contractor will reimburse the District in an amount commensurate with the Contractor's failure to provide the required services under this Agreement

VI. NOTICE

Any notice or communication under this Agreement must be in writing and may, unless otherwise provided herein, be given by (i) depositing the same in the United States Mail, postage paid, certified, and addressed to the party to be notified with return receipt requested; (ii) hand delivering the same to such party, or an agent of such party; or (iii) confirmed email notification. Notice deposited in the mail in the manner hereinabove described will be effective from and after the expiration of three days after such deposit. Notice given in any other manner will be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties will, until changed as provided below, be as follows:

District:	Block House Municipal Utility District P.O. Box 129 Leander, Texas 78646-0129
General Manager And Website Administrator:	Crossroads Utility Services, LLC 2601 Forest Creek Drive Round Rock, Texas 78665-1232 Attn: Lisa Torres Phone: (512) 541-9135 Email: gm@blockhousemudtx.gov
Pools Subcommittee:	Subcommittee Members and current contact information as provided on Subcommittee List.
With a copy to:	Armbrust & Brown, PLLC Attn: Sean Abbott 100 Congress Avenue, Suite 1300 Austin, Texas 78701 Email: sabbott@abaustin.com
Contractor:	Lifeguard 4 Hire, L.L.C. 705 Maurice Cove Cedar Park, Texas 78613 Attn: Tom Davis Cell Phone: (512) 970-5433 Email: info@lifeguard4hire.com

The parties may change their respective contact information for purposes of notice by giving at least five days written notice of the new information to the other parties. If any date or any period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period will be extended to the next business day.

VII. INDEPENDENT CONTRACTOR

The District and the Contractor agree that the Contractor is being retained as an independent contractor and not as an employee. All personnel required for the performance of the Contractor's duties under this Agreement will be employed by the Contractor, and will not be employees of the District. The Contractor will be solely responsible for all wages, income tax withholdings, social security, unemployment taxes and worker's compensation insurance required for its personnel employed to perform services under this Agreement. The Contractor

agrees that it will be responsible for collecting and remitting to the federal, state and local authorities all applicable FICA and income tax withholdings, if any, based upon sums paid to it by the District.

VIII. COMPLIANCE WITH APPLICABLE LAWS AND REQUIREMENTS

The Contractor will comply with all applicable federal, state, and county ordinances and regulations in performing all services to be rendered by the Contractor under this Agreement, and will advise the Board and the General Manager of any change in ordinances or regulations. Further, the Contractor will ensure that the Pools are operated and maintained in accordance with all applicable federal, state, and county ordinances and regulations and will provide prompt notice to the General Manager if District is not in compliance with any applicable rules or regulations. The District will comply with all applicable federal, state, and county ordinances and regulations in providing the pool facilities. The Contractor will operate, manage, and maintain the Pools in accordance with the Rules, attached as **Exhibit “B”**, including the “Policies and Procedures Relating to Pool Operations During the Coronavirus Epidemic” contained therein. Additionally, the Contractor will comply with the District’s Contractor Code of Conduct, attached as **Exhibit “C”**, and the District’s Code of Ethics, Travel and Professional Services Policy, attached as **Exhibit “D”**.

The Contractor will undertake all necessary and required actions, filings, and communications with all applicable governmental and regulatory authorities, including but not limited to the Williamson County Health District, to ensure that the District has all proper permits and certifications relating to the operation of the Pools. Contractor will also schedule and undertake all necessary actions to ensure that the District is in compliance with all rules and standards relating to the inspection of District facilities by the Texas Municipal League Intergovernmental Risk Pool (“*TML*”) or any other insurer of District facilities. Contractor will: (1) promptly notify the General Manager of the District if the District fails to procure any necessary license, approval, or certification from a regulatory authority or if any District facility fails an inspection conducted by the TML or any other insurer of District facilities; and (2) undertake best efforts to promptly cure any deficiencies relating to the failure to obtain any necessary regulatory approval or the failed inspection of a District facility.

Disclosure of Interested Parties. Contractor acknowledges that Texas Government Code Section 2252.908 (as amended, “*Section 2252.908*”) requires disclosure of certain matters by contractors entering into a contract with a local government entity such as the District. Contractor confirms that it has reviewed Section 2252.908 and, if required to do so, will 1) complete FORM 1295, using the unique identification number specified on page 1 of this Agreement, and electronically file it with the Texas Ethics Commission (“*TEC*”); and 2) submit the signed Form 1295, including the certification of filing number of the Form 1295 with the TEC, to the District at the same time Contractor executes and submits this Agreement to the District. Form 1295 is available at the TEC’s website: <https://www.ethics.state.tx.us/filinginfo/1295/>. This Agreement is not effective until the requirements listed above are satisfied and any award of the Agreement by the District is expressly made contingent upon Contractor’s compliance with such requirements. **The signed Form 1295 may be submitted to the District in an electronic format.**

Disclosure of Conflicts of Interest. Contractor acknowledges that Texas Local Government Code Chapter 176 (as amended, “*Chapter 176*”) requires the disclosure of certain matters by contractors doing business with or proposing to do business with local government entities such as the District. Contractor confirms that it has reviewed Chapter 176 and, if required to do so, will complete and return FORM CIQ promulgated by the TEC, which is available on the TEC’s website at <https://www.ethics.state.tx.us/forms/conflict/>, within seven

days of the date of submitting this Agreement to the District or within seven days of becoming aware of a matter that requires disclosure under Chapter 176, whichever is applicable.

Verification under Chapter 2271, Texas Government Code. If required under Chapter 2271 of the Texas Government Code (as amended, "Chapter 2271"), Contractor represents and warrants that, at the time of execution and delivery of this Agreement, neither Contractor, nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of Contractor that exist to make a profit, boycott Israel or will boycott Israel during the term of the Agreement. The foregoing verification is made solely to comply with Chapter 2271, to the extent such Chapter does not contravene applicable Federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Contractor understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Contractor.

Verification under Subchapter F, Chapter 2252, Texas Government Code. For purposes of Subchapter F of Chapter 2252 of the Texas Government Code (as amended, "Subchapter F"), Contractor represents and warrants that, neither Contractor, nor any wholly owned subsidiary, majority owned subsidiary, parent company, or affiliate of Contractor that exist to make a profit, are companies identified on a list prepared and maintained by the Texas Comptroller of Public Accounts (the "Comptroller") described within Subchapter F and posted on the Comptroller's internet website at:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, and
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Subchapter F, to the extent such subchapter does not contravene applicable Federal law, and excludes companies that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan, Iran, or a foreign terrorist organization. Contractor understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with Contractor.

Verification Under Chapter 2274, Texas Government Code, Relating to Contracts With Companies Boycotting Certain Energy Companies. If required under Chapter 2274 of the Texas Government Code (as amended, "Chapter 2274"), Contractor represents and warrants that, at the time of execution and delivery of the Agreement, neither Contractor, nor any wholly or majority-owned subsidiary, parent company, or affiliate of Contractor that exists to make a profit, boycott energy companies or will boycott energy companies during the term of the Agreement. The foregoing verification is made solely to comply with Chapter 2274. As used in the foregoing verification, "boycott energy companies" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company: (1) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law or (2) does business with a company described in the preceding section (1).

