

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

July 28, 2021

THE STATE OF TEXAS §
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COUNTY OF WILLIAMSON §

A regular meeting of the Board of Directors of Block House Municipal Utility District was held via telephone conference on July 28, 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 "OA"); Sergeant Chuck Kelley of the Williamson County Sheriff's Office ("WCSO"); Tom Davis, Lifeguard 4 Hire ("L4H"); Trent Rush of Hitchcock Designs; Tripp Hamby of Priority Landscapes, LLC ("Priority"); Malorie Lara of Community Association Management ("CAM"); David Gray of Gray Engineering ("GE"); Lauren Smith of Public Finance Group LLC; Neil Guidera and Terri Hutton, residents of the District; and Sean Abbott of Armbrust & Brown, PLLC ("A&B").

Director Roberts welcomed those present. 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. Guidera stated he was not in favor of "in person" Board meetings. He proposed that the Board consider meeting telephonically and opined that he was in favor of additional transparency going forward.

Ms. Hutton then addressed the Board and stated the District's enforcement of restrictive covenants was arbitrary and limited to instances where violations negatively affected property values in the District. She described instances of the District's enforcement of restrictive covenants for her property and stated that she thought she had been intentionally targeted. She further stated that she wanted all restrictive covenant violations to be made public and requested that the Board continue to meet in an online format.

Director Roberts then stated that the Board would receive a report from the OA and recognized Ms. Martin. Ms. Martin provided an update on the OA's planned "back to school" event in August at Tumlinson Park. She noted that the OA planned to have a small carnival with rides, lawn games and ice cream. Ms. Smith then presented a request for a fee waiver for the use of District facilities from the OA to conduct a yoga class at Tonkawa Park and recommended approval. After discussion, upon motion by Director McMullen and second by Director Logan, the Board voted unanimously to approve the request. Director Roberts then directed Ms. Smith to use her discretion to approve any similar requests where the OA was simply requesting a continuation of a previously approved event. Ms. Martin then stated that the OA had made a request to utilize the Jumano Community Center for a lantern building workshop, which was denied. She confirmed the request was for a total of seven nights of use. Upon question from Director Roberts, Ms. Martin confirmed that items would be stored on location for the duration of the requested period. Upon question from Director Roberts, Ms. Martin stated that she did not know who would be opening and closing the building. Ms. Smith then stated that the Jumano Community Center had been closed as part of COVID protocols and that the Boy Scouts had been meeting outside the building. After discussion, upon motion by Director McMullen and second by Director Logan, the Board voted unanimously to start accepting reservations for the Jumano Community Center. Director Roberts then directed Ms. Smith to inform the Boy Scouts that the Community Center was available for reservation. Director McMullen directed Ms. Smith to coordinate with the OA regarding the lantern building workshop. Ms. Martin then stated that the OA would like to use the existing trash cans at Tumlinson Park for the back to school event and stated that they were planning to use space near the ballfields for the event. Director McMullen stated that the OA was welcome to utilize the trash cans in Tumlinson Park for the event and invited the OA to relocate the existing trash cans, as necessary.

Director Roberts stated that the Board would next consider approving the minutes of the June 23, 2021 regular meeting. Director Logan requested the minutes be amended to note: (1) that she had noted that CAM's report to the Board incorrectly stated that the District was a homeowners association; and (2) that she had requested that the District remove its lock from the gate on Meritage Drive. After discussion, upon motion by Director McMullen and second by Director Koenig, the Board voted unanimously to approve the minutes, as amended.

Director Roberts stated that the Board would next receive a report from the WCSO and recognized Sgt. Kelley. Sgt. Kelley reported that a new deputy had joined the WCSO "Block House" team. He then stated that everything in the District was generally running normal from his perspective.

Director Roberts then stated that the Board would discuss restrictive covenant enforcement, including pending or contemplated litigation, and recognized Ms. Lara. Ms. Lara then reviewed CAM's report. She noted that most of the recent violations related to recreational vehicles and trailers. Director McMullen confirmed that A&B had sent out two letters this month relating to restrictive covenant enforcement. Director Logan then stated that CAM's report still referenced "homeowners association" and requested that all such references be removed going forward. She requested that, in instances of a second violation being sent, the date of the first violation be included. Director Logan further requested that violation descriptions be consistent throughout the report and that all spreadsheets be appropriately titled and labeled. Director McMullen then offered to work with CAM to resolve the issues.

Director Roberts stated that the Board would next receive the bookkeeper's report and recognized Ms. Kolmodin. Ms. Kolmodin presented the check register, attached as **Exhibit "B"**, and supplemental cash flow report/check register, attached as **Exhibit "C"**. Ms. Kolmodin then noted that Check No. 20998 had been prepared for the final payment to HouckDesign for design

of the disc golf course. Director Bennett stated that he had inspected the course and recommended approval of the final payment to HouckDesign. Ms. Kolmodin noted that there were three fund transfers and recommended approval of a certificate of deposit. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve payment of the bills and invoices (including Check No. 20998 to HouckDesign), the investment, and the fund transfers, as presented.

