

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

February 23, 2022

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Block House Municipal Utility District was held on February 23, 2022, 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, thus constituting a quorum. Also present at the meeting were Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("**MAC**"); Andrew Hunt, Allen Teague, and Lisa Torres of Crossroads Utility Services, LLC ("**Crossroads**"); David Gray of Gray Engineering; Sandy Martin of the BHC Owners Association ("**OA**"); Deputy Antonio Lovato of the Williamson County Sheriff's Office ("**WCSO**"); 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, Director Roberts stated that the Board would next consider approving the consent items on the Board's meeting agenda: the minutes of the January 26, 2022 regular meeting and the Amendment No. 2 to Amended and Restated Solid Waste Collection and Disposal Services Agreement attached as **Exhibit "B"**. After discussion, upon motion by Director McMullen and second by Director Logan, the Board voted unanimously to approve the minutes and the Amendment.

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 "C"**, and the supplemental cash flow report/check register, attached as **Exhibit "D"**. She noted that there were three proposed fund transfers and recommended approval. After discussion, upon motion by Director Roberts and second by Director McMullen, the Board voted unanimously to approve the payment of the bills and invoices and the fund transfers, as presented.

Director Roberts then stated that the Board would receive the monthly security report from the Williamson County Sheriff's Office and recognized Deputy Lovato. Deputy Lovato stated that the WCSO would be scheduling the work of deputies through a third party, RollKall. He confirmed that the Rollkall system would be "going live" on March 1st. Mr. Abbott confirmed that he had spoken with representatives of RollKall and WCSO regarding the change in scheduling procedure and that he would work with all necessary parties to ensure that the deputies are compensated in an efficient manner.

Director Roberts then recognized Ms. Martin in order to receive a report from the BHC Owners Association. Ms. Martin stated that the OA continued to work to finalize a list of proposed events for Block House during the 2022 calendar year, including a kite festival on March 26th. She noted that the attorney for the OA had reviewed the changes proposed to the Letter Agreement by the District and that their changes would be provided to the District soon. **The Board then directed Mr. Hunt to work with the OA to finalize a proposed events calendar for the Board to consider.**

Director Roberts then stated that the Board would discuss pool operations, maintenance, repairs and management. She then presented a proposal from 360 Aquatics (Lifeguard 4 Hire) to mitigate rust on the center structure of the blue slide at Tumlinson Pool – Estimate #5258, attached as **Exhibit "E"**, for consideration. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve Estimate #5258. Director Roberts next presented the proposal from Kosel AC & Heating, Inc. for replacement of the outdoor condenser at Tumlinson Pool pump house – Estimate #328041-E, attached as **Exhibit "F"**. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve Estimate #328041-E.

Director Roberts stated that the Board would next discuss landscape maintenance, including the report from Priority Landscapes, LLC, attached as **Exhibit "G"**. Director Logan noted that the landscaping at the Scottsdale entrance to the District needed attention. Discussion ensued and the Board agreed that the Scottsdale entrance required additional landscaping attention.

Director Roberts then stated that the Board would discuss engineering matters, including the District right-of-way improvements, and recognized Mr. Gray. Mr. Gray reviewed his report, attached as **Exhibit "H"**. He stated that he continued to inspect the construction work that the Pedernales Electric Cooperative ("**PEC**") continued to undertake in the District, particularly the work in Tonkawa Park and in the vicinity of the Bike Trails. He stated that PEC appeared to be operating outside the boundaries of their agreed upon temporary easements. Mr. Gray further noted that PEC had not used adequate and/or appropriate erosion control measures on all of their projects. He confirmed that he had spoken with PEC's environmental manager who recognized that PEC needed to: (1) use proper erosion controls on all projects; (2) undertake remediation in Block House Creek as a result of the failure to use proper erosion control devices; and (3) generally remediate all sites of construction where environmental disturbances had occurred. Mr. Gray stated that he would continue to document all instances of improper construction practices and establish a "punch list" of items for PEC to undertake prior to finishing at the project sites. He confirmed that PEC had committed to undertaking all necessary remedial environmental work to restore the landscapes to their prior conditions.

Mr. Gray then discussed the District's Right-of-Way Improvements Project (the "**ROW Project**"). He stated that he had worked with the Right-of-Way Subcommittee to consider material and other considerations relating to the ROW Project. He also noted that he had discussed cost considerations relating to the ROW Project with Mr. Abbott and Mr. Hunt. He

then offered to work with Mr. Abbott and Mr. Hunt to provide an “all in” cost estimate to the Board of cost considerations relating to the ROW Project. Mr. Gray confirmed that his firm would undertake a survey of the proposed ROW Project to confirm the total distance of fencing that would be required for the Project. Director Roberts requested that the advice of Trent Rush and Cheryl Allen also be considered in any proposal relating to the ROW Project. She then suggested that the Board consider a special meeting to consider the ROW Project.