Verification Under Chapter 2274, Texas Government Code, Relating to Contracts with Companies that Discriminate Against the Firearm and Ammunition Industries. If required under Chapter 2274 of the Texas Government Code (as amended, "Chapter 2274"), Contractor represents and warrants that, at the time of execution and delivery of the Agreement, neither Contractor, nor any wholly or majority-owned subsidiary, parent company, or affiliate of

Contractor that exists to make a profit, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or will discriminate during the term of the Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to comply with Chapter 2274. As used in the foregoing verification, the terms “discriminate against a firearm entity”, “firearm entity”, and “firearm trade association” have the meanings ascribed to them in Section 2274.001, Texas Government Code.

IX. INSURANCE AND BOND

Upon the full execution of this Agreement and prior to providing any services under this Agreement, the Contractor must furnish the District certificates of insurance and policies, including all endorsements, on forms acceptable to the District, confirming the following insurance coverage in at least the amounts set forth below and, except with respect to Worker’s Compensation insurance, naming the District as an additional insured entitled to the full benefit of coverage:

a.	Worker’s Compensation/ Employer’s Liability	Statutory amounts as prescribed by law
b.	Commercial General Liability (occurrence basis)	\$1,000,000 (per occurrence) \$2,000,000 (aggregate) \$1,000,000 (products / completed operations aggregate)
c.	Automobile Liability (occurrence basis), which policy must include liability arising out of operation of owned, hired and non-owned vehicles	\$1,000,000 (combined single limit)
d.	Commercial Crime (covering theft of District property by the Contractor’s employees)	\$1,000,000

The Contractor’s Commercial General Liability policy must: (1) be on a current edition of ISO form CG 00 01 12 07 or equivalent; (2) include, but not be limited to, the following coverages: premises/operations, products/ completed operations, independent contractors, personal injury, contractual liability, including contractual indemnity, and explosion, collapse, underground property damage; and (3) not include the following endorsements and exclusions or equivalent limitations: CG 22 94 or CG 22 95 (Damage to Work Performed by Subcontracts Exclusion), CG 21 39 (Contractual Limitation Endorsement), CG 24 26 (Amendment of Insured Contract Definition), and CG 21 37 (Employees as Insureds Exclusion).

All of the above-listed insurance must be maintained in force throughout the term of this Agreement and must be written by insurance companies authorized to sell insurance where work is being performed and have an A.M. Best’s rating of **B++ VII** or better. All insurance policies must provide that they may not be cancelled or modified without 30 days’ prior written notice to the District and that they are primary and noncontributory over any insurance that may be carried by the District.

X. INDEMNIFICATION

THE CONTRACTOR AGREES TO WHOLLY INDEMNIFY, DEFEND, AND HOLD HARMLESS THE DISTRICT FROM ALL CLAIMS, LOSSES, EXPENSES, AND LIABILITIES (INCLUDING REASONABLE ATTORNEYS' FEES AND LITIGATION EXPENSES) ARISING OUT OF DAMAGE TO PROPERTY, INJURY TO OR DEATH OF PERSONS (INCLUDING THE PROPERTY AND PERSONS OF THE PARTIES AND THEIR AGENTS, SERVANTS, CONTRACTORS AND EMPLOYEES), OR LOSS OF USE OF PROPERTY, LOSS OF REVENUE, OR OTHER ECONOMIC LOSSES ARISING FROM OR RELATING TO THE SERVICES TO BE PERFORMED BY THE CONTRACTOR UNDER THIS AGREEMENT. **THE OBLIGATIONS IN THIS PARAGRAPH APPLY WHETHER ALLEGED OR ACTUAL NEGLIGENT ACTS OR OMISSIONS OF THE DISTRICT CAUSED THE LOSS IN WHOLE OR IN PART.** THESE OBLIGATIONS INCLUDE, WITHOUT LIMITATION, CLAIMS BY THE CONTRACTOR'S EMPLOYEES AGAINST THE DISTRICT.

XI. TERM OF AGREEMENT; TERMINATION

The term of this Agreement commences effective November 1, 2022, and continues through October 31, 2023, unless extended or sooner terminated in accordance with the terms and conditions of this Agreement. This Agreement may be terminated by either party for good cause by delivery of at least 30 days' written notice. Drought conditions that impair the District's ability to fill, maintain, and/or operate the Pools will constitute "good cause" for termination of this Agreement. The foregoing notwithstanding, in the event of termination of this Agreement by the District due to the Contractor's refusal or inability to perform, gross negligence, or fraud in the performance of its duties, or the distressed financial condition of the Contractor, the District may terminate this Agreement by delivery of written notice to the Contractor, and the termination will be effective immediately upon delivery of such notice.

XII. MISCELLANEOUS

The Contractor must provide adequate supervision to assure that all work will be done in accordance with these specifications and generally accepted good pool operation and maintenance standards. The site must be inspected by supervisory administrative personnel at least two times per week during the contract period.

All work outside the express terms of these specifications, except for emergency repairs approved by the General Manager, must have prior written approval by the Board. Charges for extra work, except for emergency repairs approved by the General Manager or work specifically approved by this Agreement, must be submitted to the Board for approval prior to commencement of the work.

This Agreement will be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created under it are performable in Williamson County, Texas.

This Agreement may not be amended to reduce the scope of services without the mutual agreement of the parties.

This Agreement may NOT be assigned by either party without the prior, written approval of the other party. The use of any subcontractor by the Contractor will be subject to the prior written approval of the Board or General Manager, which may be withheld for any reason.

This Agreement is binding upon and inures to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

In case any one or more of the provisions contained in this Agreement are for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability does not affect any other provision and this Agreement will be construed as if the invalid, illegal, or unenforceable provision had never been contained in this Agreement.

If either party defaults in the performance of its obligations hereunder for any reason, the other party will be entitled to pursue all remedies available at law or in equity. In the event of any lawsuit based on this Agreement, the prevailing party will be entitled to recover reasonable attorney's fees and related costs.

The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs hereof.

Wherever appropriate, the masculine gender may include the feminine or neuter, and the singular may include the plural, and vice versa. Both parties have participated in the negotiation and drafting of this Agreement; therefore, in the event of any ambiguity, the provisions of this Agreement will not be construed for or against either party.

This Agreement may be executed simultaneously in two or more counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument.

This Agreement, including all exhibits, constitutes the sole agreement of the parties and supersedes any prior understandings or written or oral agreements between the parties respecting its subject matter.

The following exhibits are attached to this Agreement and incorporated herein by reference:

Exhibit "A":	Current Pool Schedule
Exhibit "B":	District Pool Rules and Regulations
Exhibit "C":	District Contractor Code of Conduct
Exhibit "D":	District Code of Ethics, Travel and Professional Services Policy

Executed by the parties on the dates specified below, to be effective November 1, 2022.

