

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

May 22, 2024

THE STATE OF TEXAS §
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COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Block House Municipal Utility District was held on May 22, 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"); Deputy Minh Nguyen of the Williamson County Sheriff's Office ("WCSO"); Sandy Martin of the BHC Owners Association ("OA"); Tripp Hamby and Clint Welch of Priority Landscapes, LLC ("Priority"); Chris Stanfield, District IT Consultant; David Gray of Gray Engineering, PLLC; Trent Rush of Hitchcock Design Group; Marc Marroquin of Premier Recreation Management Services, LLC ("Premier"); Dave Yanke from NewGen Strategies & Solutions ("NewGen"); Zach Nevins of Leander High School Swim Booster; and Sean Abbott of Armbrust & Brown, PLLC ("A&B"). Tyler Wilson of Municipal Accounts & Consulting, L.P. ("MAC") and Tony Perez of Sagamore Fence & Deck, LLC ("Sagamore") 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. Nevins addressed the Board and stated that he was part of the Leander Independent School District ("LISD") swim team booster club. He then thanked the District for its partnership with LISD and the LISD's use of Apache Pool.

Director Logan then stated that the Board would receive a report from the OA and recognized Ms. Martin, who stated that the OA was working on the organization of several events, including movies at the Tumlinson Pool and the annual 4th of July celebration event.

Director Logan then stated that the Board would discuss block use, pool classification, and lifeguards during specific use at Apache Pool and the Agreement with Leander Independent School District Regarding Use of Apache Pool. Director Logan reminded the Board that the State of Texas Department of State Health and Human Services had recently undertaken revisions to their administrative rules relating to the administration of certain public pools (the “*DSHS Rules*”). She then confirmed that Mr. Abbott had been in discussion with representatives of LISD regarding the DSHS Rules, noting that one year remained on the Agreement between the District and LISD for the use of Apache Pool. Director Johnson noted that the DSHS Rules were a bit ambiguous and that he had corresponded with individuals at the Department of State Health and Human Services in an attempt to ascertain clarity on certain rules relating to the necessity of having lifeguards at the District’s public pool. Mr. Abbott agreed with Director Johnson’s description of the DSHS Rules and noted that, after reviewing the DSHS Rules and clarifying comments from the Department of State Health and Human Services, he had confirmed that the District would be in compliance with the DSHS Rules during LISD practices at Apache Pool if lifeguards were not present, so long as the diving blocks were clearly marked “closed.” After discussion, upon motion by Director Johnson and second by Director Shoemaker, the Board voted unanimously to establish a policy of formally closing the diving blocks when lifeguards were not present at Apache Pool and **directed Mr. Abbott to work with LISD to draft an amended agreement between the parties that contemplated the DSHS Rules and methods of compliance. The Board then directed Ms. Sandoval to purchase “covers” for the diving blocks at Apache Pool.**

Director Logan then stated that the Board would discuss the NewGen Stage 3 Conservation Rate Analysis. Mr. Yanke reviewed his Block House MUD—Stage 3 Water Conservation Rate Analysis, attached as **Exhibit “B”** (the “*Rate Analysis*”), with the Board, noting that it had been undertaken as a result of an increase in the City of Cedar Park’s wholesale water rates. He stated that his firm had reviewed various budget, billing, and rate considerations relating to the preparation of the Rate Analysis. He then reviewed the two rate modification scenarios in the Rate Analysis. Discussion ensued. Mr. Abbott then briefly reviewed the provisions of the District’s rate order. **The Board directed Mr. Abbott to prepare a modified rate order for consideration at the next regular Board meeting.**

Director Logan then recognized Mr. Gray in order to receive the engineer’s report. Mr. Gray reviewed his report, attached as **Exhibit “C”**, with the Board. He confirmed that his office had submitted the District’s park bond application to the Texas Commission on Environmental Quality. He then noted that a significant rain event had caused some runoff from the Nebraska Furniture Mart (“*NFM*”) site, which ultimately resulted in some inefficiencies in the District’s stormwater drainage system. He noted that NFM’s contractor had been responsive to his inquiries and that his office would continue to monitor such considerations going forward. Upon question from Director Roberts, Mr. Gray confirmed that NFM intended to undertake more intensive monitoring of drainage conditions during future storm events.

