

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

March 25, 2020

THE STATE OF TEXAS §
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COUNTY OF WILLIAMSON §

A regular meeting of the Board of Directors of Block House Municipal Utility District was held via telephone conference on March 25, 2020, at 1-888-510-5505; participant code: 199914. The meeting was open to the public and notice was given pursuant to the Texas Open Meetings Act, as modified by Governor Greg Abbott, and the related guidance from the Office of the Attorney General of the State of Texas. A copy of the Certificate of Posting of the Notice is attached as **Exhibit "A"**.

All of the Directors were present, as follows:

Cecilia A. Roberts	-	President
Steve Bennett	-	Vice President
Rayan Horak	-	Secretary
Ursula Logan	-	Assistant Secretary
Byron Koenig	-	Treasurer

Also present at the meeting were Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("MAC"); Jacquelyn Smith, Andrew Hunt, and Lisa Torres of Crossroads Utility Services, LLC ("Crossroads"); Tom Davis of Lifeguard4Hire ("L4H"); Sergeant Chuck Kelley of the Williamson County Sheriff's Office ("WCSO"); Whitney Emmons of Pinnacle Texas Management, LLC ("Pinnacle"); Tripp Hamby of Priority Landscapes ("Priority"); Stuart McMullen, 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 confirmed that the meeting was being conducted via telephone and was being recorded. She requested that each speaker identify themselves when speaking and requested that anyone participating in the call mute their phone when they were not speaking. Director Roberts then stated that the Board would receive citizens' communications.

Mr. McMullen addressed the Board and stated that it was his understanding that a homeless individual had been living in Jumano Park for an extended period of time. He requested that the Board address the matter with an agenda item at its regular April meeting. Mr. McMullen then inquired with the Board regarding the City of Leander's wastewater easements in the District and stated he felt there were Municipal Separate Storm Sewer System ("MS4") issues in those easements. He requested that the Board address the matter with an agenda item at its April meeting. He then inquired if the Board would offer any utility payment forgiveness programs relating to the Coronavirus pandemic. Director Roberts stated that the Board would discuss utility payment considerations relating to Coronavirus later in the meeting.

Director Roberts then stated that the Board would consider the requests for use of District facilities by the BHC Owners Association Recreations Committee, as described on **Exhibit "B"**. After discussion, upon motion by Director Logan and second by Director Koenig, the Board voted 4-0, with Director Horak abstaining, to approve the facility requests, subject to

the consideration of any local, state, or federal government orders relating to Coronavirus relating to social distancing and limitations on gatherings (“Coronavirus Orders”).

Director Roberts stated that the Board would next consider approving the minutes of the February 12, 2020 special Board meeting and February 26, 2020 regular Board meeting. Director Horak noted a clerical error in the February 12, 2020 minutes and proposed that it be corrected. Upon motion by Director Bennett and second by Director Logan, the Board voted unanimously to approve the February 12, 2020 minutes, as amended, and the February 26, 2020 minutes, as presented.

Director Roberts then stated that the Board would discuss the emergency coronavirus preparedness and protocols (“Coronavirus Protocols”). The Board first discussed Board meeting policy relating to the Coronavirus. Mr. Abbott explained that Governor Abbott, as part of the State’s disaster declaration relating to the Coronavirus, had made modifications to the Texas Open Meetings Act to provide for ease in conducting District meetings via telephone. He noted that the Board was authorized to meet via telephone, so long as the “dial in” information was provided to the public and the call was recorded. Such protocol allowed for the public participation of District consultants and members of the public. After discussion, upon motion by Director Horak and second by Director Koenig, the Board voted unanimously to establish its intent and preference to meet via telephone conference while Coronavirus Orders are in place.

The Board then continued its discussion relating to Coronavirus Protocols and considered facility closures and related matters. Ms. Smith confirmed that she had worked with the Parks and Pools Subcommittees to close down certain District facilities in compliance with the Coronavirus Orders. After discussion, upon motion by Director Logan and second by Director Horak, the Board voted unanimously to ratify the facility closures that had taken place, including the Tumlinson Pavilion, the Walker House, and Jumano Community Center.

