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MEMORANDUM

TO: Board of Directors -
Block House Municipal Utility District

FROM: Denise L. Motal
Legal Assistant

DATE: September 3, 2020

RE: Block House Municipal Utility District -
September 9, 2020 Special Meeting

Enclosed please find the agenda and support materials for the **telephone conference special meeting** of the Board of Directors of Block House Municipal Utility District scheduled for Wednesday, September 9, 2020, at **6:30 p.m.** **The dial-in information for the meeting is included on the meeting agenda.** Personal attendance at the meeting will not be permitted due to the potential health issues created by the Coronavirus/COVID-19 in order to protect the health of the members of the Board of Directors, the District's consultants, and the public.

Please let me know if you cannot attend the telephone meeting so that I can confirm that a quorum will be present.

Please do not hesitate to contact me if you have any questions.

Jacquelyn Smith (Crossroads Utility Services, LLC)
Lisa Torres (Crossroads Utility Services, LLC)
Andrew Hunt (Crossroads Utility Services, LLC)*
Taylor Kolmodin (Municipal Accounts & Consulting, L.P.)
Autumn Phillips (Municipal Accounts & Consulting, L.P.)*
David Gray (Gray Engineering, Inc.)*
Cheryl Allen (Public Finance Group LLC)*
Carol Polumbo (McCall, Parkhurst & Horton L.L.P.)*
Tripp Hamby (Priority Landscapes, LLC)*
Tanya Emmons (Pinnacle Texas Management, LLC)*
Charles Kelley (Williamson County Sheriff's Dept.)*

Jay Howard (Texas Disposal Systems, Inc.)*
Ja-Mar Prince (Texas Disposal Systems, Inc.)*
Barbara Graves (Texas Disposal Systems, Inc.)*
Chris Swedlund (McCall Gibson Swedlund Barfoot PLLC)*
Brian Toldan (McCall Gibson Swedlund Barfoot PLLC)*
Jan Gibson (McCall Gibson Swedlund Barfoot PLLC)*
Ashlee Martin (McCall Gibson Swedlund Barfoot PLLC)*
Tom Davis (Lifeguard 4 Hire, L.L.C.)*
Luanne Miller (BHC Owners Association)*
David Johnson (Tidal Waves Swim Team)*
Stu McMullen (resident)*

*AGENDA ONLY (via email)

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT

September 9, 2020

TO: THE BOARD OF DIRECTORS OF BLOCK HOUSE MUNICIPAL UTILITY DISTRICT AND ALL OTHER INTERESTED PERSONS:

Notice is hereby given that the Board of Directors of Block House Municipal Utility District will hold a special meeting at **6:30 p.m. on Wednesday, September 9, 2020.**

THIS MEETING WILL BE HELD VIA TELEPHONE CONFERENCE CALL PURSUANT TO SECTION 551.125, TEXAS GOVERNMENT CODE, AS MODIFIED TEMPORARILY BY GOVERNOR GREG ABBOTT, AND THE RELATED GUIDANCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL, IN CONNECTION WITH THE GOVERNOR’S COVID-19 DISASTER PROCLAMATION.

THE TOLL-FREE DIAL IN NUMBER FOR THE MEETING IS 1-888-510-5505, AND THE PARTICIPANT CODE IS 199914. PLEASE FOLLOW THE INSTRUCTIONS PROVIDED BY THE SYSTEM TO ACCESS THE MEETING.

AN ELECTRONIC AGENDA PACKET FOR THE MEETING IS AVAILABLE AT THE FOLLOWING LINK:

<https://abaustin.sharefile.com/share/view/sd538f44a2d14aa28/fo095c57-73f7-4955-ba1c-c1ea257bde61>

THIS MEETING WILL BE RECORDED AND, FOLLOWING THE MEETING, THE RECORDING WILL BE MADE AVAILABLE AT THE SAME LINK SPECIFIED ABOVE.

The following matters may be considered and acted upon at the meeting:

Note: Matters on which Board action is anticipated are noted as “Decision”. Matters on which Board action is not anticipated are noted as “Informational”. Such notations are intended as a guide to facilitate the conduct of the meeting based on information available at the time that this agenda was finalized and are not binding. The Board reserves the right to take action on any of the following matters.

<u>AGENDA</u>	<u>ANTICIPATED ACTION</u>
GENERAL	
1. Citizens’ communications;	Informational
BUDGET AND TAX ITEMS	
2. Public Hearing on 2020 tax rate;	Informational
3. Budget for fiscal year 2020/2021, including Resolution Adopting Budget;	Decision
4. Record vote on 2020 tax rate and Order Levying Taxes;	Decision
5. Amended and Restated Information Form (if necessary for tax rate changes);	Decision

DISCUSSION / ACTION ITEMS	
6. General Management Services Agreement;	Informational
7. Addendum to Agreement with Leander Independent School District for Use of Apache Pool;	Decision
8. Review of Meeting Notes;	Informational
9. Future Board meetings/agenda items;	Informational

The Board of Directors is authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code, to convene in closed or executive session for certain purposes, including receiving legal advice from the District's attorney (Section 551.071); discussing real property matters (Section 551.072); discussing gifts and donations (Section 551.073); discussing personnel matters (Section 551.074); discussing security personnel or devices (Section 551.076); and discussing information technology security practices (Section 551.089). If the Board of Directors determines to go into executive session to discuss any item on this agenda, the presiding officer will announce that an executive session will be held and will identify the item to be discussed and the provision of the Open Meetings Act that authorizes the closed or executive session.



Attorney for the District

(SEAL)



Block House Municipal Utility District is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Please call Armbrust & Brown, PLLC at (512) 435-2300 for additional information. Hearing impaired or speech disabled persons equipped with telecommunications devices for the deaf may utilize the statewide Relay Texas program at (800) 735-2988.

WATER DISTRICT NOTICE OF PUBLIC HEARING ON TAX RATE

The Block House Municipal Utility District will hold a public hearing on a proposed tax rate for the tax year 2020 on Wednesday, September 9, 2020 at **6:30** p.m. The hearing will be conducted via telephone conference call pursuant to Section 551.125, Texas Government Code, as modified temporarily by Governor Greg Abbott, and the related guidance from the Office of the Texas Attorney General, in connection with the Governor’s COVID-19 Disaster Proclamation, if permitted as of the date of the hearing. However, the hearing will be conducted in-person at 2600 Block House Drive South, Leander, Texas, if such temporary modification is no longer in effect as of the date of the hearing. The agenda for the meeting at which the hearing will be conducted will specify if the hearing will be held via telephone conference call or in-person and will be posted at least 72 hours prior to the hearing at the following link:

<https://abaustin.sharefile.com/share/view/sd538f44a2d14aa28/fof19611-85ca-44bd-a442-0e3888e246e0>

If the hearing is conducted via telephone conference call, the toll-free dial-in number and participant code for the hearing will be specified in the meeting agenda.

Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the tax rate that is adopted and on the change in the taxable value of your property in relation to the change in taxable value of all other property. The change in the taxable value of your property in relation to the change in taxable value of all other property determines the distribution of the tax burden among all property owners.

(Names of all board members and, if a vote was taken, an indication of how each voted on the proposed tax rate and an indication of any absences.)

FOR the proposal:	Directors Roberts, Bennett, Horak, Koenig, and Logan
AGAINST the proposal:	None
PRESENT and not voting:	None
ABSENT :	None

The following table compares taxes on an average residence homestead in this taxing unit last year to taxes proposed on the average residence homestead this year.

	Last Year	This year
Total tax rate (per \$100 of value)	<u>\$ 0.8085/\$100</u> Adopted	<u>\$ 0.7800/\$100</u> Proposed
Difference in rates per \$100 of value	(<u>\$0.0285</u>)/\$100	
Percentage increase/decrease in rates (+/-)	<u>-3.53%</u>	
Average appraised residence homestead value	<u>\$ 236,002</u>	<u>\$ 233,754</u>
General homestead exemptions available (excluding 65 years of age or older or disabled person’s exemptions)	<u>\$ 5,000 min.</u> <u>2% max.</u>	<u>\$ 5,000 min.</u> <u>2% max.</u>
Average residence homestead taxable value	<u>\$ 224,211</u>	<u>\$ 222,117</u>
Tax on average residence homestead	<u>\$ 1,812.75</u>	<u>\$ 1,732.52</u>
Annual increase/decrease in taxes if proposed tax rate is adopted (+/-) and percentage of increase (+/-)	<u>\$ (80.23)</u> <u>-4.43%</u>	

NOTICE OF VOTE ON TAX RATE

If the District adopts a combined debt service, operation and maintenance, and contract tax rate that would result in the taxes on the average residence homestead increasing by more than 3.5 percent, an election must be held to determine whether to approve the operation and maintenance tax rate under Section 49.23602, Water Code.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the growth of property taxes in the state.

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT

2020 Tax Rate Analysis

**Certified Assessed
Valuation**

Assessed Valuation & Tax Rate						
Year	Assessed Valuation	Debt Service	M&O	Fire Tax	Total Tax Rate	
2020	\$ 485,300,590 ^(a)	\$ 0.2925	\$ 0.3418	\$ 0.1457	\$ 0.7800	
2019	492,843,293	0.2875	0.3841	0.1369	0.8085	
2018	475,898,878	0.2950	0.3545	0.1315	0.7810	
2017	446,052,551	0.3238	0.3411	0.1361	0.8010	
2016	411,201,609	0.3465	0.3157	0.1388	0.8010	
2015	380,862,878	0.3820	0.3057	0.1393	0.8270	
2014	347,635,208	0.4154	0.2819	0.1450	0.8423	
2013	317,086,804	0.4747	0.2349	0.1564	0.8660	
2012	306,695,345	0.4905	0.2213	0.1542	0.8660	
2011	313,959,858	0.4835	0.2439	0.1386	0.8660	
2010	316,119,310	0.5190	0.1886	0.1384	0.8460	
2009	315,828,556	0.5193	0.1928	0.1339	0.8460	

(a) Includes:	\$ 478,393,554	Certified	\$ 478,393,554	Certified
	11,511,726	Uncertified	6,907,036	Uncertified Amount (Owner's Opinion)
	\$ 489,905,280		\$ 485,300,590	

Note: for every \$0.01 reduction in the O&M tax rate, the dollar amount decrease equals \$48,530.

