

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

September 25, 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 (the "District") was held on September 25, 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. Directors Young and Shoemaker arrived late. Also present at the meeting were: Dallas Worth and Lisa Sandoval of Crossroads Utility Services, LLC ("Crossroads"); Deputy Antonio Lovato of the Williamson County Sheriff's Office ("WCISO"); Sandy Martin of the BHC Owners Association ("OA"); Clint Welch and Tripp Hamby of Priority Landscapes, LLC ("Priority"); Chris Stanfield, District IT Consultant; Marc Marroquin of Premier Recreation Management ("Premier"); Ashlee Martin of McCall Gibson Swedlund Barfoot, PLLC; Trent Rush of Hitchcock Design Group; Jim Cicchini of Violet Crown Management; David Gray and Crystal Hall of Gray Engineering, PLLC; Sean Abbott of Armbrust & Brown, PLLC ("A&B"); and Yuri Castelar, a resident of the District. 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. Ms. Castelar stated that drivers had been speeding excessively on Scottsdale. She noted that she had discussed the issue with Williamson County who had confirmed that speed bumps were not an appropriate device to install on Scottsdale. She noted that Williamson County was piloting a project with a radar speed sign system. Ms. Sandoval confirmed the District would be interested in the installation of such signs and that she would be happy to work with Williamson County.

Director Young arrived at the meeting at 6:33 p.m.

Director Logan then stated that the Board would receive an update related to the development of the Nebraska Furniture Mart tract (the “*NFM Tract*”). Mr. Cicchini stated that utility work continued on the NFM Tract, noting that significant progress had been made on wastewater facilities. He then stated that construction had started on the retaining wall between the NFM Tract and the District. Mr. Cicchini then stated that significant work had started on the widening of New Hope and that additional information could be found on the project page on the City of Cedar Park’s website. Mr. Gray noted that his office had been working with Mr. Cicchini relating to the relocation of the District’s master water meter.

Director Shoemaker arrived at the meeting at 6:38 p.m.

Director Logan stated that the Board would next consider approving the consent items on the Board’s meeting agenda, including the minutes of the August 28, 2024 Board meeting. Upon motion by Director Shoemaker and second by Director Johnson, the Board voted unanimously to approve the minutes. Director Logan then stated the Board would consider the proposal from McCall Gibson Swedlund Barfoot PLLC for audit services for the fiscal year ending September 30, 2024, attached as **Exhibit “B”**, and recognized Ms. Martin. Mr. Martin then reviewed the details of the proposal. 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 receive a report from the OA and recognized Ms. Martin, who stated that the OA had a new management company. She then noted that the OA looked forward to having the pumpkin patch again in 2024. She noted that the OA was scheduled to have its annual membership meeting on November 9, 2024.

Director Logan then stated that the Board would receive a report from the WCSO and recognized Deputy Lovato, who provided a brief overview of recent patrols in the District. He confirmed that WCSO deputies would be present in the District for “Neighborhood Night Out” festivities.

Director Logan stated that the Board would next discuss overnight parking at the Districts parks. Director Young opined that cars should not be locked in overnight. He further stated that cars should either be towed immediately or that park gates should not be locked. Director Logan noted that the Board had considered the issue and decided that towing of cars under such circumstances was not appropriate. She noted that the District’s general manager could have the cars towed the following day, if necessary. Director Roberts stated that it was important for District parks to be locked at night. Director Johnson opined that it would likely be more inconvenient if cars were towed. Deputy Lovato stated that he favored the District’s current policy of not towing cars, but locking gates at the appropriate times. He noted that the WCSO undertakes best efforts to contact the owners of cars prior to locking gates if they are present when the parks have closed. Upon motion by Director Young and second by Director Logan, the Board voted 1-4, with Young voting “yes”, against locking park gates when cars were still parked in District parks.

Director Logan stated that the Board would next receive a report from Premier and recognized Mr. Marroquin. Mr. Marroquin reviewed the report from Premier, attached as **Exhibit “C”**, with the Board and noted that operations continued to run smoothly.

