

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

September 22, 2021

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Block House Municipal Utility District was held on September 22, 2021, at 2600 Block House Drive South, Leander, Texas. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act. A copy of the Certificate of Posting of the Notice is attached as **Exhibit "A"**.

All members of the Board were present, as follows:

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

Also present at the meeting were Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("**MAC**"); Jacquelyn Smith, Andrew Hunt, Patricia Rinehart, and Lisa Torres of Crossroads Utility Services, LLC ("**Crossroads**"); Sandy Martin of the Block House Creek Owners Association (the "**OA**"); Sergeant Chuck Kelley and Deputy Antonio Lovato of the Williamson County Sheriff's Office ("**WC**"); Ashlee Martin of McCall Gibson Swedlund Barfoot, PLLC; Tom Davis of Lifeguard 4 Hire ("**L4H**"); Lauren Smith of Public Finance Group LLC; and Sean Abbott of Armbrust & Brown, PLLC ("**A&B**").

Director Roberts called the meeting to order at 6:30 p.m. and welcomed those present. She announced that public comments were taken during designated portions of the meeting only and asked that anyone who wished to address the Board complete a Community Comment form. Following the Pledge of Allegiance to the U.S. flag, the Board and those present at the meeting observed a moment of silence or prayer.

Director Roberts then stated that the Board would receive citizens' communications. There being none, she stated that the Board would next receive a report from the OA and recognized Ms. Martin. Ms. Martin stated that all OA events had been approved through November. She then confirmed that the OA campout was scheduled for October 2 and that the Pumpkin Patch and Lantern Parade events would occur soon. Director Roberts then directed Ms. Smith to provide a list of all OA events to the WC

Director Roberts stated that the Board would next consider approving: (i) the minutes of the August 11, 2021 special meeting, the August 18, 2021 special meeting and the August 25, 2021 regular meeting and (ii) the proposal from McCall Gibson Swedlund Barfoot PLLC for audit services for fiscal year ending September 30, 2021 attached as **Exhibit "B"**. Director McMullen noted that in the third full paragraph on the third page of the August 25, 2021 minutes "disc golf" was referred to as "disco golf" and requested that the clerical error be amended. Ms. Martin then reviewed the audit proposal with the Board. After discussion, upon motion by Director Logan and second by Director Bennett, the Board voted unanimously to approve the minutes from the August

11 and August 18 meetings, as presented, the minutes from the August 25 meeting, as amended, and the proposal for audit services.

Director Roberts stated that the Board would next discuss pool operations, maintenance, repairs and management and the consideration of the Pool Services Agreement, attached as **Exhibit “C”**. Mr. Abbott noted that certain terms of the Agreement had been added when compared to the version included in the District packet prepared prior to the meeting, including: adjustments to pricing relating to special events in Subsections B.2.a. and b., the compensation hourly rate listed in Section V., and certain contact information in Section VI. Director Roberts then recognized Mr. Davis, who stated that the pools were operating under their typical seasonal protocol. He noted that there had been a lifeguard shortage in Williamson County and that L4H had shortened the typical hours of the District’s pools as a result. Upon question from Director Roberts, Mr. Davis confirmed that Apache Pool would be closed for two days in the near future to accommodate repairs. He noted that communication had already gone out to residents regarding the closure. Mr. Abbott then reviewed the terms of the Pool Services Agreement with the Board. After discussion, upon motion by Director Logan and second by Director McMullen, the Board voted unanimously to approve the Pool Services Agreement. Mr. Davis thanked the Board and stated that 2021 had been his most challenging year professionally. Director Roberts told Mr. Davis to report back to the Board if he had any issues and stated that the Board would be happy to accommodate him. Director Logan then stated that the District and L4H had a great long term relationship that was built on trust.

Director Roberts stated that the Board would next receive a report from the WCSO and recognized Sgt. Kelley. Sgt. Kelley briefly reviewed the WCSO’s recent activity in the District, including an instance of criminal mischief. He then stated that he would no longer be working in the District for personal reasons. He introduced Deputy Antonio Lovato to the Board and confirmed that Deputy Lovato would be leading WCSO’s efforts in the District. He stated that Deputy Lovato had been with WCSO for fourteen years and that he had patrolled the District extensively during that time. Sgt. Kelley then thanked the Board for all of their support over the years. Director Roberts then thanked Sgt. Kelley for all of the hard work he had put in over the years. Director Logan seconded Director Roberts’ comments. Director Roberts then directed Mr. Abbott to prepare a certificate of service to recognize Sgt. Kelley’s contributions to the District.

