

**BLOCK HOUSE MUNICIPAL UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS' MEETING**

July 26, 2023

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Block House Municipal Utility District was held on July 26, 2023 at 2600 Block House Drive South, Leander, Texas. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act. A copy of the Certificate of Posting of the Notice is attached as **Exhibit "A"**.

The roll of the members of the Board of Directors was called, as follows:

Ursula Logan	-	President
David Shoemaker	-	Vice President
Robert Young	-	Secretary
Cecilia Roberts	-	Assistant Secretary
David Johnson	-	Treasurer

All of the Directors were present, thus constituting a quorum. Also present at the meeting were: Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("MAC"); Andrew Hunt and Lisa Torres of Crossroads Utility Services, LLC ("Crossroads"); Deputies Lovato and Boggs of the Williamson County Sheriff's Office ("WCSO"); Amanda Stanfield of Tidal Waves; Lauren Smith of Public Finance Group; David Gray of Gray Engineering, Inc.; Sandy Martin of the BHC Owners Association ("OA"); Ashlee Martin of McCall Gibson Swedlund Barfoot, PLLC; David Wood of Boy Scouts of America; Tripp Hamby of Priority Landscapes ("Priority"); Chris Stanfield, resident of the District; Marc Marroquin of Premier Recreation Management Services, LLC; and Sean Abbott of Armbrust & Brown, PLLC ("A&B").

Director Logan called the meeting to order at 6:30 p.m. and welcomed those present. She announced that public comments were taken during designated portions of the meeting only and asked that anyone who wished to address the Board complete a Community Comment Form. Following the Pledge of Allegiance to the U.S. flag, the Board and those present at the meeting observed a moment of silence or prayer. Director Logan noted that the meeting was being videotaped and requested that Board members and consultants limit "side discussions" as they diminished the quality of the recording.

Director Logan then stated that the Board would receive citizens' communications. There being no comments from citizens, Director Logan stated that the Board would next consider approving the minutes of the June 12, 2023 special meeting and the June 28, 2023 Board meeting. After discussion, upon motion by Director Johnson and second by Director Shoemaker, the Board voted unanimously to approve the minutes.

Director Logan stated that the Board would next consider approving the Amended and Restated Resolution Authorizing and Setting Limits on the Payment of Fees of Office (the "Resolution") attached as **Exhibit B**". After discussion, upon motion by Director Shoemaker and second by Director Roberts, the Board voted unanimously to approve the Resolution.

Director Logan then stated that the Board would consider approving the proposal from McCall Gibson Swedlund Barfoot PLLC for audit services for the fiscal year ending September 30, 2023 attached as **Exhibit C**". Ms. Martin reviewed the proposal with the Board. After discussion upon motion by Director Shoemaker and second by Director Roberts, the Board voted unanimously to approve the proposal.

Director Logan stated that the Board would next consider approving the Secretary's Certificate and Resolutions Regarding Manager's Account (the "*Secretary's Certificate*") attached as **Exhibit D**". After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted unanimously to approve the Secretary's Certificate.

Director Logan then stated that the Board would receive a report from the BHC Owners Association and recognized Ms. Martin, who stated that the OA continued to plan for events in the District. She confirmed that the disc golf tournament and Fourth of July events were well-received.

Director Logan stated that the Board would next receive the general manager's report and recognized Ms. Torres, who reviewed the general manager's report, attached as **Exhibit E**". She stated that she had received a request to use facilities from Boy Scouts of America (North Shore District) Membership Team, noting that they had requested to change the location and timeframe for the Scouting Adventure Day on September 9th from 9:00 a.m. to 2:00 p.m. and from Jumano Park to Luther Chance Practice Field. Mr. Wood confirmed that the change in location would accommodate safety considerations relating to the planned archery events. After discussion, upon motion by Director Johnson and second by Director Young, the Board voted unanimously to approve the amended request, as described.

Ms. Torres then stated that the United States Parcel Service ("*USPS*") had requested that the District replace the damaged mail box kiosk at 502/503 Kathleen Cove. Mr. Abbott noted that Texas OAG Opinion KP-0169 specifically prohibited a municipal utility district from undertaking such an expenditure. **The Board then directed Mr. Abbott to confirm the same to the USPS and to copy the offices of Rep. John Carter and Sen. John Cornyn on the response.**

Ms. Torres then reviewed the proposal from Empire Fence Co. for the replacement of the hockey court fence, attached as **Exhibit F**". After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted unanimously to approve the proposal.

