

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

October 27, 2021

THE STATE OF TEXAS §
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COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Block House Municipal Utility District was held on October 27, 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"**.

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, except Director Koenig, thus constituting a quorum. Also present at the meeting were Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("MAC"); Jacquelyn Smith, Patricia Rinehart, and Lisa Torres of Crossroads Utility Services, LLC ("Crossroads"); Samantha Guidera and Sandy Martin of the Block House Creek Owners Association (the "OA"); Tripp Hamby of Priority Landscapes ("Priority"); Deputy Antonio Lovato of the Williamson County Sheriff's Office ("WCSO"); Tom Davis of Lifeguard 4 Hire ("L4H"); Cliff Avery of GCP Association Services, LLC; Amanda Beasley of Triton Consulting Group; 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. Guidera. Ms. Guidera reported that the OA's lantern parade went well and that yoga and Zumba classes were ongoing. She noted that the OA's "camp out" had to be rescheduled due to inclement weather. Ms. Guidera then confirmed that the OA's recycling day was scheduled for November 6th and that their annual meeting would be held on November 13th.

Director Roberts stated that the Board would next consider the OA's request for a waiver of fees for the use of the Jumano Community Center and Disc Golf Course for a charity fundraiser on November 13, 2021. Ms. Guidera confirmed that a specific charity had not been selected for the event. Director Bennett stated that he did not think that the course was ready for an event, but that he did not want to hold up the event if the OA desired to press forward with the proposed date. Upon question from Director Logan, Director Bennett stated that there were not any safety issues with the course, just a few areas that still needed to be polished. Upon question from

Director Roberts, Ms. Guidera confirmed that the OA's disc golf event would only be open to residents of the District. After discussion, upon motion by Director Logan and second by Director McMullen, the Board voted 4-0 to approve the OA's request for a waiver of fees and use of the Jumano Community Center and Disc Golf Course for their proposed event on November 13, 2021. Director McMullen then requested that the OA stay in touch with Directors Bennett and Koenig regarding the conditions of the course. Director Logan then directed Ms. Smith to add the event to the District calendar.

Director Roberts stated that the Board would next consider approving the minutes of the September 8, 2021 special meeting and the September 22, 2021 regular meeting. After discussion, upon motion by Director McMullen and second by Director Bennett, the Board voted 4-0 to approve the minutes, as presented.

Director Roberts stated that the Board would next receive a report from the WCSO and recognized Deputy Lovato. Deputy Lovato briefly reviewed the WCSO's recent activity in the District. He then confirmed that a new deputy would be joining the "Block House Team" for patrols in the District.

Director Roberts then stated that the Board would discuss restrictive covenant enforcement, including pending or contemplated litigation, and recognized Director McMullen. Director McMullen reviewed CAM's report, including the open violations. Director Roberts stated that she would like to see CAM conduct additional drives in the District to enforce restrictive covenants and directed Director McMullen and Mr. Abbott to communicate with CAM regarding the same. Director Logan noted that CAM had labeled areas where the OA enforced restrictive covenants as "non-MUD" areas and requested that different language be used as such properties were actually within the boundaries of 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 "B"**. Ms. Kolmodin noted that there were three fund transfers and recommended approval. She then presented the Amended and Restated Agreement for Bookkeeping Services attached as **Exhibit "C"**, noting that her firm was moving towards an hourly billable structure for compensation as opposed to a monthly fee. Mr. Abbott then presented the Collateralization Agreement attached as **Exhibit "D"**; the Resolution Authorizing Consultant Representative attached as **Exhibit "E"**; the Resolution Appointing District Operator as Authorized Agent for Lock Box Clearing Account Treasury Management Services attached as **Exhibit "F"**; and the Pledgee Agreement Form attached as **Exhibit "G"** (collectively, the "*BBVA/PNC Bank Merger Documents*"). After discussion, upon motion by Director Bennett and second by Director McMullen, the Board voted 4-0 to approve the payment of the bills and invoices, the transfers, the Amended and Restated Agreement for Bookkeeping Services, and the BBVA/PNC Bank Merger Documents.