Director Roberts stated that the Board would next discuss pool operations, maintenance, repairs and management and recognized Ms. Smith, who reviewed the pools report from L4H attached as **Exhibit “D”** and stated that the pools were operating under their typical seasonal protocol.

Director Roberts then stated that the Board would discuss landscape maintenance, including the report from Priority attached as **Exhibit “E”**. Ms. Smith then presented Proposals #500, #503, #504, and #505 that had been included in the meeting packet. Director Roberts then asked Mr. Hamby to explain Proposal #500, attached as **Exhibit “F”**, relating to the installation of volleyball sand in Tumlinson Park. Mr. Hamby stated that a significant amount of sand was required in order to provide the recommended 12 inches of sand for a beach volleyball court. Upon question from Director McMullen, Mr. Hamby confirmed that Priority would be fulfilling the order and that they would not be bidding the job out. Director Logan then confirmed that the recommended amount of sand was a safety issue. The Board then agreed to table the matter and discuss at the August 11, 2021 budget meeting.

Mr. Hamby then presented Proposal #503 for the culvert for the low water crossing in the disc golf course area, attached as **Exhibit “G”**; Proposal #504 for the trail relocation in Jumano Park, attached as **Exhibit “H”**; and Proposal #505 for addressing the erosion along the trail in Jumano Park near the toll road bridge, attached as **Exhibit “I”**. Upon motion from Director Bennett and second by Director Koenig, the Board voted unanimously to approve Proposals #503, #504, and #505, as presented. Director Bennett then directed Mr. Abbott to confirm whether surplus funds could be utilized to pay for the work associated with Proposals #503 and #505.

Director Roberts then stated that the Board would discuss District operations and recognized Ms. Torres. Ms. Torres reviewed the Timing of Late Fees Memo, attached as **Exhibit “J”**, regarding the existing process for assessing late payments. Discussion ensued. Ms. Torres then proposed that Crossroads not process late fees until the 11th or 12th of each month and explained that this process would provide enough time to process timely payments before late fees were levied. Upon motion by Director Logan and second by Director Roberts, the Board voted unanimously to direct Crossroads to process late fees on the 11th or 12th of each month, going forward. Ms. Torres then reviewed the report attached as **Exhibit “K”**. She stated that all lab results were satisfactory and that the water loss for the previous month had been 11.84%. Ms. Torres stated that complications from the City of Cedar Park contributed to the higher than usual water loss rate. She added that there were no write-offs included in her report. Ms. Torres then presented the proposal from Crossroads for sample stations at 15305 English River Loop and 16401 Jadestone Drive, attached as **Exhibit “L”**. After discussion, upon motion by Director McMullen and second by Director Koenig, the Board voted unanimously to approve the proposal for the sample stations. Ms. Torres then presented Quotation #101 for locating, cleaning and restoring storm structure inlets, attached as **Exhibit “M”** and reviewed it with the Board. She also presented Quotation #102 for restoring storm structure outfalls, attached as **Exhibit “N”**. Upon motion from Director McMullen and second by Director Bennett, the Board voted unanimously to approve Quotations #101 and #102, as presented.

Director Roberts stated that the Board would next discuss general management items, and recognized Ms. Smith. Ms. Smith reviewed coronavirus considerations in Williamson County with the Board and noted that Williamson County had been designated as “Phase Red.” She then reviewed her report, attached as **Exhibit “O”**, and the proposal from GameTime for the replacement and installation of two backstops in Tonkawa Park, attached as **Exhibit “P”** and recommended approval. Upon question from Director Roberts, Ms. Smith confirmed that the backstops did come with a warranty. Upon question from Director Bennett, Ms. Smith confirmed that the Parks Subcommittee would confirm the locations of the backstops in Tonkawa Park. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve the proposal from GameTime for the backstops.

Ms. Smith then reviewed the proposed usage schedule for the Leander Independent School District’s 2021/2022 swim season and use of Apache Pool, attached as **Exhibit “Q”**, and noted that some of the proposed dates may conflict with roof repairs at Apache Pool. After discussion, upon motion by Director Logan and second by Director Bennett, the Board voted unanimously to approve the swim schedule, subject to coordination relating to any scheduled roof repairs. Ms. Smith then stated that the District had received approximately \$23,000 in insurance payments relating to the February winter storm and \$11,000 in insurance payments relating to the recent hail storm from the Texas Municipal League Intergovernmental Risk Pool (“**TML**”). Director Roberts then directed Ms. Smith to prepare an updated report detailing total costs for weather-related repairs and insurance payments for review by the Board and she agreed to do so. Ms. Smith then confirmed that she would continue to work with TML’s adjuster regarding tree-related claims.

