

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

January 24, 2024

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Block House Municipal Utility District was held on January 24, 2024 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, except Director Johnson, thus constituting a quorum. Also present at the meeting were: Andrew Hunt and Lisa Torres of Crossroads Utility Services, LLC ("Crossroads"); Sandy Martin of the BHC Owners Association ("OA"); Tripp Hamby of Priority Landscapes, LLC ("Priority"); Deputy Lovato of the Williamson County Sheriff's Office ("WCSO"); Chris Stanfield, District IT Consultant; Marc Marroquin from Premier Recreation Management Services, LLC ("Premier"); Lauren Smith of Public Finance Group, LLC; and Sean Abbott of Armbrust & Brown, PLLC ("A&B"). Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("MAC") participated in the meeting via video conference.

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 none, she stated that the Board would next consider approving the minutes of the December 13, 2023 regular meeting. After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted 4-0 to approve the minutes, as presented.

Director Logan stated that the Board would next receive a report from the OA and recognized Ms. Martin, who stated that the OA was getting back into its typical schedule. She reviewed a listing of proposed events, attached as **Exhibit "B"**, to be held in District parks. After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted 4-0 to approve the proposed events and the related use of District parks for the events.

Director Logan then stated that the Board would receive a report from Deputy Lovato on behalf of the WCSO. Deputy Lovato stated that operations were running smoothly. He noted that the WCSO Deputies intended to conduct a safety event in the District and that it would likely be held in April.

Ms. Torres then stated that the District had received a request, attached as **Exhibit "C"**, from Tidal Waves to undertake swim tests at Apache Pool on March 2nd and 23rd. After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted 4-0 to approve the request and to waive the fees associated with the use of the pool.

Director Logan stated that the Board would next receive a report from and directives to Premier Recreation Management Services LLC and recognized Mr. Marroquin. Mr. Marroquin referenced his report, attached as **Exhibit "D"**. He noted that the cold weather event had caused a few issues at the pool, including damage to a gas line that required repair. Upon question from Director Roberts, he confirmed that there had been a leak in the equipment room at Tumlinson Pool.

Director Logan then stated that the Board would receive a report from Priority and recognized Mr. Hamby, who reviewed the report from Priority attached as **Exhibit "E"**, and confirmed that Priority continued to undertake its typical maintenance around the District. Mr. Hamby presented the proposal for playground mulch installation at Tonkawa Park and Apache Park (Proposal #3375) attached as **Exhibit "F"** and recommended approval. After discussion, upon motion by Director Shoemaker and second by Director Young, the Board voted 4-0 to approve Proposal #3375.

Director Logan stated that the Board would next discuss the Tonkawa Park and Apache playground safety inspections. Ms. Torres reviewed the inspection of the Tonkawa Park playground, attached as **Exhibit "G"**. She confirmed that minor repairs had been undertaken, as approved by the Amenities Subcommittee. She then reviewed the inspection of the Apache Park playground, attached as **Exhibit "H"**, and confirmed that no action was required.

Director Logan stated that the Board would next discuss the Tumlinson Pool repair items and recognized Ms. Torres who reviewed the proposal (Quote #QA2851) from Progressive Commercial Aquatics, Inc. for removal and replacement of pumps on the slides and at the pool attached as **Exhibit "I"**. Ms. Torres confirmed that the pumps had failed during the winter weather events. Mr. Marroquin noted that there had been a small leak which likely froze, expanded, and created larger problems. Upon question from Director Roberts, Ms. Torres stated that the District had not experienced issues with the pumps at Tumlinson Pool during previous winter weather events, but had experienced such issues at the Tumlinson Guard Shack. Discussion ensued about further actions the District could take to prevent issues in the future. Mr. Marroquin confirmed that he would work with Ms. Torres to identify possible mitigation measures that the District could undertake. The Board then agreed to table consideration of the proposal.

Ms. Torres then reviewed the proposal (Quote #QA2849) from Progressive Commercial Aquatics, Inc. for repair of splash pad features, attached as **Exhibit "J"**. After discussion, upon motion by Director Shoemaker and second by Director Young, the Board voted 4-0 to approve the proposal.