The Board next considered recreation activity cancelations and related matters relating to Coronavirus Protocols. Ms. Smith confirmed that she had spoken with individuals representing organizations that had reserved District facilities for gatherings, including the use of sports facilities for practices. She confirmed that there were no plans for such activities to proceed as a result of the Coronavirus Orders. Ms. Smith also noted that she had worked with the Parks Subcommittee to close down certain District park facilities in compliance with Coronavirus Orders. The Board then discussed the playscape and restroom in Tumlinson Park and considered whether the facilities should be closed as a part of Coronavirus Protocol and in consideration of the Coronavirus Orders. Upon motion by Director Bennett and second by Director Horak, the Board voted unanimously to ratify the closure of certain District park facilities, including all sport courts and sports fields, and to close the Tumlinson Park playscape and restroom in order to comply with the Coronavirus Orders.

The Board then continued its discussion relating to Coronavirus Protocols and discussed utility operations, response plan, and related matters. Mr. Hunt addressed the Board and confirmed that Crossroads had operated very efficiently in response to the Coronavirus. He reviewed Crossroads’ proposed considerations relating to Coronavirus Protocol with the Board, and recommended that the Board consider the following actions relating to the impact of Coronavirus on District utility service (“Coronavirus Utility Service Policies”): 1) postpone any utility disconnections; 2) postpone the sending of any delinquency letters; 3) when undertaking routine water disconnections, direct Crossroads to do meter readings as opposed to physically turning off water service to ensure there are no accidental disconnections and/or interruptions of service; 4) waive late fees for utility bills; 5) consider financial hardship applications received from District utility customers; and 6) communicate the implementation of the Coronavirus

Utility Service Policies on the District's website. Ms. Torres confirmed that she had already received a communication from a District utility customer inquiring about financial hardship considerations. Director Logan thanked Mr. Hunt for his presentation of considerations to the Board and stated that she supported all District utility customers retaining water service while the Coronavirus was still active. The Board then discussed whether the waiver of late fees should be publicly communicated. Mr. Abbott asked Mr. Hunt if there was an industry standard on the waiver of such fees. Mr. Hunt stated that there was no real standard that had evolved and confirmed that such considerations were "new territory" for utility providers. He stated that other local utility providers were communicating that no disconnections would occur while the Coronavirus was still active, but that he was not aware of utility providers publicizing the waiver of late fees. Mr. Hunt then recommended communicating that no disconnections would occur and that utility customers should contact Crossroads with any hardship concerns. He further opined that the Board could revisit such considerations, as necessary, at its next meeting. Upon motion by Director Horak and second by Director Koenig, the Board voted unanimously to approve the Coronavirus Utility Service Policies and **directed Crossroads to post a summary of the policies and "frequently asked questions" on the District's website.**

The Board next discussed authorizing the General Manager of the District to take further actions in response to evolving conditions relating to Coronavirus. The Board discussed the necessity of ensuring that the District stay in compliance with relevant and applicable Coronavirus Orders. Director Logan suggested that the General Manager of the District be given authority to ensure compliance with Coronavirus Orders, subject to the approval of both members of the relevant subcommittee. After discussion, upon motion by Director Logan and second Director Koenig, the Board voted unanimously to authorize the General Manager to take further action in response to evolving conditions relating to Coronavirus and in compliance with Coronavirus Orders, subject to the approval of the relevant subcommittees of the Board.

Director Roberts then stated that the Board would receive the monthly security report from the WCSO. Sgt. Kelley stated that in early March Sheriff's deputies had come into contact with a known criminal within the boundaries of the District and issued a criminal trespass citation. He also stated that there had been two vehicle pursuits by police in the District. Director Roberts then noted that she was aware of a burglary of a habitation in the District and asked Sgt. Kelley if he had any advice for District residents, given the recent "shelter in place" orders. Sgt. Kelley responded that residents should keep property and vehicles secured and added that security cameras and lights were helpful. He also stated that both day and night patrols would be increased as a result of what WCSO had determined to be additional instances of criminal behavior during the Coronavirus pandemic. Director Logan asked if off-duty patrols would be decreased in the District. Sgt. Kelley stated that off-duty patrols were not being decreased, but that official on-duty day and midnight patrols would be increased. He added that it was his understanding that constables had stopped taking off-duty jobs in the wake of Coronavirus, but confirmed that official WCSO patrols would continue as previously scheduled or be increased.

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 check register attached as **Exhibit "D"**. She reviewed the District's investments and budget comparison, and requested approval of three fund transfers and the renewal of a certificate of deposit. After discussion, upon motion by Director Horak and second by Director Koenig, the Board voted unanimously to approve payment of the bills and invoices, the fund transfers, and the renewal of the certificate of deposit, as presented.

