

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

February 28, 2024

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Block House Municipal Utility District was held on February 28, 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, thus constituting a quorum. Also present at the meeting were: Ben Ingallina and Lisa Sandoval of Crossroads Utility Services, LLC ("Crossroads"); Sandy Martin and Samantha Guidera of the BHC Owners Association ("QA"); 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"); Amanda Stanfield of Tidal Waves at BHC; Tyler Wilson of Municipal Accounts & Consulting, L.P. ("MAC"); Sameer Saini of Gray Engineering, PLLC; Steve Overcashier, a resident of the District; and Sean Abbott of Armbrust & Brown, PLLC ("A&B"). Taylor Kolmodin of 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. Mr. Overcashier addressed the Board and stated that he was unhappy with the progress being made on the District fencing project along Block House Drive. While he acknowledged that the District had undertaken the replacement of certain portions of fence, he stated that not enough progress had been made. He concluded by stating that the District had not properly prioritized the fence project.

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 still intended to conduct a safety event in the District and that it would likely

be held in April. He reminded the Board that it was important for residents to keep their car doors locked and to close their garage doors at night.

Director Logan stated that the Board would next consider approving the minutes of the January 17, 2024 special meeting and the January 24, 2024 regular meeting. After discussion, upon motion by Director Shoemaker and second by Director Johnson, the Board voted unanimously to approve the minutes, as presented.

Director Logan then stated that the Board would undertake a review of the general manager. Director Shoemaker stated that he had no concern or issues with Ms. Sandoval's management of the District. Director Johnson agreed with Director Shoemaker and added that Ms. Sandoval had done a good job on restrictive covenant issues. Director Young echoed the sentiments expressed by Directors Shoemaker and Johnson and noted that, in her role, Ms. Sandoval had to deal with numerous time sensitive, quirky situations. He confirmed that he was happy with her performance as General Manager to the District.

Director Roberts then stated that she has concerns about Ms. Sandoval in her role as General Manager. She noted that she had encountered communication issues with Ms. Sandoval and that the District needed better coordination with things in the field. She then encouraged Ms. Sandoval to rely on staff and noted that she desired Ms. Sandoval to have a greater presence in the field. Director Roberts noted that Ms. Sandoval had a strength in project management, but that she would like to see improvement in general management. She requested that Ms. Sandoval openly communicate with the entirety of the Board of Directors if she had any needs.

Director Logan stated that Ms. Sandoval had done a great job, noting that she had improved communications in the District and that she did a good job with her staff and team. Director Logan also noted that she had received great feedback from residents about Ms. Sandoval. Ms. Martin then confirmed that the OA had enjoyed a positive partnership with Ms. Sandoval and that Ms. Sandoval was particularly responsive to OA issues and requests.

Ms. Sandoval thanked the Board members for all of their comments and feedback. She noted that she enjoyed serving as General Manager to the District and that she enjoyed working with the Board.

Director Logan stated that the Board would next receive a report from the OA and recognized Ms. Martin, who stated that the OA had several events planned in the upcoming months. She noted that the OA would be engaging a new firm to undertake restrictive covenant enforcement.

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 reviewed his report, attached as **Exhibit "B"**. He noted that his firm was training and hiring for the upcoming summer swim season.

Director Logan then stated that the Board would next discuss the Apache Pool and Tumlinson Pool cleaning. Ms. Sandoval reviewed the proposal from Progressive Commercial Aquatics, Inc., attached as **Exhibit "C"**, and the proposal from Premier Recreation Management Services, LLC (Estimate #1005), attached as **Exhibit "D"**, and recommended approval of the proposal from Premier Recreation Management. After discussion, upon motion by Director Shoemaker and second by Director Johnson, the Board voted unanimously to approve Estimate #1005 from Premier Recreation Management Services, LLC.

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 Disc Golf Course for dried cedar screen removal and boulder installation (Proposal #3584) attached as **Exhibit “F”**, and recommended approval. After discussion, the Board tabled consideration of the item.

Director Logan then stated that the Board would discuss the right-of-way between Nebraska Furniture Mart tract and Block House Creek Elementary. Mr. Abbott confirmed that the area in question was located within a License Agreement that the District had entered into with Williamson County and, thus, the District was authorized to undertake landscaping in the right-of-way. **Director Logan directed Mr. Hamby to present a proposal for Board consideration at a future Board meeting.**

Director Logan stated that the Board would next discuss the Tidal Waves Swim Team 2024 practice schedule, attached as **Exhibit “G”**. After discussion, upon motion by Director Shoemaker and second by Director Young, the Board voted 4-0, with Director Johnson abstaining, to approve the 2024 practice schedule, as presented.