Ms. Torres next reviewed the proposal (Quote #QA2850) from Progressive Commercial Aquatics, Inc. for repair of waterfall, attached as **Exhibit "K"**. After discussion, upon motion by Director Shoemaker and second by Director Young, the Board voted 4-0 to approve the proposal.

Ms. Torres then reviewed the proposal (Quote #QA2857) from Progressive Commercial Aquatics, Inc. for UV installation at Tumlinson Pool, attached as **Exhibit “L”**. Mr. Marroquin stated that he did not think that a UV filter was necessary for the splash pad area at Tumlinson Pool. The Board agreed to table consideration of the proposal.

Ms. Torres next reviewed proposal TUM2324PH from Twin Electric Company for electrical repair and replacement of breaker box and wires and adding additional amps and grounding wires to pump house and emergency shut off attached as **Exhibit “M”**. After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted 4-0 to approve proposal TUM2324PH from Twin Electric.

Ms. Torres then reviewed proposal TUM2324GS from Twin Electric Company for electrical repair and adding a breaker box emergency shut off at the guard shack attached as **Exhibit “N”**. After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted 4-0 to approve proposal TUM2324GS from Twin Electric. Ms. Torres then confirmed that Twin Electric had requested that the District pay half of the materials cost up front for Proposals TUM2324PH and TUM2324GS. After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted 4-0 to approve the payment of half of the materials costs on Proposals TUM2324PH and TUM2324GS, prior to installation of the materials.

Ms. Torres next reviewed Estimate 307SH from DigDug Construction, LLC for sun shade repair, attached as **Exhibit “O”**. After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted 4-0 to approve Estimate 307SH.

Ms. Torres then reviewed Estimate 308SH from DigDug Construction, LLC for repair of stair handrail (slide), attached as **Exhibit “P”**, Estimate 309SH from DigDug Construction, LLC for repair of railing panels around the top of the slide platform, attached as **Exhibit “Q”**, Estimate 310SH from DigDug Construction, LLC for removal of rust spots on slide, slide frame, and footers, attached as **Exhibit “R”**, and Estimate 311SH from DigDug Construction, LLC for repair of slide stairs, attached as **Exhibit “S”**. After discussion, the Board requested to table the proposals.

Director Logan then stated that the Board would consider the proposal from Sundek of Austin for application of polyaspartic coating chemical resistance with quartz base broadcast for slip resistance at Tumlinson Pool pump house attached as **Exhibit “T”**. Ms. Torres reviewed the proposal and noted that Sundek requested that the Board pay half of the proposal prior to Sundek beginning the work. After discussion, upon motion by Director Young and second by Director Robert, the Board voted 4-0 to approve the proposal and the payment of half of the proposal prior to Sundek beginning the work.

Director Logan then stated that the Board would receive a report from the Amenities Subcommittee and recognized Ms. Torres who reviewed the Amenities Subcommittee report and the Amenities/Security meeting report attached collectively as **Exhibit “U”**. Upon question from Director Roberts, Ms. Torres confirmed that the Texas Municipal League Intergovernmental Risk Pool had recommended that the site of the Tumlinson Park Playscape be roped off until a replacement was constructed.

Director Logan then stated that the Board would receive a report from the PR/Communications Subcommittee, attached as **Exhibit “V”**. Director Young confirmed that the Subcommittee had been working with Deputy Lovato to coordinate the safety day. He then stated that he was in favor of sending a District newsletter every month. He suggested that the District could retain a third party contractor if the production of a newsletter every month was

beyond the scope of what Crossroads could provide. Directors Logan and Shoemaker also voiced support for a monthly newsletter. **Director Logan then directed Mr. Abbott to include a discussion item for the District newsletter on the agenda for the regular February meeting.**

Director Young then confirmed that the PR/Communications Subcommittee continued to work on the resident survey. Director Logan expressed a preference for finalizing the survey at the regular February Board meeting.

