

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

August 18, 2021

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A special meeting of the Board of Directors of Block House Municipal Utility District was held via telephone conference on August 18, 2021, at 1-888-510-5505; participant code: 199914. 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. Certain Members of the Board participated in the telephone conference at 2600 Block House Drive South, Leander, 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.

The meeting was called to order at 6:30 p.m. and the roll of the members of the Board of Directors was called, as follows:

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

All of the Directors were present on the call when it was called to order. Also present on the call were Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("MAC"); Jacquelyn Smith and Lisa Torres of Crossroads Utility Services, LLC ("Crossroads"); Sandy Martin of the Block House Creek Owners Association (the "QA"); Sergeant Chuck Kelley of the Williamson County Sheriff's Office ("WCSO"); Trent Rush of Hitchcock Designs; Lauren Smith of Public Finance Group LLC; Robert Young, Karen Block, and Terri Hutton, residents of the District; and Sean Abbott of Armbrust & Brown, PLLC ("A&B").

Director Roberts welcomed those present on the call. She confirmed that the meeting was being conducted via telephone and was being recorded. She requested that each speaker identify themselves when speaking and requested that anyone participating in the call mute their phone when they were not speaking.

Director Roberts then stated that the Board would receive citizens' communications. Mr. Young stated that he would like to see the District undertake surveys of residents to solicit opinions on the District's budget and tax rate. He then discussed the recent bond elections in the District and noted that the proposal to construct fencing throughout the District had failed. He further stated that the Board of Directors had appointed Director McMullen to the Board despite the fact that he had run for the Board of Directors and lost on two occasions. He then reminded the Board that there would be a recording that served as a record of its votes for the current Board meeting.

Ms. Hutton then addressed the Board and stated that she was opposed to any increase of fees or taxes from the District. She stated that she didn't think that District residents "were getting what they're paying for" from the District. Ms. Hutton further stated that the Board does not enforce their restrictive covenants and that the Board would never sue a resident to actually enforce the District's restrictive covenants.

Director Roberts stated that the Board would next discuss and consider approving the consent to representation for request for Temporary Access Easements to Pedernales Electric Cooperative, Inc. (the "Consent to Representation"). Mr. Abbott reviewed the Consent to Representation with the Board. Upon question from Director Roberts, Mr. Abbott confirmed that the District would likely need to retain independent counsel if a litigious matter resulted from the proposed temporary access easements with Pedernales Electric Cooperative that the Board was considering. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve the Consent to Representation, attached as **Exhibit "B"**.

Director Roberts then stated that the Board would consider approving the proposal from Hitchcock Design Group for the parks master plan update attached as **Exhibit "C"**. Mr. Rush reviewed the proposal with the Board and noted that the parks master plan would be a complete, inclusive review of all the parks in the District, including the existing and additional facilities being considered. After discussion, upon motion by Director McMullen and second by Director Bennett, the Board voted unanimously to approve the proposal from Hitchcock Design Group for the parks master plan update.

Director Roberts then stated that the Board would discuss the 2021/2022 budget and 2021 tax rate, including: (i) work session on 2021/2022 budget; (ii) establish and take record vote on proposed 2021 tax rate; (iii) schedule public hearing at which adoption of 2021 tax rate will be considered; and (iv) authorize publication of Water District Notice of Public Hearing on Tax Rate. Director Roberts recognized Ms. Lauren Smith, who reviewed the 2021 tax rate analysis attached as **Exhibit "D"**, including the certified assessed valuation for the District. She then reviewed each of the proposed tax rate scenarios provided in the analysis, including the components of the District's proposed tax rate. Discussion ensued. Ms. Smith then briefly reviewed the tax rate classifications instituted by Senate Bill 2 and stated that the Board would need to establish a proposed tax rate and a set a date in September for the public hearing on the tax rate. Ms. Smith recommended that the Board adopt a tax rate of \$0.7105 per \$100 assessed valuation. Director Roberts stated that she would like for the Board to consider granting larger and/or additional exemptions at the appropriate time in 2022. After further discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted to approve and publish a total proposed tax rate of \$0.7105 per \$100 assessed valuation, with Directors Roberts, Bennett, Koenig, McMullen and Logan present and voting "aye".

Director Roberts then recognized Ms. Kolmodin, who handed out a fiscal year end 2021/2022 draft budget, attached as **Exhibit "E"**, for the Board's review. The Board discussed various expense line items and the impact the limitation on the maintenance and operations tax rate component of the total tax rate would have on the budget. No action was taken on the draft budget.

Upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to schedule a public hearing on the tax rate for September 8, 2021 at 6:00 p.m. at 2600 Block House Drive South, Leander, Texas, 78641. Director Roberts then stated the Board needed to consider publication of the proposed tax rate. Upon motion by Director McMullen and

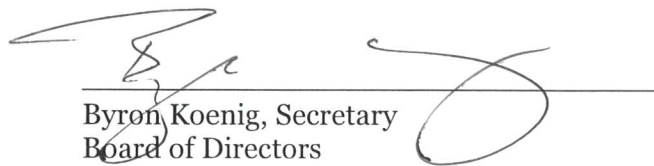
second by Director Koenig, the Board voted unanimously to authorize publication of the Water District Notice of Public Hearing on Tax Rate in the Hill Country News.

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

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[SIGNATURE PAGE TO August 18, 2021 MINUTES]



Byron Koenig, Secretary  
Board of Directors

Date: 9-22-21