

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

December 16, 2020

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A regular meeting of the Board of Directors of Block House Municipal Utility District was held via video conference on December 16, 2020 at <https://zoom.us/j/95790047089?pwd=SUFiYmZWR1JQVDNyN21pcVQyNm1sQT09>, Zoom Meeting 957 9004 7089 and passcode 335013. The meeting was open to the public and notice was given pursuant to the Texas Open Meetings Act, as modified by Governor Greg Abbott, and the related guidance from the Office of the Attorney General of the State of Texas. A copy of the Certificate of Posting of the Notice is attached as **Exhibit "A"**. An electronic agenda packet for the meeting was provided on-line via the link included in the meeting notice and the meeting was recorded and made available at the same link after the meeting.

All of the Directors were present, as follows:

Cecilia A. Roberts	-	President
Steve Bennett	-	Vice President
Vacant	-	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 and Lisa Torres of Crossroads Utility Services, LLC ("Crossroads"); Barry Childress of the Block House Creek Owners Association (the "OA"); Tom Davis of Lifeguard 4 Hire, LLC ("L4H"); Stu McMullen, David Shoemaker, Patrick Allen, McKay Bradford, Sedge Downing, Robert Young, and Joel Moreno, residents 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 confirmed that the meeting was being conducted via Zoom and was being recorded. She stated that the Board would first receive citizens' communications, requested that each speaker identify themselves when speaking, and requested that anyone participating in the call mute their devices when they were not speaking. Mr. Young stated that he supports disc golf in Block House and offered to assist in any way he can. He referenced the report prepared by John Houck and noted that the report indicated that a microcourse could be constructed in the District to provide for disc golf. He added that he thinks a microcourse would be safe for District residents in the area of Comanche Park.

Mr. Moreno stated that he wanted to follow up on disc golf in the District. He stated that he really would like a disc golf amenity to be brought back to the District and noted that it was a family-friendly sport. He stated that the arguments against a disc golf course being included in Jumano Park were absurd. He then stated that a disc golf course would be an amenity for the neighborhood.

Mr. Bradford stated that he supports a disc golf course in Block House at the front of the neighborhood, so long as safety concerns are addressed. He stated that he is opposed to Jumano Park being utilized for a disc golf course and noted that undeveloped, wild greenspace had immense value to the neighborhood.

Director Roberts then stated that the Board would take comments from residents wishing to be considered for the Board vacancy. Mr. Shoemaker addressed the Board and stated that he had lived in Block House for nine years. He noted that he had worked in state government for several elected officials and that he had obtained two degrees from Texas A&M University. He then stated that he was interested in the vacancy for three reasons: 1) he cared about Block House and the value of his home; 2) he cared about his neighbors; and 3) the District is an older district in a “transitional period” with lots of debt. He noted that Williamson County had changed and that he had a lot of experience working with local governments and how they spend their money. He stated that the District had high taxes and that the tax rate is a big drag on the neighborhood.

Mr. Allen stated that he had lived in Block House for approximately one year. He stated that the neighborhood is perfect and that he loved the District park system. He noted he had experience volunteering with a non-profit and greatly values servant leadership. He added that he would like to play a bigger role in Block House and that he wanted to keep it a great place. Mr. Allen stated that he had a background in finance and construction, including serving in leadership roles, which he thought would benefit the District.

Mr. Downing stated that he grew up in Austin and resides in Block House with his family. He stated he loved the community and the amenities. He then stated that he has a law degree from the University of Texas but that he does not practice law. He noted that he was not as experienced as some of the others who had expressed interest in the position but noted that he was enthusiastic about serving. He then stated that he expects the assessed values in Block House to continue to increase.

Mr. McMullen stated that he had been a Block House resident since 2002. He noted that he had previously served on the Board of Directors from 2006 to 2010. He stated that he had established great relationships with the consultants of the District during his previous time of service and that such relationships would allow him to “hit the ground running” if appointed to the Board. He concluded by stating that his experience would serve him well and that his professional experience as a real estate broker would also be beneficial to the District, if appointed.