Classification of Districts included in Senate Bill No. 2			
	Special Taxing Units	Developed Districts	Developing Districts
	Special Taxing Units have levied a M&O Tax Rate of \$0.025 or less.	Districts that have financed, completed and <i>issued bonds</i> to reimburse the cost of utility facilities necessary to serve at least 95% of the projected buildout of the District.	Districts which do not fall under Special Taxing Districts or Developed District.
Rollback Rate	1.080%	1.035%	1.08%

Block House Municipal Utility District
Projection of Income and Expenses - Debt Service Fund

No-Growth

prepared by Public Finance Group LLC

<u>Year</u>	<u>Projected Assessed Valuation</u>	<u>Tax Rate Per \$100 A.V.</u>	<u>Tax Collections @ 99%</u>	<u>Investment Income @ 1.00%</u>	<u>Total Available for Debt</u>	<u>Total Outstanding Debt</u>	<u>Cumulative Debt Fund Balance</u>	<u>Percentage of Subsequent Year's Debt</u>
2019	492,843,293 (a)	0.2875					\$ 541,624 (b)	
2020	485,300,590 (a)	0.2925	1,402,755	5,416	1,949,795	1,502,843	446,952	31.17%
2021	485,300,590	0.2925	1,405,309	4,470	1,856,730	1,433,750	422,980	29.43%
2022	485,300,590	0.2925	1,405,309	4,230	1,832,519	1,437,450	395,069	27.32%
2023	485,300,590	0.2925	1,405,309	3,951	1,804,329	1,446,075	358,254	25.84%
2024	485,300,590	0.2925	1,405,309	3,583	1,767,146	1,386,325	380,821	27.22%
2025	485,300,590	0.2925	1,405,309	3,808	1,789,938	1,398,850	391,088	27.56%
2026	485,300,590	0.2925	1,405,309	3,911	1,800,308	1,419,088	381,221	25.97%
2027	485,300,590		1,405,309	3,812	1,790,342	1,467,788	322,555	
			\$ 11,239,920	\$ 33,180		\$ 11,492,168		

(a) Certified Assessed Values, as provided by Williamson Central Appraisal District ("WCAD").

(b) Unaudited Debt Service Fund Balance as of October 2, 2019.

541,624 (Represents debt service fund balance after all 2019 ds requirements were paid)

2020

3.50%

Block House MUD Voter-Approval Tax Rate Calculation

1.	2019 average appraised value of residence homestead	\$	236,002
2.	2019 general exemptions available for the average homestead (excluding 65 years of age or older or disabled person's exemptions)	\$	11,791
3.	2019 average taxable value of residence homestead (line 1 minus line 2)	\$	224,211
4.	2019 adopted M&O tax rate (per \$100 of value)	\$	0.3841
5.	2019 M&O tax on residence homestead (multiply line 3 by line 4, divide by \$100)	\$	861.20
6.	Highest M&O tax on average residence homestead with increase (multiply line 5 by 1.035)		891.34
7.	2020 average appraised value of residence homestead	\$	233,754
8.	2020 general exemptions available for the average homestead (excluding 65 years of age or older or disabled person's exemptions)	\$	11,637
9.	2020 average taxable value of residence homestead (line 7 minus line 8)	\$	222,117
10.	Highest 2020 M&O Tax Rate (line 6 divided by line 9, multiply by 100)	\$	0.4013
11.	2020 Debt Tax Rate	\$	0.2925
12.	2020 Fire Tax Rate	\$	0.1457
13.	2020 Voter-Approval Tax Rate (add lines 10,11 and 12)	\$	0.8395

**Block House MUD - GOF
FY 2021 Proposed Budget**

	9 Month Actuals	12 Month Estimates	FY 2020 Approved Budget	\$ Over Budget	FY 2021 Proposed Budget
Ordinary Income/Expense					
Income					
91000 · Operating Revenue					
14110 · Water - Customer Service Revenue	504,529	690,429	713,000	(22,571)	700,000
14140 · Connection Fees	1,432	1,909	1,500	409	1,500
14210 · Sewer - Customer Service Fee	318,258	433,258	443,000	(9,742)	435,000
14270 · Park Fee	194,220	258,960	260,000	(1,040)	260,000
14280 · Basic Services	840,419	1,142,419	1,070,000	72,419	1,145,000
14310 · Penalties & Interest	24,941	33,255	40,000	(6,745)	30,000
Total 91000 · Operating Revenue	1,883,799	2,560,230	2,527,500	32,730	2,571,500
92000 · Other Operating Revenue					
14320 · Property Tax	1,874,065	1,874,065	1,845,609	28,456	1,625,582
14325 · Property Tax Penalty	5,091	5,091	4,500	591	4,500
14350 · Fire Protection Tax	668,022	668,022	657,807	10,215	692,941
14420 · Facility Rental	40	53	3,500	(3,447)	3,500
14440 · Pool Contract Rental	0	16,800	16,800	0	16,800
14470 · Delinquent Tax Attorney Collect	1,720	0	0	0	1,200
Total 92000 · Other Operating Revenue	2,548,938	2,564,031	2,528,216	35,815	2,344,524
93000 · Non-Operating Revenue					
14330 · Miscellaneous Income	4,816	6,421	3,500	2,921	5,000
14370 · Interest Earned on Temp. Invest	76,436	101,915	60,000	41,915	60,000
14390 · Interest Earned on Checking	52	69	60	9	60
Total 93000 · Non-Operating Revenue	81,304	108,405	63,560	44,845	65,060
Total Income	4,514,041	5,232,667	5,119,276	113,391	4,981,084
Gross Profit	4,514,041	5,232,667	5,119,276	113,391	4,981,084
Expense					
94000 · Expenditures - Water					
16125 · Purchase Water	411,112	548,149	620,000	(71,851)	620,000
16130 · Maintenance & Repairs- Water/BS	62,367	83,156	236,000	(152,844)	246,000
16180 · Utility - Booster Station	11,224	14,965	20,000	(5,035)	20,000
Total 94000 · Expenditures - Water	484,703	646,271	876,000	(229,729)	886,000
95000 · Expenditures - Wastewater					
16166 · Utilities - Lift Station	973	1,297	1,500	(203)	1,500
16220 · Purchase Sewer Service	226,884	302,512	300,000	2,512	310,000
16230 · Maintenance & Repairs - Sewer	55,567	74,089	75,000	(911)	150,000
16385 · MS4-Stormwater Program	27,043	36,057	45,000	(8,943)	70,000
Total 95000 · Expenditures - Wastewater	310,467	413,956	421,500	(7,544)	531,500
96000 · Expenditures - Parks					
16160 · Utilities - Park	13,318	17,757	13,000	4,757	18,000
16445 · Fence Maintenance	8,348	11,131	100,000	(88,869)	100,000
17450 · Park Maintenance	39,988	53,317	60,000	(6,683)	70,000
Park Equipment Maintenance	0	0	0	0	2,000
17451 · Park Administration/Cleaning	17,775	23,700	35,000	(11,300)	35,000
Total 96000 · Expenditures - Parks	79,429	105,905	208,000	(102,095)	225,000
96100 · Expenditures - Pools					
16161 · Utilities - Pool Electricity	7,655	10,207	13,500	(3,293)	13,500
16162 · Utilities - Pool Gas	6,058	8,077	12,000	(3,923)	12,000
16165 · Supplies & Phone - Pool	8,805	11,740	15,000	(3,260)	15,000
16245 · Chemicals - Pool	17,029	22,705	25,000	(2,295)	25,000
17500 · Pool Repairs/Maintenance	117,846	117,846	82,000	35,846	50,000
17510 · Pool Cleaning	17,658	23,544	29,000	(5,456)	29,000
17515 · Special Pool Programs	0	0	5,000	(5,000)	5,000
17560 · Mgmt/Lifeguards	219,722	292,963	285,000	7,963	285,000
Total 96100 · Expenditures - Pools	394,773	487,082	466,500	20,582	434,500
96200 · Expenditures - Landscaping					
16200 · Landscape Contract	197,346	263,128	255,000	8,128	255,000
16205 · Landscape - Out of Contract	26,455	35,273	66,000	(30,727)	66,000
16415 · Tree Care	10,000	13,333	12,500	833	12,500
16416 · Emergency Tree Care	2,360	3,147	5,000	(1,853)	5,000
16417 · New Tree Installation	0	0	12,500	(12,500)	12,500
16425 · Irrigation Maintenance	15,230	20,307	19,000	1,307	19,000
16427 · Irrigation Improvements	0	0	7,000	(7,000)	7,000

