

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

August 21, 2024

THE STATE OF TEXAS                   §  
  §  
COUNTY OF WILLIAMSON           §

A special meeting of the Board of Directors of Block House Municipal Utility District was held on August 21, 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 Shoemaker, who arrived later, thus constituting a quorum. Also present at the meeting were: Lisa Sandoval and Shae Vaughan of Crossroads Utility Services, LLC (“Crossroads”); Sandy Martin of the BHC Owners Association (“OA”); Chris Stanfield, District IT Consultant; Lauren Smith of Public Finance Group; Deputy Billy Boggs of the Williamson County Sheriff’s Office; Stuart McMullen, a resident of the District; and Sean Abbott of Armbrust & Brown, PLLC (“A&B”). Tyler Wilson of Municipal Accounts & Consulting, L.P. (“MAC”) participated in the meeting via video conference.

Director Logan called the meeting to order at 5:30 p.m. and welcomed those present. 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. McMullen addressed the Board and inquired about a recent water leak in the District and the District’s park bond. Director Logan confirmed that a bond application had been submitted to the Texas Commission on Environmental Quality and requested that Mr. McMullen communicate with Ms. Sandoval regarding his questions about the water leak.

At 5:37 p.m., Director Shoemaker assumed the duties as Chair and began presiding over the meeting.

Director Shoemaker then stated that the Board would discuss the 2024/2025 budget and 2024 tax rate, including: (i) work session on 2024/2025 budget; (ii) establish and take a record vote on proposed 2024 tax rate; (iii) schedule a public hearing at which the adoption of the 2024 tax rate would be considered; and (iv) authorize publication of Water District Notice of Public Hearing on Tax Rate. Mr. Wilson then reviewed the proposed budget for the 2024/2025 fiscal year, attached as **Exhibit “B”**. The Board discussed various expense line items and the impact

that the limitation on the maintenance and operations tax rate component of the total tax rate would have on the budget. No action was taken on the draft budget. Discussion ensued regarding considerations relating to the District's Rate Order.

Director Shoemaker then recognized Ms. Smith, who reviewed the 2024 tax rate analysis attached as **Exhibit "C"**, including the certified assessed valuation for the District. She then reviewed the proposed tax rate provided in the analysis, including the components of the District's proposed tax rate: \$0.2585 for operations and maintenance, \$0.1145 for fire tax, and \$0.1875 for the debt service tax rate—a combined tax rate of \$0.5605 per \$100 of assessed valuation. Discussion ensued. Ms. Smith then confirmed that the Board was not levying its tax at the current meeting, but simply needed to establish a proposed tax rate and set a date in September for the public hearing on the tax rate. Ms. Smith recommended that the Board adopt a proposed tax rate of \$0.5605 per \$100 assessed valuation, which she noted was just below the District's "rollback rate".

Mr. Abbott then stated that, at this meeting, the Board would need to establish a proposed tax rate and that, following the public hearing on the tax rate, it could adopt a lower tax rate, but not a higher tax rate. He added that the Board also needed to schedule the public hearing at which the adoption of the tax rate would be considered and authorize publication of a Water District Notice of Public Hearing on Tax Rate. After discussion, upon motion by Director Johnson and second by Director Logan, the Board voted unanimously to: (i) adopt a proposed tax rate of \$0.5605 per \$100 of assessed valuation; (ii) schedule a public hearing on the tax rate for September 11, 2024 at 5:30 p.m. at 2600 Block House Drive South, Leander, Texas, 78641, as outlined in the Water District Notice of Public Hearing on Tax Rate attached as **Exhibit "D"**; and (iii) authorize Mr. Abbott to give notice of the public hearing, with all of the Directors present and voting "yes".

Director Shoemaker stated that the Board would next discuss the Trinity AV Solutions Invoice Nos. 10087 (July) and 10236 (August) attached as **Exhibit "E"**. After discussion, upon motion by Director Logan and second by Director Roberts, the Board voted unanimously to approve the invoices.

Director Shoemaker then stated that the Board would review the District's general manager. Ms. Martin undertook citizen's communications with the Board relating to the District's review of the general manager. She noted that the Board seemed to review Ms. Sandoval's performance more often than any other consultant. She requested that Board members work together to more efficiently undertake their duties. She concluded by stating that she supported Ms. Sandoval in her role as general manager of the District.

Director Shoemaker stated that the Board would next contemplate entering executive session relating to the review of the general manager, as provided for by Section 551.074 of the Texas Government Code. Discussed Ensued. Upon motion by Director Young and second by Director Roberts, the Board voted 4-1, with Director Shoemaker voting "no", to enter executive session to receive legal advice from the District's attorney regarding personnel matters. At 6:51 p.m. Director Shoemaker announced that the Board would convene in executive session to receive legal advice from the District's attorney regarding personnel matters, as authorized by Section 551.074 of the Texas Government Code.

At 7:31 p.m., the Board reconvened in open session, and Director Shoemaker stated that no action had been taken in executive session.

Director Logan then stated that she had no concern with Ms. Sandoval's role as the general manager of the District. She noted that she undertook all of her duties in a satisfactory manner and that she continued to grow professionally. She encouraged all Board members to focus on the performance of their own duties and concluded discussion on the topic.

Director Shoemaker then stated that the Board would discuss subcommittee meetings, protocols, and assignments. Ms. Logan suggested that larger considerations be tabled, but recommended the creation of an ad hoc subcommittee to investigate the reduction of costs under the District's contract with Texas Disposal Systems. The Board confirmed the creation of the ad hoc subcommittee and appointed Directors Logan and Roberts to serve as the subcommittee.

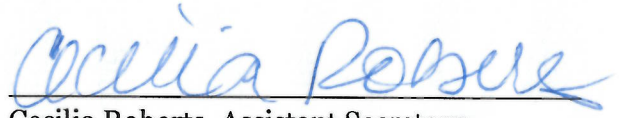
Director Shoemaker stated that the Board would next discuss the Board's future meeting schedule and agenda items. Mr. Abbott confirmed that the next meetings of the Board of Directors were scheduled for August 28, 2024 and September 11, 2024.

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

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[SIGNATURE PAGE TO AUGUST 21, 2024 MINUTES]

(SEAL)



Cecilia Roberts, Assistant Secretary  
Board of Directors

Date: 10-29-24