DISTRICT:

**BLOCK HOUSE MUNICIPAL UTILITY
DISTRICT**

By: 
Cecilia Roberts, President
Board of Directors


Date: 10-26-22

ATTEST:


Byron Koenig, Secretary
Board of Directors

CONTRACTOR:

LIFEGUARD 4 HIRE, L.L.C.,
a Texas limited liability company

By: 

Tom Davis, Director of Operations

Date: 12-9-2022

EXHIBIT "A"

2022-2023 POOL SCHEDULE

Apache Pool		(6 Lane, 25 meter pool, heated mid Oct - mid March)					
3100 N Blockhouse Dr	Mon	Tue	Wed	Thurs	Fri	Sat	Sun
October 1st - May 1st	5pm-9pm	CLOSED	5pm-9pm	CLOSED	5pm-9pm	CLOSED	CLOSED
May 2nd - May 28th	5pm-9pm	CLOSED	5pm-9pm	CLOSED	5pm-9pm	12pm-8pm	12pm-8pm
May 29th - August 9th	12pm-8pm	12pm-8pm	12pm-8pm	12pm-8pm	12pm-8pm	12pm-8pm	12pm-8pm
August 10th - August 15th	3pm-9pm	3pm-9pm	3pm-9pm	3pm-9pm	3pm-9pm	3pm-9pm	3pm-9pm
August 21st - August 30th	5pm-9pm	CLOSED	5pm-9pm	CLOSED	5pm-9pm	CLOSED	CLOSED
Sept 1st - Sept 4th	3pm-9pm				5pm-9pm	3pm-9pm	3pm-9pm
Sept 5th - Sept 30th	5pm-9pm	CLOSED	5pm-9pm	CLOSED	5pm-9pm	CLOSED	CLOSED
Tumlinson Pool		(Recreation pool with beach entry, splash features and water slides)					
2600 S Block House Dr	Mon	Tue	Wed	Thurs	Fri	Sat	Sun
May 27th - August 9th	10am-8pm	10am-8pm	10am-8pm	10am-8pm	10am-8pm	10am-8pm	10am-8pm
August 10th - August 15th	12pm-6pm	12pm-6pm	12pm-6pm	12pm-6pm	12pm-6pm	12pm-6pm	12pm-6pm
August 19th - August 27th	CLOSED	CLOSED	CLOSED	CLOSED	CLOSED	10am-8pm	10am-8pm
Sept 2nd - Spt 4th	10am-8pm	CLOSED	CLOSED	CLOSED	CLOSED	10am-8pm	10am-8pm

Pool schedule subject to change at any time*

EXHIBIT "B"

POOL RULES AND REGULATIONS

ACCESS POLICY

These rules are applicable to both the Tumlinson Pool and the Apache Pool. Pool hours will be established by the Board of Directors from time to time, and posted at each Pool office.

RULES AND REGULATIONS

Tumlinson Pool Phone (512) 259-0341

Apache Pool Phone (512) 260-2699

A. IDENTIFICATION

Residents must be registered into and shown to be in "good standing" in the Database System for admission to any Pool area. An individual will be shown to be in "good standing" in the Database System if the monthly water/wastewater bills charged to the individual's residence have been timely paid. If a resident is not shown to be in "good standing" in the Database System, entry will not be permitted. In order to gain access to the Pools, residents must have their barcodes tags swiped against the barcode scanners located at the entrances of the Pool. Residents may register into the Database System and receive barcode tags at Tumlinson Pool or Apache Pool during regular Pool hours, or by contacting the District's General Manager.

B. ADULT SUPERVISION POLICY

1. Children who have not reached their tenth birthday must be attended at all times by a parent or approved babysitter over the age of 16. The parent or babysitter must be IN the water within an arm's reach of a non-swimming child.
2. Children between the ages of ten and 13 must pass a swim test before they may attend the Pool without a parent or approved babysitter over the age of 16.
3. Parents must provide written authorization, on the form approved by the District, attached as **Exhibit "M"**, naming a specific approved babysitter to attend their children under 13 years of age while at the Pool. A written authorization will not be required for children between the ages of ten and 13 who have passed a swim test as set out in Paragraph 2 above.
4. A non-resident babysitter must present a current form of identification and an executed Application to Use District Recreational Facilities and Release of Liability form, a copy of which attached as **Exhibit "K"** ("Application and Release"). If the babysitter is under the age of 18, the Application and Release must be signed by their parent or legal guardian.
5. **PARENTS ARE RESPONSIBLE FOR THEIR CHILDREN. LIFEGUARDS ARE RESPONSIBLE FOR SAFETY AND EMERGENCY RESPONSE.**

6. Only children three years of age or younger or who are disabled will be permitted to accompany a parent of the opposite sex into the dressing rooms.

C. GUEST POLICY

Guests must be accompanied by a resident registered into and shown to be in “good standing” in the Database System. Each household may have up to five (5) guests per day. Guests will be required to execute an Application and Release. If the guest is under the age of 18, the Application and Release must be signed by their parent or legal guardian. Guests must register at the time of admission to the Pool and pay an admission fee of \$1.00 at the time of admission.

D. PRIVATE PARTIES

1. The Pools may only be reserved for private parties by residents of the District who are registered and in “good standing” in the District’s Database System. Reservations will be scheduled on a first-come, first-served basis, subject to (a) the availability of lifeguards through the District’s pool management contractor (the “*Pool Contractor*”); and (b) the terms of these Rules. No private parties may be scheduled on holidays.
2. All private parties will be limited to a maximum of 50 guests. Private parties may be scheduled on a Friday, Saturday or Sunday during the summer swim season only (last day of school to first day of school) between the hours of 8:00 p.m. and 10:00 p.m. All attendees must depart the facility by 10:00 p.m. Any guests who are not registered on the Database System must execute and deliver to the District’s Pool Contractor the District’s Application and Release prior to the date of the event as a condition to admission; if the guest is under the age of 18, the Application and Release must be signed by the guest’s parent or legal guardian.
3. The resident host of any private party must (a) complete, sign and return to the District’s Pool Contractor the Application to Reserve Pool for Private Party attached as **Exhibit “A-1”** (the “*Application*”) and (b) pay (i) \$100, consisting of a \$50 deposit and a \$50 usage fee, to the District, and (ii) the fee applicable to the usage option selected by the host on the Application to the District’s Pool Contractor at least 14 days in advance of the date of the party. Reservations will be subject to availability of lifeguards and the availability of the facility, and will ONLY be confirmed following the receipt of FULL PAYMENT. If a party is cancelled by confirmed notice to the District’s Pool Contractor at least 14 days before the scheduled date, the host will receive a full refund. If a party is cancelled by confirmed notice to the District’s Pool Contractor at least three business days before the scheduled date, the host will receive a refund of the amount paid, less a \$50 service charge which will be deducted from the deposit. Due to the costs incurred by the District in reserving the facility and scheduling lifeguards, no refunds or credits will be given if any event is cancelled less than three business days before the event, regardless of whether the event is cancelled at the request of the host or due to inclement weather.
4. NO alcoholic beverages and no illegal or controlled substances are permitted at the Pools at any time. A violation of this policy during a private party may result in permanent suspension of the host’s Pool privileges. All provisions of these Rules will apply and will be enforced during all private parties, and any violation

of these Rules may result in the immediate closing of the Pool and cancellation of the party and, in such case, all fees paid will be retained by the District and no refund or credit will be issued as a result of the cancellation.