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 “D”**. Ms. Kolmodin noted that there were three fund transfers and recommended approval of a certificate of deposit. After discussion, upon motion by Director Logan and second by Director Roberts, the Board voted unanimously to approve payment of the bills and invoices, the investment, and the fund transfers, as presented. Ms. Kolmodin then requested that an agenda item be added to the Board’s October agenda to consider amendments to the current agreement with MAC. Mr. Abbott then presented the Resolution Adopting Amended and Restated Credit Card Use Policy, attached as **Exhibit “E”**, and noted that it established an overall credit limit for the District’s credit card of \$5,000. After discussion, upon motion by Director Koenig and second by Director Bennett, the Board voted unanimously to approve the Resolution.

Director Roberts then stated that the Board would discuss landscape maintenance, including the report from Priority attached as **Exhibit “F”**. Director Logan inquired as to the lack of landscape maintenance at the Scottsdale entrance to the District. Director McMullen stated that the Board had pushed the expenditure to the maintenance of the landscaping features at the Scottsdale entrance into the 2022 fiscal year. Upon question from Director Logan, Director Bennett noted that Priority had been spraying for chiggers on the disc golf course. Director Bennett then noted that the District would not plant grass in the disc golf course, but would likely

plant wildflowers. Director Logan then stated that a District resident had significant experience in such matters and offered to provide relevant contact information to Director Bennett. After discussion, upon motion by Director Bennett and second by Director Logan, the Board voted unanimously to approve an expenditures on wildflower seeds to be planted on or around the disc golf course for an amount not to exceed \$300. Director Roberts then directed Mr. Abbott to include an agenda item on the Board's next regular meeting agenda to discuss incorporating Trent Rush of Hitchcock Design Group into some of the planning discussions relating to District landscaping.

Director Roberts then stated that the Board would discuss District operations and recognized Ms. Torres. Ms. Torres reviewed the operations report attached as **Exhibit "G"**. She stated that all lab results were satisfactory and that the water loss readings for the previous month were inaccurate. She noted that the readings would be corrected in her next report. She added that there were no write-offs included in her report. Ms. Torres then presented the proposal from Crossroads Utility Services for the sample stations at 17516 Port Hood Drive and 16401 Susan Lane (Quotation #4), attached as **Exhibit "H"** and reviewed it with the Board. After discussion, upon motion from Director Bennett and second by Director McMullen, the Board voted unanimously to approve Quotation #4, as presented.

Director Roberts then stated that the Board would discuss restrictive covenant enforcement, including pending or contemplated litigation, and recognized Director McMullen. Director McMullen then reviewed CAM's report, including the open violations. Director Roberts stated that she liked the reports CAM had provided. Director Logan agreed, but requested better labeling of the charts that had been included.

Director Roberts stated that the Board would next discuss general management items, and recognized Ms. Smith. Ms. Smith reviewed her report, attached as **Exhibit "I"**. She stated that she had been researching the purchase of cell phones for Directors for District use. She stated that both iPhones and Androids should be available and that the cost should be approximately \$80 per month per Director. After discussion, upon motion by Director McMullen and second by Director Koenig, the Board voted 4-1, with Director Bennett voting "no", to approve the expenditures relating to the acquisition of cell phones, with the requisite service plan, for any Director who desired a District phone and to establish policies regarding such phone in the District's Code of Ethics. The Board then directed Mr. Abbott to include an agenda item on the Board's next regular meeting agenda to amend the District Registration Form to amend telephone numbers. Director Bennett stated that he did not like the idea of Directors having specific phones for District business. Director Logan opined that it would provide protection for Board members, and Director Roberts agreed.

Director Roberts stated that the Board would next discuss engineering. Director Bennett stated that he would like for Mr. Gray to present additional information to the Board regarding the fence project and directed Mr. Abbott to include a related item on the Board's next regular meeting agenda.

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 on the disc golf course construction and stated that Texas Disposal Systems had offered to provide temporary restrooms in Jumano Park for the disc golf grand opening. He then stated that signage for the course was almost done. He noted that volunteers had contributed a lot of time to finalize the course which had saved the District considerable amounts of money. He noted that some natural fences needed to be installed to prevent discs from going into established hiking paths. Director Logan then recommended that "doggie stations" were needed on the disc golf course.