**Block House MUD - GOF
FY 2021 Proposed Budget**

	9 Month Actuals	12 Month Estimates	FY 2020 Approved Budget	\$ Over Budget	FY 2021 Proposed Budget
Total 96200 · Expenditures - Landscaping	251,391	335,188	377,000	(41,812)	377,000
97000 · Expenditures - Administrative					
16105 · Water/WW Operations Contract	214,785	286,380	285,000	1,380	290,000
16115 · District Management	89,486	119,315	120,000	(685)	162,000
16320 · Tax Assessor/Appraisal	23,845	29,757	30,000	(243)	30,000
16330 · Legal Fees	105,702	140,936	140,000	936	142,000
16335 · Legal Fees - Special	6,108	8,144	20,000	(11,856)	20,000
16336 · Legal Fees - Restrictive Cov	12,579	16,772	20,000	(3,228)	20,000
16340 · Auditing Fees	17,000	17,000	18,000	(1,000)	18,000
16350 · Engineering Fees	11,159	14,879	6,500	8,379	15,000
16351 · Engineering Fees - Special	0	0	15,000	(15,000)	15,000
16370 · Election Expense	399	399	15,000	(14,601)	7,500
16380 · Permit Expense	5,505	5,505	6,000	(495)	6,000
16430 · Bookkeeping Fees	34,738	49,000	49,000	0	52,000
16440 · Seminar Expense	1,025	1,025	10,000	(8,975)	10,000
16455 · SB 622 Legal Notices & Other	0	1,800	1,800	0	1,800
16460 · Printing & Office Supplies	2,573	3,431	3,000	431	7,500
16464 · Restrictive Covenants	20,250	27,000	30,000	(3,000)	30,000
16470 · Filing Fees	0	500	500	0	500
16480 · Delivery Expense	1,086	1,448	2,000	(552)	2,000
16490 · Financial Advisor Fees	5,330	5,330	2,500	2,830	5,500
16520 · Postage	13,545	18,060	25,000	(6,940)	25,000
16530 · Insurance & Surety Bond	20,521	20,521	25,000	(4,479)	25,000
16540 · Travel Expense	162	216	2,500	(2,284)	2,500
16550 · Bank Fees	416	555	45,000	(44,445)	600
16600 · Payroll Expenses	7,444	9,925	10,000	(75)	10,000
16620 · Communications	4,950	6,600	10,000	(3,400)	10,000
1662 · Website	0	0	0	0	3,500
16630 · Director Fees	21,050	28,067	30,000	(1,933)	30,000
17600 · Printing & Publicity	19,611	26,148	10,000	16,148	10,375
Total 97000 · Expenditures - Administrative	639,269	838,712	931,800	(93,088)	951,775
98000 · Expenditures - Other					
16352 · Electrical/Lighting Utility	16,696	20,035	30,000	(9,965)	25,000
16410 · Solid Waste Expense	443,793	591,724	590,000	1,724	610,000
16510 · Contingency	5,747	7,663	15,000	(7,337)	15,000
16580 · Patrol Service	99,380	132,507	130,000	2,507	135,000
16582 · Surveillance/Security Maint.	0	0	7,000	(7,000)	0
16585 · IT Maintenance	7,400	9,867	5,000	4,867	15,000
16587 · District Signage Maintenance	621	828	5,000	(4,172)	15,000
16595 · Delinquent Tax Attorney Fee	1,720	1,720	0	1,720	1,200
17150 · Fire Service Contract	668,022	668,022	657,807	10,215	692,941
Total 98000 · Expenditures - Other	1,243,379	1,432,365	1,439,807	(7,442)	1,509,141
99000 · Expenditures - Special Projects					
17475 · District Functions	2,115	2,115	6,500	(4,385)	0
17477 · Signage Replacement	0	0	15,000	(15,000)	0
17478 · Security/Surveillance Project	0	0	10,000	(10,000)	0
17480 · Leak Detection	1,559	1,559	20,000	(18,441)	15,000
17481 · Meter Replacement	1,584	1,584	6,700	(5,116)	5,000
17680 · Pool & Park Tag System	0	0	1,000	(1,000)	0
17957 · Trails Project (MS4)	2,470	2,470	50,000	(47,530)	15,000
17959 · Scout Projects Maintenance	0	0	5,000	(5,000)	0
17971 · Community Garden Upgrades	1,365	1,365	500	865	7,000
17998 · Walker House Improve/Rehab	475	475	19,600	(19,125)	0
17999 · Capital Outlay	30,672	30,672	0	30,672	0
17972 · Disc Golf	0	0	0	0	25,000
17973 · Resurface Parking	0	0	0	0	20,000
17974 · Court Resurface	0	0	0	0	18,000
17975 · Server Replacements	0	0	0	0	20,000
Total 99000 · Expenditures - Special Projects	40,240	40,240	134,300	(94,060)	125,000
Total Expense	3,443,651	4,299,719	4,854,907	(555,188)	5,039,916
Net Ordinary Income	1,070,390	932,948	264,369	668,579	(58,833)
Other Income/Expense					

**Block House MUD - GOF
FY 2021 Proposed Budget**

	<u>9 Month Actuals</u>	<u>12 Month Estimates</u>	<u>FY 2020 Approved Budget</u>	<u>\$ Over Budget</u>	<u>FY 2021 Proposed Budget</u>
Other Income					
15950 · Assigned Operating Surplus	0	0	0	0	58,833
Total Other Income	0	0	0	0	58,833
Other Expense					
16596 · Transfer to DSF	1,500	0	0	0	0
Total Other Expense	1,500	0	0	0	0
Net Other Income	(1,500)	0	0	0	58,833
Net Income	<u>1,068,890</u>	<u>932,948</u>	<u>264,369</u>	<u>668,579</u>	<u>0</u>

RESOLUTION ADOPTING BUDGET

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

WHEREAS, the Board of Directors of Block House Municipal Utility District (the “*District*”) has projected the operating expenses and revenues for the District for the period October 1, 2020 through September 30, 2021, and desires to adopt a budget consistent therewith;

IT IS RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT THAT:

Section 1. The Operating Budget attached as **Exhibit “A”** is adopted.

Section 2. The Secretary of the Board of Directors is directed to file a copy of this Resolution Adopting Budget in the official records of the District.

ADOPTED this 9th day of September, 2020.

Cecilia Roberts, President
Board of Directors

(SEAL)

ATTEST:

Rayan Horak, Secretary
Board of Directors

EXHIBIT “A”

Budget

[Attach 2020/2021 budget –
to be furnished by Municipal Accounts & Consulting, L.P.]

APPENDIX “1”

The District’s audited financial statements, bond transcripts, and engineer’s reports required by Texas Water Code Section 49.057(b) are on file at and may be obtained from Denise Motal, Armbrust & Brown, PLLC, 100 Congress Avenue, Suite 1300, Austin, Texas 78701, (512) 435-2300, email: dmotal@abaustin.com.

ORDER LEVYING TAXES

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

WHEREAS, the appraisal roll of Block House Municipal Utility District (the “*District*”) for 2020 has been prepared and certified by the Williamson Central Appraisal District; and

WHEREAS, based upon the certified appraisal roll, the employee or officer designated by the Board of Directors of the District has calculated a tax rate to be levied for 2020;

IT IS HEREBY ORDERED BY THE BOARD OF DIRECTORS OF THE DISTRICT THAT:

Section 1. There is hereby levied an ad valorem tax of \$0.7800 on each \$100 of taxable property within the District, allocated as follows:

- (a) \$0.3418 to provide funds for maintenance and operating purposes;
- (b) \$0.2925 to provide for the payment of principal of and interest and associated obligations on the District’s unlimited tax bonds now outstanding; and
- (c) \$0.1457 to provide funds under the Second Amended Plan for the Provision of Fire-Fighting Services Within the District.

Section 2. All taxes collected pursuant to this levy, after paying costs of levying, assessing and collecting same, will be used for planning, maintaining, repairing and operating the District’s facilities and for paying costs of proper services, engineering and legal fees, organization and administrative expenses, for paying principal of and interest on bonds, warrants, certificates of obligation or other lawfully authorized evidences of indebtedness issued or assumed by the District, and for paying authorized costs and expenses under the Second Amended Plan for the Provision of Fire-Fighting Services Within the District.

Section 3. The Williamson County Tax Assessor/Collector is authorized to assess and collect the taxes of the District.

Section 4. The taxes levied by this Order are due presently, and will be delinquent if not paid by January 31, 2021.

Section 5. This Order will be effective from and after its adoption.

Section 6. The attorney for the District is directed to file this Order with the Williamson County Tax Assessor/Collector.

ADOPTED this 9th day of September, 2020.

Cecilia Roberts, President
Board of Directors

(SEAL)

ATTEST:

Rayan Horak, Secretary
Board of Directors

**BLOCK HOUSE
MUNICIPAL UTILITY DISTRICT
AMENDED AND RESTATED
INFORMATION FORM**

THE STATE OF TEXAS §

COUNTY OF WILLIAMSON §

The undersigned, a majority of the members of the Board of Directors of Block House Municipal Utility District (the "*District*"), make and execute this Amended and Restated Information Form in compliance with Section 49.455 of the Texas Water Code. We certify as follows:

1. The name of the District is Block House Municipal Utility District.
2. The District consists of 717.35 acres, more or less, more particularly described by the metes and bounds and boundary map in the Amended and Restated Information Form dated December 3, 1997, recorded under Document No. 9807998, Official Records of Williamson County, Texas.
3. The most recent rate of taxes levied by the District on property located within the District is \$0.7800 on each \$100 of assessed value, based on 100% market value.
4. The total amount of bonds that has been approved by the voters and which may be issued by the District is \$34,325,000.
5. The aggregate initial principal amount of all bonds of the District payable in whole or in part from taxes (excluding refunding bonds and any bonds or portions of bonds payable solely from revenues received or expected to be received pursuant to a contract with a governmental entity) that has been previously issued is \$25,805,000.
6. No standby fee is currently imposed by the District.
7. An election to confirm the creation of the District was held on April 4, 1981.
8. The District is performing or will perform the following functions: the supply of water for municipal, domestic, commercial and other beneficial uses; the collection, transportation, treatment and disposal of waste; gathering, conducting, diverting and controlling of local storm water or other harmful excesses of water in the District; and the provision of park and recreational facilities for the inhabitants in the District.
9. The Notice to Purchaser form required by Section 49.452 of the Texas Water Code to be furnished by a seller to a purchaser of real property in the District is attached as **Exhibit "A"**.

