

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

November 20, 2019

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 November 20, 2019, 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"**.

All of the Directors were present, as follows:

Cecilia A. Roberts	-	President
Steve Bennett	-	Vice President
Rayan Horak	-	Secretary
Ursula Logan	-	Assistant Secretary
Byron Koenig	-	Treasurer

Also present at the meeting were Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("MAC"); Jacquelyn Smith of Crossroads Utility Services, LLC ("Crossroads"); Bill Brooks of Lifeguard4Hire; Tripp Hamby of Priority Landscapes, LLC ("Priority"); Luanne Miller of the Block House Creek Owners Association (the "OA"); Sergeant Chuck Kelley of the Williamson County Sheriff's Office; Jim and Nancy Dillon of Texas Trades; Tanya Emmons of Pinnacle Texas Management, LLC ("Pinnacle"); Rena LaVance, a resident of the District; and Sean Abbott of Armbrust & Brown, PLLC ("A&B").

Director Roberts 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 Roberts stated that the Board would then receive citizens' communications. Ms. LaVance addressed the Board regarding the pergola in Tumlinson Park. Ms. LaVance indicated that she enjoyed utilizing the pergola, noting that the District had recently repaired the pergola after vandalism had occurred, and added that she hoped the pergola would be maintained going forward. She inquired whether the pergola might be utilized as a place to memorialize lost relatives, perhaps even providing for a space within the pergola where bricks with the names of departed loved ones artfully inscribed could be purchased and displayed. Ms. LaVance further added that a local funeral home might be able to assist financially with such an effort and that the Boy Scouts might be able to assist with installing any improvements. The Board collectively voiced support for the proposed project. Director Roberts directed Mr. Abbott to research whether the District had any legal constraints that would affect its ability to participate in the project, as described by Ms. LaVance.

Mr. Dillon addressed the Board regarding certain work that Texas Trades had performed for the District, following up on the same inquiries he had made at the Board's October meeting

relating to what he perceived to be monies owed under Texas Trades Invoice No. 284. Director Roberts noted that she had previously requested that Mr. Dillon follow up with Andrew Hunt of Crossroads regarding the questions he had raised in October and asked Mr. Dillon whether that had occurred. She added that it was her understanding that Mr. Hunt had made numerous unsuccessful attempts to contact Mr. Dillon. Mr. Dillon stated that he refused to speak to Mr. Hunt via telephone. Director Roberts then asked Mr. Abbott to address Mr. Dillon regarding his inquiries. Mr. Abbott informed Mr. Dillon that he had researched all of the invoices and subsequent payments relating to the work Texas Trades had performed for the District, noting that the District had paid Texas Trades for over \$400,000 for work over the course of a 20 month period. Mr. Abbott further explained that Mr. Dillon had executed a Contractor's Affidavit on March 27, 2019 that confirmed he had been fully compensated for all work performed on behalf of the District. Mr. Dillon stated that he was under duress at the time he executed the Contractor's Affidavit and then offered to accept half of the payment he felt was owed to him by the District. Mr. Dillon added that it would be much easier to negotiate the matter if lawyers were not involved. Director Roberts then suggested it might be beneficial for the parties to meet and discuss the matter at a date to be determined.

Director Roberts then stated that the Board would receive the OA report. Ms. Miller stated that the neighborhood campout had occurred on November 16, 2019. She reported that over 100 people participated, they had great weather, and the event was tremendously successful. She reminded the Board that the OA's annual meeting would occur on December 7, 2019. She also advised the Board that the OA would be conducting holiday decoration judging on December 15, 2019. Directors Roberts and Logan both expressed interest in participating in judging holiday decorations.

Director Roberts then stated that the Board would consider approving the minutes of the October 23, 2019 Board meeting. Upon motion by Director Horak and second by Director Bennett, the Board voted 4-0 to approve the minutes, with Director Logan abstaining.