Director Roberts then stated that the Board would consider approving the Emergency Preparedness Plan (the “EPP”) and authorize submission to the Texas Commission on Environmental Quality (“TCEQ”). Mr. Gray noted that Senate Bill 3, passed during the 2021 Legislative Session, required the preparation and filing of an EPP with the TCEQ. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve the EPP and to authorize submission to the TCEQ.

Director Roberts then stated that the Board would discuss District operations and recognized Ms. Torres. Ms. Torres reviewed the operations report attached as Exhibit “I”. She stated that all lab results were satisfactory and noted that the water loss for the month of January was 5.35%. She then reviewed the list of write-offs attached as Exhibit “J”, noting that there was one in the amount of \$114.39 after the \$200 deposit had been applied and requested approval. After discussion, upon motion by Director McMullen and second by Director Bennett, the Board voted unanimously to approve the write-off, as presented.

Ms. Torres then presented the proposal from Crossroads for the replacement of the backflow preventer in Tonkawa Park (Quote #2) attached as Exhibit “K”. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve the proposal.

Director Roberts stated that the Board would next discuss general management items, and recognized Mr. Hunt. Mr. Hunt reviewed his report, attached as Exhibit “L”. Upon question from Director McMullen regarding “past due payment” letters, Ms. Torres confirmed that Crossroads would have suggested edits to the form letter to present to the Board soon.

Director Roberts then stated that the Board would discuss District parks and facilities, including a report on disc golf, and recognized Director Bennett. Director Bennett noted that there were still some minor tweaks that needed to be made to the disc golf course. He noted that he would like to establish additional parking for the course by leaving the entrance gate at Block House Drive open, which would allow disc golfers to park at the Jumano Community Center.

Director Roberts stated that the Board would next review the Water Conservation and Drought Contingency Plan. After discussion, upon motion by Director Roberts and second by Director Bennett, the Board voted unanimously to approve the Resolution Confirming Annual Review of Water Conservation and Drought Contingency Plan and Updating Water and Wastewater Utility System Profile attached as Exhibit “M”.

Director Roberts then stated that the Board would discuss the General Management Services Agreement. Mr. Hunt confirmed that he, Ms. Torres, and Mr. Teague would be sharing in general management duties for the next several weeks and that Crossroads continued to receive resumes from interested individuals for the open general manager position. Director Roberts stated that she would like to schedule a special meeting to discuss the roles of the District’s subcommittees and general manager going forward.

Director Roberts stated that the Board would next receive a report from Director Bennett on the Association of Water Board Directors (AWBD) Mid-Winter Conference. Director Bennett reviewed a summary of his attendance at the AWBD conference, attached as **Exhibit “N”**. He specifically mentioned changes to the EPA’s “lead and copper” rule and Mr. Hunt and Mr. Abbott confirmed that the District would eventually need to undertake due diligence to confirm whether the District would be required to undertake remedial action pursuant to the changes in law.

Director Roberts then stated that the Board would discuss the Meeting Notes process. Director Logan stated that she was disappointed that the Board had voted to remove the process of recording Meeting Notes at a meeting that she had not attended. She further stated that she believed the Meeting Notes provided value to residents to quickly ascertain actions undertaken by the Board during Board meetings. Director Logan then made a motion to reinstate the use of Meeting Notes. The motion was not seconded. **Director Roberts then directed A&B to remove the “Anticipated Action” column from the District’s agendas going forward.**

Director Roberts stated that the Board would next discuss restrictive covenant enforcement, including pending or contemplated litigation. At 7:27 p.m., she announced that the Board would convene in executive session to receive advice from the District’s attorney, as authorized by Section 551.071 of the Texas Government Code.

At 7:57 p.m., the Board reconvened in open session, and Director Roberts stated that no action had been taken in executive session and recognized Director McMullen. Director McMullen reviewed Community Association Management’s report with the Board. He noted that the District had sent multiple requests to the owner of the home at 15361 English River Loop regarding the holes in the roof of the home. He confirmed that the letters formally requested that the homeowner remediate said issues. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to proceed with litigation against the property owners of 15361 English River Loop regarding the condition of the home.

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 scheduled Board meeting was to occur on March 23, 2022.

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 February 23, 2022 MINUTES]

Stuart McMullen, Assistant Secretary
Board of Directors

Date: 3-23-22