

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

July 27, 2022

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Block House Municipal Utility District was held on July 27, 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 McMullen, thus constituting a quorum. Also present at the meeting were: Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("MAC"); Lisa Torres of Crossroads Utility Services, LLC ("Crossroads"); Sandy Martin of the BHC Owners Association ("QA"); Deputies Lovato and Boggs of the Williamson County Sheriff's Office ("WCSO"); Bill Brooks of Lifeguard 4 Hire, L.L.C. ("L4H"); Micah Neill of Contigo Technology; Ja-Mar Prince and Frankie Bates of Texas Disposal Systems, Inc. ("TDS"); Herb Edmondson of Gray Engineering; Tripp Hamby of Priority Landscapes ("Priority"); Lauren Smith of Public Finance Group LLC; Gideon Cofty and Robert Young, residents of the District; and Sean Abbott of Armbrust & Brown, PLLC ("A&B").

Director Roberts called the meeting to order at 6:31 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. Mr. Cofty stated that on a recent evening he had visited Tumlinson Park and parked his vehicle in front of Director Roberts' house. He noted that after he entered the park he observed Director Roberts talking to a Williamson County Sheriff's Deputy about his presence in the park. The Deputy then requested that Mr. Cofty leave the park, as it was dusk and the park was closed. Mr. Cofty noted that the Deputy had informed him that Director Roberts had noted to the Deputy that Mr. Cofty's presence in the park was improper as the park closed at dusk. Director Roberts responded to Mr. Cofty and confirmed the hours of the District's parks and noted that, on the day in question, Mr. Cofty had visited Tumlinson Park after dusk. Mr. Cofty then opined that Director Roberts did not need to alert the Deputy to his presence in the park.

Ms. Martin addressed the Board and confirmed that she was speaking as a resident and not on behalf of the OA. She stated that, in her opinion, the draft minutes of the June meeting

did not include enough detail in the section detailing Director Koenig's comments relating to the consideration of the Letter Agreement with the OA. She then stated that Director Koenig's comments relating to the OA were uncalled for and that the Board needed to undertake ethics training. She further stated that she was offended and that there should be action taken. She then requested that the Board consider adding additional specificity to the section of the minutes in question. Mr. Abbott stated that minutes of Board meetings were intended to summarize the considerations and actions of the Board throughout a meeting and that he would be happy to propose additional specificity to the section in question for the Board to consider. Director Roberts then told Ms. Martin that she was sorry that she was offended.

Director Roberts stated that the Board would next consider approving the minutes of the June 27, 2022 special meeting. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted 4-0 to approve the minutes. **The Board then directed Mr. Abbott to add more specificity to the section of the minutes referenced by Ms. Martin for further consideration at the Board's regular August meeting.**

Director Roberts stated that the Board would next consider election-related items on the Board's supplemental meeting agenda. Mr. Abbott reviewed the Order Calling Director Election (the "Order"), a copy of which is attached hereto as **Exhibit "B"**, with the Board. He then directed the Board's attention to the Resolution Approving Joint Election Agreement and Contract for Election Services (the "Resolution"), including the Joint Election Agreement and Contract for Election Services for the November 8, 2022 election, a copy of which is attached hereto as **Exhibit "C"**. Mr. Abbott next directed the Board's attention to the Notice of Deadline to File Applications for Place on the Ballot (the "Notice"), a copy of which is attached hereto as **Exhibit "D"**. After discussion, upon motion by Director Roberts and second by Director Bennett, the Board voted 4-0 to approve the Order and the Resolution and authorized the District's attorney to give notice of the election. Director Logan then requested that A&B carefully review the sample ballot that was proposed by Williamson County to ensure that it was correct.

Director Roberts then stated that the Board would consider the IT support proposal from Contigo Technology. At 6:42 p.m., she announced that the Board would convene in executive session to receive legal advice regarding information technology security practices, as authorized by Section 551.089 of the Texas Government Code.