Director Roberts then stated that the Board would consider the Resolution Authoring Transfers of Funds and Payment of Expenses During Public Emergencies (the "Emergency Payment Resolution") and recognized Mr. Abbott. Mr. Abbott explained the Emergency Payment Resolution, attached as Exhibit "E". He noted that the Emergency Payment Resolution was only operative during a disaster declaration by the Governor of the State of Texas and that the resolution provided authority to the District's bookkeeper to undertake transfers and payments on behalf of the District. He added that safeguards were included in the resolution by requiring multiple signatories to any check executed by the District's bookkeeper. Ms. Kolmodin stated that it was her intention to continue to utilize the typical protocol for payment of District bills and invoices, but stated that, given the "shelter in place" considerations and rapidly changing public policy, it would be prudent to have failsafe measures in place in case it became difficult or impractical to obtain Board Member signatures on checks. After discussion, upon motion by Director Bennett and second by Director Horak, the Board voted unanimously to approve the Emergency Payment Resolution.

Director Roberts stated that the Board would next discuss pool operations, maintenance, repairs, and management, including a report from L4H on pool permitting required by Williamson County and Cities Health District ("WCCHD"). Mr. Davis reported that pool permitting applications were required to be mailed to Williamson County by March 31, 2020. He confirmed that the necessary applications for the District were complete. Director Roberts inquired about payment of the application fee of \$250 per pool. Ms. Kolmodin confirmed that she could undertake payment on behalf of the District. After discussion, upon motion by Director Bennett and second by Director Logan, the Board voted unanimously to approve the submission of the applications for pool permits to WCCHD and related payments.

Director Roberts then stated that the Board would receive the landscape report. Mr. Hamby presented Priority's report, attached as Exhibit "F", and reviewed it with the Board. Mr. Hamby then presented the proposal for Walker House seasonal color beds (Estimate #3456) attached as Exhibit "G". Director Bennett questioned whether such an expense was necessary, given the ongoing economic conditions relating to the Coronavirus, and Director Roberts agreed. Director Logan stated that, given the overall budget for landscaping in the District, Estimate #3456 did not seem particularly concerning and Director Horak agreed. Director Roberts asked Mr. Hamby if the amount of Estimate #3456 would be typical for adding "seasonal color" to flower beds in the District, and Mr. Hamby confirmed that Estimate #3456 represented the typical cost. Director Bennett then became disconnected from the call. After discussion, upon motion by Director Horak and second by Director Koenig, the Board voted 3-1 to approve Estimate #3456, with Director Roberts voting against the measure and Director Bennett not in attendance. Director Bennett then re-joined the call. Mr. Hamby then presented the proposal for clean up of an automobile accident site on Creek Run Drive (Estimate #3457) attached as Exhibit "H". After discussion, upon motion by Director Horak and second by Director Koenig, the Board voted unanimously to approve Estimate #3457.

Director Roberts next stated that the Board would receive the operations report and recognized Ms. Torres, who presented the report attached as Exhibit "I". Ms. Torres reported that there had been a water loss of 4.85% for the prior reporting period. She noted that a drain had become clogged at the pump house and, upon investigation, determined that tree roots had compromised the related pipes. She stated that Crossroads had re-routed and replaced the piping. Ms. Torres then presented the write-offs reflected in the operations report, noting there was one account totaling \$45.07, and requested approval. Upon motion by Director Logan and second by Director Bennett, the Board voted unanimously to approve the write-offs. Ms. Torres then noted that Crossroads had been sending out welcome packets to new District residents.

She inquired as to whether Crossroad should transition to digital welcome packets, given the current Coronavirus considerations. Ms. Smith indicated that they did not have an electronic welcome packet ready to be distributed. **Director Roberts then directed Pinnacle to provide necessary electronic material to Crossroads. Director Logan requested that the Communications Subcommittee be included on correspondence relating to the electronic welcome packets.**

Director Roberts stated that the Board would next discuss general management items and recognized Ms. Smith. Ms. Smith reviewed her report, attached as **Exhibit "J"**, and reported on her directives. She noted that spring maintenance of District facilities had started and were ongoing. Ms. Smith then presented Quote #022620-002SS from T.F. Harper and Associates LP for the purchase and installation of a shade canopy at Tonkawa Park, attached as **Exhibit K**". Ms. Smith confirmed that, pursuant to the quote, a new canopy would be installed and the supporting posts would be replaced and reconfigured. Director Logan inquired whether there would be any changes to the overall height of the canopy and Ms. Smith confirmed that the overall height would not change, but that the canopy would be better supported and more thoroughly bracketed. Director Roberts then inquired about the warranty and Ms. Smith confirmed that it was a ten-year, unlimited warranty. Director Logan then asked Ms. Smith to confirm that the proposed expenditure would not exceed what had been budgeted, and Ms. Smith confirmed. Upon motion by Director Bennett and second by Director Horak, the Board voted unanimously to approve Quote #022620-002SS from T.F. Harper and Associates LP for purchase and installation of a shade canopy at Tonkawa Park.