Ms. Smith noted that such stations cost approximately \$500. Director Roberts stated that she supported the installation of such stations. Director Logan then directed Ms. Smith to proceed with the acquisition and installation of doggie stations in Jumano Park and Apache Park. Director Bennett then stated that he wanted to create a neighborhood group to maintain the hiking trails in the District. He noted that the best time to undertake such efforts was during the winter.

Director Roberts stated that the Board would next discuss the newsletter, water bill inserts, website and District-wide calendar. She noted that residents would need to specifically request paper copies of the District newsletter. Ms. Smith then began discussing the District's social media accounts and noted that comments had been turned off on the District's Facebook page. Director Roberts then noted that the District did not have a social media policy relating to such topics. Director Koenig noted that allowing for "two way" comments often led to responses that included personal attacks and misstatements. Director Logan noted that "two way" comments also provided for the positive flow of information about the District. Director Logan then inquired with Ms. Smith as to whether a Facebook post had been removed. Ms. Smith stated that she typically set up posts to expire, but occasionally posts did not expire. She also noted that the District's Facebook page was not set up as a government page and that she was working to rectify the issue. Director Logan stated that if some posts were set up to expire then all posts should be set up to expire. Director Koenig stated that Facebook seemed to create many problems. After discussion, upon motion by Director McMullen and second by Director Logan, the Board voted unanimously to make all social media posts "one way" communications (with comments turned "off"), to have no expiration of social media posts, to include the District's email address in all social media posts, and make the District's Facebook page a government page.

Director Roberts then stated that the Board would discuss the Letter Agreement with the BHC Owners Association. Director Logan noted that the OA intended to look at the Agreement and provide comments to the District. Director Roberts stated that she would like to see specific diagrams, as applicable, when the OA would be hosting events in the District's parks. The Board then discussed the inclusion of District messages on the e-sign (Community Electronic Sign). Ms. Martin noted that the OA was happy to display any message the District would like and confirmed that there was automated messaging that appeared on the e-sign.

Mr. Abbott then presented the Operations Services Agreement with Crossroads, attached as **Exhibit "J"**. Mr. Hunt reviewed the terms of the proposed renewal with the Board. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve the Operations Services Agreement.

Mr. Abbott then reviewed the Order Establishing Rules and Regulations Governing Recreational Facilities and Related Fees and Charges ("Rules"), attached as **Exhibit "K"**. He noted that the updated Rules made revisions to the District's Coronavirus policies at District pools. He also reviewed the provisions relating to disc golf and noted that the Rules would limit the playing of disc golf in District parks to the new disc golf course in Jumano Park. He noted that the Rules did provide for the reasonable use of Frisbees in all District parks, so long as proper considerations were given to other park patrons and nearby District residents. After discussion, upon motion by Director McMullen and second by Director Roberts, the Board voted 4-1, with Director Logan voting "no", to approve the updated Order Establishing Rules and Regulations Governing Recreational Facilities and Related Fees and Charges.

Director Roberts stated that the Board would consider Senate Bill 3 ("SB 3") considerations. Mr. Abbott stated that the District was required to undertake certain critical load reporting pursuant to SB 3 by November 3, 2021. The Board then directed Ms. Torres and Crossroads to undertake all necessary reporting pursuant to and in accordance with SB 3.

Director Roberts then stated that the Board would consider the telephonic or video streaming of District Board meetings. Director Logan expressed an interest in undertaking due diligence relating to the costs of streaming District meetings. She noted that many District residents had requested such streaming and it would allow residents to safely follow Board meetings from their homes. Director Roberts then suggested that the Board could invite an audio/video consultant to their next meeting to provide an overview of the process and eventually a detailed estimate of cost.

Director Roberts then stated that the Board would undertake a consultant review for the for the Board's General Manager. At 8:10 p.m., Director Roberts stated that the Board would convene in executive session to conduct the evaluation, as permitted by Section 551.074 of the Texas Government Code.

At 9:35 p.m., the Board reconvened in open session, and Director Roberts stated that no action had been taken during executive session.

After discussion, upon motion by Director McMullen and second by Director Bennett, the Board voted unanimously to approve the General Management Services Agreement, with the addition of a specific provision to require a review of the General Manager by February 1, 2022. Director Roberts then directed Mr. Abbott to include the General Management Services Agreement on the agenda for the Board's next regular meeting.

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

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 September 22, 2021 MINUTES]

~~Byron Koenig, Secretary~~
Board of Directors

Date: 10-27-21

STUART MEMULLEN
ASSISTANT SECRETARY