Director Logan stated that the Board would next receive a report from and directives to Community Association Management, Inc. ("CAM"). Ms. Torres reviewed the report from CAM with the Board.

Director Logan stated that the Board would next receive a report from and directives to MAC and recognized Ms. Kolmodin. Ms. Kolmodin presented the check register, attached as **Exhibit "W"**, and the supplemental check register, attached as **Exhibit "X"**. She then reviewed payments made since the last Board meeting as well as the three proposed fund transfers, and recommended approval. After discussion, upon motion by Director Shoemaker and second by Director Young, the Board voted 4-0 to approve the fund transfers and payment of the bills and invoices, as presented. **Director Logan then directed Mr. Abbott to include items on the agenda for the regular February meeting relating to: (1) the special project account established for the fence project; and (2) check signing policy.**

Director Logan then recognized Mr. Gray in order to receive the engineer's report. Mr. Gray reviewed his report, attached as **Exhibit "Y"**, with the Board. He noted that his office continued to work on matters relating to the issuance of the District's park bond. Mr. Abbott suggested that it would be optimal for the District to amend its Park Plan, which had been adopted in compliance of Section 49.4645, Texas Water Code. He suggested that it may be beneficial for the Board to consider having a special meeting for such purposes. The Board directed Ms. Torres to query Board members to determine an appropriate date and time to schedule a special meeting to consider amending the District's Park Plan and she agreed to do so.

Director Logan then stated that the Board would discuss issues relating to the development of the Nebraska Furniture Mart tract. At 7:30 p.m., Director Logan announced that the Board would convene in executive session to discuss real property matters, as authorized by Section 551.072 of the Texas Government Code.

At 7:55 p.m. the Board reconvened in open session, and Director Logan stated that no action had been taken in executive session. The Board then directed Mr. Gray to continue his work relating to the Nebraska Furniture Mart tract.

Director Logan stated that the Board would next receive a report from Crossroads and recognized Mr. Hunt. Mr. Hunt reviewed the operations report, attached as **Exhibit "Z"**. He stated that all lab results were satisfactory. He then noted that he had no write-offs to present. Mr. Hunt stated that the District's water loss was 10.98%, which he noted was up slightly from last month. Upon question from Director Roberts, Mr. Hunt confirmed that older retail meters could be contributing to the District's water loss. He noted that there were approximately 230 meters in the District that Crossroads would recommend replacing. Mr. Hunt further noted that there had been some abnormally high readings in the District. He confirmed that Crossroads had corresponded with the affected customers and that he believed that all issues had been resolved.

Mr. Hunt then reminded the Board that it was required to conduct an annual review of the District's identity theft prevention program under the Federal government's "red flag rules". He reported that Crossroads had confirmed that the District's identity theft prevention program continued to be effective and there had been no incidents of identity theft in the District. He stated that Crossroads did not recommend any updates to the program. Mr. Abbott presented the identity theft report from Crossroads and the Resolution Confirming Annual Review of Identity Theft Prevention Program attached collectively as **Exhibit "AA"**. After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted 4-0 to approve the Resolution.

Mr. Hunt then reviewed the Operations Services Agreement, attached as **Exhibit "BB"**, confirming that the Operations Services Agreement covered Crossroads responsibilities in the District's parks. Directors Roberts and Shoemaker, the Services Subcommittee, noted that while it seemed more intuitive for the park services to be included in the Crossroads General Management Services Agreement, they expressed a preference for waiting to move the park services provisions until the Operations Services Agreement needed to be renewed. Director Logan disagreed, noting that Crossroads' park employees in the District typically deferred to the General Manager for guidance. Director Young agreed with Director Logan. Discussion ensued. After requesting that Director Roberts maintain order during the discussion, Director Logan stated that the Board would stand at recess at 8:20 p.m. to regain order.

At 8:30 p.m., Director Logan announced that the meeting would resume. Director Shoemaker, speaking on a point of personal privilege, stated that it was important to maintain order in Board meetings and that each Board member should await their turn to speak. He emphasized that the Board required order and decorum in order to properly function.