Director Logan stated that the Board would next consider the renewal of the Pool Services Agreement with Premier Recreation Management Services, LLC. After discussion, upon motion by Director Shoemaker and second by Director Johnson, the Board voted unanimously to approve the renewal.

Director Logan then stated that the Board would consider approving Blue Ribbon Cooling, Heating, Plumbing & Electric Estimate No. 64936423 for the repair of the Jumano Community Center HVAC system attached as **Exhibit “D”**. After discussion, upon motion by Director Johnson and second by Director Roberts, the Board voted unanimously to approve the estimate.

Director Logan stated that the Board would next receive a report from the Amenities Subcommittee. Director Young stated that he had concerns about the condition of several electric connections at the Jumano Community Center. He noted that it was likely prudent and beneficial to add electrical outlets for the Community Gardens. He stated that he thought volunteers could assist with some of the work that would be required. Director Logan noted that electrical work in Jumano Park had not been included in the 2024/2025 budget cycle, but that the work could be prioritized if funds became available. Director Roberts stated that it would be helpful if the District’s general manager could assist by assembling a scope of services.

Director Young then reminded the Board that the District had saved wood after removing a dying tree from a District park. He noted that there was maintenance related to keeping the wood. Director Roberts requested the Director Young draft a memo that detailed the required actions and the options available to the Board. Upon motion by Director Young and second by Director Logan, the Board voted unanimously to approve Director Young contacting local high schools with wood shop programs to solicit volunteers, subject to the drafting of a memo describing the work and requested assistance. Director Young then noted that there was a pile of leftover lumber in Jumano Park. **The Board then directed Ms. Sandoval to inform the public that the wood was available for public consumption.**

Director Young then stated that the Jumano Park disc golf course required maintenance. He reviewed the recommendations for course maintenance included in the Amenities Subcommittee Report, attached as **Exhibit “E”**. Director Logan noted that she had provided comments on the recommendations to Director Young. She reviewed her recommended amendments and suggested that “community days” be organized when community maintenance could take place. Mr. Abbott reminded the Board that Priority Landscaping was under contract to maintain the disc golf course. He suggested that residents could pass along recommendations for maintenance to Priority through the District’s general manager. Ms. Sandoval stated that unauthorized maintenance to the course had changed the design and feel of the course. Director Shoemaker stated that he favored public ownership of such maintenance, but noted that the District had to retain control and oversight of the course. Director Johnson agreed, noting that the Board should organize any maintenance that takes place on the course. Director Roberts suggested that the maintenance policies should confirm that chainsaws cannot be used and that all volunteers must complete liability waivers. She also favored organized community cleanups and defining what party would cover the costs for fill and gravel. Discussion ensued. Upon motion by Director Shoemaker and second by Director Logan, the Board voted unanimously to approve the redlined version of the standards for course maintenance prepared by Director Logan, to include that chainsaws should not be used in the maintenance of the course, that all volunteers would be required to execute a liability waiver, and to properly coordinate maintenance with Priority.

Director Young then stated that the Board had recently amended park hours at the District’s parks, but hadn’t considered when the parks opened. Ms. Sandoval confirmed that the District’s park rules provided that the District’s parks opened at dawn. She noted that the lights in the parks had been timed accordingly. After discussion, upon motion by Director Logan and second by Director Roberts, the Board voted unanimously to continue the practice of having District parks open at dawn.

Director Young then stated that he did not think it was appropriate for the BMX park, Tumlinson Park, and Tonkawa Park to be locked at night. Discussion ensued. Upon motion by Director Young and second by Director Logan, the Board voted 1-4, with Director Young voting “yes”, against leaving BMX park, Tumlinson Park, and Tonkawa Park unlocked at night.

Director Young then stated that it was his understanding that Ms. Sandoval had recently conducted an audit of the padlocks in the District. He stated that he wanted to see the padlock audit. **The Board then directed Ms. Sandoval to share the padlock audit with Director Young.**

Director Young next stated that a security audit had been conducted on the District’s security cameras. He then stated that he wanted to review the audit. Ms. Sandoval noted that such audits had historically been treated as confidential and not shared with Board members. Director Young then moved that the audit be provided to the Amenities Subcommittee. There was no second for the motion.

