

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

November 17, 2020

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A regular meeting of the Board of Directors of Block House Municipal Utility District was held via video conference on November 17, 2020 at <https://zoom.us/j/92075401347?pwd=d2JIazhna2svOGdFaGZDYTVsWUFKZzo9>, Zoom Meeting 989 4762 6074 and passcode 285021. 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"**. An electronic agenda packet for the meeting was provided on-line via the link included in the meeting notice and the meeting was recorded and made available at the same link after the meeting.

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 Andrew Hunt of Crossroads Utility Services, LLC ("Crossroads"); Sergeant Chuck Kelley of the Williamson County Sheriff's Office ("WCSSO"); Sandy Martin of the Block House Creek Owners Association (the "OA"); Tom Davis of Lifeguard 4 Hire, LLC ("L4H"); David Gray of Gray Engineering ("GE"); Melissa and Jack Baker of Community Association Management; Stu McMullen, David Shoemaker, and Robert Young, residents of the District; and Sean Abbott of Armbrust & Brown, PLLC ("A&B").

Director Roberts called the meeting to order at 6:30 p.m. and welcomed those present. She confirmed that the meeting was being conducted via Zoom and was being recorded. She stated that the Board would first receive citizens' communications, requested that each speaker identify themselves when speaking, and requested that anyone participating in the call mute their devices when they were not speaking. Mr. McMullen stated that he was happy that one of the two park bond propositions had passed. He also stated that he would like to be considered to be appointed to the Board if and when a seat were to become available.

Mr. Young stated that he wanted to congratulate Ursula Logan for her performance in the November 3, 2020 director election. He noted that Director Logan received more votes in the election than any other candidate who had previously run for the position. He then stated that he hoped that any new Board Member would seek advice from Director Logan for matters pertaining to the District.

Director Roberts then stated that the Board would receive a report from the OA and recognized Ms. Martin. Ms. Martin stated that the OA had held their annual meeting on

November 7, 2020 and that two new board members had been elected. She stated that the OA would be conducting a food drive soon for Block House residents and that they still needed certain items for Thanksgiving. She concluded by stating that the OA would be holding a Christmas light contest for the neighborhood. Director Roberts then directed Ms. Smith to post information on the OA's food drive on the District's social media accounts.

Director Roberts stated that the Board would next consider the minutes of the October 28, 2020 meeting (the "Minutes"). Upon motion by Director Logan and second by Director Roberts, the Board voted unanimously to approve the Minutes.

Director Roberts stated that the Board would next consider taking action regarding the election-related items on the Supplemental Agenda. Mr. Abbott reviewed the results of the director election based on the official election returns and stated that Ursula Ann Logan had received 1,187 votes, Cecilia Roberts had received 1,013 votes, and Amanda Milani had received 980 votes, resulting in the election of Director Logan and re-election of Director Roberts to the Board. Mr. Abbott stated that Director Logan was currently in the middle of a four year term and had just won a new four year term. He noted that Director Logan could choose which term to serve going forward. Director Logan stated that she chose to accept the new term, ending in November of 2024, leaving her previous seat vacant. Mr. Abbott confirmed that the Board would consist of four Board Members until a new Board Member was appointed. Upon motion by Director Bennett and second by Director Horak, the Board voted unanimously to adopt the Order Canvassing the Returns and Declaring the Results of Block House Municipal Utility District November 3, 2020, Director Election attached as **Exhibit B**. Mr. Abbott then reviewed the results of the bond elections based on the official election returns and stated that Proposition A had 1,560 votes "For" and 1,297 votes "Against" and that Proposition B had 1,222 votes "For" and 1,610 votes "Against", resulting in the passage of Proposition A and the failure of Proposition B. Upon motion by Director Logan and second by Director Horak, the Board voted unanimously to adopt the Order Canvassing Election Returns for the November 3, 2020 Park and Recreational Facilities Bond Election, attached as **Exhibit C**.

Director Roberts then stated that the Board would consider the Sworn Statements and Oaths of Office elected as of November 3, 2020. Directors Roberts and Logan then took their Oaths of Office and read and affirmed the Statement of Elected/Appointed Officer. Upon motion by Director Bennett and second by Director Roberts, the Board voted 4-0 to accept the Sworn Statements and Oaths of Office from Directors Logan and Roberts.

