

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

July 24, 2019

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A meeting of the Board of Directors of Block House Municipal Utility District was held on July 24, 2019, 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 following Directors were present, constituting a quorum:

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|--------------------|---|----------------|
| Cecilia A. Roberts | - | President |
| Steve Bennett | - | Vice President |
| Byron Koenig | - | Treasurer |

Director Rayan Horak and Director Ursula Logan were absent. Also present at the meeting were Tanya Emmons of Pinnacle Texas Management Services ("Pinnacle"); Taylor Kolmodin of Municipal Accounts & Consulting, L.P. ("MAC"); Lisa Torres and Andrew Hunt of Crossroads Utility Services, LLC ("Crossroads"); Vaughn Stockton and Bill Brooks of Lifeguard4Hire; Tripp Hamby of Priority Landscapes, LLC ("Priority"); Sergeant Chuck Kelley of the Williamson County Sheriff's Office; David Gray of Gray Engineering, Inc.; Kristin Kristinsdottir and Ed Ladd, residents of the District; and Sue Brooks Littlefield 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 recognize Ms. Kristinsdottir, who stated that she would like to establish a community food pantry. She noted that she was a homeowner in the District and was studying for her masters of social work degree at Texas A&M. Ms. Kristinsdottir explained that performing a community assessment was part of her master's degree project. She stated that the District was a great neighborhood, but like any other neighborhood, there was food insecurity that affected some residents and she was looking to build a community food pantry and would like to get the community involved. Ms. Kristinsdottir stated that her idea was to set it up like one of those little libraries that would be somewhere central or otherwise outside her house. Director Roberts noted that this was not on the agenda so the Board couldn't take any action, but that one of the District's management staff would be in touch. Mr. Hunt agreed to follow up with Ms. Kristinsdottir.

Director Roberts then recognized Mr. Ladd who stated that he had sent an email through the District's website but wanted to make sure the Board was aware that the house on 13352 English River Loop was being flipped. He stated that it was currently being renovated and asked who was responsible for making sure the work was done correctly, noting that he was worried that there was no entity actually looking at the work to confirm that it was being done properly.

Director Roberts stated that Mr. Hunt would look into the matter and get back with him. Mr. Ladd stated that his concern was how bad the house was. The Board generally agreed that concerns should be relayed to the City of Cedar Park, which had control over building permits. Mr. Hunt pointed out that the District did have jurisdiction over plumbing inspections. Director Roberts thanked Mr. Ladd for attending and relaying his concerns.

Director Roberts stated that the Board would next receive the OA report. Ms. Emmons stated that no OA director had been able to attend and advised the Board that there would be no Back to School Bash this year.

Director Roberts then stated that the Board would consider approving the minutes of the June 26, 2019 Board meeting. Upon motion by Director Bennett and second by Director Koenig, the Board voted 3-0 to approve the minutes.

Director Roberts stated that the Board would next discuss District security. Sergeant Kelley reported that there had been very little criminal activity lately, but that there had been a pursuit through the District on July 1st, noting that the vehicle was a black Audi that was apparently not from the neighborhood as the driver had gotten lost. Sergeant Kelley stated that there had been some criminal mischief at the Apache Playscape. He reported that something had been stolen from a back yard on Susan Lane. Sergeant Kelley stated that the patrol hours had been adjusted for summer time and asked if there were any upcoming events the deputies needed to be aware of. The Board agreed that the Security Subcommittee would keep them apprised. Mr. Hunt stated that he was working on a Sheriff's Department forum for Block House in October, but no date was set yet. Sergeant Kelly stated that there had been no issues over the July 4th weekend. He stated that he was getting very good feedback on the fireworks show. Director Roberts agreed that the community appreciated it very much. Director Roberts asked if his deputies had been advised of any gate issues. He responded that he had been notified a few weeks previously about a late gate closing, so believed any changes were getting to him. The Board agreed to table discussion on the postal kiosk break-ins until Director Logan was present.