Ms. Torres next reviewed a proposal from Empire Fence Co., attached as **Exhibit G**", for an ornamental iron security gates at Apache Park pool and pickleball court. After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted unanimously to approve the proposal from Empire Fence Co.

Ms. Torres then reviewed proposals from Trinity AV Solutions for the tennis court gate access control modifications attached as **Exhibit H**" and for the community garden gate access control attached as **Exhibit I**" and recommended approval. After discussion, upon motion by Director Shoemaker and second by Director Roberts, the Board voted 4-1 to approve the proposals, with Director Roberts voting "no".

Director Logan stated that the Board would next receive a report from WCSO and recognized Ms. Torres. Ms. Torres noted that graffiti had been undertaken in the District, causing property damage. Director Logan noted that District video cameras had captured the incident.

Ms. Torres then confirmed that Crossroads had undertaken successful remedial cleaning of the affected areas.

Director Logan stated that the Board would next receive a report from the PR/Communications Subcommittee and discuss the District's newsletter. Ms. Torres noted that she and Amy Earls would draft the next newsletter.

Director Logan stated that the Board would next discuss the resident survey. Ms. Torres confirmed that the PR/Communications Subcommittee would be meeting soon with CD&P to discuss details of the resident survey.

Director Logan then stated that the Board would discuss the Avaya Cloud Office proposal from Datavox Business Communications, Inc. attached as **Exhibit "J"**. After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted unanimously to approve the proposal.

Director Logan stated that the Board would next discuss restrictive covenants and recognized Ms. Torres. Ms. Torres confirmed that she had corresponded with Community Association Management, Inc. and reviewed their report with the Board.

Director Logan stated that the Board would next receive the bookkeeper's report and recognized Ms. Kolmodin. Ms. Kolmodin presented the check register, attached as **Exhibit "K"**, and the supplemental check register, attached as **Exhibit "L"**. She then reviewed the two proposed fund transfers and recommended approval. After discussion, upon motion by Director Shoemaker and second by Director Young, the Board voted unanimously to approve payment of the bills and invoices and the fund transfers.

Director Logan then recognized Mr. Marroquin for purposes of receiving a report from Premier Recreation Management Services, LLC. Mr. Marroquin stated that operations were running smoothly at the District's pools. Upon question from Director Logan, he confirmed that all chemical balances at the pools were steady and that they had encountered no significant issues.

Director Logan stated that the Board would next discuss landscaping issues and recognized Mr. Hamby who reviewed the report from Priority, attached as **Exhibit "M"**, and confirmed that Priority Landscapes continued to undertake its typical maintenance around the District. He presented Proposal #2705 for a water barrel install and filling, attached as **Exhibit "N"**. After discussion, upon motion by Director Johnson and second by Director Roberts, the Board voted unanimously to approve Proposal #2705.

Mr. Hamby then reviewed Proposal #2706 for invasive vine control in trees – native area behind Walker House, attached as **Exhibit "O"**. After discussion, the Board tabled Proposal #2706.

Mr. Hamby next reviewed Proposal #2721 for artificial turf installation at Tumlinson Pool, attached as **Exhibit "P"**. After discussion, upon motion by Director Johnson and second by Director Roberts, the Board voted unanimously to approve Proposal #2721.

Mr. Hamby then reviewed Proposal #2725 for back porch landscape repair at Tumlinson Pool, attached as **Exhibit "Q"**. After discussion, the Board tabled Proposal #2725.

Director Logan then stated that the Board would receive a report for Jumano – one year goals and recognized Director Young. Director Young suggested tabling the discussion relating to

one year goals until the Board's budget meeting on August 11, 2023 and the Board collectively agreed to table the matter.

Director Logan stated that the Board would next receive a report from the Amenities Subcommittee and recognized Ms. Torres who reviewed the report attached as **Exhibit "R"**. She noted that the Pickleball Meet and Play event was successful.

Director Logan then recognized Mr. Gray in order to receive the engineer's report. Mr. Gray reviewed his report attached as **Exhibit "S"** with the Board. He confirmed that he had worked with Mr. Abbott relating on a draft right-of-entry agreement relating to the Nebraska Furniture Mart tract.