10. The attorney for the District is directed to file this Amended and Restated Information Form with the Texas Commission on Environmental Quality and record it in the Official Public Records of Williamson County, Texas.

This Amended and Restated Information Form supersedes the Amended and Restated Information Form recorded under Document No. 2019093365, Official Public Records of Williamson County, Texas.

WITNESS OUR HANDS this 9th of September, 2020.

Cecilia Roberts, President

Steve Bennett, Vice President

Rayan Horak, Secretary

Byron Koenig, Treasurer

Ursula Logan, Assistant Secretary

THE STATE OF TEXAS §

COUNTY OF WILLIAMSON §

This instrument was acknowledged before me on _____, 2020, by Cecilia Roberts, President, Steve Bennett, Vice President, Rayan Horak, Secretary, Byron Koenig, Treasurer, and Ursula Logan, Assistant Secretary of the Board of Directors of Block House Municipal Utility District, on behalf of said District.

Notary Public Signature

(seal)

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT

NOTICE TO PURCHASER

THE STATE OF TEXAS §

COUNTY OF WILLIAMSON §

The real property, described below, that you are about to purchase is located within Block House Municipal Utility District (the "District"). The District has taxing authority separate from any other taxing authority, and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the District on real property located in the District is \$0.7800 on each \$100 of assessed valuation. The total amount of bonds, excluding refunding bonds and any bonds or any portion of bonds issued that are payable solely from revenues received or expected to be received under a contract with a governmental entity, approved by the voters and which have been or may, at this date, be issued is \$34,325,000, and the aggregate initial principal amount of all bonds issued for one or more of the specified facilities of the District and payable in whole or in part from property taxes is \$25,805,000.

The District has the authority to adopt and impose a standby fee on property in the District that has water, sanitary sewer or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The District may exercise the authority without holding an election on the matter. As of this date, the most recent amount of the standby fee is \$0. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the District stating the amount, if any, of unpaid standby fees on a tract of property in the District.

The District is located in whole or in part in the extraterritorial jurisdiction of the City of Cedar Park. By law, a district located in the extraterritorial jurisdiction of a municipality may be annexed under certain circumstances without the consent of the district or the voters of the district. When a district is annexed, the district is dissolved.

The purpose of this District is to provide water, sewer, drainage, or flood control facilities and services within the District through the issuance of bonds payable in whole or in part from property taxes. The cost of these utility facilities is not included in the purchase price of your property, and these utility facilities are owned or to be owned by the District. The legal description of the property which you are acquiring is more fully described as follows:

SELLER:

Date

Name Printed: _____

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT

ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or prior to execution of a binding contract for the purchase of the real property described in such notice or at closing of purchase of the real property.

PURCHASER:

Date

Name Printed: _____

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 20____, by _____.

Notary Public Signature

(seal)

THE STATE OF TEXAS §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 20____, by _____.

Notary Public Signature

(seal)



MEMORANDUM

To: Blockhouse MUD Board of Directors
From: Andrew Hunt
Subject: Proposed additional communication and administrative duties
Date: 8/18/20

Board members:

As a follow-up on direction from the August 5th special meeting, I have provided below a list of new draft provisions to be added to the General Management Services Agreement under a new one-year term beginning October 1, 2020. This is listed below in order to receive your input on these provisions before including them in the Agreement at the regular September 2020 meeting.

In addition, I will mention that we reviewed our agreement with Jacquelyn Smith and conducted a performance review. We will endeavor to implement the Board's recommended performance actions provided to us at the August 5th special meeting. Please note this memo includes provisions in draft form. We anticipate discussing each and answering any questions that you all may have at the District's August 26th meeting.

Lastly, we look forward to expanding our on-site presence with an administrative professional and additional services for Blockhouse MUD under a new one-year term to begin October 1st.

New Communication Provisions

1. The District agrees to engage the Contractor to design, write, produce, distribute, and manage the District Media, including the Newsletter and Special Notices and to update and maintain the Website, and Contractor accepts this engagement, on the terms and conditions of this Agreement. Specifically, the Contractor will provide the services set forth on the attached Exhibit "A".
2. The Contractor will provide all of the equipment and supplies necessary to provide the services described in this Agreement, except that the District will pay the costs of website hosting services and software for the Website and postage and printing costs as set forth on Exhibit "A".
3. The content and design of all District's publications must be approved by the Board or its duly appointed subcommittee prior to distribution or posting on the Website. Contractor will post

information and documents to the Website if requested by a Board member or a District consultant, within five days after receipt of the request; or (ii) in the case of an emergency or if requested by the full Board, immediately.

4. Unless otherwise directed by the Board, regular issues of the Newsletter will be prepared by Contractor for distribution on a monthly basis, and such preparation will be timed so that the Newsletter can be included in the District's monthly utility bills. Contractor will cause any special editions of the Newsletter, Special Notices or other special publications to be prepared and distributed as directed by the Board or its designed subcommittee. Contractor will provide the Board's designated subcommittee, the District General Manager and the District's attorney with a draft of each Newsletter or other publication for review and approval at least ten days prior to the proposed date of distribution.

EXHIBIT "A"

Menu of Services

1. Newsletter Production: Contractor will provide the following services in connection with a two-page District's Newsletter. Additional pages as requested by the Board or its designated committee will be prepared at a cost of \$250 per page.

- a. Layout and Design;
- b. Article preparation;
- c. Photography; and
- d. Printing and mailing coordination.

Postage, licensing costs, and printing will be billed separately and reimbursed by the District, with postage to be billed at the standard bulk rate and printing and licensing of photography to be billed at cost.

2. Website Maintenance and Social Media. Contractor will maintain the Website, including posting updates to meeting dates, Board meeting minutes and agendas, news articles and photographs and other District documents as directed by the Board to the Website and two social media sites (Facebook and Twitter), as directed by the Board. Contractor will also review and respond to online communications and forward such communications to District consultants or Board subcommittees, as appropriate, and distribute "email blasts" as directed by the Board or its subcommittees within two business days of notice. Its expected that the District will have a new website in 2020 with a revised site map. Additional webpage development in excess of the existing scope of the revised site map for the new website will be billed hourly at \$100/hour. An estimate of these additional services will be provided to the Board or designated subcommittee and approval received prior to completing any work.

3. **Utility Bill.** If requested by the Board or its designated subcommittee, Contractor will draft special announcements for the news section of the District's utility bills as directed by the Board (with a maximum of six times per year) at no additional charge.

4. **Surveys.** If requested by the Board or its designated subcommittee, Contractor will draft and administer up to 2 surveys to District residents per year.

5. **Welcome Packets.** Contractor will mail and/or email Welcome Packets to new residents on a monthly basis. Costs for postage and materials will be billed to the District at cost.

6. **Additional Services.** Additional services not otherwise specified in this exhibit will be provided by Contractor at an hourly rate of \$100 per hour, including travel time if applicable, including:

- a. Special Event Coverage, including reporting on the Christmas Event and/or District scheduled special events;
- b. Special Print or Mail Projects, including invitations, brochures, Resident Packets, postcards;
- c. Special Web Development Services including additional web pages; and
- d. Special Surveys above and beyond the base scope.

On-Site Administrative Services

Contractor will provide an on-site administrative professional at the Walker House for up to 32 hours per week. Contractor will require an employee to work set office hours on a determined basis by the Board between the hours of Monday – Friday 8am to 6pm.

Generally, the Contractor duties will include:

1. Performing general administrative and office related tasks for the District;
2. Communication with District residents, including answering questions and providing information;
3. Performing various administrative duties, including preparing and reviewing correspondence;
4. Representing the District to the public;
5. Suggesting or implementing improvements in policies, procedures, and organization to achieve efficiencies, and improve effectiveness and customer service;
6. Assisting walk in customers with reservations, various questions/issues;
7. Scheduling facility reservations via phone, email, in person;
8. Managing an online reservation calendar of all facilities;
9. Managing a spreadsheet of all monies taken/deposited for reservations and refunded;
10. Managing all District keys and key FOBs;
11. Posting facility reservations in the District and email;
12. Updating District communications and social media, under direction of the General Manager;
13. Reporting vandalism, accidents, etc., to Williamson County Sheriff's Office and/or obtaining information from reports;

14. Reporting streetlight issues/follow up on repair status;
15. Reporting road sign issues;
16. Performing minor tasks relating to daily operations of the Walker House and Jumano Center;
17. Sending welcome packets;
18. Maintaining a tracking spreadsheet of pending and completed projects in the District;
19. Ordering food and supplies for board meetings;
20. Handling various special projects as arise/needed.
21. Supporting the GM to oversee, monitor, and report on the operations and conditions of the District;
22. Assisting the General Manager with scheduling vendors;
23. Assisting subcommittees with scheduling meetings;
24. Discussing work projects and current District activities with the General Manager (usually on a daily basis);
25. Acting as the liaison between the General Manager and District vendors;
26. Preparing and assembling reports for the General Manager packet for the monthly meetings;
27. Managing and communicating effectively with contractors and consultants performing projects and services for the District;
28. Corresponding with District's bookkeeper on issues, reservation/registration fees and deposits, information requests;
29. Corresponding with the District's Directors and consultants on issues; and
30. Competing other duties as signed by the Contractor or Districts General Manager or Board of Directors

Proposed Fees

Crossroads proposes an increase to the base fee under the General Management Services from \$9,800.00/month to \$13,500.00/month to include the communication and administrative services scopes.

GENERAL MANAGEMENT SERVICES AGREEMENT

This GENERAL MANAGEMENT SERVICES AGREEMENT (this “*Contract*”) is entered into effective August 1, 2019 (the “*Effective Date*”), between BLOCK HOUSE MUNICIPAL UTILITY DISTRICT (the “*District*”), a municipal utility district operating under Chapters 49 and 54 of the Texas Water Code, and CROSSROADS UTILITY SERVICES, LLC, a Texas limited liability company (“*Contractor*”).