Director Roberts then stated that the Board would receive the landscape report. Ms. Torres called the Board's attention to Priority's report, attached as **Exhibit "B"**, noting that the mosquito treatment had been done and the weep holes had been included in the flower beds as directed. She stated that, if additional weep holes were needed, Priority would add them at no cost to the District. She then presented the proposal for the modification of the drain outlet north of the Walker House and south of the pool fence (Estimate #3103) and the proposal for the Tumlinson Park drainage improvements (Estimate #3104), noting that these had been tabled the prior month and the Parks Subcommittee had recommended these be brought back to the Board. Director Bennett stated that they were working on getting some area drains. Mr. Hunt suggested tabling Estimate #3103 and Estimate #3104 again and the Board agreed to do so. Ms. Torres then presented the proposal to lift the tree canopies in Apache Park, including clearing canopies from the blue shade canopies in the pool area (Estimate #3168), attached as **Exhibit "C"**. Director Roberts asked why this wasn't included in the Priority contract. Ms. Torres explained that, due to the rains, a second one was needed. She confirmed that all of the work per the contract had been completed. Upon motion by Director Koenig and second by Director Bennett, the Board voted 3-0 to approve the proposal. Ms. Torres then presented the proposal for the monument sign shrub replacement (Estimate #3169), noting that the shrubs were dying out. Director Roberts asked if this was the right time of the year to replant. After discussion, the Board directed that this proposal be brought back for consideration at the Board's September meeting. Ms. Torres next presented the proposal to refresh the beds at the Block House Drive intersection (Estimate #3170) attached as **Exhibit "D"**. Upon motion by

Director Koenig and second by Director Bennett, the Board voted 3-0 to approve the proposal. Ms. Torres then presented the proposal to fill in the low area in the Tumlinson Park on the west side of the granite trail near the large elm tree (Estimate #3171), attached as **Exhibit "E"**, noting that this would prevent standing water. Upon motion by Director Koenig and second by Director Bennett, the Board voted 3-0 to approve the proposal. Ms. Torres then presented the proposal for the landscape installation in the Tumlinson Pool area on the left after entering the main gate (Estimate #3172), attached as **Exhibit "F"**. Upon motion by Director Koenig and second by Director Bennett, the Board voted 3-0 to approve the proposal.

Director Roberts then stated that the Board would discuss engineering matters and recognized Mr. Gray. Mr. Gray noted that, at the last meeting, action had been postponed on the parks plan, noting that he was happy to reengage when appropriate. He stated that he had been in contact with Director Bennett and Mr. Hunt about rerouting the backwash from the pool into one of the systems, noting that he was originally concerned about the quantity, but understood that it would go into a tank so that the release could be controlled. He stated that he would work with Mr. Hunt and Director Bennett to ensure that the backwash would be controlled so would not overload the wastewater line. Director Roberts asked if Lifeguard4Hire was aware of this and Mr. Stockton stated that they were and that they were excited about it. Mr. Gray stated that this would help them out.

Director Roberts stated that the Board would next discuss restrictive covenant enforcement, including pending and contemplated litigation; watering restrictions; and District communications. Ms. Emmons reported that the homeowner on Kathleen Lane had responded to the notice they had received and she felt the violation would be resolved. She stated that she also had a property on Gabriel Mills Drive that had been on the list for litigation, but Mr. York had worked with the homeowner, the homeowner had submitted an ACC request that had been approved and so the issue was now resolved. Ms. Emmons stated that there were some outstanding violations, but she did not feel these were of a nature that warranted litigation. Ms. Emmons stated that she had been doing watering restriction drives and that there were no issues to report. She stated that she had been in contact with Ms. Torres regarding the outcome of the subcommittee meetings. Director Roberts asked that a reminder of the water use restrictions be sent out. Ms. Emmons agreed to do this as an eblast and pointed out that this information was also in the newsletter. Director Roberts stated that there seemed to be a struggle with the survey on the bulky waste collection and Ms. Torres responded that she was working on this. Director Roberts stated that the Communications Subcommittee was also working on a schedule for the newsletter and establishing a deadline. Ms. Emmons stated that August 25th was the deadline for the September issue.