At 7:01 p.m., the Board reconvened in open session, and Director Roberts stated that no action had been taken in executive session. Upon motion by Director Bennett and second by Director Logan, the Board voted 4-0 to approve the proposal from Contigo Technology and **directed Mr. Abbott and Ms. Torres to work with Mr. Neill to prepare a contract for Board consideration.**

Director Roberts then stated that the Board would receive a report from the OA. Ms. Martin then stated that the Fourth of July celebration was great. She confirmed that the OA continued to work on establishing a reward for information leading to the perpetrator of the vandalism of the E-Sign. She noted that requests for use of District facilities had been submitted for various events, including the annual back to school bash. Ms. Torres then presented the use of facilities and waiver of fees for: (1) use of Tumlinson Park (park grass usage up to the sand volleyball goal and no further, plus the parking lot) for Back to School Bash Carnival on August 27, 2022; (2) use of Jumano Community Center for lantern building workshops on September 8, 11, 15, 19, 24 and 28, 2022; (3) use of the Pavilion for Lantern Parade line up and awards on October 1, 2022; (4) use of Pavilion and open area in front of the Pavilion for BHC Camp Out on September 17 - 18, 2022; and (5) use of Bike Trails Parking Lot for Pumpkin Patch on October 6 through 16, 2022 (dates to be confirmed at a later date) (collectively, the "OA Use and Fee").

Waivers”), and recommended approval. Director Logan then noted that the OA Subcommittee had recently engaged in a “highly productive” meeting with the OA. After discussion, upon motion by Director Logan and second by Director Roberts, the Board voted 3-0, with Director Koenig abstaining, to approve the OA Use and Fee Waivers.

Director Roberts stated that the Board would next receive the monthly security report from the Williamson County Sheriff’s Office. Deputy Lovato stated that the Fourth of July celebration went well from a security perspective. He noted there were several vendors who required to park their cars in the park and requested that a list of vendors be provided to WCSO in advance of such events that implicated such circumstances. Upon question from Director Logan, Ms. Torres confirmed that a recent instance of vandalism had occurred at the Tumlinson Pool and that the security cameras did record the offenses. She then confirmed that the video footage had been provided to the WCSO and that she would continue to work with WCSO, as necessary. Upon question from Director Logan, Director Roberts opined that the damage suffered at the Tumlinson Pool would likely not be covered by insurance as the amount of damage was not significant.

Director Roberts then stated that the Board would receive a report from the PR/Communications Subcommittee. Ms. Torres noted that work continued on the newsletter and that she hoped it could be completed by August 10th for inclusion in the August utility bills. She then confirmed that she was evaluating the cost of including the newsletter in the same envelope as the utility bills. Director Logan confirmed that she would like to determine the specific costs associated with generating a paper newsletter.

Director Roberts stated that the Board would next receive a restrictive covenant report from Ms. Torres. Ms. Torres reviewed the report provided by Community Association Management, Inc. She then reviewed the Architectural Control Committee Application for Improvements Decision form, attached as **Exhibit “E”**. She stated that the Committee had reached several ambiguous decisions that lacked finality and that use of the form would provide clarity on such decisions. After discussion, upon motion by Director Logan and second by Director Koenig, the Board voted 4-0 to approve the form.

Director Roberts stated that the Board would next receive a report from TDS and recognized Mr. Prince. Mr. Prince confirmed that the current economic climate was greatly affecting TDS’s ability to provide its services to customers. He then reviewed a request to amend the cost structure of the existing contract between TDS and the District, attached as **Exhibit “F”**. He noted that TDS was approaching all of its customers with a similar request, which they had never had to do before. He confirmed that he understood that the District was not obligated to modify the contract and that additional profit was not the motivation of his request. Director Roberts noted that, given recent economic conditions, she thought the request was reasonable. After discussion, upon motion by Director Koenig and second by Director Bennett, the Board voted 4-0 to approve the proposed cost increase and **directed Mr. Abbott and Mr. Prince to draft a contract amendment for the Board’s consideration and the regular August meeting**. Discussion ensued regarding proposed cost increases to mattress disposal. Mr. Prince confirmed that mattress disposal was one of the biggest challenges in the solid waste industry. He noted that, over time, mattresses had gotten progressively larger and the people were using them for shorter periods of time. He also noted that they were extremely difficult to dispose of. **Director Logan then requested that communication occur with District residents to ensure that everyone was apprised of the change and the related considerations.**

