

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

June 8, 2022

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A special meeting of the Board of Directors of Block House Municipal Utility District was held on June 8, 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, except Director Logan, thus constituting a quorum. Also present at the meeting were: Deputy Lovato of the Williamson County Sheriff's Office; Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("MAC"); Lauren Smith of Public Finance Group LLC; and Sean Abbott of Armbrust & Brown, PLLC ("A&B"). Lisa Torres of Crossroads Utility Services, LLC ("Crossroads") participated in the meeting via telephone.

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. 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 minutes of the May 11, 2022 special meeting. After discussion, upon motion by Director McMullen and second by Director Bennett, the Board voted 4-0 to approve the minutes.

Director Roberts then stated that the Board would discuss tax exemptions. Ms. Smith presented her report on District tax considerations, including projections relating to future exemptions, attached as **Exhibit "B"**. She noted that the District currently granted a homestead exemption and a disabled or 65 or older exemption. She then reviewed the preliminary assessed values of the District that had been provided by the Williamson Central Appraisal District, attached as **Exhibit "C"**. Ms. Smith reviewed different financial scenarios relating to increased tax exemptions. Discussion ensued. The Board then agreed that additional tax relief would be appropriate, given the current economic conditions.

Mr. Abbott then reviewed the Resolution Adopting an Exemption from Taxation of a Portion of the Appraised Value of Residential Homestead [standard homestead exemption] and the Resolution Adopting an Exemption from Taxation of a Portion of the Appraised Value of Residential Homestead [disabled or 65 or older exemption]. After discussion, upon motion by Director McMullen and second by Director Bennett, the Board voted 4-0 to: (1) adopt a \$10,000 homestead exemption and approve the Resolution Adopting an Exemption from Taxation of a

Portion of the Appraised Value of Residential Homestead [standard homestead exemption] attached as **Exhibit “D”**; and (2) adopt a \$30,000 disabled or 65 or older exemption and the Resolution Adopting an Exemption from Taxation of a Portion of the Appraised Value of Residential Homestead [disabled or 65 or older exemption] attached as **Exhibit “E”**.

Director Roberts stated that the Board would next consider the Agreement with Leander Independent School District Regarding Use of Apache Pool. Mr. Abbott reminded the Board that they had reviewed the Agreement at their regular May meeting and that they had directed the District’s general manager to undertake due diligence relating to the prevailing market rates for similar pool rentals and similar agreements. Ms. Torres confirmed that she had undertaken such due diligence and that the current market rate for similar pool agreements was approximately \$50 per hour. Director McMullen noted that the existing agreement with Leander Independent School District (“*LISD*”) had been structured as a “flat rate” as opposed to an “hourly” fee structure. He then undertook estimated calculations relating to current pool use and stated that an estimated hourly rate for the existing agreement was well below the \$50 market norm. The Board then discussed current macroeconomic considerations and noted concerns about economic inflation. Director McMullen then suggested that he would be more comfortable with an agreement of shorter duration. Discussion ensued. Upon motion by Director McMullen and second by Director Koenig, the Board voted 4-0 to approve the Agreement and to include the following terms in the Agreement: (1) Section 1.1: shorten the duration of the term to three years; (2) Section 1.6: establish an annual Pool Fee of \$15,000, with a 2.5% increase in cost for years two and three of the Agreement; (3) remove Section 1.6(b) and all references in the Agreement to price increases in the Agreement based upon increased operation and expenses for the Pool incurred by the District; and (4) any changes necessary in the Agreement to harmonize the approved changes with the existing language of the Agreement.

Director Roberts then stated that the Board would discuss reorganization of subcommittees. Ms. Torres stated that she had extensively reviewed the existing subcommittee structure and suggested additional efficiencies and synergies could be derived from reorganizing the subcommittee structure and standardizing procedures relating to the meeting and operation of the subcommittees. She suggested that existing subcommittees be replaced with the following five subcommittees: Restrictive Covenants, Finance/Audit, Amenities, Services, and PR/Communications. She then suggested that each Board member could serve on two standing subcommittees and function as an “alternate” on a third subcommittee. Ms. Torres then volunteered to undertake the drafting of any written reports that would need to be presented at Board meetings. She then reviewed the proposed “Rules of Order” relating to the administration of the subcommittees. Discussion ensued. Upon motion by Director Roberts and second by Director Koenig, the Board voted 4-0 to reorganize the District’s subcommittees and adopt the proposed “Rules of Order,” as noted on the attached **Exhibit “F”**.

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 June 22, 2022.

There being no further items to come before the Board, the meeting was adjourned.

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[SIGNATURE PAGE TO June 8, 2022 SPECIAL MEETING MINUTES]


Byron Koenig, Secretary
Board of Directors

Date: 6-22-22