Director Roberts then stated that the Board would receive the general manager's report and recognized Ms. Torres, who reviewed her report, attached as **Exhibit "G"**. She reported on her directives, noting that she would be including the street address on the Jumano Building. She stated that a notice on the fireworks had been sent out. Ms. Torres stated that there were no write-offs to present, but that she had noted the need for these to be itemized going forward. She stated that Crossroads had started the fire hydrant testing, and that Pinnacle had sent out the requested notices. Ms. Torres stated that she had obtained an additional bid for the mini-split air conditioning unit. Mr. Hunt stated that he had not understood that the Board wanted to bring this back, noting that the second bid was \$5,100 and that he had had the unit installed. He added that the contractor had submitted its invoice and recommended payment. Upon motion by Director Koenig and second by Director Bennett, the Board voted 3-0 to approve payment to the contractor for the mini-split air conditioning unit. Ms. Torres stated that she was working on coordinating the Bond Steering Committee meeting and requested that any

additional names be sent to herself or Mr. Hunt. Ms. Torres then stated that she still had not been contacted by Pedernales Electric Cooperative about the timing for the transformer replacement. She stated that she had referred the towing contract to Ms. Littlefield. Ms. Littlefield confirmed that the Security Subcommittee was reviewing it.

Director Bennett pointed out that there was a “no motorized vehicles” sign missing. Ms. Torres stated that this missing sign had been addressed. Mr. Hunt stated that he would be making a recommendation to the Board on renovation of the District’s signage.

Ms. Torres then called the Board’s attention to the operations report, attached as **Exhibit “H”**, and reported that the water loss was 4.89% in June. She noted that the District had 2,205 total connections and an estimated population of 6,474. Ms. Torres reported that, out of 191 fire hydrants, 80 had been inspected so far. She stated that she would bring a report back to the Board when the project was completed, noting that she anticipated presenting the report and a recommendation for repairs at the September Board meeting. Director Roberts stated that Williamson County hadn’t reinstalled the reflectors after it repaved. Mr. Hunt agreed to follow up with the County on this issue. Ms. Torres reported that Pump 2 at the booster pump station was having some issues and that she would bring a report back to Board. Mr. Hunt stated that a bearing was the issue with the pump and Crossroads was looking at whether repairs were actually needed. Ms. Torres then stated that there had been a cracked main on Hopewell Court and that the affected portion of the line had been isolated and repaired. She stated that there had also been a problem with a reduced pressure zone (backflow preventer) in Tumlinson Park and that it had been repaired.

Director Roberts stated that the Board would next receive the bookkeeper’s report and recognized Ms. Kolmodin. Ms. Kolmodin confirmed that she had scheduled the budget work session as directed. She then presented the check register attached as **Exhibit “I”** and the supplemental check register attached as **Exhibit “J”**. She stated that she had no funds transfers to present. Ms. Kolmodin explained that she was attempting to take advantage of the higher interest rates when investments matured. She stated that she was still waiting on information from the consultants for the draft budget. The Board discussed the schedule for adoption of the District’s 2019 tax rate and the related special meetings that would be required. The Board agreed that an additional budget work session would be needed. After discussion, upon motion by Director Koenig and second by Director Bennett, the Board voted 3-0 to approve the payment of the bills and invoices as presented and to schedule the two special meetings related to the adoption of the District’s tax rate for August 14th and September 11th. An updated schedule of meetings is attached as **Exhibit “K”**.

Mr. Hunt then stated that there had been a question raised about what was approved for payment on the Boy Scout fence project and that he thought there was some confusion because there were two projects. Director Koenig explained that one of the projects was to paint the fence for \$550, but that the fence needed repairs before the Scouts could do the painting. Mr. Hunt reported that Crossroads had bought the materials and the Boy Scouts had made the repairs. Director Koenig stated that the Board had approved \$875, so the amount paid to the Scouts for the repairs had actually been \$325 rather than \$300. Ms. Kolmodin stated that she wanted to assure that this was accurately reflected in the minutes. Director Koenig stated that there had also been a question of whether the Boy Scouts were expected to provide materials and Director Bennett responded that volunteer groups were never required to provide materials and that these were provided by the District. After discussion, upon motion by Director Koenig and second by Director Bennett, the Board confirmed approval of the payment to the Scouts of \$550 for painting and \$325 for repairs, exclusive of the cost of materials.

