

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

February 26, 2020

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A regular meeting of the Board of Directors of Block House Municipal Utility District was held on February 26, 2020, 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"**.

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 and Lisa Torres of Crossroads Utility Services, LLC ("**Crossroads**"); Bill Brooks of Lifeguard4Hire ("**L4H**"); LuAnn Miller of the Block House Creek Owners Association (the "**QA**"); Sergeant Chuck Kelley of the Williamson County Sheriff's Office ("**WCSO**"); Ja-Mar Prince of Texas Disposal Systems ("**TDS**"); Larry Gaddes, Williamson County Tax Assessor/Collector; James Mallinger of Cedar Park Fire Department ("**CPFD**"); Jim and Nancy Dillon of Texas Trades; Tanya Emmons of Pinnacle Texas Management, LLC ("**Pinnacle**"); Michelle McCauley, Doug Hull, Justin Crow, Neil Guidera, Yuridia Castelar, Linda Mock, Linda Satter, Jerry Green, Roger Moeller, Joel Moreno, and Stephen Ruzicka, residents 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 receive citizens' communications. Larry Gaddes, Williamson County Tax Assessor/Collector, provided an overview of tax exemptions available in the State of Texas, including homestead exemptions. He briefly reviewed the exemptions offered by the District, including the 65-plus, disabled person, and homestead exemptions. He stated that, of the municipal utility districts ("**MUDs**") in Williamson County, only seven MUDs offered a 65-plus exemption and disabled exemption. Mr. Gaddes also stated that the District was one of two MUDs in Williamson County to offer a homestead exemption and complimented the Board for the exemptions offered to taxpayers. He also stated that approximately 1,500 of the 2,200 homes in the District had a registered homestead exemption. Director Roberts then requested that Mr. Gaddes discuss the freezing of taxes. Mr. Gaddes stated that independent school districts were required to freeze taxes for individuals aged 65 or older and added that cities, counties, and junior colleges have permissive

authority to take such action. He added that other political subdivisions, such as MUDs or emergency service districts, did not have the permissive authority under State law to freeze taxes for individuals aged 65 or older.

James Mallinger, Fire Chief of CPFDD, then discussed a house fire that had occurred in the District on February 15, 2020. He described the response time of CPFDD to the fire, indicating that they had dispatched in 56 seconds, left the station 2 minutes later, and arrived at the affected property 6 minutes later—a total of 9 minutes from when they received the call until they arrived at the property. Chief Mallinger indicated that the response time was adequate under the CPFDD's stated goals, but that they were always looking to improve response times. He added that CPFDD received 12 calls that evening and briefly explained how 9-1-1 calls were routed in Williamson County. He also mentioned that CPFDD had the highest rating available to a fire department in the State of Texas and that they were fully audited and accredited. Director Roberts then asked about the investigation of the fire in the District. Chief Mallinger explained that CPFDD's contract with the District was limited to the provision of fire and emergency medical service response and that Williamson County acted as fire marshal in the District and, as such, Williamson County had conducted the investigation of the fire and concluded that there were no suspicious causes that contributed to the fire.

Mr. Dillon addressed the Board regarding work that Texas Trades had previously undertaken on behalf of the District, generally restating the comments he had made at the October, November, and December meetings of the Board of Directors on what he perceived to be monies owed under Texas Trades Invoice No. 284. Mr. Dillon stated that he was short paid and did not agree with why the invoice was short paid, but acknowledged that he had executed a Contractor's Affidavit that confirmed he had been properly and finally compensated for all of the work Texas Trades had undertaken on behalf of the District. He gestured to the residents in attendance at the meeting and stated that he did not recommend doing business with the District.

Ms. McCauley addressed the Board regarding the disc golf course and stated that her family had lived in the District for some time and that they wanted to keep the disc golf course open. She added that disc golf was a very inclusive sport that promoted bonding and exercise. She stated that she'd like to see a speedy resolution to the issues with disc golf in the District.

Mr. Hull then stated that his house was on Gabriel Mills Drive and backed up to the disc golf course. He stated that he considered the disc golf course to be a nuisance and a constant issue. He added that the course had been constructed in 2007 and that the population had increased considerably since that time. Mr. Hull then related that foot traffic was very high on the disc golf course and that pedestrians had been hit with discs. He concluded by stating that the disc golf course was a potential liability and should be closed or relocated.