Director Roberts stated that the Board would next discuss the monthly security report from the Williamson County Sheriff's Office. Sgt. Kelley described recent operations in the District as rather ordinary and routine. He reported that a Sheriff's Deputy had discovered non-residents consuming alcohol while playing frisbee golf, and that the non-residents were asked to leave the premises and dutifully complied. Sgt. Kelley inquired whether there were any upcoming events in the District he should be aware of. The Board members requested that law enforcement pay particular attention to holiday decorations. Ms. Smith advised there were still issues with improper entry into the basketball court. Sgt. Kelley agreed and indicated different options were being evaluated. Director Bennett inquired whether it was illegal to park on a bridge. Sgt. Kelley confirmed that this was always illegal. Director Bennett expressed a preference for stenciling no parking zones onto the bridge and Ms. Smith confirmed she was researching whether the District had the authority to do so. Director Bennett made a similar inquiry regarding parking in front of fire hydrants. Sgt. Kelley confirmed that parking within 20 feet of a fire hydrant was illegal and stated that parking within ten feet of a stop sign was also illegal.

Director Roberts stated that the Board would next discuss restrictive covenant enforcement, including pending and contemplated litigation; drought management and watering restrictions; and District communications. Ms. Emmons provided the report attached as **Exhibit "B"**, which she noted included a newly created graph that tracked restrictive covenant enforcement, and stated that Pinnacle continued to evaluate the neighborhood for restrictive covenant violations. Further, she stated that the Restrictive Covenant Subcommittee was reviewing documented violations, but was not ready to recommend action to the Board

relating to specific violations. Director Logan stating that the chart was quite useful and requested that date ranges be added to the information to provide additional context. Director Roberts also complimented the graph and requested that the graph be included in the District's newsletter after the improvements suggested by Director Logan were made. Speaking to watering restrictions, Ms. Emmons indicated that she had nothing to report.

Director Roberts then stated that the Board would discuss the newsletter, water bill inserts, website and District-wide calendar. Ms. Emmons reported that she was working on the December District newsletter and was coordinating with Ms. Smith to ensure the Board had an opportunity to review the newsletter prior to publication. Directors Roberts and Logan generally discussed providing Ms. Smith access to the District's Facebook page to make relevant updates. Director Logan requested that she be assigned a directive to provide Ms. Smith access to the District's Facebook page and the Board concurred with the assignment.

Director Kolmodin stated that the Board would next receive the bookkeeper's report and recognized Ms. Kolmodin. Ms. Kolmodin presented the check register attached as **Exhibit "C"** and the supplemental check register attached as **Exhibit "D"**. Director Koenig confirmed that the Financial Subcommittee recommended approval of the payments as presented. Director Logan then inquired of Ms. Smith regarding instances where Crossroads included a 10% upcharge for its work. Director Logan also inquired about a charge relating to the cleanup of Jumano Park, noting that it had been coded as relating to the water plant, and inquired about the billing of certain employee time. Ms. Smith agreed to investigate these matters. Ms. Kolmodin then reviewed the District's investments and a budget comparison and requested approval of the fund transfer and investment activity indicated in her report. After discussion, upon motion by Director Horak and second by Director Koenig, the Board voted 4-0, with Director Logan abstaining, to approve the payment of the bills and invoices, as presented, and to approve the transfers and investments.

Director Roberts stated that the Board would next discuss pool operations, repairs, and management. Ms. Smith stated that the ADA accessible chair at Apache Pool was not functioning and needed to be replaced. Mr. Brooks concurred that the chair needed to be replaced and indicated that recent technological advances had greatly improved the quality of such chairs. He indicated that Lifeguard4Hire was looking at different options relating to the chair, including warranty considerations. Director Logan requested that the Pools Subcommittee devote a meeting to the replacement of the chair. Ms. Smith indicated that she would have a call the following week with the RecDesk representative to discuss the RecDesk system. Mr. Brooks stated that the lifeguards were still vetting individuals going in and out of the pool to confirm that all visitors were current District residents.