Director Roberts stated that the Board would next discuss pool operations, repairs, and management. Mr. Stockton and Mr. Brooks addressed the Board and reported that Lifeguard4Hire had replaced the pool lights and that it looked very good and was easier to see at night. Director Koenig asked if it the new lights lit up the shallow areas, and they responded that they did. Mr. Stockton stated that they were in the process of making some repairs, including replacing some of the jet nozzles to improve circulation. Director Roberts stated that she would like an item added to the agenda to discuss the swim lessons being conducted at Tumlinson Pool, as at least one person was very unhappy. She asked for details of the situation. Mr. Stockton stated that there had been some information on the neighborhood website about Lessons by Joy, noting that he understood that it was not just a single person, but two different persons providing lessons. He stated that he had asked for some contact information and ultimately, had asked an individual to leave the pool since the District had a rule that the pool couldn't be used for a personal business. Mr. Hunt clarified that the rules prohibited use of the District's facilities for commercial purposes, but he felt there was some discretion. Mr. Stockton stated that one of the individuals lived outside the District and the other would not provide her address. In response to a question from Ms. Littlefield, he explained that the instructor had come in with residents, but was asked to leave the pool. The Board directed Ms. Littlefield to add discussion of this situation and the related policy to the next meeting agenda.

Ms. Torres stated that there was nothing new to report on the Walker House. Ms. Torres She then presented the proposal from Westlake Home and Commercial Services attached as **Exhibit "L"** for exterior cleaning of Jumano Community Center, including painting the beams. After discussion, upon motion by Director Bennett and second by Director Koenig, the Board voted 3-0 to approve the proposal.

Director Roberts stated that the Board would next discuss the Cedar Park Fire Department's request to trim trees overhanging the County right-of-way. Director Roberts stated that, although the District had no jurisdiction, she was concerned that if the County came in they would do a seriously unattractive pruning job and suggested a door hanger or other contact with the affected residents. She noted that the trees were an issue for the fire department, because the trees damaged the trucks and that she understood this was more of an issue on Autrey Drive and Kathleen Lane. Mr. Hunt stated that he needed more information from the fire department on what areas would be affected and he would make an additional effort to contact the affected residents, by door hanger or otherwise. He added that, if the residents chose not to address their trees, then the County would need to cut them back.

Director Roberts stated that the Board would next discuss District parks and facilities. Director Koenig stated that there was a "GaGa pit" at school that was very popular and that there was a proposal to install one or two in the parks. After discussion, the Board asked Ms. Littlefield to put an item on the Board's next meeting agenda for consideration.

Director Roberts stated that the Board would next receive the attorney's report and recognized Ms. Littlefield. Ms. Littlefield reviewed her directives from the prior Board meeting. She also provided a brief legislative update and stated that a more detailed report would be provided at the next meeting. She strongly encouraged the Board members to utilize a dedicated email address for all District email communications, partially in response to recent legislative changes, and noted that there would be additional requirements applicable to the District's website and that her office would provide a summary and checklist to ensure these requirements were met. She stated that, after discussion with Mr. Hunt, a requirement that Crossroads, as the District's general manager, regularly monitor the website to ensure all required documents were posted and up to date, had been added to the General Management Services Agreement with Crossroads. She also stated that her firm was reviewing the records

management policy to ensure it was up to date and would advise the Board on any recommendations relative to records retention. The Board then discussed a proposed Order Adopting Minimum Criteria for the Qualification of Bidders on District Projects and agreed that it would like to have a two part policy, that would include different requirements for smaller contracts. Ms. Littlefield agreed to revise the draft policy and bring it back to the Board at a future meeting.

The Board deferred discussion of subcommittee membership composition. The Board the discussed the agenda format and directed Mr. Hunt to review it and bring a recommendation back to the Board that would maximize the efficiency of the meetings. The Board agreed that it would like to consider deleting the final column to improve Director Horak's ability to participate in the discussion at the meetings.

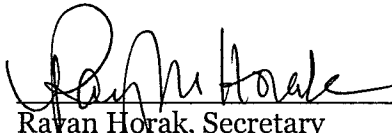
Director Roberts stated that the Board would next consider personnel matters and would conduct an evaluation of Ms. Kolmodin, Municipal Accounts & Consulting. She announced that the Board would convene in executive session as authorized by Section 551.074 of the Texas Government Code to do so, and that the time was 7:45 p.m. The Board reconvened in open session at 7:48 p.m. and Director Roberts announced that no action had been taken in executive session. The Board directed Ms. Littlefield to prepare a letter of commendation to Mark Burton of Municipal Accounts & Consulting, expressing the Board's appreciation of Ms. Kolmodin's service and professionalism.

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

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[SIGNATURE PAGE TO JULY 24, 2019 MINUTES]



Ryan Horak, Secretary
Board of Directors

Date: 8-28-19