Mr. Crow distributed the packet of information attached as **Exhibit "B"** to the Board. He stated that he had lived in the District for approximately ten years and that he regularly played disc golf with his children. He referred to the packet of information and stated that he had recommendations for improving the course that related to safety and private property concerns. He indicated that he was interested in minimizing the amount of time that the course would be closed.

Mr. Young stated that he supported disc golf and wanted to keep it safe for all parties involved. He added that he did not want to see any personal injury or property damage. He stated that he wanted to listen to concerns and complaints about the disc golf course and to be part of a sensible solution.

Director Roberts then read several emails received from residents on the issue of disc golf, attached as **Exhibit “C”**.

Director Roberts stated that the Board would next receive the OA report. Ms. Miller stated that the OA had not established a quorum at its planned annual meeting in December. She stated that the OA had conducted its annual meeting on January 25, 2020, at which time certain members were re-elected to the OA Board, including Director Horak. She then confirmed that the OA had resumed Zumba classes, which would be offered twice a week through May. She also indicated that the OA’s Spring Bash was scheduled for April 4, 2020. After discussion, upon motion by Director Logan and second by Director Koenig, the Board voted 4-0 to approve the OA’s use of District facilities for the OA Bash, with Director Horak abstaining.

Director Roberts stated that the Board would next consider approving the minutes of the January 22, 2020 Board meeting. Director Roberts proposed amending the minutes to include additional detail regarding the comments offered by Ms. Donachy. Director Logan proposed amending the minutes to include additional detail regarding the proposal for a disc golf town hall meeting and regarding a traffic accident in the District described by Sgt. Kelley during his report. Upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to approve the minutes as amended.

Director Roberts then stated that the Board would receive the monthly security report from the WCSO. Sgt. Kelley stated that an unused syringe had been found near the pavilion in Tumlinson Park. He indicated that deputies had made contact with several disc golfers during the month of January, including several non-residents, and that the non-residents were asked to leave the course, pursuant to District park policies, and had complied. Sgt. Kelley also confirmed that a wallet had been found in the District and returned to its owner. Sgt. Kelley concluded by stating it had been “a pretty normal month.”

Director Roberts stated that the Board would next receive a report from Pinnacle and discuss restrictive covenant enforcement, including pending and contemplated litigation. Ms. Emmons stated that Pinnacle continued to observe homes in the District when conducting restrictive covenant enforcement. Director Horak confirmed that instruction had been given to Andrew York of A&B to make contact with residents regarding violations at the following properties: 15006 Snelling Drive, 2605 South Walker Drive, 16725 Spotted Eagle Drive, and 2502 Tracy Cove. Director Horak stated that no additional action was required from the Board relating to any pending violations.

Director Roberts then stated that the Board would discuss drought management and water use restrictions, including violation monitoring and watering restrictions. Ms. Emmons stated that, because of recent rains, there was not yet a need to enforce any drought management measures or water use restrictions. She added that enforcement for such measures would likely begin in June.

Director Roberts then inquired about restrictive covenant violations relating to a property on Charlie Harley Drive. Ms. Emmons confirmed that the property in question was tenant-occupied and in a portion of the District where the OA enforced deed restrictions. Ms. Emmons indicated that actions had been undertaken on the property pursuant to Chapter 209, Texas Property Code (“*Chapter 209*”). She described the requirements of Chapter 209 and stated that certain notices were required under definitive timelines. She then advised that she would confirm the timing of all such notices and assured the Board that all available actions were being undertaken to enforce the restrictive covenants on the property. Director Roberts

requested that Ms. Emmons follow up with the residents who had inquired about the property. Director Roberts inquired about a recreational vehicle that had been improperly parked in the District. Ms. Emmons confirmed that the resident who had improperly parked the recreational vehicle was a new resident and was unaware of the prohibition on parking recreational vehicles on streets in the District. Ms. Emmons then confirmed that all documentation relating to the recreational vehicle had been timely sent and that she expected that situation to be resolved soon.

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

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. Brooks reported that there had been a delay in the shipment of the filter for the improvements for the Tumlinson Pool Pump House. He indicated that work would start as soon as the necessary equipment was received. He then reported on WCCHD pool permitting and noted that representatives from L4H had engaged in conversations with WCCHD inspectors regarding the inspection process. He related that it was his understanding that there would be no inspection or late fees associated with the process and that inspectors were uniquely focused on safety issues, with a focus on signage, gates, and emergency call boxes.