Director Roberts then stated that the Board would receive the landscape report. Ms. Smith presented Priority's report, attached as **Exhibit "E"**, and reviewed it with the Board. She indicated that lights had been installed at the Walker House on November 19, 2019. She then presented the proposal for landscape update of the bed along the sidewalk near the parking lot at the front of the Walker House (Estimate #3359), attached as **Exhibit "F"**. Director Roberts inquired about the specifics of the proposal as it related to pricing. Director Koenig responded that he thought the proposed work would add value to the Walker House and that the Walker House was greatly appreciated and valued by District residents. Director Roberts agreed and suggested that the Board could curtail the services proposed in Estimate #3359 in the future, if the Board was so inclined. Director Koenig indicated the Parks Subcommittee recommended approval of the proposal and Director Horak confirmed there were funds available in the budget to pay the related costs. After discussion, upon motion by Director Horak and second by Director Koenig, the Board voted unanimously to approve Estimate #3359. Director Bennett

noted that there were various expenditures being approved outside the work generally contemplated by Priority's contract and stated that he wanted to ensure that those expenditures were being tracked effectively. Mr. Hamby confirmed that Priority was tracking such expenditures and would continue to do so moving forward.

Director Roberts then stated that the Board would receive the operations report and recognized Ms. Smith, who presented the report attached as **Exhibit "G"**. She reported that, as of the end of October, the District had 2165 occupied single-family residences and all lab results had been satisfactory, and that there had been a water loss of 1.53% for the prior reporting period. Ms. Smith then presented the write-offs reflected in the operations report, noting that there were two accounts totaling \$176.72, and requested approval. Upon motion by Director Horak and second by Director Bennett, the Board voted unanimously to approve the write-offs. Ms. Smith then presented the proposal from Horizon Environmental Services, Inc., attached as **Exhibit "H"**, for water quality sampling and recommended approval. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve the proposal.

Director Roberts stated that the Board would next discuss general management items and recognized Ms. Smith. Ms. Smith reviewed her report, attached as **Exhibit "I"**, and reported on her directives. She also reported that the flag pole and Crape Myrtle installations were complete. Additionally, she reported that a "Smile, you're on camera!" sign had been installed at the basketball court. Ms. Smith then reported that there had been a request for the use of District facilities to conduct a 5K run for Rouse High School cheerleading to raise funds for a national competition. Director Roberts inquired whether the group would need to use facilities to serve as a base of operations for the race and directed Ms. Smith to obtain additional details. Ms. Smith then reported that she had researched obtaining a ".gov" suffix for the District's website. She stated that www.blockhousemud.gov was available. Director Logan directed Ms. Smith to prepare and send an authorization letter; complete all necessary forms, including designating Ms. Kolmodin as the billing contact and designating Ms. Smith as the administrative, technical, and security contact; and undertake any other necessary actions to procure the www.blockhousemud.gov address.

Ms. Smith then reviewed the proposal from Hot Dog Marketing, attached as **Exhibit "J"**, relating to District Branding, Logo Design, and establishing a new newsletter template. Director Horak inquired as to whether the services would be funded from funds allocated to communication. Ms. Kolmodin advised there were funds available in communication and funds also reserved for signage. After discussion, upon motion by Director Logan and second by Director Roberts, the Board voted unanimously to approve the proposal from Hot Dog Marketing.

Ms. Smith then discussed the phones at the Walker House. Director Logan indicated she experienced significant issues attempting to call the Walker House and had heard the same from other residents. She reminded the Board that residents typically called the Walker House when they had questions relating to the District and stressed that every call was important. Ms. Smith advised that Crossroads had an answering service that was always available to answer the line. Ms. Smith also advised that she had been tracking calls to the Walker House and that an average 5.5 calls per week had been received since October 15, 2019. Director Logan advised she had consulted with Andrew Hunt of Crossroads and that Mr. Hunt recommended the District consider utilizing a Voice Over Internet Protocol ("VOIP") system, which would provide a menu of choices for callers and would also allow for voicemail. The Board directed Mr. Hunt to bring back a VOIP proposal and expressed a preference for having a new system in place by January 1, 2020.