Director Logan then stated that the Board would resume discussion of the Operations Services Agreement. She noted that Director Johnson was absent from the meeting and suggested that it would be prudent to solicit his opinion on the matter. The Board agreed to table the matter until the Board's regular meeting in February.

Mr. Hunt then reviewed the HydroPro Solutions Quotes 100607 and 100608, collectively attached as **Exhibit "CC"**, noting that Quote 100607 was for 100 meters and Quote 100608 was for 200 meters. He noted that the price was the same, regardless of quantity, and suggested that the Board purchase 150 new meters. After discussion, the Board directed Mr. Hunt to purchase 150 meters and for Crossroads to present a proposal at the regular February Board meeting for installation of the same.

Director Logan then stated that the Board would receive a report regarding the District Asset Management System and recognized Ms. Torres. Ms. Torres stated that it was her understanding that the data entry work on the System was approximately 90% complete.

Director Logan then stated that the Board would receive the general manager's report and recognized Ms. Torres, who reviewed the general manager's report, attached as **Exhibit "DD"**.

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 then recognized Ms. Smith to review the MSRB Rule G-10 and Rule G-42 disclosures. Ms. Smith reviewed a letter, attached as **Exhibit "EE"**, relating to Rules G-10 and

G-42 and confirmed that her firm was in full compliance with the cited federal standards. She then reviewed the list of her firms' clients attached to the letter.

Director Logan then stated that the Board would conduct an annual review of the District's insurance coverage limits and deductibles, including any applicable Real and Personal Property Schedule updates. Mr. Abbott stated that he would work with Ms. Torres and Mr. Gray to confirm that all District facilities that required insurance were, in fact, insured and to confirm that corresponding insurable amounts were appropriate.

Director Logan then stated that the Board would discuss the annual reviewed of the Code of Ethics. Mr. Abbott then reviewed the Resolution Confirming Annual Review of Code of Ethics, Travel, and Professional Services Policy and Financial Investment Policy and Adopting Updated List of Qualified Brokers attached as **Exhibit "FF"**, noting that no changes were recommended other than the update of the list of qualified brokers contained in the District's financial policies. After discussion, upon motion by Director Shoemaker and second by Director Young, the Board voted 4-0 to approve the Resolution.

Mr. Abbott then called the Board's attention to the Resolution Confirming Annual Review of Written Procedures for Post Bond Issuance Federal Tax Compliance attached as **Exhibit "GG"**. After discussion, upon motion by Director Shoemaker and second by Director Roberts, the Board voted 4-0 to approve the Resolution.

Director Logan stated that the Board would next discuss park bond considerations. She confirmed an intent to hold a special meeting to consider an Amended Park Plan.

Director Logan stated that the Board would consider conducting the general manager five month review. After consideration, the Board tabled the review until the Board's regular February meeting.

Director Logan stated that the Board would next consider the proposal from Cothron's Security Professionals, attached as **Exhibit "HH"**. At 8:55 p.m., Director Logan announced that the Board would convene in executive session to discuss security devices, as authorized by Section 551.076 of the Texas Government Code.

At 9:14 p.m., the Board reconvened in open session, and Director Logan stated that no action had been taken in executive session. **The Board then directed Ms. Torres to contact Cothron's on moving forward with the proposal.**

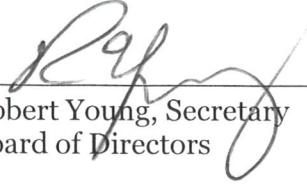
Director Logan stated that the Board would next discuss the Board's future Board meetings/agenda items. The Board confirmed that the regular meeting of the Board was scheduled for February 28, 2024.

There being no further items to come before the Board, upon motion by Director Shoemaker and second by Director Young, the Board voted 4-0 to adjourn the meeting.

* * *



[SIGNATURE PAGE TO JANUARY 24, 2024 MINUTES]



Robert Young, Secretary
Board of Directors

Date: 2-28-24