Director Roberts stated that the Board would next receive a report from L4H and recognized Mr. Brooks. Mr. Brooks confirmed that L4H had undertaken best efforts to clean up

the mess relating to the vandalism of the Tumlinson Pool. Mr. Brooks noted that some sort of oil—likely cooking oil—had been utilized on one of the slides and likely mixed with the pool water. He confirmed that a large presence of cooking oil in pool water could be problematic for treatment devices. Upon question from Director Koenig, Mr. Brooks confirmed that L4H had used microorganisms to remove the oil, but that he was unsure as to whether or not such usage removed chlorine from the water. Mr. Brooks then confirmed that the pool had been restored to being “chemically correct.” Upon question from Director Logan, Mr. Brooks stated that he did not have a written report on what had occurred and the actions that L4H had undertaken, but that he would be happy to provide such a report. Director Roberts noted that L4H had not provided lifeguard services at Tumlinson Pool for the three days that the pool was closed and that the District should be credited for the days that the Tumlinson Pool was closed.

Director Roberts then stated that the Board would discuss engineering matters and recognized Mr. Edmondson. Mr. Edmondson reviewed his report, attached as **Exhibit “G”**. He stated that his firm had undertaken sitewalks with Pedernales Electric Cooperative (“**PEC**”) in the areas impacted by PEC’s work in the District. He noted that they had recommended that revegetation efforts be deferred until the extreme heat had passed. Mr. Edmondson then confirmed that G&R Surveying (“**G&R**”) had begun its surveying efforts in the District’s parks. He then recommended that the District undertake the first payment to G&R, attached as **Exhibit “H”**, as contemplated in the agreement between G&R and the District. Ms. Kolmodin confirmed that the payment was included in her supplemental check register for payment.

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 “I”** and the supplemental check register, attached as **Exhibit “J”**. She reviewed three proposed fund transfers and an investment of District funds and recommended approval. After discussion, upon motion by Director Koenig and second by Director Bennett, the Board voted 4-0 to approve the payment of the bills and invoices, the investment, and the fund transfers, as presented.

Director Roberts stated that the Board would next discuss landscape maintenance, including the report from Priority Landscapes, LLC, attached as **Exhibit “K”**. Mr. Hamby then reviewed Proposal #1495 for the June 2022 fuel surcharge (contract services), attached as **Exhibit “L”**; Proposal #1496 for fence line mowing/trimming maintenance on Chardonnay Crossing area, attached as **Exhibit “M”**; Proposal #1497 for installation of native mulch at Tumlinson Park, attached as **Exhibit “N”**; and Proposal #1498 for installation of native mulch at Disc Golf Course, attached as **Exhibit “O”**. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted 4-0 to approve the proposals.

Director Roberts then stated that the Board would receive a report from the Amenities Subcommittee. Director Logan suggested that a District-sanctioned disc golf page be created. She noted that there was currently an unofficial page providing information relating to the disc golf course at Jumano Park and suggested that it would be beneficial for the District to have an official page to provide clarity and ensure official communications relating to the Jumano Disc Golf Course. Discussion ensued. Director Roberts stated that she was wary of adding additional social media work that would need to be monitored by the District’s General Manager. Director Logan reiterated that the lack of an official District page on the Jumano Disc Golf Course could lead to confusion and noted that, anecdotally, many of the disc golf players in the District were under the impression that the existing unofficial page was actually maintained by the District.

Director Roberts then stated that the Board would receive a report from Crossroads Utility Services, LLC and recognized Ms. Torres. Ms. Torres reviewed the operations report attached as **Exhibit “P”**. She stated that all lab results were satisfactory and added that the water loss for

the month of June was 6.71%, which she noted was up slightly from last month. She added that she had no write-offs to present. Ms. Torres then confirmed that Crossroads had calculated a \$388.10 fuel surcharge cost for the month of June. Upon motion by Director Koenig and second by Director Bennett, the Board voted 4-0 to approve the fuel surcharge.