Director Roberts then stated that the Board regularly meets at 6:30 p.m. on the fourth Wednesday of each month and inquired as to whether any of the individuals interested in the vacant Board seat had any conflicts. The interested parties confirmed that they did not have any conflicts with the day and time. Director Logan noted that Mr. McMullen had previously worked professionally with Director Roberts and inquired whether Mr. McMullen and Director Roberts still worked together. Director Roberts and Mr. McMullen confirmed that they no longer worked together on real estate transactions.

Director Roberts then stated that the Board would receive a report from the OA and recognized Mr. Childress. Mr. Childress stated that the OA had been working with the District to organize community events, including a community garage sale and an Earth Day event. Director Logan stated that the Community Garden Group would like to be involved in the Earth Day event and then asked Mr. Childress about the Christmas decorating contest. Mr. Childress

confirmed that judging for the neighborhood-wide decorating contest would occur on December 20 and that five prizes would be awarded.

Director Roberts stated that the Board would next consider the minutes of the November 17, 2020 meeting. Upon motion by Director Logan and second by Director Bennett, the Board voted 4-0 to approve the minutes.

Director Roberts then stated that the Board would consider the vacancy on the Board. Director Bennett nominated Mr. McMullen for consideration. Director Logan stated that she would like to see someone who had not previously served on the Board be nominated. After discussion, upon motion by Director Bennett and second by Director Koenig the Board voted 3-1, with Director Logan voting “no”, to appoint Mr. McMullen to fill the vacancy on the Board of Directors. Director Roberts invited all of the individuals who had expressed interest in the Board vacancy to continue to attend meetings and provide input to the Board on District issues. Mr. Abbott then reviewed the actions that Mr. McMullen would need to undertake prior to the Board’s January meeting.

Director Roberts then stated that the Board would consider the emergency coronavirus preparedness and protocols. Ms. Smith stated that the current spread of the coronavirus was concerning and that Williamson County may prohibit gatherings in the near future. She stated that the District’s current policies were appropriate. She noted that coronavirus cases in Leander had surpassed those in Austin. She confirmed that the District’s restrooms and water fountains were still closed and that everyone needed to remain safe and vigilant.

Director Roberts next stated that Sgt. Kelley was having issues connecting to the Zoom call. She stated that Sgt. Kelley had confirmed that coyote sightings in the neighborhood had continued and that the Williamson County Sheriff’s Office would provide extra patrols on New Year’s Eve.

Director Roberts then stated that the Board would discuss bookkeeping matters and recognized Ms. Smith to discuss restrictive covenant work undertaken by the General Manager. Ms. Smith stated that she had begun working on issues relating to deed restriction enforcement during the months of November and December. She further stated that the Restrictive Covenant Subcommittee had approved her undertaking independent work—beyond her work as General Manager of the District—relating to restrictive covenant enforcement, which would be billed separately from her services as General Manager of the District. Upon question from Director Roberts, Ms. Smith stated that she had billed approximately 36 hours for a total of approximately \$2,400. Director Logan stated that the Subcommittee did not have the authority to approve additional expenditures relating to the enforcement of restrictive covenants. Ms. Smith confirmed that she had been tracking all of her time spent working on restrictive covenant enforcement. Director Roberts asked if the extra hours had been approved and suggested that the Board discuss the matter with Andrew Hunt from Crossroads. She noted that there was not an invoice that had been included in the packet. Director Logan directed Mr. Abbott to provide the General Management Services Agreement with Crossroads to the members of the Board of Directors. Director Roberts then noted that the Board may need to negotiate a fair fee relating to the restrictive covenant work undertaken by Ms. Smith.

Director Roberts stated that the Board would next receive the bookkeeper’s report and recognized Ms. Kolmodin. Ms. Kolmodin reviewed her report, including the check register attached as **Exhibit “B”** and the supplemental check register attached as **Exhibit “C”**. She reviewed the District’s investments and budget comparison and recent bills and invoices listed in the report, and requested approval of the three fund transfers and the new investment listed

in the report. She confirmed that the Board would have a bond payment coming due in February of 2021. Ms. Kolmodin then reviewed the Resolution Designating Investment Officers attached as **Exhibit “D”**. After discussion, upon motion by Director Bennett and second by Director Logan, the Board voted unanimously to approve the payment of the bills and invoices, the fund transfers, the investment, and the Resolution Designating Investment Officers.

