

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

May 11, 2009

THE STATE OF TEXAS           §  
  §  
COUNTY OF WILLIAMSON       §

A special meeting of the Board of Directors of Block House Municipal Utility District was held on May 11, 2009, at the offices of Gray-Jansing & Associates, Inc., 8217 Shoal Creek Blvd, Suite 200, Austin, 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 was called of the members of the Board:

Terence Davis	-	President
Cecilia A. Roberts	-	Vice President
Debra Junk	-	Secretary
Stuart McMullen	-	Assistant Secretary
Steve Bennett	-	Assistant Secretary

and all of the Directors were present, except Directors Junk and Roberts, who arrived later, thus constituting a quorum. Also present at the meeting were Cole Spainhour of Waterman & Spainhour; Tony Elmer of SWWC Services, Inc.; Mark Olmstead of the YMCA Austin and Ilyse Lerner of Armbrust & Brown, L.L.P.

Director Davis called the meeting to order at 12:05 p.m. and stated that the Board would first discuss restrictive covenants, including litigation regarding a violation at 607 Tumlinson Fort Drive. Director Davis recognized Mr. Spainhour, who informed the Board that Justice Court Judge Edna Staudt had ruled against the District in the litigation regarding the violation at 607 Tumlinson Fort Drive. Mr. Spainhour stated that he had not had the opportunity to discuss Judge Staudt's ruling with her, but that she had specified that her holding was based on the evidence presented. He explained that the District had 10 days after the date of judgment to file an appeal. He indicated that the appeal would be sent to one of the County Courts at Law and would be "de novo", meaning the County Court at Law would not be bound to any rulings or testimony from the Justice Court case. He added that Judge Staudt had set an appeal bond of \$1,200.

At 12:08 p.m., Director Davis announced that the Board would convene in executive session under Section 551.071 of the Texas Government Code to receive legal advice in connection with the litigation regarding the restrictive covenant violation at 607 Tumlinson Fort Drive. At 12:14 p.m., the Board reconvened in open session and Director Davis stated that no action had been taken during executive session.

Director Bennett then moved that the District waive its right to appeal the final judgment in the restrictive covenant lawsuit filed against the resident at 607 Tumlinson Fort Drive. Upon second by Director McMullen, the Board voted unanimously to adopt the motion.

Director Roberts arrived at this time. Director Davis stated that the Board would next discuss the pool drain equipment required under the Virginia Graeme Baker Pool & Safety Act and related work. Director Roberts moved that the Board (i) approve the proposal from Progressive Commercial Aquatics, Inc. ("Progressive") for the installation of main drain grates and drain covers and related facilities at Tumlinson Pool attached as Exhibit "B", (ii) direct SWWC Services, Inc. to drain the pool the following day in coordination with Progressive, and (iii) direct L. Mike Williams of Gray-Jansing & Associates, Inc. to supervise the draining and refilling of the pool. She explained that draining the pool might be problematic because, once the weight from above-ground water was removed, ground water underneath the pool might rise and crack the pool floor, and so she felt that it was important to have an engineer supervise the draining and refilling process. Director McMullen seconded Director Roberts' motion. Director Davis called for any discussion of the motion. Director Bennett inquired as to how quickly the pool would need to be refilled, and Mr. Elmer advised that the pool should be refilled quickly to avoid ground water percolating upward. Director Roberts noted that Progressive could begin working on May 13, so the pool would need to be drained by then.

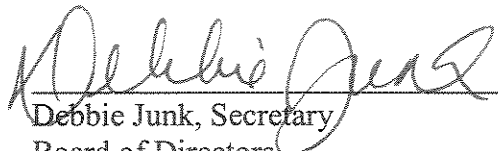
Director Junk arrived at this time. Director Roberts then asked if the YMCA had ceased adding chemicals to the pool as she had requested, and Mr. Olmstead stated that he would find out. Mr. Elmer stated that SWWC could add chemicals to de-chlorinate the water, if needed. Director Junk stated that she was under the impression that bringing the pools into compliance with the new federal laws regarding drain covers would not be a major process. Ms. Lerner stated that Apache Pool had the proper drain covers, and that Mr. Olmstead had agreed to provide the District with a certificate to that effect. Director Roberts stated that copies of the certificates should be framed and hung at the pools. Ms. Lerner then reported that the YMCA and Andrew Hunt had informed the District that Tumlinson Pool had irregular drains that would need special covers, but that it was not until Mr. Hunt had coordinated an inspection with Progressive and received the compliance report from Waterscape Consultants, Inc., a copy of which is attached as Exhibit "C", that Directors Bennett and Roberts were made aware of the extent of the work that was required to bring the pool into compliance. Director Bennett suggested that the drainage and refill procedures be documented for future reference. Director Roberts recommended that Mr. Williams do that. Ms. Lerner then stated that she had requested that Mr. Olmstead review the proposal to ensure that it was sufficient to bring the pool into compliance and not overly broad. Mr. Olmstead indicated that, after reviewing the proposal and conferring with Steve Davis of Progressive and Andy Hines of Hines Pool & Spa, he had determined that the proposal was very thorough and would bring the pool into compliance. He noted that the proposal did include some items that were not required by law, but that these were good safety recommendations. Ms. Lerner noted that the project would also require electrical work, which would be separate from Progressive's work. Mr. Elmer stated that he would arrange for the electric work. After further discussion, Director Roberts amended her previous motion to include a directive to Mr. Williams to prepare a draining and refill procedure guide for Tumlinson Pool and approval of the electrical work related to the installation of pool drain covers at Tumlinson Pool. Upon second by Director Bennett, the Board voted unanimously to (i) approve the proposal from Progressive for the installation of main drain grates and drain covers

and related facilities at Tumlinson Pool, (ii) direct SWWC Services, Inc. to drain the pool the following day in coordination with Progressive and refill the pool upon completion of the drain cover installation, (iii) direct L. Mike Williams of Gray-Jansing & Associates, Inc. to supervise the draining and refilling of the pool and to prepare a draining and refill procedure guide for Tumlinson Pool; and (iv) approve the electric work related to the installation of pool drain covers at Tumlinson Pool.

Director Roberts noted that the YMCA should take advantage of the drained pool and perform any maintenance work that was only possible when the pool was drained. Mr. Olmstead recommended that the pool be acid-washed, which would cost approximately \$1,500-\$1,700. Director Bennett stated that acid-washing was necessary every few years and would be cheaper to do while the pool was already drained. Director Davis then suggested that the Board authorize Director Bennett to arrange for any necessary repairs or equipment that might be needed in the event that problems arose during the drain cover installation process, including the draining and refilling of the pool. After discussion, upon motion by Director Bennett and second by Director Junk, the Board voted unanimously to (i) direct the YMCA to have Tumlinson Pool acid-washed while the pool was drained, so long as the washing did not interfere with Progressive's work; and (ii) authorize Director Bennett to take any action necessary to repair Tumlinson Pool in the event that any damage resulted from the drain cover installation process, including the draining and refilling of the pool.

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

(SEAL)

  
Debbie Junk, Secretary  
Board of Directors

Date: 5-27-09