Director Logan then stated that the Board would next receive a report from Crossroads and recognized Mr. Hunt. Mr. Hunt reviewed the operations report, attached as **Exhibit "T"**. He stated that all lab results were satisfactory and that he had no write-offs to present. He confirmed that a new operations representative would be serving the District on a day-to-day basis, starting in August.

Director Logan then recognized Mr. Abbott for purposes of receiving the attorney's report. Mr. Abbott reviewed the attorney directives, noting that all directives were either complete or in process.

Director Logan stated that the Board would next consider the the Pool Use Agreement with Tidal Waves Swim Team, attached as **Exhibit "U"**. After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted 4-0 to approve the Agreement, with Director Johnson abstaining.

Director Logan then recognized Director Young who stated that he was favor of acquiring a telephone number for the District to assist in compliance with the Texas Public Information Act. Discussion ensued and Ms. Torres stated that she would investigate whether the District's VOIP system could accommodate Director Young's request.

Director Logan stated that the Board would next discuss the District's 2023-2024 budget and 2023 tax rate. Mr. Abbott reviewed the memorandum to the Board regarding District tax rate classifications, attached as **Exhibit "V"**, and Ms. Smith recommended that the District be considered a "developed district" for the current tax year. Upon motion by Director Shoemaker and second Director Johnson, the Board voted unanimously to designate the District as a "developed district" for the upcoming tax year.

Ms. Smith then reviewed the preliminary assessed values from Williamson Central Appraisal District as of July 8, 2023, attached as **Exhibit "W"**, with the Board. She then discussed the schedule for adopting the District's 2023/2024 budget and 2023 tax rate, a copy of which is attached as **Exhibit "X"**.

Director Logan then stated that the Board would discuss the Code of Ethics, Travel and Professional Services Policy.

Director Logan stated that the Board would next discuss miscellaneous and Board/Subcommittee directives.

Director Logan stated that the Board would next discuss the Board's future meetings/agenda items. Mr. Abbott stated that the Board's next regular meeting date was scheduled for August 23, 2023.

Director Logan then stated that the Board would discuss the preparation of meeting minutes. Mr. Abbott confirmed that the minutes of the June 28, 2023 meeting were of a "shorter form," as requested by the Board. The Board expressed a preference for the "shorter form" minutes on a go-forward basis.

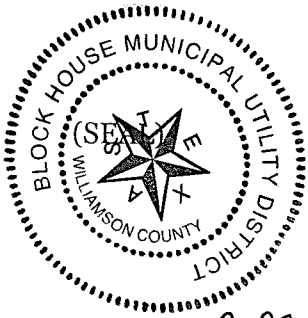
Director Logan stated that the Board would next conduct a review of the General Manager and recognized Director Roberts. Director Roberts noted that a formal review of the General Manager had not been conducted and then suggested that the review could take place at the Board's regular meeting in January of 2024. Discussion ensued relating to the scope of the General Manager's duties and communication protocols between Board members and the General Manager.

Director Logan stated that the Board would next receive a report from Director Roberts regarding approval and vetting of three contractors for general management by the General Manager as well as limits on authorized spending cap of the General Manager. Director Roberts expressed a preference for establishing a preferred vendor list. **The Board then directed Ms. Torres to assemble a list of preferred contractors for the Board's consideration at their regular September meeting.**

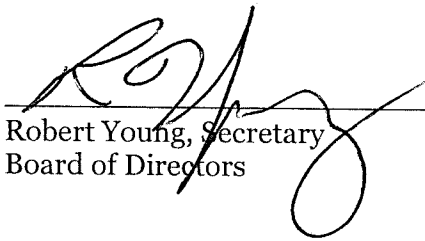
Director Logan then stated that the Board would discuss General Manager limits on authorized spending. She noted that the District had established such caps via resolution for credit card expenditures and that all other expenses were reviewed by the Finance/Audit Subcommittee and the entire Board prior to actual payment. She then stated that significant oversight relating to the General Manager's spending was already in place.

There being no further items to come before the Board, upon motion by Director Young and second by Director Johnson, the Board voted unanimously to adjourn the meeting.

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[SIGNATURE PAGE TO JULY 26, 2023 MINUTES]


Robert Young, Secretary
Board of Directors

Date: 8-23-23