5. The resident host will be eligible to receive a refund of his or her \$50 deposit if the Pool facilities are left in a clean and undamaged condition after the private party and all of these Rules are complied with by the host and his or her guests during the event.

E. RULES AND CONDUCT

1. No commercial activity or use.
2. No diving.
3. No hanging on ropes.
4. No running, jumping, skipping, or any movement other than ordinary walking.
5. No cutoffs or street clothes. Swimsuits are required. Swim diapers are required for children who are not toilet-trained.
6. No snorkels or face masks. Plastic swim goggles may be used.
7. No “somersaults”, “back dives”, “preacher seats”, “can openers” or similar type entries from the edge of the Pool.
8. Swimmers in the water have the right-of-way. Patrons entering the water from the deck or water slide must make certain no one is in front of them.
9. No person except for the lifeguard on the lifeguard stand.
10. No person may talk to, shout at, or in any manner distract a lifeguard on the lifeguard stand, except in the case of an emergency.
11. No rough play, pushing, dunking, splash fights or similar behavior. Such behavior will be dealt with on an individual basis, but could result in permanent exclusion from the use of the Pool.
12. Floating devices may be allowed in the Pool during adult swim at the lifeguards’ discretion. Water wings and small floats for non-swimming children are allowed at all times. **See Paragraph B above regarding Adult Supervision Policy.**
13. Only small floating toys and balls approved by the Pool manager will be allowed in the Pool.
14. Trash must be removed.
15. No cocoa butter, baby oil, or heavy suntan oils.
16. No chewing gum while swimming.

17. No swimming with an open sore or communicable disease.
18. One long whistle blast by a lifeguard requires all Pool patrons to immediately leave the Pool.
19. No bicycles, skateboards, skates, or motorized vehicles within the Pool area.
20. No pets.
21. No destructive activities.
22. No disorderly, dangerous, or offensive conduct.
23. No profanity.
24. No glass containers.
25. No alcoholic beverages.
26. No illegal or controlled substances.
27. No smoking.
28. No open flames.
29. No hurling, throwing, discharging, firing or propelling by any means any missile is permitted. This rule applies to, but is not limited to, golfing activity, firearms, pellet guns, air guns, fireworks, bows and arrows, blowguns, slingshots, and other hazardous items, and throwing stones, darts, knives, spears and javelins.
30. No motor-driven vehicles or equipment are permitted in any grassy or unpaved area. Vehicles are permitted to park within parking lots only. Parking lots are for park patron use only. No overnight parking of vehicles. Violators may be towed at the expense of the violator.
31. No signs or advertising may be attached to or placed on District property.
32. No amplified or live music that (i) creates vibrations apparent by direct means, such as touch or visual observation of moving objects, to a person of normal sensitivities beyond the boundaries of the Pool, or (ii) that is audible outside the boundaries of the Pool will be permitted without Board approval. No music that promotes violence or illegal or abusive behavior. No amplified music in a vehicle that is audible or causes a vibration 30 feet from the vehicle.
33. No littering. Trash must be collected and disposed of in the receptacles provided.
34. The District reserves the right to impose additional restrictions on use as the situation warrants. A violation of the rules applicable to the use of any District facility is grounds for expulsion and exclusion from the District's Parks and recreational facilities.

35. Damage to District property is a crime. To discourage such activity, the District has increased security patrols. The District will pay \$500 to anyone providing information that leads to the apprehension and conviction of persons causing damage to District property. Persons causing damage to District property will be prosecuted to the full extent of the law. To report such activity, please call the Williamson County Sheriff's office at (512) 864-8282, option 1, option 1. For emergency calls only dial 911.

Conduct by any person deemed to be dangerous, unreasonable, threatening, or offensive to patrons or employees is grounds for imposing a time out or removal from the Pool by the lifeguards. Any individual receiving time out or removal from the Pool repeatedly or for serious infractions will lose all Pool privileges for the remainder of the season and will be barred from special events.

F. GENERAL INFORMATION

1. At the discretion of the Pool Contractor and upon approval by the District's General Manager, certain periods of the normal open swim hours may be set aside for specialized activities such as adult swimming, games, etc. These activities will be open to all interested residents registered into and shown to be in "good standing" in the Database System, subject to any limitations related to the event.
2. Coming events or schedule changes will be posted at the Pool.

POOL WATER QUALITY POLICY

1. The District, through its Pool Contractor, will implement a public awareness and public education program that is designed to:
 - a. Educate the Pool Contractor's staff on pool water quality management, including:
 1. How to respond to swimmers and staff who are ill;
 2. How to answer questions and complaints; and
 3. How to manage press inquiries in the event of an outbreak of illness.
 - b. Educate the District's residents through signage at the Pool; and
 - c. Ensure that the District's policy is enforced.
2. The District has implemented the following policy:
 - a. Individuals who are ill with diarrhea or abdominal cramps, including lifeguards, may not swim in the Pool. Such illnesses must be reported to the Pool manager.
 - b. Any inquiries relating to possible water-borne illness must be referred to the Pool Contractor, and must be reported to the District's General Manager immediately.

- c. Lifeguards must monitor the Pool for fecal accidents and behavior that would increase risk of illness, such as rinsing a child’s buttocks or a diaper in the Pool.
 - d. Children who are not toilet-trained must wear swim diapers while in the Pool.
 - e. All Pool staff will be educated as to the attached response policy for possible contamination incidents and must sign a copy of this policy to indicate that they have read the policy and will comply with its requirements.
3. The following signage will be posted at the Pool, in a conspicuous location before the entrance to the Pool:

PROTECT OUR WATER

If you have or have had diarrhea in the past two weeks, please do not use the Pool. Swimmers are encouraged to take a cleansing shower before entering the Pool. Children who are not toilet-trained MUST wear a swim diaper at all times while in the water.