Director Logan then stated that the Board would consider the proposal from Sagamore for the 3 Mile Loop Right of Way fence staining project (Estimate #7734), attached as **Exhibit “D”**. Ms. Sandoval confirmed that she had solicited three bids for the project and that only Sagamore had provided a bid. Mr. Perez then reviewed Estimate #7734 with the Board. He noted that the work would include pressure washing of all the fences as well as a warranty. After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted unanimously to approve Sagamore Estimate #7734. Ms. Sandoval then reviewed the Sagamore proposal for removal and replacement of fence at dead end near HEB Center (Estimate #7792) and the Sagamore proposal for the staining of the same (Estimate #7793), collectively attached as

Exhibit “E”, and then recommended approval of the proposals. After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted unanimously to approve Sagamore Estimates #7792 and #7793.

Director Logan stated that the Board would next consider approving the minutes of the April 17, 2024 special meeting and the April 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 discuss AT&T’s installation of new cable lines in the District. Mr. Ingallina reminded the Board that different subcontractors of AT&T had caused significant and costly damage to District facilities and confirmed that he continued to pursue reimbursement to the District relating to the damage done to the District’s utility system by AT&T’s subcontractors. He then noted that the subcontractors were close to finishing the first phase of installation in the District.

Director Logan stated that the Board would next receive a report from the WCSO and recognized Deputy Nguyen, who introduced himself to the Board. Ms. Sandoval then provided a brief update of patrolling actions undertaken by the WCSO deputies working in the District during the previous month.

Director Logan then stated that the Board would discuss the closure of park gates on nights and weekends. Director Shoemaker stated that he thought it was important for the District to ensure that all gates were timely locked on a daily basis. Discussion ensued and **the Board directed Mr. Abbott to include an agenda item for discussion at the next regular Board meeting.**

Director Logan then stated that the Board would receive a report from Premier and recognized Mr. Marroquin. Mr. Marroquin reviewed the report from Premier, attached as Exhibit “F”, with the Board and noted that operations had been running smoothly. He noted that Premier was fully staffed with lifeguards for the summer season.

Director Logan stated that the Board would next receive a report from Priority and recognized Mr. Hamby, who reviewed the report from Priority, attached as Exhibit “G”. Mr. Hamby noted that operations were running smoothly. He then reviewed the proposal for mosquito treatment for the 4th of July celebration event (Proposal #3923), attached as Exhibit “H”. After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted unanimously to approve Proposal #3923. Mr. Hamby then reviewed the proposal for Highway 183 entry median vehicle run over (Proposal #3949), attached as Exhibit “I”. After discussion, upon motion by Director Roberts and second by Director Johnson, the Board voted unanimously to approve Proposal #3949. Mr. Hamby then reviewed the proposal for additional firebreak clearing (one week) (Proposal #3969), attached as Exhibit “J” and recommended approval. Discussion ensued. The Board tabled consideration of Proposal #3969 and requested that Mr. Hamby provide a report of all of the firebreak work that Priority had already taken during the current year.

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 “K”.

Director Logan stated that the Board would next receive a report from the PR/Communications Subcommittee, attached as **Exhibit “L”**. Ms. Sandoval confirmed that the June newsletter had been completed and would be distributed soon. She then confirmed that the resident survey was going well and that over 600 responses had been received and noted that the survey results would be presented at the regular June meeting.

Director Logan then stated that the Board would receive a report from and directives to Community Association Management, Inc. (“**CAM**”). Ms. Sandoval reviewed the report from CAM with the Board. Director Johnson confirmed that the Restrictive Covenant Subcommittee continued to work with CAM on pending matters.

Director Logan stated that the Board would next receive a report from and directives to MAC and recognized Mr. Wilson. Mr. Wilson presented the check register, attached as **Exhibit “M”**, and the supplemental check register, attached as **Exhibit “N”**. He 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 Johnson and second by Director Shoemaker, the Board voted unanimously to approve the fund transfers and payment of the bills and invoices, as presented.

Director Logan stated that the Board would next receive a report from the Finance/Audit Subcommittee. She then confirmed that the Subcommittee had been reviewing the current District budget and would be preparing comments for consideration by the entirety of the Board in the consideration of the adoption of a budget for the upcoming fiscal year.