Director Roberts then presented the proposal from Triton Consulting Group, LLC ("*Triton*") for the District's website, social media and newsletter attached as **Exhibit "H"**. Ms. Beasley reviewed the proposal and offered the Board some background about the services that Triton could provide to the District. She noted that Triton has regularly undertaken communication efforts on behalf of districts, including photos, social media, and newsletters. Ms. Beasley noted that Triton could customize a set of services for whatever a district may need. She confirmed that they regularly engaged with clients, including attending regular board meetings. Upon question from Director Bennett, Ms. Smith stated that there were bigger conversations that needed to occur regarding District communications efforts. Director Roberts suggested that Triton could assume some of Ms. Smith's work to free her up to focus on other tasks. Discussion ensued relating to the District newsletter, including a preference for having both an electronic

version and a mailed version. Director Roberts then stated that she wanted improved and enhanced District communication. Ms. Beasley then confirmed that she was available for additional discussion and that she would be happy to submit a customized solution for the District to consider. Director McMullen stated that he was in favor of removing tasks from Ms. Smith's plate to free her up for other tasks. Director Roberts then stated that the Communications Subcommittee would follow up with Ms. Beasley to gain a better understanding of how Triton could help the District.

Director Roberts stated that the Board would next discuss pool operations, maintenance, repairs and management. Director Roberts stated that she wanted the Board to review the L4H contract to ensure that the hours paid for lifeguard services were in line with actual pool use. Mr. Davis confirmed that staffing decisions were "data driven" and that such decisions could always be adjusted. Director McMullen agreed and stated that the Board could examine the data to set schedules that make the most sense.

Director Roberts then stated that the Board would discuss landscape maintenance, including the report from Priority attached as **Exhibit "I"**. Mr. Hamby presented Proposal #735 for the installation of exterior Christmas lights and decorations attached as **Exhibit "J"**. After discussion, upon motion by Director Bennett and second by Director Logan, the Board voted 4-0 to approve Proposal #735, with an additional amount not to exceed \$1,000 for garland to decorate bridges in the District. Mr. Abbott then confirmed that Trent Rush of Hitchcock Design Group was "Kool and the Gang" with providing ad hoc advice to the District regarding landscaping decisions, including the selection of native trees and shrubs. He noted that the District may consider engaging Mr. Rush if they would like larger-scale advice over the District as a whole.

Director Roberts then noted that the District's Landscape Maintenance Agreement would expire on October 31, 2021. Mr. Abbott reviewed the proposed Landscape Maintenance Agreement attached as **Exhibit "K"**. He stated that Priority was also available to undertake maintenance of certain drainage areas in the District on a regular basis, as directed and approved by the Board. After discussion, upon motion by Director Bennett and second by Director Logan, the Board voted 4-0 to approve the Landscape Maintenance Agreement, including the additional provision relating to the maintenance of certain District drainage areas.

Director Roberts then stated that the Board would discuss District operations and recognized Ms. Torres. Ms. Torres reviewed the operations report attached as **Exhibit "L"**. She stated that all lab results were satisfactory and that the water loss readings were now correct, noting that water loss for the month of September was 5.92%. 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 Claudia Drive, Turtle River Drive, and Port Anne Way (Quotation #5), attached as **Exhibit "M"** and reviewed it with the Board. After discussion, upon motion from Director McMullen and second by Director Bennett, the Board voted 4-0 to approve Quotation #5, as presented.

Director Roberts stated that the Board would next discuss general management items, and recognized Ms. Smith. Ms. Smith reviewed her report, attached as **Exhibit "N"**. She reported that she had ordered a pet waste station for Apache Park. The Board then directed Ms. Smith to order an additional station(s) for Jumano Park. Ms. Smith then stated that a check had been received from the Texas Municipal League Intergovernmental Risk Pool ("**TML**"), the District's insurer, for damages to the Jumano Community Center's roof during the February 2021 ice storm. She noted that there may also be recoverable depreciation if the roof were to be replaced. Upon question from Director Roberts, Ms. Smith confirmed that the roof was not leaking. The Board directed Ms. Smith not to replace the roof. Director Logan then directed Ms. Smith to prepare a

spreadsheet to detail the specific claims that had been submitted to TML and the status of such claims.