Director Logan then reported that she continued to work with Crossroads regarding sales tax being charged on invoices submitted to the District. She stated that Crossroads would be auditing all invoices on a monthly basis and that they were trying their best to ensure that sales tax would not be included on invoices going forward. Director Logan stated that the District currently had different charges in the Rate Order relating to disconnection of water in the District and that such policies may need to be reviewed. She also noted that additional District communication may be advisable with residents relating to the performance of routine maintenance in certain areas of the District.

Director Bennett then reported that L4H had submitted an invoice prior to the meeting relating to the leak detection work that had been authorized by the Board at its November 17 meeting. He confirmed that the amount of the invoice, attached as **Exhibit “E”**, was less than what had been authorized by the Board for the work. After discussion, upon motion by Director Bennett and second by Director Logan, the Board voted 4-0 to approve payment of the invoice from L4H relating to leak detection work at Tumlinson Pool.

Director Roberts stated that the Board would next discuss pool operations, maintenance, repairs and management and recognized Mr. Davis. Mr. Davis stated that there was not a lot to report. He confirmed that L4H was assisting in the coordination of the District’s Polar Bear Plunge event. He also confirmed that bids were in the process of being solicited for the necessary repair work at Tumlinson Pool.

Ms. Smith then reported that a request had been received from Leander ISD to practice on Saturday, January 2, 2021. She noted that the current agreement with Leander ISD does not provide for Saturday practices and that the Polar Bear Plunge was scheduled for 10 a.m. on the same day. She stated that she had advised Leander ISD that the District could not approve the request because of the conflict with the Polar Bear Plunge. After discussion, the Board denied the request from Leander ISD for use of the pool on Saturday, January 2, 2021.

Director Logan then stated that the Maintenance and Engineering Subcommittee had undertaken a significant review of outstanding maintenance items relating to the District’s pools. She noted that the Pools Subcommittee had not been consulted about the maintenance items. She further stated that the issue could potentially be addressed when subcommittee assignments are reconsidered at the January meeting of the Board of Directors.

Director Roberts stated that the Board would next discuss landscaping in the District, including the report from Priority Landscapes, LLC’s (“*Priority*”) attached as **Exhibit “F”**. Ms. Smith reviewed the report and stated that Priority would be setting up the Christmas tree recycling area on December 26, 2020.

Director Roberts stated that the Board would next discuss general management items, and recognized Ms. Smith. Ms. Smith reviewed her report attached as **Exhibit “G”** and the directives to the General Manager and noted that all directives had been completed. She reported that no District facilities had recently been reserved, due to the coronavirus. Ms. Smith stated that she been receiving training from Granicus regarding updating the District’s “yet to be released” website and that she should have a “rollout” date soon for the website. She further

stated that she was amidst the Microsoft 365 rollout relating to new email addresses for the Directors. She confirmed that all of the new water fountains purchased in the spring had been installed in the District.

Director Roberts stated that the Board would receive a report from the Water/Environmental Subcommittee and recognized Director Bennett. Director Bennett presented the proposal from Jones & Carter, Inc. for Permit Year 3 of the Storm Water Management Program attached as **Exhibit “H”** (the “*Stormwater Proposal*”) and noted that such work related to required stormwater compliance at the Texas Commission on Environmental Quality. He then presented the proposal from Jones & Carter, Inc. to assess areas and prepare recommendations for clearing out vegetation and debris in waterways attached as **Exhibit “I”** (the “*Creek Maintenance Plan Proposal*”) and noted that such work would take place in Jumano Park. Director Roberts then stated that the Board would discuss America’s Water Infrastructure Act of 2018 (“*AWIA*”) compliance, including the AWIA Memorandum from Armbrust and Brown, PLLC, attached as **Exhibit “J”**. Mr. Abbott reviewed the AWIA Memorandum with the Board and noted that the Board would be subject to the provisions of the AWIA, based on the population of the District. Director Bennett then presented the proposal from Jones & Carter, Inc. for AWIA compliance attached as **Exhibit “K”** (the “*AWIA Proposal*”), including a Risk and Resilience Plan and Emergency Response Plan. Upon question from Director Logan, Director Bennett confirmed that the budget should support the payment of the proposals from Jones & Carter and further noted that the District had surplus funds available that could be used to pay for the services associated with the proposals. After discussion, upon motion by Director Bennett and second by Director Logan, the Board voted 4-0 to approve the Stormwater Proposal, the Creek Maintenance Plan Proposal, and the AWIA Proposal.