Ms. Sandoval then reviewed the proposal from 1836 Plumbing LLC (Estimate #158) attached as **Exhibit “H”**, for the Tumlinson Pool guard shack re-pipe and isolation shut-off valve, noting that the proposal would provide for replacement of copper piping with PEX piping. Director Roberts noted that she had qualitative issues with PEX piping. Ms. Sandoval stated that copper piping could no longer be used in such facilities and that PEX was the best option available. After discussion, upon motion by Director Shoemaker and second by Director Young, the Board voted 4-1, to approve Estimate #158, with Director Roberts voting “no.”

Ms. Sandoval next reviewed the proposal from 1836 Plumbing LLC (Estimate #159) for a water leak, attached as **Exhibit “I”**. After discussion, the Board tabled the item for future consideration.

Director Logan then stated that the Board would receive a report from the Amenities Subcommittee and recognized Ms. Sandoval who reviewed the Amenities Subcommittee report and the Amenities/Security meeting report attached collectively as **Exhibit “J”**.

Director Logan then stated that the Board would receive a report from the PR/Communications Subcommittee and a report on the District resident survey, attached collectively as **Exhibit “K”**. Director Young confirmed that the PR/Communications Subcommittee continued to work on the resident survey, noting that the Subcommittee was in favor of using Survey Monkey to conduct the survey. Discussion ensued relating to access to data for the survey. Director Logan noted that no Board members will have access to specific survey results and that the results could not be tampered with. Director Johnson then stated that the Subcommittee did not have a projected “launch” date for the survey.

Director Logan stated that the Board would next receive a report from and directives to Community Association Management, Inc. (“**CAM**”). Ms. Sandoval reviewed the report from CAM with the Board. Director Johnson noted that the Subcommittee had been working with A&B on several instances of non-compliance with restrictive covenants. He noted that he would provide a more detailed report at the next regular Board meeting.

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 “L”, and the supplemental check register, attached as Exhibit “M”. She then reviewed payments made since the last Board meeting as well as the three proposed fund transfers and two supplemental checks, and recommended approval. After discussion, upon motion by Director Johnson and second by Director Shoemaker, the Board voted unanimously to approve the fund transfers and payment of the bills and invoices, as presented.

Mr. Abbott then reviewed the Resolution Authorizing Transfers of Funds and Payment of Expenses attached as Exhibit “N”. After discussion, upon motion by Director Johnson and second by Director Shoemaker, the Board voted unanimously to approve the Resolution.

Director Logan stated that the Board would next discuss the special project account/fence project. Mr. Abbott confirmed that he had reviewed the meeting minutes of previous Board meetings and confirmed that funds being held in the “Special Projects” account was intended to be used for the District “Right-of-Way” Project, which he noted included the fencing along Block House Drive. Discussion ensued. Directors Young and Shoemaker recommended doing regular maintenance on the fence and not as one single capital project. **The Board then directed Mr. Abbott to include an agenda item for the next regular Board meeting to discuss the replacement of dilapidated columns on the fence line.**

Ms. Sandoval then reviewed the proposal from Austex Fence & Deck for the removal and replacement of fence at 1002 Bordeaux Drive attached as Exhibit “O”, the proposal from Austex Fence & Deck for the removal and replacement of fence at 16306 Kicking Bird Drive attached as Exhibit “P”, the removal and replacement of fence at 16609 Spotted Eagle Drive attached as Exhibit “Q”, as well as the proposal from Sagamore Fence & Deck, LLC (Estimate #7406), attached as Exhibit “R”. She confirmed that the Sagamore proposal included the same areas in the Austex proposals and recommended the “Column to Column” quote provided by Sagamore, which she noted totaled \$16,331.50. After discussion, upon motion by Director Johnson and second by Director Shoemaker, the Board voted to approve the “Column to Column” proposal included on Sagamore Fence and Deck LLC Estimate #7406.

Director Logan then recognized Mr. Saini in order to receive the engineer’s report. Mr. Saini reviewed his report, attached as Exhibit “S”, with the Board. He noted that his office continued to work on matters relating to the issuance of the District’s park bond and any matters that arose relating to the development of the Nebraska Furniture Mart tract.

Director Logan stated that the Board would next receive a report from Crossroads and recognized Mr. Ingallina. Mr. Ingallina reviewed the operations report, attached as Exhibit “T”. He stated that all lab results were satisfactory. He then noted that he had two write-offs to present as listed in the operations report, and requested approval. He stated that the District’s water loss was 13.78%, which he noted was up slightly from last month. Upon motion by Director Roberts and second by Director Shoemaker, the Board voted unanimously to approve the write-offs.

Mr. Ingallina then reviewed the proposal from Acoustic Leak Detection LLC for meter replacements attached as Exhibit “U”, and a proposal from HydroPro Solutions, Inc. (Quote #BHM DR Install) for the Direct Read meter installation attached as Exhibit “V”. He noted that the proposals were both for the replacement of 150 meters and recommended approval of the Acoustic Leak Detection LLC proposal. After discussion, upon motion by Director Johnson and second by Director Shoemaker, the Board voted unanimously to approve the proposal from Acoustic Leak Detection LLC.