Director Roberts then suggested that agenda items 8 and 9, relating to the "Election of Officers" and "Subcommittee Assignments" be deferred until the Board had appointed a fifth Board Member. Director Logan asked if the Board needed to establish a process to consider individuals who would like to be appointed to the Board. Director Roberts suggested it would be beneficial to receive resumes or bios from interested candidates and that each interested candidate could engage with the Board at its December meeting. Director Logan asked whether the Board should make a public statement regarding the open position on the Board. Director Roberts responded that the Board had not typically put out such statements in the past when an open position needed to be filled. Directors Bennett and Koenig did not express an interest in a public statement regarding the open position on the Board and Directors Logan and Roberts stated they were in favor of such a statement. The Communications Subcommittee then directed Ms. Smith to provide notice on the District's website and social media relating to the open position on the Board.

Director Roberts next announced that the Board would consider approving a revised District Registration Form. After discussion, upon motion by Director Bennett and second by

Director Logan, the Board voted 4-0 to approve the revised District Registration Form attached as **Exhibit “D”**.

Director Roberts next announced that the Board would consider proposals for restrictive covenant enforcement services and recognized Mr. Hunt. Mr. Hunt provided an update to the Board regarding a request for proposal (“*RFP*”) for restrictive covenant enforcement services and referenced the RFP that Crossroads had utilized in soliciting new consultants to perform restrictive covenant services. He confirmed that he had received a single response to the RFP, from Community Association Management (“*CAM*”) and introduced Melissa and Jack Baker from CAM to the Board. Ms. Baker referenced the proposal provided to the District, attached as **Exhibit E**, and offered an overview of how they could provide restrictive covenant services to the District. Director Roberts asked who would have access to the data on their internal systems relating to covenant violations, and Mr. Baker replied that anyone designated by the Board could have access to CAM’s online system. Director Logan asked Melissa and Jack Baker what their biggest challenge was dealing with restrictive conveyance enforcement. Mr. Baker stated that he often had to help homeowners associations understand “why” they had restrictive covenants and “why” enforcement was necessary. Mr. Baker noted that CAM’s drivers use an iPad to record restrictive covenant violations and that the violations information uploaded to their system immediately. He confirmed that there was an automated process to generate and send letters to residents regarding violations. Director Logan stated that the documentation of violations was extremely important and that she would like to see an example of how CAM’s online system worked. Mr. Baker stated that he would be happy to contact Smart Webs to figure out a way to provide an example of their system to Director Logan. Director Bennett asked Mr. Baker about the challenges associated with the subjectivity of certain restrictive covenants. Mr. Baker stated that reasonable minds can differ on restrictive covenant violations. He stated that he does his best to meet residents and learn their schedules, which can inform his observation of violations. He stated that direction from the Board of Directors would be important in CAM’s approach to enforcement. Ms. Baker then stated that it was extremely important to be consistent in the enforcement of restrictive covenants and Mr. Baker agreed. After discussion, upon motion by Director Bennett and second by Director Logan, the Board voted 4-0 to accept the proposal from CAM and directed Mr. Abbott and Mr. Hunt to prepare a contract for restrictive covenant services with CAM for consideration by the Board at its December meeting.

Director Roberts stated that the Board would next receive a report from the WCSO and recognized Sgt. Kelley. Sgt. Kelley reported that a significant car accident had occurred the previous evening on Claudia Drive and that a suspect had been arrested for driving while intoxicated. He stated that the WCSO had undertaken extra patrols on Halloween. Director Roberts asked if there was anything that District residents should be aware of during the holiday season? Sgt. Kelley stated that all residents should be careful of package theft. He also reminded residents to lock their vehicles. Director Roberts then directed Ms. Smith to put out a reminder on the District’s social media platforms regarding package theft and locking car doors.

Director Roberts then stated that the Board would discuss restrictive covenants and recognized Ms. Smith. Ms. Smith noted that she had corresponded with Andrew York of A&B on a particular pending matter relating to restrictive covenants. Mr. Abbott confirmed that an update would be provided to the Board soon and that there was no official action for the Board to undertake relating to the matter. Ms. Smith then noted that she had been tracking her hours spent on her restrictive covenant work.