Director Roberts stated that the Board would next discuss District parks and facilities, including disc golf, and recognized Director Bennett. Director Bennett provided an update to disc golf course construction and stated that the opening of the course was “getting close.” He stated that the course would likely open in September. Director Bennett then presented Invoice #4930, attached as **Exhibit “R”**, for disc golf course signage from Circular Productions d/b/a HouckDesign. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve Invoice #4930 from Circular Productions d/b/a HouckDesign. Director Bennett then stated that the District may require assistance from volunteer groups or Priority for spreading mulch and the removal of rocks from the disc golf course. Ms. Torres noted that the presence of rocks constituted a safety hazard. Director Logan suggested using the National Honor Society as they needed volunteer hours and that the OA may also be able to assist. Director Bennett stated that he would do his best to solicit volunteers, but noted that there were timing considerations related to the opening of the disc golf course in a timely fashion. After discussion, upon motion from Director Bennett and second by Director Koenig, the Board voted unanimously to approve expenditures of up to \$10,000 from Priority to distribute mulch and remove rocks from the disc golf course. Director Roberts then thanked Directors Bennett and Koenig, Ms. Torres, and Mr. Hamby for all of their work on the disc golf project.

Director Roberts then stated that the Board would consider the utility easement behind homes on St. Genevieve Drive. Ms. Smith stated that the homeowner on the Northwest corner of St. Genevieve and Meritage Drive confirmed that they would like for the District to keep its lock on the gate behind the home in question, which restricted access to the utility easement. After discussion, upon motion by Director Koenig and second by Director McMullen, the Board voted 4-1, with Director Logan voting “no”, to keep the lock on the gate in question.

Director Roberts then stated that the Board would discuss the use of Proposition A bond funds and the proposal from Hitchcock Design attached as **Exhibit “S”**. Director Roberts then

reviewed the projects included in the District's Park Plan. Mr. Rush stated that it might be beneficial for the District to undertake an update to its Park Master Plan and include all of the facilities included in the District's Park Plan. He noted that a comprehensive Park Master Plan update would provide for a more holistic analysis of park considerations and enhancements. Discussion ensued and the Board agreed that an update to the Park Master Plan would be beneficial. Mr. Rush stated that onsite inspections at Jumano and the other District parks would be necessary to evaluate all potential park projects. The Board then directed Mr. Rush to prepare a proposal to perform a comprehensive update to the District's Park Master Plan, and directed Mr. Abbott to provide Mr. Rush with a copy of the existing Park Master Plan.

Director Roberts stated that the Board would next discuss engineering items and recognized Mr. Gray. Mr. Gray stated that he looked forward to working with Mr. Rush on the park projects. He then noted that he intended to present a proposal to begin assembling a park bond application to the Texas Commission on Environmental Quality. At the request of Mr. Gray, Director Roberts then directed Mr. Gray to begin working on the park bond application. Mr. Gray then reviewed his report, attached as **Exhibit "T"**. He then reported on his directive and confirmed that he had spoken with the developer for the Knight Tracts and that he had also reached out to the City of Cedar Park regarding the same. He stated that the developer had represented that there had been no permanent plans made as of yet to provide water and wastewater service to the development planned for the Knight Tracts. Mr. Gray confirmed that he had delivered the District's Out-of-District Service Policy to the developer and that he would monitor the development going forward.

Director Roberts stated that the Board would next receive the report from and directives to A&B. Mr. Abbott confirmed that all of his directives were complete.

Director Roberts left the meeting at 8:31 p.m.

Mr. Abbott then called the Board's attention to a summary of the District Tax Rate Classifications under Senate Bill 2. Mr. Gray opined that the District should be classified as a "developed district" for the current tax year. Upon motion by Director Bennett and second by Director Koenig, the Board voted 4-0 to classify the District as a developed district for the current 2021-2022 tax year.

Director Roberts returned to the meeting at 8:35 p.m.

Director Roberts then recognized Lauren Smith of Public Finance Group LLC, who reviewed the District's 2021 Certified Appraised Valuation, attached as **Exhibit "U"**, and noted that the assessed value in the District had undergone an "impressive increase" from the previous year. Upon question from Director McMullen, Ms. Smith reviewed the rollback considerations for developed districts. Mr. Abbott reviewed the schedule for adoption of the District's 2021-2022 budget and 2021 tax rate and reminded the Board that it was important that a quorum be present at the next two regular meetings relating to the levy of the Board's ad valorem tax.

Director Roberts stated that the Board would next discuss the Board's future meeting schedule and agenda items. Mr. Abbott confirmed that the next regular meeting of the Board of Directors would occur on August 25, 2021.

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

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[SIGNATURE PAGE TO July 28, 2021 MINUTES]


Byron Koenig, Secretary
Board of Directors

Date: 8-25-21