Director Logan stated that the Board would next discuss the City of Cedar Park’s Temporary (Stage 3) water rate increase, as more particularly described in the letter attached as

Exhibit “W”. Mr. Abbott reviewed the letter with the Board. Mr. Ingallina then noted that he had discussed the temporary water rate increase with the City’s utility staff and reported that the City expected that the temporary water rate could be in place for up to 18 months. Mr. Abbott reminded the Board that the District had updated its rate order in October of 2022 and, at that time, had increased the water rate in accordance with the rate study undertaken by NewGen Strategies. Discussion ensued, including discussions relating to water conservation and District revenue considerations. **The Board then directed Mr. Abbott to obtain a proposal from Dave Yanke at NewGen Strategies to undertake a study on the effect of the temporary water rate increases on District revenue.**

Director Logan then stated that the Board would discuss the Operations Services Agreement. She confirmed that work undertaken by Crossroads in the District’s parks was included in the Operations Services Agreement and that it would be more appropriately located in the General Management Services Agreement. Mr. Abbott noted that the General Management Services Agreement would need to be considered for renewal by October 1, 2024. Discussion ensued. After discussion, upon motion by Director Shoemaker and second by Director Young, the Board voted 4-1, with Director Roberts voting “no”, to amend the Operations Services Agreement and the General Management Services Agreement so that all Crossroads park activities are included in the General Management Services Agreement.

Director Logan then stated that the Board would receive a report regarding the District Asset Management System and recognized Ms. Sandoval. Ms. Sandoval stated that she expected a representative from BGE, Inc. to attend the District’s next regular meeting to provide an update.

Director Logan stated that the Board would next discuss the Storm Water Management Program (SWMP) for TPDES General Permit TXR040000 and recognized Mr. Abbott who reviewed the Permit Year 5 Dry Weather Screening Inspection Report from Quiddity Engineering, LLC attached as **Exhibit “X”**, noting that Quiddity had inspected 84 inlets in the District and that debris and/or trash needed to be removed from 26 of the inlets. **The Board directed Mr. Ingallina to provide a proposal to address the removal of debris and trash from the affected inlets, as identified in the report.**

Mr. Abbott then reviewed the MS4 Phase II Annual Report Permit Year 5: 2023, attached as **Exhibit “Y”** (the “*Annual Report*”). After discussion, upon motion by Director Shoemaker and second by Director Johnson, the Board voted unanimously to approve the Annual Report and directed Quiddity Engineering to submit the same to the Texas Commission on Environmental Quality.

Director Logan then stated that the Board would receive the general manager’s report and recognized Ms. Sandoval, who reviewed the general manager’s report, attached as **Exhibit “Z”**. Ms. Sandoval also reviewed the request from Ollie’s Barbeque for use of the Pavilion for movie and food truck for March 22, March 29, April 5 and April 12. After discussion, the Board tabled consideration of the request.

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 stated that the Board would discuss the Security Monitoring Agreement with Cothron’s Security Professionals attached as **Exhibit “AA”**. Mr. Abbott reviewed the Agreement with the Board. After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted 4-1, with Director Roberts voting “no”, to approve

the Agreement. **The Board then directed Mr. Abbott to communicate with Mike McKelvey of Trinity AV Solutions regarding the same.**

Director Logan stated that the Board would next consider approving the request for a Utility Easement from Pedernales Electric Cooperative, Inc. ("PEC"), attached as **Exhibit BB**". Mr. Abbott briefly reviewed the request, but noted that his firm had a potential conflict with PEC. He reminded the Board that the last time that PEC requested an easement from the District, the District and PEC had jointly considered and approved a conflict letter. **The Board then directed Mr. Abbott to contact PEC to consider a similar conflict letter.**

Director Logan then stated that the Board would discuss remote participation in Board meetings by Board members. Mr. Abbott then reviewed a memorandum, attached as **Exhibit CC**", relating to remote participation in Board meetings by Board members. He noted that such participation was feasible, so long as all state law provisions and administrative rules, as described in the memorandum, were followed. He also recommended that the Board consider adopting policies applicable to remote participation. Discussion ensued. Director Logan offered to draft a policy for consideration by the Board. The Board then directed Mr. Abbott to include an item on the regular March agenda for consideration of a remote participation policy.

Director Logan then stated that the Board would discuss the Board's future Board meetings/agenda items. The Board confirmed that the regular meeting of the Board was scheduled for March 27, 2024.

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

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[SIGNATURE PAGE TO FEBRUARY 28, 2024 MINUTES]



Robert Young, Secretary
Board of Directors

Date: 3-27-24