

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

May 25, 2022

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 May 25, 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: Nur Labardini of Municipal Accounts & Consulting, L.P. ("**MAC**"); Andrew Hunt and Lisa Torres of Crossroads Utility Services, LLC ("**Crossroads**"); Sandy Martin of the BHC Owners Association ("**OA**"); Deputies Boggs and Lovato of the Williamson County Sheriff's Office ("**WCSO**"); Malorie Lara of Community Association Management ("**CAM**"); David Gray of Gray Engineering; Tripp Hamby of Priority Landscapes ("**Priority**"); Bill Brooks of Lifeguard 4 Hire ("**L4H**"); Chief James Mallinger from the City of Cedar Park Fire Department ("**CPFD**"); Robert Young, a resident of the District; 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 consider the Resolution of Recognition and Congratulation to the Cedar Park Fire Department for its fifty years of service, attached as **Exhibit "B"**. Director Roberts thanked Chief Mallinger for attending the meeting and congratulated the CPFD for fifty years of service. She noted that CPFD had started as a volunteer organization and now functioned with 88 full time firefighters. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to adopt the Resolution and presented the Resolution to Chief Mallinger. Chief Mallinger thanked the Board for the recognition, expressed a desire to continually innovate the services that CPFD provided to its customers, and stated that the CPFD looked forward to its continued service to the District.

Director Roberts then stated that the Board would receive citizens' communications. There being none, Director Roberts stated that the Board would next receive a report from the OA. Ms. Martin stated the e-sign had stopped working and that the surface had been damaged. She then noted that the entire sign would need to be replaced. She stated that she thought it

would be beneficial to offer a reward and asked if the District would like to participate in funding the reward. Director Roberts noted that the Crimestoppers organization may be able to assist. Ms. Martin then stated that it would cost \$29,000 to replace the e-sign and that insurance proceeds should cover the replacement cost. She then stated that she had met with Directors Roberts and Logan to discuss considerations relating to the Fourth of July event and confirmed that the subsequent event on the OA's calendar was the "back to school bash." Director Roberts confirmed that the Fourth of July event would take place at Tonkawa Park. Mr. Gray stated that Pedernales Electric Cooperative ("PEC") may still be working in the park at that point.

Director Roberts stated that the Board would next consider approving the minutes of the April 27, 2022 Board meeting. Director McMullen suggested that the minutes be amended to reflect that a representative from Community Association Management, not Jack Baker specifically, had been directed to attend the May Board meeting. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve the minutes, with the inclusion of Director McMullen's suggested amendment.

Director Roberts then stated that the Board would receive the monthly security report from the Williamson County Sheriff's Office. Deputy Lovato confirmed that the WCSO would not be utilizing the Rollkall application for scheduling shifts going forward. Director Roberts inquired about the enforcement of criminal trespass violations in the District and Deputy Lovato confirmed that the WCSO could have vehicles towed just not under the authority of the WCSO. He noted that WCSO deputies always tried to locate the owners of vehicles prior to towing.

Director Roberts stated that the Board would next discuss restrictive covenant enforcement. Ms. Lora presented CAM's report. She noted that the Architectural Control Committee applications were being submitted and processed. She further noted that Will Cardwell with A&B continued to work with the owners of 15361 English River Loop regarding outstanding violations.

Director Roberts stated that the Board would next receive the bookkeeper's report and recognized Ms. Labardini. Ms. Labardini 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 McMullen and second by Director Koenig, the Board voted unanimously to approve the payment of the bills and invoices and the fund transfers, as presented.

Director Roberts stated that the Board would next discuss pool operations and maintenance. Mr. Brooks reported that all operations were normal. Upon question from Director Roberts, **Mr. Brooks stated that he would confirm that the District's pool guest policy was being enforced. Director Logan then requested that Mr. Brooks confirm that the Tidal Waves schedule did not conflict with L4H's schedule.**

Director Roberts stated that the Board would next discuss landscape maintenance, including the report from Priority Landscapes, LLC, attached as **Exhibit "E"**. Mr. Hamby then reviewed Proposal #1250 for April 2022 Fuel Surcharge, attached as **Exhibit "F"**. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve Proposal #1250.

Director Roberts then stated that the Board would discuss engineering matters and recognized Mr. Gray. Mr. Gray reviewed his report, attached as **Exhibit "G"**. He stated that PEC continued to undertake remediative work in the District's parks. Upon question from Director Roberts, Mr. Gray stated that his firm had not observed PEC working in Jumano Park. Director

Logan noted that she had observed PEC trimming branches in Jumano Park. Mr. Gray then confirmed that PEC would not be installing the large electric poles present in other parts of the District in Jumano Park. He added that PEC should complete its work soon at the Bike Trails and that the District could soon begin to rebuild the trails.

Mr. Gray then stated that there had been no new filings at the City of Cedar Park relating to the development of the Knight Tracts and that he was not aware of any official action that had been undertaken on the traffic impact analysis study related to the proposed development. He then noted that development would likely occur soon on the Wong tracts and that the District would need to confirm whether they had the available capacity to serve the tracts. Director Roberts stated that the District did not own the dirt where the neighborhood monuments had been erected and noted that the development of the Wong tracts may present issues relating to the monuments.

Mr. Gray next stated that Trent Rush continued to work on the District Parks Master Plan and noted that the District would be able to move forward on the submission of a park bond application to the Texas Commission on Environmental Quality (“TCEQ”) after the Parks Master Plan was complete. He noted that a park bond could not be issued until TCEQ and the Office of the Attorney General had approved the issuance of the park bonds. Mr. Gray then briefly addressed the District’s right-of-way improvement project. He noted that such facilities would not be included in a park bond. Director Bennett noted that the District’s fences needed to be maintained if they were not going to be replaced.