Director Roberts then stated that the Board would receive the landscape report. Ms. Smith presented Priority's report, attached as **Exhibit "F"**, and reviewed it with the Board. She noted that weekly service would start in the first week of March for the summer season. Ms. Smith then presented the proposal for removal and disposal of declining willow trees and vines at Chardonay Crossing East Bridge (Estimate #3414) attached as **Exhibit "G"**. After discussion, upon motion by Director Horak and second by Director Bennett, the Board voted unanimously to approve Estimate #3414. Ms. Smith then presented the proposal for annual fire ant treatment (Estimate #3426) attached as **Exhibit "H"**. After discussion, upon motion by Director Horak and second by Director Koenig, the Board voted unanimously to approve Estimate #3426.

Director Roberts next stated that the Board would receive the operations report and recognized Ms. Torres, who presented the report attached as **Exhibit "I"**. She reported that, as of the end of January of 2020, there had been a water loss of 4.32% for the prior reporting period. Ms. Torres then presented the write-offs reflected in the operations report, noting that there were three accounts totaling \$258.51, and requested approval. Upon motion by Director Logan and second by Director Horak, the Board voted unanimously to approve the write-offs. Ms. Torres then discussed the new resident welcome packet, confirmed that Crossroads had previously distributed such packets, and stated that Crossroads would be happy to resume such duties. The Board directed Crossroads to resume the duty of delivering welcome packets to new residents of the District.

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.

Ms. Smith then discussed requests for use of District facilities, including a request for the waiver of fees from the Girl Scouts Starlight Service for use of the Pavilion on March 28, 2020 for the Spring into Science activity. After discussion, upon motion by Director Logan and second by Director Horak, the Board voted unanimously to approve the request for a waiver of fees for use of the Pavilion on March 28, 2020. Ms. Smith then stated she had also received a request from Coach Bryan Kenney for the use of practice fields for Little League baseball practice on Sundays through May 5, 2020. After discussion, upon motion by Director Logan and second by Director Bennett, the Board voted unanimously to approve the request for use of the practice fields for Little League baseball practice on Sundays through May 5, 2020. Following approval, Director Roberts expressed concern about the availability of the field for District residents and expressed a desire to revisit the District's reservation system following the Spring season. Director Logan then directed Ms. Smith to confirm that Zumba was included on the District calendar.

Ms. Smith then discussed the website update and stated that she was working to finalize wireframes, working on the site map, and reviewing analytics. She confirmed that all ".gov domain" accounts had been set up.

Ms. Smith then discussed District branding, including the proposal from Hot Dog Marketing ("Hot Dog") for Block House messaging attached as **Exhibit "K"**. The Board discussed the proposal, and noted various clerical errors that had been included in the proposal, most notably, the misspelling of "Block House." Director Logan expressed concern that Hot Dog had failed to: (i) correctly spell the District's name in the initial proposal; and (ii) correct all clerical errors after notice, particularly when considering that Hot Dog would be engaged in District branding efforts. Director Roberts agreed with the sentiments expressed by Director Logan. After further discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted 1-4 against the approval of Hot Dog's proposal relating to Discovery and Messaging Strategy.

Ms. Smith then discussed the purchase of Microsoft Office 365 software for the District office, including licenses for each Director. Director Logan inquired about the cost of the licenses, limitations on use of the licenses, and transferability of the licenses. After discussion, the Board directed Ms. Smith to conduct additional research relating to proposed purchase of the Microsoft 365 software, including limitations on use of the licenses and transferability of licenses.

Director Roberts stated that the Board would next discuss engineering matters. Ms. Smith presented the engineer's report attached as **Exhibit "L"** and reviewed it with the Board. Ms. Smith confirmed that a pre-construction meeting relating to the construction of a drain line for the pool backwash filters at Tumlinson Pool had occurred on February 21, 2020. Director Bennett then confirmed that everything should be in place for work to commence soon.

Director Roberts then stated that the Board would discuss property maintenance, repairs, and replacements. Ms. Smith discussed the proposed replacement of three water fountains with dog bowls at Tumlinson Pavilion, Tumlinson Tennis Court, and Apache Pool. She reported that she had confirmed the installation costs of the water fountains and a range of prices for the desired water fountains. Director Roberts directed Ms. Smith to obtain specific proposals relating to the purchase of the water fountains for consideration by the Board at its regular March meeting.