Director Roberts next stated that the Board would consider the Letter Agreement with the BHC Owners Association, attached as **Exhibit “Q”**. After discussion, upon motion by Director Logan and second by Director Roberts, the Board voted 4-0 to approve the Letter Agreement.

Ms. Torres then reviewed the general manager’s report, attached as **Exhibit “R”**, and presented the request from Austin Metal Detecting Club for use of the Pavilion for Club Social Pot Luck Lunch and Hunt on September 10, 2022. After discussion, upon motion by Director Logan and second by Director Roberts, the Board voted 4-0 to approve the request.

Director Roberts then stated that the Board would discuss tax matters and recognized Mr. Abbott. Mr. Abbott reviewed the memorandum to the Board regarding District tax rate classifications, attached as **Exhibit “S”**, and stated that he had spoken with the District’s financial advisor, who recommended that the District be considered a “developed district” for the current tax year. Upon motion by Director Bennett and second Director Koenig, the Board voted 4-0 to treat the District as a “developed district” for the upcoming tax year.

Mr. Abbott then reviewed the preliminary assessed values from Williamson Central Appraisal District, attached as **Exhibit “T”**, with the Board. He discussed the schedule for adopting the District’s 2022/2023 budget and 2022 tax rate, a copy of which is attached as **Exhibit “U”**. Ms. Kolmodin noted that she was not available to attend the budget workshop special meeting proposed for August 10th, and the Board directed Mr. Abbott to schedule the budget workshop special meeting for August 9th. Director Abbott then reminded the Board that Trent Rush from Hitchcock Design Group was scheduled to present the final draft of the District’s Park Master Plan at the tax publication special meeting proposed for August 17th. Director Logan noted that children living in the District would be returning to school on August 17th, which would make her attendance at meetings on either August 16th or 17th difficult. She also noted that other parents in the District would likely have similar considerations. Mr. Abbott reminded the Board that Williamson County required all taxing entities to finally levy their tax rate by September 15th of each tax year, that the Board was tentatively scheduled to levy its tax on September 7th, and that a publication of District’s proposed tax rate would need to occur by August 25th in order to satisfy all state law requirements. He noted that, given the proposed schedule, that it was imperative for the Board to meet the week of August 15th if the proposed tax levy date of September 7th was to occur. Upon question from Director Roberts, Mr. Abbott confirmed that the proposed schedule was substantially similar to what the Board of Directors had undertaken in previous years. **The Board then directed Ms. Torres to query the availability of Directors and necessary consultants for the week of August 15th to determine an optimal meeting date, given the plethora of considerations.**

Director Roberts stated that the Board would next discuss options for online meetings and recording live meetings. Director Logan stated that it would be beneficial for residents of the District if the Board were to provide remote access to Board meetings, either telephonically or via web access, or to record meetings and make them available to the public. She noted that it was her understanding that the Lost Creek Limited District was recording meetings and making them available to the public via their website. She also noted that it would be beneficial for both Board members and District consultants to be able to call in to District Board meetings.

Director Roberts then stated that the Board would discuss: (1) proposal from Trinity AV Solutions, LLC for camera additions; and (2) proposal from Trinity AV Solutions, LLC for GST video surveillance. At 8:01 p.m., Director Roberts announced that the Board would convene in executive session to receive legal advice regarding security devices, as authorized by Section 551.076 of the Texas Government Code.

At 8:32 p.m., the Board reconvened in open session, and Director Roberts stated that no action had been taken in executive session. **The Board then directed Ms. Torres to draft a request for proposal to evaluate the District's security plan and equipment.**

Director Roberts then stated that the Board would discuss the District's contract with L4H. At 8:33 p.m., Director Roberts announced that the Board would convene in executive session to receive legal advice from the District's attorney, as authorized by Section 551.071 of the Texas Government Code.

At 8:59 p.m., the Board reconvened in open session, and Director Roberts stated that no action had been taken in executive session.

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 August 24, 2022.

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

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[SIGNATURE PAGE TO JULY 27, 2022 MINUTES]


Byron Koenig, Secretary
Board of Directors

Date: 8-24-22