POOL WATER QUALITY RESPONSE POLICY

- 1. The Pool and Pool area must be kept clean and disinfected at all times, including the dressing, toilet, and shower areas.
- 2. Filtration systems must be maintained and functional at all times. Any maintenance problems or malfunctions must be reported to the Pool Contractor and the District’s General Manager immediately.
- 3. Proper water chemical levels must be maintained at all times.
- 4.
 - a. All fecal and vomiting incidents will be handled according to the following procedures:

FECAL (including diarrhea)	VOMIT
1. Clear the pool . 2. Close the pool for 24 hours or a minimum of 3 to 4 complete turnovers. 3. Remove fecal material and dispose of in sanitary sewer (toilet). 4. Disinfect any pool equipment used to handle fecal material. 5. Add chlorine to raise the pool to	1. Clear the pool . 2. Add chlorine to raise the pool to 5 ppm, or equivalent, using other disinfectants. 3. Remove any chunks or pieces. 4. Allow some time for the disinfectant to spread and work on the extra organic material. In addition we need to avoid “hot” spots of disinfectant that swimmers may swim through. Allow about an hour of total time

5 ppm chlorine.		down.
6. Before reopening, backwash all filters.		5. Recheck for adequate chlorine.
7. Reopen pool		6. Reopen pool.

- b. Any material removed from the Pool must be disposed of in a biohazard waste bag. Clean your equipment and wash your hands.
- c. If someone tells you he or she currently has an ongoing *Cryptosporidia* infection and just had an accident in your pool:
 - 1. Clear and close the pool.
 - 2. Inform patrons and staff of the situation. Have them contact the local health department and their doctor if they become ill. It will usually take seven to ten days before anyone becomes ill. Young children should not attend daycare if they develop a diarrheal infection.
 - 3. Add disinfectant to bring the pool up to 20 ppm chlorine or equivalent. Remove any pieces of stool and place them in a biohazard bag. Avoid handling the stool, and wash well afterwards. Disinfect the net or other equipment. (The net can be placed into the pool.)
 - 4. Notify the local health department of the situation.
 - 5. Maintain the disinfectant level for 12 hours and ensure the circulation flow is at its maximum effective rate during this time. Balance the water chemistry.
 - 6. Backwash the filters thoroughly.
 - 7. Rebalance the water chemistry and adjust the disinfectant. Open the pool.
 - 8. Monitor staff for illness and restrict ill staff from the water until they obtain a negative stool sample for *Cryptosporidia*, or for two weeks after the diarrhea ends.

POLICIES AND PROCEDURES RELATING TO POOL OPERATIONS DURING THE CORONAVIRUS EPIDEMIC

The Board of Directors of the District has adopted the policies and procedures in the attached **Exhibit “A-2”** relating to operation, management, and administration of the District’s pools during the Coronavirus epidemic.

MESSAGE FROM THE BOARD OF DIRECTORS

The Board of Directors hope that you enjoy the District's Pools. Please use them in a safe and considerate manner. If you have any questions, or if the facilities need attention, please call the District's General Manager at (512) 259-0959.

EXHIBIT "A-2"

POLICIES AND PROCEDURES RELATING TO POOL OPERATIONS DURING THE CORONAVIRUS EPIDEMIC

In consideration of Gov. Greg Abbott's proclamation of May 11, 2020 allowing for the reopening of public pools in the State of Texas during the Coronavirus epidemic, the Board of Directors has adopted the following policies and procedures relating to operation, administration, and maintenance of the District's pools during the Coronavirus epidemic (the "Coronavirus Policies and Procedures"). The Coronavirus Policies and Procedures shall be utilized and enforced while the State of Texas has an active disaster declaration in place pursuant to Section 418.014, Texas Government Code, and shall continue to be utilized and enforced until the Board finds that use of Coronavirus Policies and Procedures are no longer necessary. The Board of Directors may revise the Coronavirus Policies and Procedures from time to time in accordance with established best practices and recommendations from relevant regulatory authorities to ensure the health and safety of swimmers in District pools. Tumlinson Pool and Apache Pool shall be collectively referred to as the "Pools" in these policies and procedures. All capitalized terms utilized in this exhibit shall have the same definition ascribed to them in the Pool Rules and Regulations.

OPERATION OF POOLS

1. The Pools shall be operated in compliance with the all relevant regulatory authorities during the Coronavirus epidemic, including but not limited to the State of Texas and Williamson County Health District.

LIFEGUARD RESPONSIBILITIES

1. Lifeguards shall perform all sanitation relating to the Pools, with a focus on the following "high touch" areas: restrooms, handrails, door knobs, and gates. High touch areas shall be cleaned at least once every hour. The District shall supply all necessary cleaning materials and equipment necessary to clean high touch areas. A written cleaning policy shall be established by the Pool Contractor and will be posted at the Pools in a location that is visible to the public.
2. To the extent possible, Lifeguards shall convert high touch surfaces to hands-free functionality.

GENERAL CONSIDERATIONS

1. Hand sanitizer shall be strategically placed at each entrance and exit, as well as in "high traffic" areas of the Pools.
2. Signage shall be posted in prominent places of the Pool complexes on the following topics:
 - Reminding pool users to wash their hands;

- To maintain social distancing at all times, including while swimming;
- Listing symptoms of the Coronavirus and reminding swimmers to stay home if they've recently experienced such symptoms or if anyone in their household has experienced such symptoms;
- Recommending residents wear face masks when they are not in the water;
- Confirming capacity control limits.

3. The Pool Contractor shall provide the District with the written policies and procedures that the Pool Contractor has instituted for its employees relating to Coronavirus, including procedures for staying home from work if an employee has exhibited Coronavirus symptoms. No employees of Pool Contractor who have tested positive for Coronavirus shall be allowed to return to work until they have quarantined in accordance with all relevant CDC standards.

4. If the Pool Contractor or District is made aware that an individual who has visited the Pools has tested positive for the Coronavirus—be it an employee of the Pool Contractor or a District resident who has visited a District Pool—the District shall undertake best efforts to notify all individuals who were at the Pool at the same time as the individual diagnosed with Coronavirus of the positive test.

EXHIBIT "C"



*Block House Municipal Utility District
Post Office Box 129
Leander, Texas 78646-0129
(512) 259-0959 Fax (512) 246-1900*

Dear Vendor Colleague:

The Board of Directors (the "Board") of Block House Municipal Utility District (the "District") is committed to building and supporting a governmental entity that demonstrates honesty, integrity, ethics and best practices. In an effort to strengthen this commitment, the Board has established a Third Party Code of Conduct ("Code"). This Code offers guidance for the complex legal and business issues the Board faces every day and sets forth the overall principles of the District. The standards set forth in the Code are based on those that apply to the Board and are applicable to all of the District's vendors, suppliers and contractors.

Please direct your attention to the general prohibition against a vendor offering any benefit to a member of the Board. There are very few exceptions to this general prohibition, which is also found in the Texas Penal Code, and the District generally discourages anything of value being offered to or accepted by the members of the Board due to the potential appearance of impropriety.

Thank you for your consideration.

Sincerely,

Terence Davis

President, Block House Municipal Utility District

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT CONTRACTOR CODE OF CONDUCT

The Board of Directors (the "Board") of Block House Municipal Utility District (the "District") strongly believes that implementing a Code of Conduct ("Code") applicable to all vendors, contractors and suppliers will create value for all parties and provide a framework for open and honest governance.