RECITALS

The District provides water and wastewater utility services, recreational facilities, and other services to residents and customers of the District. The District desires to engage the services of Contractor for general management services for the District and Contractor desires to serve in such capacity, on the terms and conditions of this Contract.

NOW, THEREFORE, for and in consideration of the premises, and the mutual agreements of the parties hereinafter set forth, the District and Contractor agree as follows:

AGREEMENTS

1. Appointment. The District appoints Contractor as its general manager and Contractor accepts this position, all on the terms and conditions set forth in this Contract.

2. Term; Termination.

(a) Term. The term of this Contract (the “*Term*”) will begin on August 1, 2019 and end on September 30, 2020.

(b) Termination. This Contract may be terminated before the end of the Term by either party by delivery of at least 60 days’ written notice of termination to the other party. However, if this Contract is terminated by the District due to Contractor’s refusal or inability to perform, gross negligence or fraud in the performance of its duties, or distressed financial condition, the District may deliver written notice of termination to Contractor, which will be effective immediately upon delivery of such notice. In the event of termination, Contractor will be compensated up to the date of termination (prorated for less than a full month, if necessary).

(c) Return of District Property. Upon termination of this Contract, for any reason, Contractor must immediately turn over all District property, including books, records, checkbooks, funds, and other property, to the District’s designated representative. Computer records relating to the District, including those relating to the District’s accounts, connections, financial records, equipment, and customers, are District property, and Contractor will provide such records to the District or its representative in a format that will allow such computer records to be accessed and duplicated by computer.

3. Compensation. As compensation for the services specified in this Contract, Contractor will receive the sum of \$9,800 per month. All invoices for services performed in a month must be submitted to the District no later than 12:00 noon on the tenth day of the following month in order to be considered for payment at the Board's regular meeting held during that month. Unless in dispute, invoices will be paid within 30 days of submittal; however, if there is a bona fide dispute over a portion of an invoice, the District will have the right to withhold payment of the disputed portion until the dispute is resolved.

4. Periodic Review. During the Term, the Board of the District (the "Board") or its designated subcommittee may conduct a review of Contractor and its performance under this Contract. In conjunction with the review, the Board and Contractor may determine the terms upon which this Contract may be modified, renewed or extended.

5. Basic Duties and Responsibilities of Contractor. The following Basic Services will be provided to the District by Contractor for the compensation specified in Section 3.

(a) Administration.

(i) Representative. Contractor's primary representative in connection with Contractor's services to the District under this Contract will be Jacquelyn Smith (the "General Manager"), who will attend Board meetings and coordinate all of Contractor's services hereunder. Except in the case of absences due to illness, vacation, or emergency (in which case other Contractor staff will attend Board meetings and coordinate Contractor's services), the General Manager will not be replaced without the approval of the Board. Lisa Torres and Andrew Hunt are pre-approved as temporary or permanent replacements for the designated General Manager. The General Manager will be present at the Walker House for an adequate amount of time each week to accomplish the services specified in this Section, up to 20 hours per week. Initially, the General Manager will be present at the Walker House Monday through Friday, except on holidays, at times between the hours of 7:00 a.m. and 6:00 p.m., for a total of up to 20 hours per week; however, this schedule may be adjusted upon mutual written agreement of the District and Contractor. Contractor will provide the District with a list of Contractor's observed holidays on or before August 15, 2019, and on or before January 1, 2020.

(ii) Contractor must provide all equipment necessary for the proper performance of the services specified in this Section (including computer, printer/copier/fax machine, cell phone, and office supplies for routine business) at its sole expense. Contractor will invoice the District separately for materials for nonroutine projects.

(iii) District Communications; Customer Service; Coordination of District Activities. The General Manager will:

(1) Respond to inquiries, complaints and concerns in a professional, courteous, and timely manner; promote good relations with the District's property owners and residents; and coordinate with the Cities of Cedar Park and Leander, and with Williamson County as necessary to resolve customer concerns.

(2) Monitor and track all customer complaints and inquiries received, and report them to the Board as appropriate.

(3) Respond to any inquiries or reporting requirements of any governmental authority, the Board, or the District's other consultants in a prompt, professional manner.

(4) Provide public information that is readily available from the District's files in response to inquiries of other utilities, prospective purchasers, brokers, and other interested parties under the Public Information Act, Chapter 552, Texas Government Code, subject to Section 182.052 of the Texas Utilities Code, "Confidentiality of Personal Information"; coordinate with the District's attorney regarding requests for public information that may be excepted from disclosure or confidential by law.

(5) Monitor the District's website to insure that all posted information is up to date and that all information required to be posted by the laws applicable to municipal utility districts is included on the website.

(iv) Meeting Preparations and Attendance. General Manager will:

(1) Attend all regular Board meetings and any special Board meetings and subcommittee meetings as requested by the Board.

(2) Provide monthly reports in a format approved by the Board.

(3) Submit materials that are to be included in Board meeting packets to the District's attorney's office by 12:00 noon on the day that is one week prior to each regular Board meeting, unless other arrangements are approved by the Board. If this material is not delivered to the District's attorney in a timely manner, delivery must be made by Contractor directly to the Board members, at Contractor's sole expense.

(4) Upon request, meet with the Board's designated representatives and bookkeeper prior to each Board meeting to review invoices.

(v) Coordination of District Activities. The General Manager will:

- (1) Coordinate District activities, services, and operations with neighboring municipalities, districts, other governmental entities and organizations.
- (2) Coordinate with other District consultants and contractors, including attorneys, engineers, operators, auditors, bookkeepers, and financial consultants.
- (3) Obtain bids from contractors when written specifications and published notice are not required, upon Board request.
- (4) Schedule meetings and field work with contractors and vendors.
- (5) File and monitor any insurance claims made by the District.
- (6) Carry out Board directives in a prompt manner and report all actions taken in response to those directives to the Board.

(b) Financial.

(i) Management of Funds. Contractor will:

- (1) Properly deposit all District funds in the District's accounts daily, without offset or counterclaim.
- (2) Coordinate and monitor District finances, in cooperation with the District's bookkeeper.

(ii) Budget Process. Contractor will:

- (1) At least three months prior to the expiration of each fiscal year, prepare a recommended management budget for the next fiscal year; coordinate with the District's other consultants on budget requirements; and present budget recommendations to the Board and oversee budget adoption process.
- (2) Monitor annual budget over the course of each fiscal year and make quarterly recommendations to the Board on appropriate budget revisions.

(iii) Audit Process. Contractor will coordinate with the District's bookkeeper and auditor to assist in the preparation of reports, schedules, and other data as necessary, and cooperate with the District's auditor in connection with the preparation of the District's annual audit, including providing District inventory records and other information necessary in connection with such audit.

(c) Bond Financings/Refinancings. Contractor will coordinate with the Board and the District's advisors in connection with the preparation of bond applications and related reports.

(d) Operations Services Assistance. Contractor will:

(i) Assist the District's other consultants, as requested, in administering the District's compliance with the TPDES Phase II Small Municipal Separate Storm Sewer System General Permit (TXR040000) and the District's storm water management program adopted thereunder.

(ii) Assist the District's other consultants, as requested, in administering the District's water conservation and drought contingency plan.

(e) Managerial Services.

(i) General Administration. The General Manager will:

(1) Coordinate Board meetings and conferences, including ordering meals and necessary supplies.

(2) Review agendas of meetings of the governing bodies of surrounding government entities, including the City of Cedar Park, City of Leander, and Williamson County.

(3) Respond to inquiries, complaints and concerns in a professional, courteous, and timely manner.

(ii) Street Lighting, Signage and Security. The General Manager will:

(1) Monitor the functioning of all street lights within the District and coordinate repair or replacement of bulbs and related devices with Pedernales Electric Cooperative, as necessary.

(2) Monitor street and traffic signs within the District and coordinate placement or replacement with Williamson County, as necessary.

(3) Post and remove temporary District signs, as directed by the Board.

(4) Regularly screen video from the security cameras located in District's parks and pool areas.

(5) Cause the entrance gates located at the Bike Trails, Tonkawa Park, and Tumlinson Park to be unlocked by 7:00 a.m. each day, except in cases of emergencies, weather events, or construction that would make use of the Bike Trails or either park unsafe.

(iii) Walker House, Pavilion, and Jumano Community Center Operations. The General Manager will:

(1) Monitor and schedule use of the Walker House, Pavilion, and Jumano Community Center as directed by the Board, including taking and arranging reservations; collecting and depositing all related fees, as required by applicable District rules; issuing and collecting keys from users, as necessary; checking out and keeping track of District equipment; and assuring that the releases and waivers required by applicable District rules are completed and submitted.

(2) Monitor the condition of the Walker House and Jumano Community Center after each use and arrange for housekeeping and trash collection.

(3) Notify the Board of needed repairs and coordinate repairs upon Board request.

(iv) Park and Recreational Facilities. The General Manager will:

(1) Upon the request of the Board or a Board-appointed subcommittee, obtain competitively-priced bids from contractors for repairs to the District's park and recreational facilities when written specifications and published notice is not required; monitor contractors' work to ensure it is performed timely, efficiently, and effectively.

(2) Coordinate, in conjunction with the District's pool operations contractor, the tag or identification system approved by the Board in connection with use of the District's park and recreational facilities.

(3) Monitor and schedule use of the District's park and recreational facilities as directed by the Board, including taking and arranging reservations; collecting and depositing all related fees, as required by applicable District rules; issuing and collecting keys from users, as necessary; checking out and keeping track of District equipment; and assuring that the appropriate releases and waivers required by applicable District rules are completed and submitted.