Director Roberts then recognized Mr. Abbott to present a quote from the Texas Municipal League for insurance coverage on mobile equipment, attached as **Exhibit "L"**. Mr. Abbott explained that the quote was to insure the Polaris vehicle that was recently purchased by the District. He stated that the quote established a replacement cost value of \$11,500, a deductible of \$250, and an annual cost of \$59 to insure the vehicle. After discussion, upon motion by Director Bennett and second by Director Horak, the Board voted unanimously to approve the quote with the stated replacement value, deductible, and annual cost, and **directed Mr. Abbott to take all necessary actions to add the Polaris vehicle to the District's mobile equipment insurance coverage with Texas Municipal League.**

Director Roberts then stated that the Board would discuss the District's Storm Water Management Program. Director Bennett stated that he had reviewed the Phase II (Small) MS4 Annual Report Permit Year 1: 2019 prepared by Jones and Carter, attached as **Exhibit "M"**, adding that the report seemed complete and ready to file with the Texas Commission on Environmental Quality ("**TCEQ**"). After discussion, upon motion by Director Bennett and second by Director Roberts, the Board unanimously approved the report and the filing of the same with the TCEQ by Jones and Carter.

Director Roberts then stated that the Board would discuss District parks and facilities, including disc golf. Mr. Abbott stated that, pursuant to his directive from the Board of Directors, he had engaged HouckDesign on behalf of the District to evaluate and review the Block House Municipal Utility District Disc Golf Course (the "**Disc Golf Course**"). He confirmed that HouckDesign had initially intended to evaluate the course on March 27th or 28th, but that Coronavirus considerations had forced HouckDesign to alter its travel plans. Mr. Abbott stated that HouckDesign was still interested in working with the District and suggested that, given HouckDesign's popularity and acclaim within the disc golf world, including with District residents, and that it would be unlikely that any other consultant could evaluate the Disc Golf Course during the period of Coronavirus, the District should wait to hear back from HouckDesign on when it would be available to evaluate the Disc Golf Course. **The Board**

agreed, and directed Mr. Abbott to maintain contact with HouckDesign regarding its availability.

Director Roberts then noted that she had heard from a District resident that there were still individuals playing the Tumlinson Park portions of the Disc Golf Course, despite the removal of the baskets and signs indicating that the Tumlinson Park portion of the Disc Golf Course had been closed. She also noted that the Comanche Park portion of the Disc Golf Course had not been closed and that four holes were still open. Director Roberts further noted that individuals were setting up temporary baskets in Tumlinson Park and playing disc golf on the holes that had been closed. She opined that, as the Tumlinson Park holes of the course had been closed, such activities were unacceptable, and Director Koenig agreed. Director Roberts then proposed that the posts that had contained the baskets and marked the holes in Tumlinson Park be removed and additional signage indicating the closure of the Tumlinson Park holes be added. Director Logan stated that she did not feel that the use of temporary baskets was incongruent with the District's closure of the Tumlinson Park holes and that she did not support the removal of the posts marking the holes. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted 4-1, with Director Logan opposed, to **direct Ms. Smith to remove the posts marking the holes and to add additional signage to confirm the closing of the Tumlinson Park holes. Ms. Smith noted that cones would need to be placed over the holes created by removal of the poles and Director Roberts suggested using rubber caps instead of cones.**

Mr. Abbott then reviewed the attorney directives and noted that A&B had prepared an amendment to the Amended and Restated Solid Waste Collection and Disposal Services Agreement, which would be presented at a future meeting.

Director Roberts stated the Board would review the meeting notes attached as **Exhibit "N"**. Director Horak reviewed the notes and confirmed that all actions were properly noted.

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 MARCH 25, 2020 MINUTES]

Rayan Horak, Secretary
Board of Directors

Date: 4-22-20