Scope

This Code applies to all agents, suppliers, contractors, and independent contractors to the District (in this Code, collectively referred to as "Suppliers"), but does not apply to other governmental agencies or public officials of other governmental agencies, as other governmental codes are applicable to those excluded agencies and officials.

Introduction

The Board is committed to work with all of the District's Suppliers to promote responsible practices throughout the District's supply chain and the community. The Board's goal is to ensure that all of the District's Suppliers share the Board's commitment to conduct the District's business in an ethical, legal and socially responsible manner.

Legal Compliance

In addition to compliance with the provisions of this Code, the Board requires all of the District's Suppliers to conform to all applicable laws and regulations and prevailing industry standards.

If the standards set forth in this Code differ from those contained in Federal, State or other applicable laws, regulations or standards, the Board expects its Suppliers to meet the higher or more stringent standards.

If a District Supplier becomes aware of any conflict between this Code and other applicable laws and regulations, the Board also expects the Supplier to notify the Board in order to allow the Board and the Supplier to jointly establish the most appropriate course of action.

The Code

Responsible Business Behavior

The Board expects the District's Suppliers to conduct business in an ethical and lawful manner and to act with integrity and in compliance with all applicable laws including anti-trust laws.

Anti-Corruption

The Board expects the District's Suppliers to avoid participating in or knowingly benefitting from any kind of corruption, extortion or bribery. Consequently, a Supplier may not offer, promise, authorize or give anything of value to any public official, or to any other Supplier, in order to gain an improper business advantage of any kind. In addition, a Supplier may not solicit or accept any form of bribe from any person.

Working and Employment Conditions

Health and Safety

The Board expects the District's Suppliers to provide a safe and healthy working environment for all of their employees, whether part time or full time. The Board expects the District's Suppliers to have effective health and safety management systems that ensure, among other things:

- Compliance with applicable laws and regulations.
- Compliance with customer requirements.
- Identification and management of hazards and risks associated with the Supplier's operations.

The Board expects the District's Suppliers to continuously work to reduce and mitigate health and safety risks in the workplace. The Board expects the District's Suppliers to educate and train their employees and to protect all of their employees from any harm arising from workplace activities.

All Suppliers providing building or construction services to the District must provide workers compensation insurance for each employee of the Supplier employed on the project.

Respectful Treatment

The Board expects the District's Suppliers not to use or permit the use of mental or physical coercion and not to tolerate sexual harassment or abuse, nor threats of such treatment.

Equal Opportunity Rights

The Board expects the District's Suppliers not to engage in or support discrimination and to adopt and enforce policies prohibiting discrimination and striving to ensure equal treatment in recruitment, hiring, compensation, access to training, employee benefits and services, promotion, termination and retirement, irrespective of age, gender, race, color, disability, religion or belief, language, national or social origin, trade union membership, or any other status recognized by Federal law.

Child Labor

The Board expects the District's Suppliers to comply with all applicable child labor laws.

Voluntary Labor

The Board expects that all of a Supplier's employees will be permitted to enjoy the freedom of movement during the course of their employment and that personal/employment documents or payment of compensation will not be withheld by any Supplier in order to prevent any employee from terminating his/her employment.

Compensation

The Board expects the District's Suppliers to pay all employees fair compensation, in accordance with all applicable laws and regulations, including overtime pay and all legally mandated benefits. For public works projects, District Suppliers must pay all workers not less than the general prevailing rate of per diem wages for work of a similar character prevailing in Williamson County, Texas.

Working Hours

The Board expects the District's Suppliers to comply with appropriate working hour requirements as established by applicable law and to ensure that overtime and holiday work is appropriately compensated in accordance with applicable law.

Environment

The Board expects all District Suppliers to consider the environmental impacts of their operations and to strive to minimize any adverse environmental impacts resulting from their activities. The Board expects the District's Suppliers to obtain all necessary licenses and permits and to comply with all requirements of those licenses and permits. The Board expects the District's Suppliers to strive to develop and implement

environmental management systems that include measurement and monitoring in order to:

- Identify environmental impacts.
- Reduce waste, energy and emissions to air, ground and water.
- Handle chemicals in an environmentally safe way.
- Handle, store and dispose of hazardous waste in an environmentally safe manner.
- Contribute to the recycling and reuse of materials and products.
- Implement environmentally friendly technologies.

Violations

The underlying objective of this Code is to establish a basis for the development of responsible procurement practices through dialogue and ongoing working relationships.

If the District becomes aware of an alleged violation of this Code, the District will notify the Supplier and will, subject to the requirements of any applicable contract, work with the Supplier to correct the practice that has caused the violation.

In the case of any Supplier that violates the provisions of this Code and fails to promptly correct the violation, the District may terminate any existing contracts and may disqualify the Supplier from bidding on future contracts with the District.

Preferred Suppliers

Contracts will be awarded based on price and quality, and in accordance with applicable statutory requirements, with preference given to Suppliers that share the District's commitment to conducting business in an ethical, environmental and socially responsible manner.

ACKNOWLEDGED AND AGREED:

(Contractor Name - typed or printed)

By: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT “D”

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT CODE OF ETHICS, TRAVEL, AND PROFESSIONAL SERVICES POLICY

(February 27, 2019)

ARTICLE I

SUBJECT MATTER

This Code of Ethics, Travel, and Professional Services Policy (“*Policy*”) is adopted by the Board of Directors (the “*Board*”) of Block House Municipal Utility District (the “*District*”) under Sections 49.157 and 49.199 of the Texas Water Code and Section 2256.005 of the Texas Government Code. The subject matter of this Policy is addressed by other requirements of Texas law, including those governing public meetings, public records, audits, financial management, disqualifications of Directors, dual office holding limitations, conflicts of interest, self-dealing, and illegal and corrupt practices. This Policy is not intended to supersede or summarize other provisions of applicable law.

ARTICLE II

DEFINITIONS

- 2.01. Business Entity. “*Business Entity*” means a sole proprietorship, partnership, firm corporation, holding company, joint stock company, receivership, trust or any other entity recognized by law through which business is conducted.
- 2.02. Commission. “*Commission*” means the Texas Commission on Environmental Quality.
- 2.03. Developer. “*Developer*” means a developer of property in the District.
- 2.04. Director. “*Director*” means a person elected or appointed to serve on the Board.
- 2.05. District Official. “*District Official*” means a Director, Officer, or Employee.
- 2.06. Emolument. “*Emolument*” means pay or some other benefit, compensation, or thing of value received in exchange for holding an office. For example, free or discounted utility services or a fee of office for meeting attendance could constitute an emolument.
- 2.07. Employee. “*Employee*” means any person or Business Entity working for or on behalf of the District.
- 2.08. Investment Officer. “*Investment Officer*” means a person appointed by the Board to handle District investments.
- 2.09. Officer. “*Officer*” means an elected or appointed officer of the District, including an Investment Officer, who exercises responsibilities beyond those that are advisory in nature.
- 2.10. Professional Services Procurement Act. “*Professional Services Procurement Act*” means Subchapter A, Chapter 2254, Texas Government Code, as amended from time to time.
- 2.11. Public Funds Investment Act. “*Public Funds Investment Act*” means Chapter 2256, Texas Government Code, as amended from time to time.