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 “F”** and the supplemental check register attached as **Exhibit “G”**. She noted that the District’s new

fiscal year started in October. She reviewed the District's investments and budget comparison and recent bills and invoices listed in the report, and requested approval of the three fund transfers listed in the report. Director Logan stated that she had questions relating to sales tax being included on several of the District's invoices. She then stated that she would like to serve on the Financial Subcommittee as Director Horak was no longer a member of the Board. She noted that she would like to sit down with Crossroads to ensure that the District is being credited for invoices where sales tax had been included. Mr. Hunt confirmed that he was aware of the situation and that he would be happy to investigate further. He stated that Crossroads always attempts to have sales tax removed from District bills, but that occasionally it is unavoidable. He further stated that Crossroads would be transparent and wanted to ensure everything was correct. Director Logan stated that it was important for everyone involved, including Board Members and Ms. Smith, to be diligent and to ensure that the District is not being charged sales tax. Mr. Hunt stated that Crossroads would research and provide a reconciliation report next month. Director Roberts then stated that Mr. Hunt and Ms. Smith should thoroughly review all invoices and that subcommittee assignments could be changed in December. After discussion, upon motion by Director Logan and second by Director Bennett, the Board voted 3-1, with Director Logan voting "no", to approve payment of the bills and invoices and the fund transfers.

Director Roberts stated that the Board would next discuss pool operations, maintenance, repairs and management and recognized Mr. Davis. Mr. Davis explained the proposal relating to repair of Tumlinson Pool attached as **Exhibit "H"**. Director Roberts noted that the proposal did not have a definitive amount and asked Mr. Davis to provide additional detail regarding the proposal. Mr. Davis stated that the proposal included the maximum number of hours that would be required to investigate and diagnose the cracks in Tumlinson Pool. Upon question from Mr. Abbott, Mr. Davis confirmed that the work would not be subcontracted and that L4H would perform all of the work. Upon question from Director Logan, Mr. Davis confirmed that the proposal only related to the diagnosis of the problem and was not a proposal to fix the problem. After discussion, upon motion by Director Bennett and second by Director Roberts, the Board voted 4-0 to approve the proposal from L4H, but limited the total expenditures relating to the proposal to \$6,000.

Director Roberts stated that the Board would next discuss landscaping in the District, including Priority Landscapes, LLC's ("*Priority*") report, attached as **Exhibit "I"**. Ms. Smith stated that Priority was currently in "winter mode." She confirmed that the Christmas lights had been installed on the Walker House and that Priority had seeded beds around the District with wildflower seeds.

Director Roberts then stated that the Board would discuss District operations and recognized Mr. Hunt, who presented the report attached as **Exhibit "J"**. Mr. Hunt stated that water quality had been satisfactory in the District. He noted that water loss had been 7.87% for the previous month and that Crossroads would continue to monitor water loss going forward. He stated that he did not have any write offs for the Board to consider. Mr. Hunt stated that there had been blockage in a District waterline and that a cracked line was discovered and repaired. He stated that a new water pump had broken which needed to be immediately replaced and added that the Maintenance and Engineering Subcommittee had approved the pump expenditure. He confirmed that the new pump had been installed. Mr. Bennett stated that he was unsuccessful in procuring the metal storage building authorized at the previous meeting of the Board of Directors and noted that the anticipated expenditure would be approximately \$3,000. After discussion, upon motion by Director Bennett and second by

Director Logan, the Board voted 4-0 to authorize the purchase of a metal storage structure for District equipment.

Mr. Hunt then provided an update relating to the hiring of an administrative assistant at the Walker House. He stated that Crossroads had received hundreds of applicants and that he had a preferred candidate who had previously worked at the City of Georgetown. He added, however, that the preferred applicant did not want to work more than 28 hours per week and noted that the Board had expressed a preference for an administrative assistant who would work a minimum of 32 hours per week. Mr. Hunt suggested that the General Management Services Agreement between Crossroads and the District be amended to reflect the 28 hour work week as opposed to the previously contemplated 32 hour work week. After discussion, upon motion by Director Logan and second by Director Roberts, the Board voted 4-0 to approve consideration of the applicant with a preference for a 28 hour work week and directed Mr. Abbott and Mr. Hunt to prepare an amendment to the General Management Services Agreement to account for the change.