Ms. Smith then presented the proposal from Sundek of Austin for refinishing the floors at the Tumlinson Pool restrooms, attached as **Exhibit “O”**, and requested approval. After discussion, upon motion by Director Logan and second by Director Bennett, the Board voted 4-0 to approve the proposal. Director Roberts directed Ms. Smith to request that Jan-pro power wash the walls of the Tumlinson Pool restrooms with bleach.

Director Roberts stated that the Board would next discuss engineering matters, including the District fence project. Director McMullen confirmed that funds had been included in the District’s budget for the fence project. Upon question from Director McMullen, Mr. Gray stated that the District could start the project anywhere in the District. He suggested evaluating the District for the areas of fence that were in the greatest need for replacement. Upon question from Director Bennett, Mr. Gray stated that the District had a few different options available in terms of what fencing material could be used. He stated that he could direct the Board members to similar projects in the area where they could observe different approaches. He then noted that once the Board had selected the material they would like to use, it would be easy to establish a budget for each fiscal year. The Board then created the “Fence Subcommittee”, appointed Directors McMullen and Bennett to serve on the Subcommittee, and directed the Fence Subcommittee to evaluate fence material options for the Board and to bring back three choices for the full Board to consider.

Mr. Gray then discussed the development of the Knight Tracts. He stated that it was his understanding that the current owner of the property had made changes to the development team working with Cedar Park. He also confirmed that he had communicated with the City’s staff relating to utility considerations for the property. He stated that it was his impression that City staff had issues with the previously proposed density of the property. Mr. Gray then confirmed that his office continued to work on the Texas Commission on Environmental Quality (“*TCEQ*”) park bond application and that all Senate Bill 3 (“*SB 3*”) critical load reporting had been completed. The Board then directed Mr. Gray to undertake preparation for the Emergency Preparedness Plan required by SB 3.

Director Roberts then stated that the Board would discuss property maintenance, repairs and replacements. Director Bennett stated that he would like to establish seasonal maintenance templates that established protocols for the regular maintenance of District facilities. He then stated that he would also like to establish a system whereby residents could track the undertaking of maintenance requests online.

Director Roberts stated that the Board would next discuss District parks and facilities, including disc golf. Ms. Smith noted that there had been discussion relating to the establishment of course rules for the Jumano Park Disc Golf Course and questioned whether the course rules should be adopted as part of the District’s Park Rules. The Board tabled discussion relating to the course rules.

Director Roberts then stated that the Board would discuss the Letter Agreement with the BHC Owners Association. Director Roberts stated that she would like to see “bandit signs” placed in the rights-of-way of the District removed promptly after such events take place. She then suggested that specific diagrams, as applicable, be provided when the OA requested the use of the District’s parks. Director Roberts directed Mr. Abbott to finalize the Board’s proposed changes to the Letter Agreement and to provide it to the OA.

Director Roberts then recognized Mr. Abbott who reviewed his directives, and noted that all directives were either in process or complete. Mr. Abbott then stated that the District Registration Form was a document that was kept on file with the TCEQ that contained contact information for the Directors. Directors Bennett, McMullen, and Roberts then expressed a preference for changing their contact information on the District Registration Form. After discussion, upon motion by Director Bennett and second by Director McMullen, the Board voted 4-0 to approve the District Registration Form, as amended.

Director Roberts then stated that the Board would consider the telephonic or video streaming of District Board meetings and recognized Mr. Avery. Mr. Avery reviewed state standards for videoconferencing and described different options that may be available to the Board. He confirmed that his hourly rate of \$175 would generally apply for all services offered. Director Roberts opined that the Board needed a refined quote from Mr. Avery and directed Mr. Abbott to work with Mr. Avery to determine suitable options.

Director Roberts then stated that the Board would discuss cell phones for directors for District use. At 8:47 p.m., Director Roberts stated that the Board would convene in executive session to receive legal advice from the District's attorney, as permitted by Section 551.071 of the Texas Government Code.

At 8:54 p.m., the Board reconvened in open session, and Director Roberts stated that no action had been taken during executive session.

Director Roberts then directed Ms. Smith 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 that the next meeting of the Board of Directors would occur on November 17, 2021.

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

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[SIGNATURE PAGE TO October 27, 2021 MINUTES]

Stuart McMullen, Assistant Secretary
Board of Directors

Date: 11-17-21