(4) Monitor the functioning of all park and recreational facility lighting, including pool, tennis court and parking area lighting, and coordinate all necessary repairs and the setting of automatic timers as directed by the Board.

(5) Recommend revisions and additions to the District's park and recreational facilities rules.

(v) Contract Administration. The General Manager will:

(1) Supervise performance and administer the District's service contracts, including those for landscape maintenance, pool management, security services, solid waste collection and recycling services, media services, and cleaning services, and establish an appropriate chain of command to assure that all required maintenance and repair needs are met in an efficient and cost-effective manner.

(2) Develop and implement a contract monitoring system for services provided under all service contracts administered by the General Manager; provide periodic monitoring of contract performance and provide a monthly report to the Board on services performed pursuant to such contracts.

(3) Provide access and issue and collect keys to contractors and vendors, as necessary.

(4) Coordinate the District's "Clean-Up Days", it being understood that equipment and labor involved will be provided by the District's solid waste services contractor.

(vi) Manager's Account. The District will establish an account (the "Manager's Account") in an amount approved by the Board, which may be utilized by Contractor in accordance with the terms of a Secretary's Certificate and Resolutions Regarding Manager's Account adopted by the Board, as amended from time to time. Contractor must present statements or invoices to the Board to support all expenditures from the Manager's Account, and provide a monthly reconciliation of the account to the Board. If no statement or invoice is presented to support an expenditure, the District will not be responsible for the expenditure and Contractor must reimburse the District for any District funds expended.

(vii) Inventory and Tracking. Contractor will maintain an up-to-date inventory of all District equipment and fixtures (exclusive of utility equipment and improvements) and will annotate the inventory with information regarding replacements, repairs and warranties, including the expiration dates of any warranties.

6. Insurance.

(a) Limits. Upon the full execution of this Contract and prior to providing any services under this Contract, Contractor must furnish the District certificates of insurance and policies, including all endorsements, on forms acceptable to the District, confirming the following insurance coverage in at least the amounts set forth below:

- | | |
|--|--|
| 1. Worker's Compensation/Employer's Liability | Statutory amounts as specified by law |
| 2. Commercial General Liability (occurrence basis) | \$1,000,000 (per occurrence)
\$2,000,000 (aggregate)
\$1,000,000 (products/completed operations aggregate) |
| 3. Automobile Liability (occurrence basis), which policy limit must include liability arising out of operation of owned, hired and non-owned vehicles | \$1,000,000 (combined single limit) |
| 4. Excess/Umbrella Liability (above the actual amounts carried by Contractor for the policies described in (1) (with respect to Employer's Liability), (2), and (3) above) | \$1,000,000 (per occurrence) |

(b) Contractor's Commercial General Liability. Contractor's commercial general liability policy must: (1) be on a current edition of ISO form CG 00 01 12 07 or equivalent; (2) include, but not be limited to, the following coverages: premises/operations, products/ completed operations, independent contractors, personal injury, contractual liability, including contractual indemnity, and explosion, collapse, underground property damage; and (3) not include the following endorsements and exclusions or equivalent limitations: CG 22 94 or CG 22 95 (Damage to Work Performed by Subcontracts Exclusion), CG 21 39 (Contractual Limitation Endorsement), CG 24 26 (Amendment of Insured Contract Definition), and CG 21 37 (Employees as Insureds Exclusion).

(c) Coverage for Personnel. The insurance required above must cover services performed by all personnel of Contractor, including independent contractors.

(d) Endorsements. Policy endorsements, naming the District (i) as an additional loss payee under the Commercial Crime insurance policy and (ii) as an additional insured under all other insurance policies other than the Worker's Compensation policy, must be furnished to the District contemporaneously with the Effective Date and annually thereafter. Each policy of insurance must provide, in the body of the policy or in an endorsement, that it is primary and noncontributory over any insurance that may be carried by the District and that the District will be notified in writing (x) at least 30 days prior to any cancellation/termination (other than for non-payment of premium), change, or non-renewal; and (y) at least ten days prior to any cancellation/termination for non-payment of premium. Each policy must be maintained in force throughout the term of this Contract and must be written by insurance companies authorized to sell insurance where work is being performed and have an A.M. Best's rating of B++ VII or better.

(e) Employee Dishonesty. If the District suffers a loss by reason of Contractor's employee's (including an independent contractor's) dishonesty, Contractor will either (i) promptly reimburse the District for the entire amount of the loss or (ii) promptly file and thereafter diligently prosecute a claim under its Commercial Crime insurance policy for recovery of the loss. If the District elects to seek recovery for any loss under Contractor's Commercial Crime insurance policy, Contractor will (i) promptly upon settlement of the claim, remit all insurance proceeds to the District, and (ii) reimburse the District for any portion of the loss not recovered.

(f) Contractor's Obligations and Liabilities. None of the requirements of this Contract with regard to insurance will limit, qualify, or quantify the obligations and liabilities of Contractor under this Contract or with respect to the services provided by Contractor pursuant to this Contract.

7. Indemnity. As a material part of the consideration for this contract, CONTRACTOR AGREES TO WHOLLY INDEMNIFY, DEFEND AND HOLD HARMLESS THE DISTRICT FROM all claims, losses, expenses, and liabilities, including reasonable attorneys' fees (collectively, "Losses"), ARISING FROM OR RELATING TO THE SERVICES TO BE PERFORMED BY CONTRACTOR UNDER THIS CONTRACT, including Losses arising out of or relating to damage to property, injury to or death of persons (including the property and persons of the parties and their agents, servants, contractors and employees), loss of use of property, loss of revenue, economic or other losses, and any noncompetition, employment, or other similar agreement affecting Contractor's personnel. THE OBLIGATIONS IN THIS PARAGRAPH APPLY WHETHER ALLEGED OR ACTUAL NEGLIGENT ACTS OR OMISSIONS OF THE DISTRICT CAUSED THE LOSS IN WHOLE OR IN PART. THESE OBLIGATIONS INCLUDE, WITHOUT LIMITATION, CLAIMS BY CONTRACTOR'S EMPLOYEES AGAINST THE DISTRICT.

8. Miscellaneous.

(a) Assignment. Neither the District nor Contractor may assign this Contract without receiving the prior written consent of the other party.

(b) Notices. All notices given hereunder must be in writing and must be personally delivered or dispatched by United States certified mail, postage prepaid, return receipt requested, to the addresses shown at the end of this Contract. Either party may change the address to which any notice is to be addressed by giving written notice to the other party of the change. Any time limitation provided for in this Contract will commence with the date that the party actually receives the written notice, and the date of postmark of any return receipt indicating the date of delivery of a notice to the addressee will be conclusive evidence of receipt.

(c) Amendments. No amendment to this Contract will be binding upon the District or Contractor unless made in writing, approved by the Board of the District or its authorized committee, and signed by both Contractor and the District. An electronic communication will not be sufficient to constitute an amendment to this Contract.

(d) Applicable Law, Place of Performance. This Contract will be construed under the laws of the State of Texas. All of the obligations contained in this Contract are performable in Williamson County, Texas.

(e) Status as Independent Contractor; Personnel. Contractor is retained as and will continue in the capacity of an independent contractor. Contractor will be responsible for hiring and compensating the General Manager and any other personnel it deems necessary to carry out its duties under this Contract, and to be responsible for collecting and remitting all applicable FICA and income tax withholding based upon any sums paid to Contractor or its personnel.

(f) Subcontracting. Contractor may not subcontract any services performed under this Contract without the prior written approval of the District. All subcontractors retained by Contractor must possess the experience, qualifications, and skills to perform the tasks assigned to them and be licensed or certified if required for the task to be performed and if licensing certification is standard practice in the industry. Any subcontractor retained by Contractor must be covered by Contractor's insurance and will be included in and covered by Contractor's indemnity set forth in Section 7. Any contractor retained by Contractor on behalf of the District that will not be a subcontractor of Contractor must enter into a separate written contract with the District, on terms acceptable to the District. Contractor will be responsible for the quality and timeliness of all services subcontracted by Contractor. No surcharges, supervisory fees, or inspection fees may be assessed by Contractor as a result of subcontracted services.

(g) District Policies. Contractor is aware of and Contractor and General Manager will comply with all applicable District policies, including the District's Code of Ethics, Travel and Professional Services Policy.

(h) Interested Parties. Contractor acknowledges that Texas Government Code Section 2252.908 ("Section 2252.908") requires disclosure of certain matters by contractors entering into a contract with a local government entity such as the District. Contractor confirms that it has reviewed Section 2252.908 and will 1) complete FORM 1295, using the unique identification number specified on page 1 of this Contract, and electronically file it with the Texas Ethics Commission ("TEC"); and 2) submit the signed Form 1295, including the certification of filing number of the Form 1295 with the TEC, to the District at the same time the Contractor executes and submits this Contract to the District. Form 1295 is available at the TEC's website: https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm. This Contract is not effective until the requirements listed above are satisfied and any award of the Contract by the District is expressly made contingent upon Contractor's compliance with such requirements. **The signed Form 1295 may be submitted to the District in an electronic format.**

(i) Conflicts of Interest. Contractor acknowledges that Texas Local Government Code Chapter 176 ("Chapter 176") requires the disclosure of certain matters by contractors doing business with or proposing to do business with local government entities such as the District. Contractor confirms that it has reviewed Chapter 176 and, if it is required to do so, will complete and return FORM CIQ,

promulgated by the TEC and available on the TEC website at <https://www.ethics.state.tx.us/forms/CIQ-New-2015.pdf>, within seven days of the date of submitting this Contract to the District or within seven days of becoming aware of a matter that requires disclosure under Chapter 176, whichever is applicable.