Director Roberts then stated that the Board would consider the emergency coronavirus preparedness and protocols. Director Roberts stated that she had confirmed that there were no executive orders relating to Coronavirus protocol from the Williamson County Judge's Office and that Williamson County would be following protocol promulgated by the State of Texas. Ms. Smith stated that a resident had asked about the opening of the District's public restrooms and opined that the District was not equipped to undertake the necessary cleanings of restroom facilities during the COVID pandemic. Director Roberts stated that she was in favor of opening the public restrooms in the District. Ms. Smith recommended that the restrooms stay closed. Director Logan stated that she agreed with Ms. Smith's recommendation. Ms. Smith then confirmed that she had posted all of the COVID-related signage in the District's parks requested by the Board at its October meeting.

Director Roberts stated that the Board would next discuss general management items, and recognized Ms. Smith. Ms. Smith stated that she had completed all of her directives and referred the Board to her report attached as **Exhibit "K"**. She reported that she had not received any requests for use of facilities in the past month. She stated that she continued to work with Granicus on the District's website but that it was not ready to be rolled out. Director Logan stated that, when the Board reviewed Ms. Smith, they all seemed to be in favor of providing priorities to Ms. Smith on a monthly basis. Mr. Hunt agreed that providing priority to Ms. Smith would be beneficial. Ms. Smith stated that she has been listing all of her open projects in her report each month. She added that the subcommittees tend to provide her feedback on where her work should be focused. Director Roberts suggested that after, the administrative assistant is hired, the Board could revisit the conversation relating to prioritizing Ms. Smith's work. Director Logan agreed with the proposed approach.

Director Roberts stated that the Board would next discuss engineering items and recognized Mr. Gray. Mr. Gray reviewed his report attached as **Exhibit "L"**. He referenced the passage of the bond proposition and stated that he would happy to assist on such matters moving forward.

Director Roberts stated that the Board would next receive a report from the Communications Subcommittee. Director Logan stated that "Communications" needed to be a stand-alone item on the agenda going forward with its own heading and not included under the "General Management" heading. Ms. Smith then stated that she had completed a survey relating to the name for the District's new newsletter. She added that business cards would be

ordered soon. Director Logan then directed Ms. Smith to set up a meeting for the Communications Subcommittee before the end of the month.

Director Roberts then stated that the Board would receive a report from the Water/Environmental Subcommittee and recognized Director Bennett. Director Bennett stated that he had recently met with Cathy Mitchell from Jones and Carter relating to a scope of work for the cleaning of Blockhouse Creek. He further stated that he would work with Jones and Carter to specifically define a scope of work to remove manmade trash in Jumano Park. Ms. Smith stated that Jones and Carter would work with Upper Brushy Creek Utility District relating to capital projects that could benefit the District. Director Roberts noted that there were dead trees in Jumano Park and Director Bennett confirmed Jones and Carter would evaluate the removal of dead trees.

Director Roberts then stated that the Board would discuss District parks and facilities, including disc golf. She stated that the District had received several complaints from District residents regarding individuals playing disc golf in Comanche Park and Tumlinson Park. She reminded the Board that the District's disc golf course had been closed due to concerns about safety issues. Director Bennett then stated that the ad hoc Disc Golf Subcommittee recommended that the proposed plan submitted by District residents for disc golf in Jumano Park be rejected. Director Logan asked Director Bennett what sort of plans the ad hoc subcommittee was preparing. Director Bennett stated that he wanted to wait until he had confirmation from Jones and Carter on environmental considerations before seriously considering any other disc golf options. After question from Director Logan, Director Bennett confirmed that disc golf in Block House was currently on hold.

Director Roberts stated that the Board would next receive the report from and directives to Armbrust & Brown, PLLC. Mr. Abbott confirmed that all of his directives were complete. He then reviewed the renewal of general liability, automobile liability, errors and omissions (public officials) liability, law enforcement liability, workers' compensation insurance, real and personal property, boiler and machinery, and mobile equipment insurance (the "*Insurance Coverages*"). After discussion, upon motion by Director Logan and second by Director Bennett, the Board voted 4-0 to renew the Insurance Coverages.

Director Roberts then directed Mr. Abbott to review and confirm the meeting notes attached as **Exhibit "M"**.

Director Roberts stated that the Board would next discuss the Board's future meeting schedule and agenda items. Mr. Abbott confirmed the next meeting of the Board of Directors would occur on December 16, 2020.

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

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[SIGNATURE PAGE TO NOVEMBER 17, 2020 MINUTES]

Ursula Logan, Assistant Secretary
Board of Directors

Date: 12-16-20