2.12. Public Funds Collateral Act. “*Public Funds Collateral Act*” means Chapter 2257, Texas Government Code, as amended from time to time.

2.13. Substantial Interest. “*Substantial Interest*” has the same meaning as set forth in Chapter 171, Texas Local Government Code, as amended from time to time. Under Chapter 171, Texas Local Government Code:

A. A person has a Substantial Interest in a Business Entity if the person: (i) owns 10% or more of the voting stock or shares of a Business Entity; (ii) owns either 10% or more or \$15,000 or more of the fair market value of a Business Entity; or (iii) has received funds from the Business Entity that constitute more than 10% of the person’s gross income for the previous year.

B. A person has a Substantial Interest in real property if the person has an equitable or legal ownership interest in the property that has a fair market value of \$2,500 or more.

C. A person also has a Substantial Interest in a Business Entity or real property if he or she is related in the first degree by consanguinity (blood) or the first degree by affinity (marriage), as determined under Chapter 573, Texas Government Code, to a person who has a Substantial Interest in a Business Entity or in real property under Subsections A or B of this Section.

ARTICLE III

CODE OF ETHICS

3.01. Statement of Policy; Purposes of Policy. This Policy has been adopted to establish guidelines for high ethical standards in official conduct by Directors and Officers, and to provide guidance to Directors and Officers in order to instill a high level of public confidence in their professionalism, integrity and commitment to the public interest. Further, this Policy will serve as a basis for disciplining those who refuse to abide by its terms.

3.02. Standards of Conduct.

A. All Directors and Officers must conduct themselves, both inside and outside District service, so as to give no occasion for mistrust of their integrity, impartiality, or devotion to the best interests of the District.

B. All District Officials must conduct themselves with decorum, both at public meetings and in other settings in which he or she may be viewed by the public as acting in an official capacity. All District Officials must treat each other, and any member of the public appearing at any meeting of the Board, with proper courtesy and respect.

C. No District Official may disclose any confidential information, including information gained during any executive session of the Board, without prior written authorization of the Board.

D. No District Official may engage in any conduct prejudicial to the District or that reflects discredit upon the Board.

E. All District Officials must use care when taking any public position on any issue pertaining to the business of the District to distinguish between their individual opinions and the official position of the Board or the District.

F. All Directors must consistently attend all meetings of the Board, including all regularly scheduled work sessions. If a Director fails to attend one-half of the regular meetings of the Board scheduled within a 12-month period, the Director may be removed from the Board by the unanimous vote of the other Directors.

H. The Board shall conduct a minimum two-hour ethics training per year.

3.03. Conflicts of Interest.

A. All Directors and Officers are subject to Chapter 171, Texas Local Government Code, relating to the regulation of conflicts of interest.

B. The District may not transact any business with a Business Entity or involving real property in which a Director or Officer has any interest, whether direct or indirect, without prior approval of the Board, after disclosure by the interested Director or Officer and discussion at a posted Board meeting. If a Director or Officer has a Substantial Interest, the Director or Officer must also file an affidavit disclosing the nature and extent of the interest before any action is taken on the matter in accordance with Chapter 171, Texas Local Government Code.

C. A Director may not participate in discussion or action on a matter involving a Business Entity or real property in which the Director has a Substantial Interest if the Board's action will, or it is reasonably foreseeable to, have a special economic effect on the Business Entity or value of the real estate that is distinguishable from the effect on the public, unless a majority of the Board is likewise disqualified and has filed affidavits disclosing similar interests in the same matter.

D. A Director may not participate in a discussion or action on a matter involving a Business Entity or real property in a manner that will, or is reasonably foreseeable to, have a special economic effect on the Director, such as a matter involving a current or prospective District contractor or subcontractor with whom the Director does, or has done, business, without prior approval of the Board, after disclosure by the Director.

E. A Director or Officer may not act as a surety for a Business Entity that has work, business, or a contract with the District or act as a surety on any official bond required of a District Official.

F. No Director or Officer may represent, directly or indirectly, himself or any private person, Business Entity, group or interest, other than the District, before the Board, except in matters of purely public concern, when doing so without compensation or remuneration.

G. The Board may not appoint or confirm the appointment to any position, or award any contract to, a person related to a member of the Board within the second degree by affinity (marriage) or within the third degree by consanguinity (blood) when the salary or other compensation is paid, directly or indirectly, from District funds, except as provided by Chapter 573, Texas Government Code.

H. Each District Official must file a conflict of interest disclosure statement or conflict of interest questionnaire, as applicable, when required to do so by Chapter 176, Texas Local Government Code.

I. As provided in Section 171.009, Texas Local Government Code, a Director may serve as a member of the board of directors of a private, nonprofit corporation or other

non-profit entity if he or she receives no compensation or other remuneration from the nonprofit corporation or other nonprofit entity.

3.04. Disqualification of Directors. As provided in Section 49.052, Texas Water Code, a Director is disqualified from serving as a member of the Board if he or she:

A. is related within the third degree of affinity or consanguinity to a Developer, any other Director, or the manager, engineer, attorney, or other person providing professional services to the District;

B. is an employee of a Developer or any Director, manager, engineer, attorney, or other person providing professional services to the District or a Developer in connection with the District or property located in the District;

C. is a Developer;

D. is serving as an attorney, consultant, engineer, manager, architect, or in some other professional capacity for the District or a Developer in connection with the District or property located in the District;

E. is a party to a contract with or along with the District, except for the purchase of public services furnished by the District to the public generally;

F. is a party to a contract with or along with a Developer relating to the District or to property within the District, other than a contract limited solely to the purpose of purchasing or conveying real property in the District for the purpose of either establishing a permanent residence, establishing a commercial business within the District, or qualifying as a Director; or

G. during his or her term of office, fails to maintain the qualifications required by law to serve as a Director.

3.05. Dual Office Holding Limitations.

A. Constitutional Limitations. Except as permitted by Article XVI, Section 40 of the Texas Constitution, no Director may hold or exercise at the same time, more than one civil office of Emolument.

B. Common-Law Incompatibility. No Director may hold another public office in violation of the common-law doctrine of incompatibility that applies to holding two incompatible positions and prohibits a person from holding certain public offices at the same time because of practical conflicts of interest that might arise, including service as a director of two governmental authorities with overlapping taxing jurisdictions.