Director Roberts stated that the Board would next discuss solid waste services. Mr. Prince reviewed the proposal from TDS to modify the Amended and Restated Solid Waste

Collection and Disposal Services Agreement between the District and TDS attached as **Exhibit “M”**. Ms. Smith confirmed she had provided feedback to Mr. Price on behalf of the Board of Directors and that the proposal from TDS encompassed all of the questions and concerns expressed by the Board of Directors. After further discussion, upon motion by Director Logan and second by Director Bennett, the Board voted unanimously to accept the proposed changes to the District’s agreement with TDS and directed Mr. Abbott to prepare an amendment to the agreement, integrating the proposed changes, for the Board’s consideration at its regular March meeting.

At 8:00 p.m., Director Roberts stated that the Board would next convene in executive session to receive legal advice regarding District park facilities, as permitted by Section 551.071 of the Texas Government Code. At 8:27 p.m., the Board reconvened in open session and Director Roberts announced that no action had been taken in executive session.

Director Roberts then stated that the Board would discuss disc golf. Director Roberts addressed the citizens in attendance at the meeting and thanked them for attending the meeting and their civility relating to their advocacy on the matter of disc golf. She further stated that the Board appreciated their feedback and participation in the process. Director Logan then commended the disc golf players of the Block House community for being responsive and providing constructive feedback to the Board. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to confirm the temporary closure of the five Tumlinson Park holes of the District’s disc golf course and directed Mr. Abbott to engage HouckDesign or, in the alternative, another qualified safety consultant, to evaluate the District’s disc golf course and provide feedback on design and safety considerations. Director Logan noted that, while she voted in favor of the motion, she was opposed to the temporary closing of the five Tumlinson Park holes. Director Roberts stated that the Board intended to work through any and all issues relating to the disc golf course as soon as possible so that disc golf play could resume in the District.

Director Roberts stated that the Board would next receive a report from the Community Garden Subcommittee. Director Bennett reported that efforts to clean the Community Garden facilities were undertaken by the Boy Scouts on Saturday, February 22, 2020, and by the Girl Scouts on Sunday, February 23, 2020, and that both groups were extremely helpful. He also indicated there was more work to be done in order to have the Community Garden facilities in pristine condition. Director Logan related that she had also worked in the Community Garden on the previous weekend and had purchased equipment to assist in the effort. She added that she and Director Roberts would be working jointly to maintain a garden plot on behalf of the District.

Director Roberts then stated that the Board would receive a report from the Water/Environmental Subcommittee. Director Bennett presented the report attached as **Exhibit “N”** and reviewed it with the Board. He stated that the Trails Access Project #1-20 was complete and noted that abandoned chimney swift chimneys had been removed, a manmade bridge had been reconstructed and reinstalled, and that trails had been trimmed.

Director Roberts then stated that the Board would receive a report regarding storm water management. Director Bennett presented the report attached as **Exhibit “O”** and reviewed it with the Board. He stated that there continued to be debris piled up behind fencing on the Susan Lane channel and that the District needed to confirm who was responsible for monitoring the areas.

Director Roberts then stated that the Board would receive the attorney's report and recognized Mr. Abbott. He presented the disclosure statement from Public Finance Group LLC, the District's financial advisor, regarding MSRB Rule G-10 in calendar years 2019 and 2020, attached as **Exhibit "P"**. Mr. Abbott then noted that Director Roberts had brought a website advertising District amenities by entities located outside the District to his attention, noting that the website, for the Marbella Community, referenced the District's park facilities and implied that the District facilities could be used by future residents of the Marbella Community. Mr. Abbott stated that he found such representations to be deceptive and misleading, given that District park facilities were specifically reserved for District residents and invited guests, and confirmed that he had drafted the letter attached as **Exhibit "Q"** to Vintage Estate Homes, the developer of the Marbella Community, requesting the removal of the deceptive and misleading representations from the Marbella Community website. After discussion, upon motion by Director Logan and second by Director Bennett, the Board voted unanimously to authorize Mr. Abbott to send the cease and desist letter to Vintage Estate Homes.

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

Mr. Abbott then reviewed all of the Board directives given by the Board during the meeting.

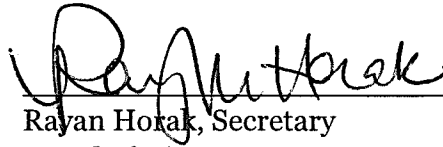
There being no further items to come before the Board, upon motion by Director Bennett and second by Director Koenig, the Board voted unanimously to adjourn the meeting.

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[SIGNATURE PAGE TO FEBRUARY 26, 2020 MINUTES]

(SEAL)



  
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Rayan Horak, Secretary  
Board of Directors

Date: 3/26/2020