Director Roberts then stated that the Board would discuss District operations and recognized Ms. Torres, who presented the report attached as **Exhibit “L”**. Ms. Torres reviewed the report from and directives to Crossroads Utility Services, LLC. She stated that all lab results were satisfactory and that water loss for the previous month had been 6.24%. Ms. Torres stated she had one write-off included in her report. Upon motion by Director Logan and second by Director Bennett, the Board voted unanimously to approve the write-off, as presented. Ms. Torres then described the 90-day+ past due balances on District utility accounts included in her report. She stated that not many Block House residents had called to request payment plans. Director Logan inquired of Ms. Torres as to how other districts were treating past due balances. Ms. Torres stated that other districts in the Austin area had begun to disconnect past due customers. Director Koenig stated that he was in favor of working with any residents that expressed an interest in assistance or a payment plan. He noted, however, that he was in favor of moving forward with disconnections for any residents that had not made an effort to work with the District. Director Logan agreed with Director Koenig. Mr. Abbott confirmed to the Directors that the Board had voted in September to resume its standard disconnection policies. Ms. Torres confirmed that no disconnections had occurred in the District since September. She noted that Crossroads typically holds disconnection notices during the holiday season and that they would likely begin to send such notices in January. Upon question from Director Roberts, Ms. Torres confirmed that Crossroads had sent many residents multiple letters and that a disconnection letter would be the next action. Director Roberts expressed an interest in moving forward with the standard District disconnection policies. Director Logan then asked the Board if it would be beneficial to send out a District-wide communication to remind customers that payment plans were available and suggested that the Communications Subcommittee could address the issue.

Director Roberts stated that the Board would next discuss District parks and facilities, including disc golf. She noted that the District's disc golf course in Comanche Park and Tumlinson Park had been closed in early 2020 and that there were now individuals playing the course with temporary baskets. She stated that there were District residents who were encouraging such play on social media websites. Director Roberts further stated that it was her understanding that District residents who lived next to Comanche Park were finding discs in their backyards. She suggested that it may be necessary for the Board to consider a park rule that would prohibit the use of temporary baskets for disc golf in District parks. She stated that the report prepared by John Houck established that a microcourse could be created in Comanche Park. She then stated that she would like the Board to consider revising the Board's park rules. Director Bennett supported establishing such a rule to address the concerns of the residents whose homes border Comanche Park. He noted that the Board had attempted to find a new home in the District for disc golf, but that residents in the Jumano Park area had objected vociferously to any disc golf occurring in Jumano Park. He stated that the Board could try again to establish disc golf in Block House, but felt that they needed to respond to the residents that had expressed concern about the resumption of disc golf in Comanche Park. Director Bennett stated that it was impossible to control who is playing disc golf in the District's parks and that it could be non-residents. Director Logan stated that it was her understanding that certain individuals had spit on the cars driven by disc golfers. She questioned whether the District would also need to ban playing horseshoes, hacky sack, or throwing softballs. She stated that she had been in Comanche Park and had not observed any instances where the properties of District residents had been negatively affected. Director Koenig then asked Director Logan to confirm whether she was playing disc golf at Comanche Park. Director Logan confirmed that she had been in the parks observing disc golf being played on the temporary baskets in Comanche Park but that she was not part of any organized effort to encourage playing disc golf at Comanche Park. Director Roberts then asked Director Logan if she had purchased a temporary basket for disc golf and Director Logan confirmed that she had purchased a basket. Director Roberts stated that her neighbors had reported to her that discs had begun landing in their backyards since play had resumed in the Comanche Park with temporary baskets. She stated that she had no reason to question the veracity of the reports. Director Logan stated that there were many residents in Block House that were happy that the temporary baskets were available for play. Director Roberts observed that there were more residents utilizing hammocks and picnic tables since the disc golf course had been removed. She then reiterated her desire to direct the General Manager of the District to revise the park rules so that playing disc golf with temporary baskets in District parks was illegal, noting that disc golf had been removed in the District for safety issues. She also stated that there were many non-residents playing on the District's disc golf course. Director Logan stated that she was against such a rule and that the District might then need to consider banning similar items, such as horseshoes. Director Koenig stated he was not in favor of banning all Frisbees, but simply banning temporary baskets and the playing of disc golf in District parks. Director Bennett stated that he was sorry that the Board had not been able to find a workable solution but that safety was his greatest concern. He noted that the Board could pause and reconsider its options in the future. Director Logan stated that she felt a few people were being penalized for the actions of others and that she hoped the Board would reconsider formally bringing back disc golf. Upon motion by Director Roberts and second by Director Bennett, the Board voted 3-1, with Director Logan voting "no", to direct the General Manager to provide proposed revisions to the Order Establishing Rules and Regulations Governing Recreational Facilities and Related Fees and Charges to prohibit the playing of disc golf with temporary baskets in District parks and to reconsider the reservation system at the Luther Chance Practice Field.