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 “O”**. He stated that all lab results were satisfactory. He then noted that he had one write-off to present, as shown on page 11 of the Operations Report. Upon motion by Director Roberts and second by Director Johnson, the Board voted unanimously to approve the write-off. Mr. Ingallina stated that the District’s water loss was 13.14%, which he noted was down from last month. He then offered a presentation to the Board relating to the operation of the ground storage tank, with a focus on operation and maintenance considerations.

Director Logan stated that the Board would next discuss the purchase of Microsoft Teams (“**MS Teams**”) software for staff. Ms. Sandoval confirmed that it would be optimal for District staff to have an MS Teams account for meetings with District residents, consultants, and contractors. **The Board directed Ms. Sandoval to obtain a proposal for such services and present it at the next regular meeting of the Board of Directors.**

Director Logan then stated that the Board would discuss the Tumlinson Park playscape project schedule, including the overall plan, program, and schematic design. Mr. Rush reviewed his projects schedule and related schematics, attached as **Exhibit “P”**. He stated that a topographic survey was necessary in order for him to finalize some of his design work, and estimated that such a survey would likely cost approximately \$1,500. Discussion ensued. **The Board directed Ms. Sandoval and Mr. Gray to work with Mr. Rush to obtain the necessary survey.**

Director Logan then stated that the Board would discuss the Resolution Expressing Official Intent to Reimburse Certain Expenditures attached as **Exhibit “Q”**. After discussion, upon motion by Director Roberts and second by Director Shoemaker, the Board voted unanimously to approve the Resolution.

Director Logan stated that the Board would next discuss the Security Monitoring Agreement with Cothron's Security Professionals, attached as **Exhibit "R"** (the "*Security Monitoring Agreement*"), and the proposal from Cothron's Security Professionals for Eagle Eye Surveillance System/Brivo System, attached as **Exhibit "S"** (the "*Eagle Eye Proposal*"). After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted unanimously to approve the Security Monitoring Agreement and the Eagle Eye Proposal. **The Board then directed Mr. Abbott to provide notice to Trinity AV Solutions when the updated systems were ready to be transitioned to Cothron's.**

Director Logan stated that the Board would next receive the attorney's report and recognized Mr. Abbott. Mr. Abbott reviewed the attorney directives, noting that all directives had been completed or were in process.

Director Logan then stated that the Board would discuss the CASE and AWBD memberships and conferences. Director Logan confirmed that the District's membership with CASE had not been renewed and that the District was now a member of AWBD. Director Roberts stated that she desired to attend the upcoming CASE conference, but noted that Board members from the District could not attend unless the District was a CASE member. She confirmed that the cost of membership was \$600. Director Logan stated that it was her expectation that multiple Board members would be attending the AWBD conference. Discussion ensued. Upon motion by Director Johnson and second by Director Shoemaker, the Board voted 1-3 (with Director Roberts voting "yes", Directors Logan, Shoemaker, and Young voting "no", and Director Johnson abstaining) to approve a CASE membership.

Director Logan stated that the Board would next consider replanting trees at the Disc Golf Course. Director Young stated that he wanted to work with District residents to improve the Jumano Disc Golf Course. He noted that it would be optimal for the Disc Golf Course to be maintained by volunteers and not have any fiscal impact to the District. He then noted that he would like to plant trees around the tee boxes of the course. Upon question from Director Logan, Director Young stated that a formal plan for improvements had to be established. Upon question from Ms. Sandoval, Mr. Abbott confirmed that liability waivers needed to be obtained from anyone performing volunteer maintenance work on the Disc Golf Course. He reminded the Board that such a practice had been used by the District historically, dating back several years. Discussion ensued. After discussion, upon motion by Director Young and second by Director Shoemaker, the Board voted unanimously to approve the use of volunteers to undertake maintenance of the Disc Golf Course, subject to the execution of the necessary liability waivers of all volunteers and the approval of the General Manager of all maintenance efforts.

Director Logan stated that the Board would next discuss miscellaneous and Board/Subcommittee directives. Director Logan reminded the Board that any work undertaken by subcommittees should be "consensus-based" with consideration of both subcommittee members. Ms. Sandoval then confirmed that the role of subcommittees was to execute directives of the Board and that new projects needed to be approved by the Board of Directors.

Director Logan then confirmed that the next regular meeting of the Board was scheduled for June 26, 2024.


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

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[SIGNATURE PAGE TO MAY 22, 2024 MINUTES]

(SEAL)



Robert Young, Secretary
Board of Directors

Date: 8/5/24