Mr. Gray then reviewed the report from HOT Inspection Services, attached as **Exhibit “H”**, relating to recommended maintenance of the District’s 500,000 gallon Ground Storage Tank and the 30,000 gallon Hydro-Pneumatic Tank. He stated that the maintenance recommendations did not need to be undertaken immediately, but that the District should remain cognizant of the condition of the tanks. He then recommended that any work contemplated under the report be undertaken during winter months and noted that his firm could prepare bid specifications when the District was ready to undertake the work.

Director Roberts stated that the Board would next discuss the Land Surveying Services Contract with G & R Surveying, LLC (“G & R”) for land surveying services for the District, attached as **Exhibit “I”**. Mr. Abbott reviewed the Contract with the Board. Mr. Gray confirmed that he would be happy to serve as the primary District contact with G & R for the administration of the Contract. After discussion, upon motion by Director Bennett and second by Director McMullen, the Board voted unanimously to approve the Land Surveying Services Contract.

Director Roberts then stated that the Board would discuss District operations and recognized Ms. Torres. Ms. Torres reviewed the operations report attached as **Exhibit “J”**. She stated that all lab results were satisfactory and noted that the water loss for the month of April was 7.67%. She added that she had no write-offs to present.

Director Roberts stated that the Board would next receive a report from the general manager. Mr. Hunt noted that the general manager’s report, attached as **Exhibit “K”**, was included in the meeting packet. He noted that Crossroads had reviewed the language utilized in the District’s utility services termination notice and had determined that most of the language was required by state statute. Mr. Hunt stated that Crossroads could send a “late reminder” letter as opposed to the termination notice, if the Board desired. **Director McMullen then requested that Mr. Hunt provide him with examples of the “late reminder” letter and suggested the issue be tabled until a future meeting.**

Mr. Hunt then confirmed that Crossroads had calculated a \$313 fuel surcharge cost for the month of April. Upon motion by Director McMullen and second by Director Logan, the Board voted unanimously to approve the fuel surcharge.

Director Logan left the meeting at 7:40 p.m.

Mr. Hunt then presented the proposal from Austex Fence and Deck for the reconstruction of the Tumlinson Park walking bridge, attached as **Exhibit “L”**, and a proposal from Austex Fence and Deck for the reconstruction of the deck at Tumlinson Park, attached as **Exhibit “M”**. Director Roberts noted the costs of the proposals and suggested that the items be pushed to the next fiscal year. Director Bennett stated that at least one of the proposals addressed safety issues. Director McMullen then noted that certain materials included in the proposals were “name brand” materials and that more affordable options may exist. Director Bennett then stated that it would be preferential to receive two additional bids to ensure that the District complied with the bidding requirements of the Texas Water Code. **Director McMullen then requested that additional bids be obtained with cheaper options substituted for the “name brand” materials.**

Mr. Hunt next presented the proposal from Horizon Environmental Services, Inc. for TSS water quality sampling, attached as **Exhibit “N”**. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted 4-0 to approve the proposal.

Director Roberts then stated that the Board would discuss property maintenance, repairs and replacements. Director Bennett reviewed the Maintenance Subcommittee’s report, attached as **Exhibit “O”**. He noted that he would work with Ms. Torres going forward on the matters included in the report.

Director Roberts then recognized Mr. Abbott, who reviewed his directives. Mr. Abbott stated that the District’s crime liability insurance was up for renewal and reviewed the proposal for Crime Liability Insurance with Travelers Casualty and Surety Company of America, attached as **Exhibit “P”**, with the Board. After discussion, upon motion by Director McMullen and second by Director Bennett, the Board voted 4-0 to approve the three year renewal.

Director Roberts then stated that the Board would consider approving the Agreement with Leander Independent School District Regarding Use of Apache Pool, attached as **Exhibit “Q”**. Upon question from Director Roberts, Mr. Abbott noted that the amount included in the draft Agreement was consistent with the existing Agreement. Director Roberts then suggested that the Board undertake due diligence to determine whether a change in pricing would be appropriate. **The Board then directed Mr. Hunt to conduct a survey of the rates that were being charged for the use of similar pools in the greater Cedar Park and Leander area.** The Board then decided to table the matter until the Board’s next meeting.

Director Roberts then stated that the Board would discuss the Amended and Restated General Management Services Agreement, attached as **Exhibit “R”**. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted 4-0 to approve the Agreement.

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. Director Roberts then stated that the consideration of the budget for the next fiscal year was approaching and that all District consultants would need to carefully consider proposed expenditures. She noted that Williamson County had increased the homestead

exemption granted to homeowners in Williamson County and suggested that the District reconsider its homestead and 65 and older exemptions. She proposed that the Board call a special meeting on June 8, 2022, to consider amendments to the District's existing tax exemptions, as well as other relevant and pertinent issues.

Mr. Hunt then stated that he and Director Roberts had met with the City of Cedar Park regarding the imposition of revised water and wastewater rates in conjunction with the City's recent rate study. He suggested that the District undertake a rate study of its own rates and stated that he would obtain a proposal for such a study for the Board's consideration at their regular June meeting. He noted that the new rates from the City of Cedar Park would likely be implemented in September or October of 2022.

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

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[SIGNATURE PAGE TO May 25, 2022 MINUTES]


Byron Koenig, Secretary
Board of Directors

Date: 6-22-22