Director Roberts then stated that the Board would discuss engineering matters. Ms. Smith presented the engineer's report attached as **Exhibit "K"** and reviewed it with the Board. Ms. Smith stated that representatives from Gray Engineering had met with vendors to review existing conditions at Tumlinson Pool, specifically those relating to the backwash water discharge, and had requested proposals based on the new alignment, but had yet to receive any proposals to present to the Board. Director Bennett advised that the job might be combined with other pending maintenance in an attempt to attract interested bidders. Director Roberts directed Ms. Smith to determine whether Crossroads could undertake the project.

Director Roberts stated that the Board would next discuss the Walker House. Ms. Smith confirmed that the door hinges had been changed.

Director Roberts then stated that the Board would discuss solid waste services. Ms. Smith reviewed the report from Texas Disposal Systems, Inc. ("*TDS*") attached as **Exhibit "L"**. Ms. Smith reported that TDS desired to provide quarterly updates and educational opportunities for District residents. The Board generally discussed the specific peculiarities of recycling and the need for widespread education for District residents. Director Roberts then directed Ms. Smith to correspond with TDS to determine possible dates for the Board of Directors to tour the TDS recycling facility and to obtain a proposal from TDS for two clean-up days at Jumano Park each year. The Board then generally discussed bulky waste pickup, including the fact that TDS made bulky waste pickups on Saturdays. Director Logan then directed Ms. Smith to also solicit a proposal from TDS that would provide for four clean-up days at Jumano Park each year.

Director Roberts then stated that the Board would discuss issues relating to fire service and the Cedar Park Fire Department. Ms. Smith reviewed the Department's "calls for service" log and reported that there had been 26 calls for service in the District in October. Additionally, she confirmed that there were still trees in the Block House Drive right-of-way that required trimming. Director Roberts confirmed that this tree trimming was the responsibility of the District.

Director Roberts stated that the Board would next receive a report from the Water/Environmental Subcommittee. Ms. Smith presented the proposal from Jones & Carter, Inc. attached as **Exhibit "M"** for Permit Year 2 activities relating to the District's Storm Water Management Program (SWMP) under TPDES General Permit TXR040000. After discussion, upon motion by Director Bennett and second by Director Horak, the Board voted unanimously to approve the proposal.

Director Roberts stated that the Board would discuss Scout items. Director Koenig confirmed there were no Scout items to discuss.

Director Roberts stated that the Board would next discuss long-range planning, including five-year plan/Director priorities and annexation. The Board expressed a preference for having a special meeting in January of 2020 to discuss long-range planning at the TDS recycling facility, subsequent to touring the facility.

Director Roberts stated that the Board would next receive a report from the Park Improvements Steering Committee. Ms. Smith reported that the Steering Committee had its first meeting on October 31, 2019, and the second meeting was scheduled for December 3, 2019, with David Gray facilitating the discussion. Directors Horak and Bennett expressed their intent to attend the meeting.

Director Roberts stated that the Board would review a schedule of events, including election schedule. The Board confirmed a preference for presenting a park bond proposition to the voters of the District in the November 2020 general election.

Director Roberts then stated that the Board would receive the attorney's report and recognized Mr. Abbott. Mr. Abbott reviewed pending directives to Armbrust and Brown, PLLC, and then inquired with the Board members regarding their preferences for a Holiday dinner. He then reviewed the statutory requirements applicable for District officers and employees that create, receive, and maintain District records on private devices. Mr. Abbott then reviewed the Senate Bill 2 internet posting requirements with the Board.

Director Roberts then stated the Board would review the meeting notes attached as **Exhibit "N"**. Director Horak reviewed the notes and the Board concurred that no changes to the notes were necessary.

There being no further items to come before the Board, upon motion by Director Logan and second by Director Koenig, the Board voted unanimously to adjourn the meeting at 8:45 p.m.

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[SIGNATURE PAGE TO NOVEMBER 20, 2019 MINUTES]


Ursula Logan, Assistant Secretary
Board of Directors

Date: 18 Dec 19