ARTICLE IV

TRAVEL EXPENDITURES AND FEES OF OFFICE

4.01. Fees of Office. A Director is entitled to receive fees of office of not more than \$150 per day for each day the Director actually spends performing duties as a Director. Total fees of office payable to any Director may not exceed the sum of \$7,200 per District fiscal year. This maximum will be determined based on the date the fee of office is earned and not on the date of payment. No Director may receive fees of office if the Director owes any sum of money to the District. Fees of office will be paid only for called meetings of the Board or, upon prior

approval of the Board, for subcommittee meetings, approved conferences, or other special projects requested by the Board. In this section, “performing the duties of a Director” means substantive performance of the management or business of the District, including participation in Board and committee meetings and other activities involving the substantive deliberation of District business and in pertinent educational programs. The phrase does not include routine or ministerial activities such as the execution of documents, self-preparation for meetings, or other activities requiring a minimal amount of time.

4.02. Reimbursement of Expenses. Reimbursement for travel expenditures and other expenses incurred by a Director on behalf of the District is subject to approval by the Board.

4.03. Verification. In order to receive fees of office and to receive reimbursement for expenses, each Director must present a verified statement of attendance to the Board indicating the date(s) spent performing the duties of a Director and a general description of the duties performed on each such date, together with all supporting receipts and invoices.

4.04. Conference and Seminar Policy. Directors may attend conferences and meetings at the District’s expense only if deemed appropriate by the Board. Each Director will report to the Board on all seminars and conferences attended at the next regular meeting of the Board following the seminar or conference. This report may be oral or written, as determined by the Director. Unless otherwise approved by the Board, each Director attending a conference or meeting must attend all blocks of educational sessions in order to qualify for reimbursement. Subject to prior Board approval and compliance with the other requirements of this Policy, each Director who attends a conference, business meeting, or seminar related to the District business may be reimbursed for travel, lodging, and meal expenses associated with that attendance, as follows:

A. Travel Expenses. Transportation costs, including but not limited to airfare, car rental, taxi fare, and parking incurred while on official District business, will be reimbursed based upon the costs actually incurred by the Director; however, reimbursement for transportation on a common carrier will be limited to tourist/coach rates. Mileage reimbursement for transportation by personal automobile will conform to Internal Revenue Service regulations.

B. Lodging Expenses. Lodging expenses will be reimbursed based upon costs actually incurred by the Director and will not exceed the amount of lodging expense determined to be reasonable and necessary.

C. Meal Expenses. Meal expenses will be limited to the amount determined to be reasonable and necessary.

D. Excluded Expenses. The cost of alcoholic beverages, hotel movies, gifts, laundry and dry cleaning, entertainment, family attending with the Director, personal telephone calls and all other expenses that are of a personal nature or are not reasonable or necessary to District business will not be paid or reimbursed by the District.

ARTICLE V

PROFESSIONAL SERVICES; BONDS

5.01. Selection. Consultants and Employees retained to provide professional services to the District, including, but not limited to, legal, engineering, management, accounting and tax collection services, will be selected based upon their demonstrated competence and qualifications to perform the services for a fair and reasonable price, and by majority vote of the Board. In selecting attorneys, engineers, auditors, financial advisors or other professional consultants, the District will follow the procedures required by the Professional Services Procurement Act.

5.02. Interested Parties. If required to do so by Section 2252.908, Texas Government Code, attorneys, engineers, auditors, financial advisors, or other professional consultants entering into a contract, renewal, amendment, or extension of a contract with the District will (i) complete a Certificate of Interested Parties ("Form 1295") and electronically file it with the Texas Ethics Commission (the "TEC"); and (ii) submit to the District the signed and notarized Form 1295 including the certification of filing number of the Form 1295 with the TEC, at the time the executed contract is submitted to the District. Any contract that requires a Form 1295 will not be effective until the requirements listed above are satisfied and any award of a contract by the District is expressly made contingent upon compliance with such requirements.

5.03. Bond or Insurance. In order to protect the District against loss of District funds, the District will, in accordance with Section 49.057(e), Texas Water Code, require any Employee who routinely collects, pays, or handles District funds to either (i) provide the District with a bond payable to the District in an amount determined by the Board to be sufficient to safeguard the District; or (ii) obtain and thereafter maintain a policy or policies of insurance, the coverage of which, in the Board's determination, adequately protects the interests of the District.

5.04. Review. The performance of all Employees providing professional services to the District will be regularly monitored and reviewed by the Board. An Employee's performance may be formally reviewed and evaluated by the Board at any time, upon the request of any Director.

ARTICLE VI

BOARD MEETING PROCEDURES

6.01. Regular Meetings. Regular meetings of the Board will be held on the fourth Wednesday of each month, beginning at 6:30 p.m., unless another date and time are approved by the Board. In order to avoid overly long Board meetings which tend to be inefficient and which also result in increased fees being paid to the District's consultants, regular Board meetings will be adjourned at 10:30 p.m. and all agenda items which have not been considered ("Pending Items") will be continued until the next Board meeting, unless a motion to continue the regular meeting beyond 10:30 p.m. is adopted by affirmative vote of a majority of the Board members.

6.02. Unfinished Business. Any Pending Items from a regular Board meeting will be continued to either (i) a special called meeting scheduled by motion adopted by affirmative vote of a majority of the Board members or (ii) the next regular meeting of the Board.

ARTICLE VII

COMPLAINTS AND PROCEDURES FOR VIOLATIONS

7.01. Complaints. All complaints or allegations of violations of this Policy must be made in writing, sworn to before a notary public and filed with the District's attorney. A complaint must describe in detail the act that is complained of, and the specific sections of this Policy alleged to have been violated. A general complaint, lacking detail, will not be sufficient to invoke the procedures in this section, and anonymous complaints will not be considered.

7.02. Initial Determination. Within five business days of receipt of a complaint, the District's attorney will determine if the facts of the complaint, if true, would constitute a violation of this Policy. If the District's attorney determines that the complaint does not contain facts that constitute a violation, the District's attorney will so advise the Board at its next regular meeting.

7.03. Report to the Board. If the District's attorney determines that the complaint contains facts that, if true, would constitute a violation, the District's attorney will present a report to the Board. A majority of the Directors not implicated by the complaint will determine whether the complaint should be considered or rejected.


7.04. Consideration by the Board. To consider a complaint, the Board may convene in executive session as permitted by the Texas Open Meetings Act. The Board member implicated by the complaint will have the right to a full and complete hearing, with the right to call witnesses and present evidence. Any final action, decision, or vote will be made in open meeting.

7.05. Discipline. The failure of a Director to comply with the provisions of this Policy will constitute grounds for (i) a reprimand by the other Directors, (ii) removal of the Director from one or more subcommittees of the Board, (iii) required ethics training as approved by the Board, and/or (iv) other measures as determined by the Board.

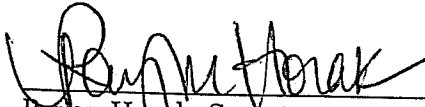
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ADOPTED this 27th day of February, 2019.

**BLOCK HOUSE MUNICIPAL UTILITY
DISTRICT**

By: 
Cecilia Roberts, President
Board of Directors

ATTEST:


Ryan Horak, Secretary
Board of Directors