Director Logan then stated that the Board would receive a report from Priority and recognized Mr. Welch, who reviewed the report from Priority, attached as **Exhibit “F”**. Mr. Welch noted that operations continued to run smoothly in the District. Upon question from Director Young, he confirmed that a budget breakdown had been provided to Ms. Sandoval.

Director Logan then stated that the Board would receive a report from Crossroads and recognized Mr. Worth. Mr. Worth reviewed the Operations Report, attached as **Exhibit “G”**. He stated that all lab results were satisfactory. He stated that the District’s water loss was 13.05% which he noted was up from last month. He stated that he had no write-offs to present.

Director Logan stated that the Board would next receive the engineer’s report and recognized Mr. Gray. Mr. Gray reviewed his report, attached as **Exhibit “H”**, with the Board.

Director Logan stated that the Board would next receive a report from MAC and recognized Ms. Kolmodin. Ms. Kolmodin presented the check register, attached as **Exhibit “I”**. 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 Roberts, the Board voted unanimously to approve the fund transfers and payment of the bills and invoices, as presented.

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. Mr. Abbott then noted that Jack Baker from CAM had contacted him to explain that CAM’s costs relating to their use of Smartwebs software were increasing significantly. He noted that CAM had offered the District two options going forward, to use a similar software, called Vanica, which he noted was, practically speaking, substantially similar to Smartwebs software or to continue to use Smartwebs software for a cost of approximately \$400 per month. He noted that Mr. Baker had confirmed that the District would have a historical record of all of the information that had been saved in Smartwebs if they transitioned to Vanica. After discussion, upon motion by Director Roberts and second by Director Johnson, the Board voted unanimously to approve the use of the Vanica software in the management of the District’s restrictive covenant enforcement.

Director Logan then stated that AT&T Fiber’s installation in the District was still on hold. Mr. Abbott reminded the Board that one of AT&T’s contractors, OKTEX, had damaged District wastewater facilities and had failed to reimburse the District for such costs.

At 8:12 p.m. Director Logan announced that the Board would convene in executive session to receive legal advice from the District’s attorney regarding possible litigation, as authorized by Section 551.071 of the Texas Government Code.

At 8:24 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. Abbott to draft a letter to OKTEX regarding the failure to reimburse the District for the damaged wastewater facilities.**

Director Logan then stated that the Board would discuss pending or contemplated litigation at 15006 Snelling Drive. Director Johnson stated that various restrictive covenants had been issued to the property and briefly reviewed the violations with the Board. After discussion, upon motion by Director Shoemaker and second by Director Johnson, the Board concluded that the violations, if not cured, could reasonably be considered to negatively affect the property values within the District and voted unanimously to undertake litigation to enforce the applicable restrictive covenants at 15006 Snelling Drive for the purposes of sustaining taxable property values in the District and bringing thing property back into compliance with all applicable restrictive covenants.

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. He then reviewed the Utility Easement with Pedernales Electric Cooperative (“*PEC*”), attached as **Exhibit “J”** (the “*Easement*”), noting that the Board had previously approved a draft of the Easement. He noted that PEC had designed an alternative path for the easement so that it was unlikely to affect the Cedar Elm tree in close proximity to the desired easement. **The Board approved the alternative path and directed Mr. Abbott and Mr. Gray to work with PEC to finalize the Easement.**

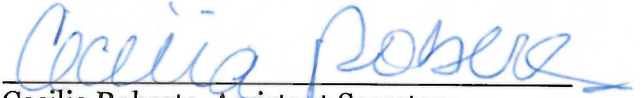
Director Logan confirmed that the next regular meeting of the Board was scheduled for October 23, 2024. She then noted that the Board typically moved the dates of their regular November and December meeting to accommodate the holiday schedule. After discussion, the Board agreed to hold regular meetings on November 12, 2024 and December 12, 2024.

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

* * *

[SIGNATURE PAGE TO SEPTEMBER 25, 2024 MINUTES]

(SEAL)



Cecilia Roberts, Assistant Secretary
Board of Directors

Date: 10-29-24