(j) Verification Under Chapter 2270, Texas Government Code. For purposes of Chapter 2270 of the Texas Government Code, Contractor represents and warrants that, at the time of execution and delivery of this Contract, neither Contractor, nor any wholly owned subsidiary, majority owned subsidiary, parent company, or affiliate of the same, boycotts Israel or will boycott Israel during the term of this Contract. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, (i) "boycotts Israel" and "boycott Israel" mean refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes and (ii) "affiliate" means an entity that controls, is controlled by, or is under common control with Contractor and exists to make a profit.

(k) Verification Under Chapter 2252, Texas Government Code. Contractor represents and warrants that, neither Contractor, nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the same, if any, are companies identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudanlist.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/ftolist.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes Contractor and each parent company, wholly- or majority-owned subsidiaries, and other affiliates of the same, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. As used in the foregoing, "affiliate" means any entity that controls, is controlled by, or is under common control with Contractor and exists to make a profit.

(l) No Waiver. No consent or waiver, expressed or implied, to or of any default of any covenant or provision hereof by any party will be construed as a consent or waiver to or any other default of the same or any other covenant or provision.

(m) Severability. If any provision of this Contract is illegal, invalid, or unenforceable under present or future laws, it is the intention of the parties that the remainder of this Contract not be affected thereby, and it is also the intention of the

parties that, in lieu of each provision of this Contract that is illegal, invalid, or unenforceable, there be added as a part of this Contract a provision as similar in terms to the illegal, invalid, or unenforceable provision as is possible, and is legal, valid, and enforceable.

(n) Attorney's Fees. Any party to this Contract who is the prevailing party in any legal proceeding against any other party brought under or in connection with this Contract or the subject matter hereof will be additionally entitled to recover court costs and reasonable attorney's fees, and all other litigation expenses, including deposition costs, travel, and expert witness fees, from the nonprevailing party (including reasonable attorney's fees in accordance with Section 271.159, Texas Local Government Code).

(o) Counterparts. This Contract may be executed in one or more counterparts, all of which will be considered one and the same agreement and will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

(p) Authority. Each party represents and warrants that it has the full right, power, and authority to execute this Contract and all related documents. Each person executing this instrument on behalf of a party represents that he or she is an authorized representative of and has the authority to sign this document on behalf the respective party.

(q) Entire Agreement. This Contract constitutes the entire agreement of the parties regarding general management services and supersedes all prior agreements and understandings, whether written or oral, between Contractor and the District regarding general management services.

* * *

signature pages follow

COUNTERPART SIGNATURE PAGE TO GENERAL MANAGEMENT SERVICES AGREEMENT

BLOCK HOUSE MUNICIPAL UTILITY DISTRICT

By: Cecilia Roberts
Cecilia Roberts, President
Board of Directors

Date: 7-24-19


Address: P.O. Box 129
Leander, Texas 78646

ATTEST:

Ryan Horak
Ryan Horak, Secretary
Board of Directors

**COUNTERPART SIGNATURE PAGE TO GENERAL MANAGEMENT
SERVICES AGREEMENT**

CROSSROADS UTILITY SERVICES, LLC,
a Texas limited liability company

By: 
Printed Name: Andrew Hunt
Title: Executive Vice President

Date: 7/24/19

Address: 2601 Forest Creek Drive
Round Rock, Texas 78665

**AGREEMENT WITH LEANDER INDEPENDENT SCHOOL DISTRICT
REGARDING USE OF APACHE POOL**

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

This Amended and Restated Agreement Regarding Use of Apache Pool (this "Agreement") is entered into effective June 1, 2017, between Block House Municipal Utility District ("Block House MUD") and Leander Independent School District ("LISD"), both political subdivisions of the State of Texas.

RECITALS

Block House MUD is a municipal utility district, created and operating under Article XVI, Section 59 of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code. Block House MUD has the authority, under Section 54.773 of the Texas Water Code, to provide parks and recreational facilities.

LISD is an independent school district and, among other services, sponsors and provides opportunities for high school-level competitive swimming. LISD's Leander High School swim team (the "Swim Team") requires a year-round, heated swimming pool facility for swimming practice sessions and swim meets.

Block House MUD owns and operates a year-round, heated swimming pool facility in Apache Park, at 3100 Block House Drive, Leander, Texas, known as Apache Pool (the "Pool").

In order to increase the public benefit of the Pool, Block House MUD and LISD previously entered into an agreement dated effective as of October, 1, 2012 (as amended, the "2012 Agreement") setting forth the terms on which Block House MUD would provide the Swim Team with access to the Pool for swim practice and LISD would compensate Block House MUD for such use.

The parties desire to enter into this Agreement to document their agreements regarding use of the pool and compensation for such use. This Agreement supersedes, in its entirety, the 2012 Agreement.

AGREEMENT

For and in consideration of the mutual promises, benefits, and obligations hereinafter set forth, Block House MUD and LISD agree as follows:

Section 1: Agreements.

1.1. Term. Subject to the other provisions of this Agreement, the term of this Agreement will be from June 1, 2017 until May 31, 2022 (the "Term").

1.2. Use by LISD. LISD will have the right to use the Pool for Swim Team practices and meets as provided in this Agreement during each regular school year during the Term. Each school year will be deemed to begin on August 1st and continue through May 31st of the following year. The approved schedule for the 2017-2018 school year is attached as Exhibit "A". For

each subsequent school year, LISD will submit a proposed schedule for the Swim Team's use of the Pool for that school year (the "Schedule") to the District's general manager on or before July 1st for the following school year. The Schedule will be subject to approval by Block House MUD's Board of Directors (the "Board") or its designee and Block House MUD will notify LISD of any changes that may be required based on the Pool's availability. The parties will use good faith efforts to finalize the schedule by August 1st of each year. The Schedule will provide for a maximum of 17 hours per week of Swim Team practice and a maximum of eight swim meets per school year. If LISD requests approval for use of the Pool by the Swim Team for a period not included in the Schedule, for a use not contemplated by this Agreement, or for hours or periods in excess of those provided for in this Agreement, LISD must submit a written request for such use to Block House MUD at least 10 days before the date of the requested period of use. Approval of any such request will be at Block House MUD's sole discretion and may be subject to an additional charge.

1.3. Terms of Use.

a. No groups or individuals other than the Swim Team may use the Pool during the periods that the Pool is reserved for use by LISD for swim practice without the prior approval of the Board or its designee.

b. LISD acknowledges that one key to the Pool has been issued to the coach of the Swim Team (the "Coach"). LISD agrees that all opening and closing procedures at the Pool will be supervised by the Coach.

c. LISD agrees that its employees, students, and invitees will comply with all rules and regulations applicable to use of the Pool and will comply with the pool opening and closing procedures established by Block House MUD, including replacing and securely fastening the pool cover on the Pool after each period of use when the pool heaters are in operation. LISD agrees that its employees, students, and invitees will leave the Pool and all Pool equipment and facilities in a neat, clean and orderly condition after each period of use.

d. If LISD's employees, students or invitees fail to comply with the opening and closing procedures, fail to replace and fasten the pool cover on the Pool, or fail to leave the Pool and related equipment and facilities in a neat and clean condition, LISD agrees to pay Block House MUD for increased utility and personnel costs. LISD further agrees that it will be responsible for any damage or increased costs that result from misuse, failure to comply with Block House MUD's rules and policies, or vandalism by LISD's employees, students, and invitees during the Swim Team's periods of use of the Pool. If Block House MUD is required to clean the Pool or other facilities, such as the dressing areas or restrooms, as a result of LISD's employees', students', or invitees' failure to do so after any period of use, LISD agrees to pay Block House MUD for cleaning costs. Any sums coming due under this subsection will be due and payable within 30 days after the date of delivery of the invoice to LISD for the fees in question.

e. LISD may only store equipment and supplies at the Pool if such storage is approved in advance by the Board or its designee. Any equipment or supplies that LISD is authorized to store at the Pool must be placed in storage areas designated by Block House MUD's general manager, and such storage will be at LISD's sole risk. Block House MUD will have no liability for any loss of or damage to LISD's supplies and equipment used or stored at the Pool. LISD

agrees to bear the sole risk of loss of these items, and to obtain any insurance that it requires to protect its interests. At the end of the Term, LISD will promptly remove all of its property, equipment and supplies from the Pool storage areas, and leave the Pool and storage areas in a neat, clean and orderly condition.

f. LISD agrees that Block House MUD's pool manager is authorized to close the Pool due to inclement weather or other safety considerations, and that its employees, students and invitees will comply with any Pool closure implemented under this authority.

1.4. Utilities, Chemicals, and Maintenance. Block House MUD agrees to provide all utilities, chemicals and maintenance necessary for normal operations of the Pool.

1.5. Coaching Staff; Liability; Insurance. LISD agrees to provide all coaches and other supervisory personnel required by law or necessary for the safety of its students and invitees during the Swim Team's periods of use of the Pool, and will assume all liability under applicable Texas law for any personal injury or loss occurring during the Swim Team's use of the Pool. LISD agrees that it will obtain and provide to Block House MUD a release, in a form approved by the Board, from each employee, student and invitee who will utilize the Pool or enter onto the Pool premises under the terms of this Agreement, as well as each minor student's or minor invitee's parents or guardians. LISD agrees to obtain and maintain in effect at all times during the Term liability insurance in the minimum amount of \$1,000,000 to cover any claims against LISD or Block House MUD arising out of LISD's use of the Pool under this Agreement, and to provide proof of this insurance to Block House MUD. This insurance must list Block House MUD as an additional insured, and provide that it may not be canceled without at least 30 days' written notice to Block House MUD.