Director Roberts stated that the Board would next discuss the newsletter, water bill inserts, website and District-wide calendar, including the report from the Communications Subcommittee. Ms. Smith confirmed that the District newsletter had recently been sent out. Director Logan proposed that the Communications Subcommittee meet before the end of the year.

Director Roberts stated that the Board would next receive the report from and directives to Armbrust & Brown, PLLC. Mr. Abbott confirmed that all of his directives were complete. He then reviewed the Amendment No. 1 to General Management Services Agreement attached as **Exhibit “M”**. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted 4-0 to approve the Amendment No. 1 to General Management Services Agreement.

Mr. Abbott then reviewed the Restrictive Covenant Enforcement Services Agreement with Community Association Management (“CAM”) attached as **Exhibit “N”** with the Board. He noted that a provision had been inserted into the Agreement that accounted for CAM’s automated drafting system and how CAM would undertake manual drafting of letters relating to restrictive covenant violations. He also stated that CAM had proposed an additional provision to provide for the update of District home ownership on a monthly basis and a revised Base Fee to account for the change. After discussion, upon motion of Director Bennett and second Director Logan, the Board voted 4-0 to approve the Restrictive Covenant Enforcement Services Agreement with Community Association Management, subject to the addition of language to provide for the monthly update of District home ownership and a Base Fee of \$2,400 per month.

Mr. Abbott then referred to the Pool Use Agreement with Block House Creek Swim Team (Tidal Waves). He stated that the Board had considered and approved the Agreement at its meeting on July 22, 2020, and that the Block House Creek Swim Team had subsequently requested substantive changes to the Agreement. Mr. Abbott then reviewed an updated agreement, and noted that the Block House Creek Swim Team had approved the current draft. He requested that the Board approve and finalize the current draft. After discussion, upon motion by Director Logan and second by Director Bennett, the Board voted 4-0 to approve the revised Pool Use Agreement with Block House Creek Swim Team attached as **Exhibit “O”**.

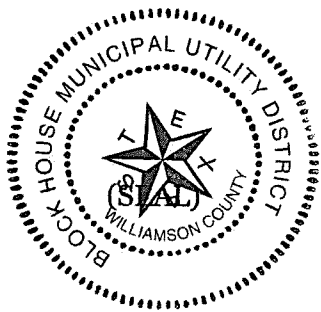
Director Bennett then directed Mr. Abbott to include an agenda item on the January agenda to discuss the documentation of illegal dumping on the District’s greenbelts.

Director Roberts then directed Mr. Abbott to review and confirm the meeting notes attached as **Exhibit “P”**.

Director Roberts stated that the Board would next discuss the Board’s future meeting schedule and agenda items. Mr. Abbott confirmed the next meeting of the Board of Directors would occur on January 27, 2021.

There being no further items to come before the Board, upon motion by Director Bennett and second by Director Roberts, the Board voted 4-0 to adjourn the meeting.

* * *



[SIGNATURE PAGE TO DECEMBER 16, 2020 MINUTES]

Ursula Logan, Assistant Secretary
Board of Directors

Date: 06 February 2021