1.6. Consideration.

a. In consideration of being permitted to use the Pool during the time periods provided in each Schedule during the Term, LISD agrees to pay to Block House MUD the sum of \$8,000 per school year (the "Pool Fee") for each year of the Term, or a total of \$40,000 (the "Total Pool Fee"), with payment for the 2017-2018 school year being due on or before July 31, 2017, and each subsequent payment being due on or before June 30 of each subsequent year. The Total Pool Fee will, except for any operating cost adjustment that may become payable under Section 1.6(b), and additional charges that may become due under Section 1.2 or Section 1.3, be full compensation to Block House MUD for LISD's use of the Pool during the Term.

(b) Notwithstanding Section 1.6(a), if Block House MUD's operating and maintenance expenses for the Pool during any school year (August 1 through May 31) during the Term increase by 10% or more over the operating expenses during the 2017-2018 school year, Block House MUD will be entitled to and LISD agrees to pay an additional sum for each year of the remainder of the Term in order to compensate Block House MUD for the additional cost of providing the functions and services contemplated by this Agreement. Any such additional payment will be due and payable to Block House MUD within 30 days after Block House MUD submits to LISD an invoice detailing the costs of operations and maintenance of the Pool during the 2017-2018 school year and the increased operating and maintenance costs. For purposes of this subsection, operating and maintenance costs will specifically exclude capital costs.

Section 2: Funding. All payments made by either LISD or Block House MUD under this Agreement will be made from current revenues available to the paying party.

Section 3: Default. If either party defaults in its obligations under this Agreement, the other party may give written notice to the defaulting party of the default. If the defaulting party does not cure the default within 30 days of delivery of this notice, the non-defaulting party may terminate this Agreement or pursue any other remedies available to the defaulting party at law or in equity.

Section 4: Termination.

4.1. Termination, Generally. This Agreement will be effective for the Term, as provided in Section 1.1 above, unless it is sooner terminated under Section 3 of this Agreement or by mutual agreement of the parties. At the end of the Term, or upon earlier termination of this Agreement for any reason, LISD will promptly (i) return the key to the Pool to Block House MUD's general manager and (ii) remove all of LISD's property, equipment, and supplies from the Pool.

4.2. Termination Due to Default. If LISD terminates this Agreement as a result of default by Block House MUD as permitted by Section 3, or if Block House MUD terminates this Agreement (except as a result of a default by LISD as permitted by Section 3), the Total Pool Fee will be prorated in accordance with the formula outlined in Subsection 4.4, below, and the amount of the Total Pool Fee attributable to the remaining portion of the Term will be refunded by Block House MUD to LISD on or before 30 days after the date of such termination. If LISD terminates this Agreement for any reason other than a default by Block House MUD, or if Block House MUD terminates this Agreement as a result of a default by LISD, no portion of the Total Pool Fee will be refundable.

4.3. Remedies for Lack of Access. If LISD is prevented from accessing the Pool, as a result of circumstances beyond its control, for more than seven successive calendar days during which LISD is entitled to use the Pool, LISD shall provide written notice to Block House MUD, specifically identifying the dates and cause of the lack of access. If the lack of access is due to Block House MUD's action or default under this Agreement, Block House MUD shall have 10 days from the date of receipt of such notice to remedy the situation that is preventing LISD's access. If LISD's lack of access is the result of an event of force majeure, as defined in Section 4.6, or due to actions of a third party outside the control of either LISD or Block House MUD, and Block House MUD is unable to remedy the cause and provide access to LISD within 30 calendar days of receipt of LISD's written notice, LISD will be entitled, at its option and as its sole and exclusive remedy, to either: (1) terminate this Agreement and receive a refund of a prorated portion of the Total Pool Fee in accordance with the formula outlined in Subsection 4.4; or (2) continue this Agreement and elect to receive, at LISD's option, either (a) a refund of the prorata portion of the Total Pool Fee allocable to the time period during which it was prevented from accessing the Pool, calculated in accordance with Subsection 4.4, or (b) an extension of the Term for a period equal to the number of days during which it was prevented from accessing the Pool. LISD must make any election under this Subsection by giving written notice to Block House MUD within 45 days of the date of LISD's initial notice of lack of access and, if no such notice is given, LISD will be deemed to have elected to continue this Agreement and receive an extension of the Term under (2)(b), above. The foregoing notwithstanding, if the lack of access is the result of the Pool being closed for a repair, LISD's only remedy will be to continue this Agreement and receive a refund of the prorata portion of the Total Pool Fee allocable to the time period the Pool was closed for repair.

4.4. Formula for Proration of Total Pool Fee. For the purpose of determining any proration of the Total Pool Fee, each month will be deemed to include 30 calendar days and the Total Pool Fee will be deemed to be allocated, on a prorata basis, over 60 months, for a monthly proration amount of \$666.66. For purposes of illustration, if this Agreement is terminated by Block House MUD under Section 4.2 on the 15th day of the 40th month of the Term, the prorata portion of the Total Pool Fee that would be refundable by Block House MUD to LISD would be determined as follows:

$$60 - 39.5 = 20.5$$

$$20.5 \times 666.66 = \$13,666.53$$

4.5. Force Majeure. If either party is rendered unable by force majeure to carry out any of its obligations under this Agreement, then the obligations of that party, to the extent affected by the force majeure, will be suspended during the continuance of the inability, provided that due diligence is exercised to resume performance at the earliest practical time. As soon as reasonably possible after the occurrence of the force majeure relied upon to suspend performance, the party whose contractual obligations are affected thereby must give notice and the full particulars of the force majeure to the other party and the cause, as far as possible, must be remedied with all reasonable diligence.

The term "force majeure" includes acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, incidents of terrorism, orders of the government of the United States or the State of Texas or any civil or military authority other than LISD and Block House MUD, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and civil disturbances, explosions, breakage, or accidents to equipment, partial or complete failure of water supply and any other incapacities of either party, whether similar to those enumerated or otherwise, that are not within the control of the party claiming the inability and that could not have been avoided by the exercise of due diligence and care. The settlement of strikes and lockouts will be entirely within the discretion of the party having the difficulty and the requirement that any force majeure be remedied with reasonable dispatch will not require the settlement of strikes and lockouts by acceding to the demands of the opposing party if the settlement is unfavorable, in the judgment of the party having the difficulty.

Section 5: Miscellaneous.

5.1. Entire Agreement; Amendments. This Agreement contains the entire agreement of the parties respecting the subject matter, and supersedes all prior understandings and agreements. This Agreement may not be modified except by written agreement executed by both parties.

5.2. Authority. Each individual executing this Agreement represents that he or she has all necessary authority to execute this Agreement and to bind the entity on whose behalf he or she is signing.

5.3. Severability. If any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, it is the intention of the parties that the remainder of this Agreement not be affected thereby, and that, in lieu of each illegal, invalid, or unenforceable provision, a provision as similar in terms to the illegal, invalid, or unenforceable provision as is possible, and is legal, valid, and enforceable be added to this Agreement.

5.4. No Third-Party Beneficiaries. This Agreement is for the sole and exclusive benefit of Block House MUD and LISD, and does not confer any benefit or right upon any other party.

5.5. Assignability. This Agreement may not be assigned by either party without the prior written consent of the other party.

5.6. Waiver. Any failure by a party hereto to insist, or any election by a party hereto not to insist, upon strict performance by the other party of any of the provisions of this Agreement will not be deemed to be a waiver of that or any other provision, and that party has the right at any time thereafter to insist upon strict performance of the provisions of this Agreement.

5.7. Remedies Cumulative. The rights and remedies contained in this Agreement are not exclusive, but are cumulative of all other rights and remedies now or hereafter existing.

5.8. Applicable Laws. This Agreement is made in Williamson County, Texas, and will be construed in accordance with the laws and constitution of the State of Texas.

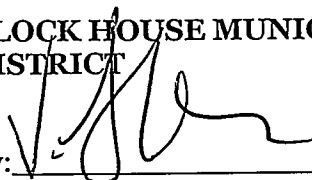
Section 6: Notice. Any notice given under this Agreement must be in writing and delivered by certified mail, postage prepaid and return receipt requested, by hand delivery to the addresses shown below each party's signature on this Agreement. Either party may change its address for notice by giving notice to the other party as provided in this Section.

IN WITNESS WHEREOF, the parties have executed this Agreement in multiple copies, each of which shall be deemed an original as of the date and year first written above.

[Signature pages follow]

**BLOCK HOUSE MUNICIPAL UTILITY
DISTRICT**

Date: 7-26-17

By: 

Vanessa Longoria-Carter, President
Board of Directors

P.O. Box 129
Leander, Texas 78646

LEANDER INDEPENDENT SCHOOL
DISTRICT

Date: 8-2-17

CP Jody Hermann
By: Jody Hermann
Printed Name: Jody Hermann
Title: Leander ISD Athletic Director

c/o Dr. Dan Troxell,
Superintendent
P.O. Box 218
Leander, Texas 78646

EXHIBIT "A"

Leander High School Swimming Apache Blockhouse Pool Proposed Usage Schedule 2017/2018 Season

8/28/17 - 2/23/18 (Mon to Fri): Practice Schedule

- 6:15 am 9:00 am
- 6:15 am Remove covers (if necessary) and run lane lines
- 6:30 am 8:30 am: Regular practice
- 8:30 am 9:00 am: Cover pool (if necessary), swimmers prepare for school.

9/2/17 - 10/21/17 (Saturdays only): Meet Schedule

- 6:30 am 12:00 pm
- 6:30 am Set up
- 7:00 am 8:45 am:
- Team Warm ups 9:00 am 12:00 pm: Dual Meet

2/26/18 5/25/18 (Mon/Wed/Fri): Off Season Practice Schedule

- 6:15 am 9:00 am
- 6:15 am Remove covers (if necessary) and run lane lines
- 6:30 am 8:30 am: Regular practice
- 8:30 am 9:00 am: Cover pool (if necessary), swimmers prepare for school.