

DOCKET NO. 56167

COMPLIANCE FILINGS FOR DOCKET	§	PUBLIC UTILITY COMMISSION
NO. 55454 (PETITION TO DETERMINE	§	
FAILURE TO ACT IN ACCORDANCE	§	OF TEXAS
WITH TEXAS WATER CODE §§ 67.007	§	
AND 13.002(11) AND (24) BY	§	
WINDERMERE OAKS WATER	§	
SUPPLY CORPORATION)	§	

**COMPLAINT OF VIOLATION OF CUSTOMER INFORMATION
DISCLOSURE BY WINDERMERE OAKS WATER SUPPLY
CORPORATION (WOWSC)**

Background

On December 2, 2025, the undersigned filed a complaint in Docket No. 56167 regarding WOWSC’s noncompliance with its Record Retention Policy. This follow-up complaint addresses a related but distinct violation: the improper disclosure and use of customer information.

Texas Utilities Code §182.052 prohibits the disclosure of customer personal information, including email addresses, by a utility. This statute supersedes conflicting provisions in corporate bylaws or other statutes. WOWSC’s own president, Patti Flunker, acknowledged this requirement in correspondence to Sandy Neilson (Exhibit C).

Complaint

Despite this clear statutory prohibition, WOWSC appears to have disclosed or misused customer information:

1. Use of Personal Email Accounts for Mass Communications

- Exhibits A and B show communications sent from pflunkerwowsc@yahoo.com purporting to be from the “WOWSC Board of Directors.”
- These communications were distributed to member email lists, raising the question of whether WOWSC’s customer records were exported or shared with a personal account.

2. Existence of Secure Corporate Communication System

- Exhibit D demonstrates that WOWSC has the capability to send official corporate email alerts through its contracted system, using the return address no-reply@ruralwaterimpact.com.
- This system provides secure, auditable communications and includes unsubscribe functionality consistent with utility practice.
- The fact that Ms. Flunker instead used her personal Yahoo account strongly suggests that she obtained member email addresses from WOWSC's records and repurposed them outside the authorized system.

3. Unclear Custody and Unauthorized Disclosure

- Members cannot determine whether emails sent from pflunkerwowsc@yahoo.com are official WOWSC communications or personal solicitations.
- The use of a personal account indicates that customer email addresses may have been disclosed to or stored by a third party without customer consent, in direct violation of Texas Utilities Code §182.052.

4. Contradiction with State Law

- In her email to Sandy Neilson (Exhibit C), Ms. Flunker herself cited Texas Utilities Code §182.052 as prohibiting disclosure of customer addresses.
- Yet WOWSC's practice of sending member communications from personal accounts undermines compliance with this statute and creates risk of unauthorized disclosure.

Request for Commission Action

The undersigned respectfully requests that the Commission:

- Find WOWSC in violation of Texas Utilities Code §182.052 for improper disclosure of customer information.
- Direct WOWSC to cease use of personal email accounts for member communications.
- Require WOWSC to certify that customer email lists are maintained exclusively within secure, corporate-controlled systems (e.g., ruralwaterimpact.com).
- Order WOWSC to investigate and report whether customer information has been disclosed to third parties, intentionally or inadvertently.
- Consider enforcement measures if WOWSC fails to comply with statutory requirements.

Exhibits

- Exhibit A: Email dated October 21, 2025, from pflunkerwowsc@yahoo.com (Town Hall Notice).
- Exhibit B: Email dated November 6, 2025, from pflunkerwowsc@yahoo.com (Town Hall Video Notice).
- Exhibit C: Email from Patti Flunker to Sandy Neilson citing Texas Utilities Code §182.052.
- Exhibit D: Official WOWSC Alert dated October 18, 2025, sent via no-reply@ruralwaterimpact.com, demonstrating the corporation's secure communication capability.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Joe Gimenez".

Joe Gimenez
Member
Windermere Oaks Water Supply Corporation
346 Coventry Rd
Spicewood TX 78669
1129jjg@gmail.com

CERTIFICATE OF SERVICE

I hereby certify, unless otherwise ordered by the presiding officer, that a copy of this Complaint filing in Docket No. 56167 has been served on all parties of record via electronic mail in accordance with the Public Utility Commission of Texas rules. Service was accomplished via electronic mail on December 2, 2025, consistent with the Order Suspending Rules in Project No. 50664.

A handwritten signature in blue ink, appearing to read "Joe Gimenez".

/s/Joe Gimenez

Exhibit A:

Email dated October 21, 2025, from
pflunkerwowsc@yahoo.com (Town Hall Notice).



Update from the WOWSC – Town Hall on CSWR Offer Saturday Oct. 25th at 9:30 AM

From:Patti Flunker (pflunkerwowsc@yahoo.com)

To:windermerewater@gmail.com

Date:Tuesday, October 21, 2025 at 10:04 PM CDT

Message Body

Members,

At our October 16, 2025, Board Meeting, the WOWSC Board voted to accept a Letter of Intent from Central States Water Resources (CSWR) to purchase all of the corporation's water and wastewater assets for nearly \$1.2 million. After careful evaluation of our system's condition, outstanding TCEQ violations (costing over \$1 million to correct), and the corporation's limited financing options, the Board concluded that transferring ownership to a qualified, well-capitalized, and experienced water utility owner is in the best interest of the membership.

Over the years, many essential upgrades to our utility have been deferred or addressed with temporary, low-cost fixes rather than long-term solutions. For example, installing a new clarifier and securing fencing around the effluent field on Exeter Road were both identified by the TCEQ years ago as serious concerns. These and other critical improvements have gone unaddressed while substantial funds were spent elsewhere, including on legal fees, rather than reinvested into the system. This pattern of neglect has left the utility with overdue infrastructure needs that will now require significant funding. As a nonprofit water supply corporation, WOWSC is limited in its ability to generate funds to pay for capital improvements, especially when they have history of defaulted - meaning the burden of funding these projects ultimately falls on members. Without the sale, the Board would be forced to pass on costly assessments to pay for these necessary upgrades and raise the rates.

Under the proposal, CSWR would assume all future responsibility for capital improvements, compliance, and operations. Net sale proceeds would be refunded directly to property owners for each property owned, based on the original equity buy-in fee that reflects what was paid for that property's system capacity. These equity buy-in amounts range between approximately \$3,000 and \$4,600 per property. Whether you or a previous owner paid the equity buy-in fee, the current legal property owner is the rightful recipient of the refund.

The system would continue under Public Utility Commission of Texas oversight, ensuring that CSWR cannot raise rates without Commission approval based on verified financial data. With this transition, there would no longer be board elections, board meetings, or volunteer management of a complex public utility. Operating a water and wastewater system carries significant technical, financial, and regulatory obligations that require experienced professionals including board members. Transferring ownership to CSWR ensures that these responsibilities are handled by a company with the resources, staff, and expertise to manage them effectively and reliably.

A Town Hall Meeting will be held this Saturday, October 25, 2025, at 9:30 a.m. at the Windermere Oaks Pavilion, where a CSWR representative will provide details and answer questions. A Special Members Meeting to vote on the sale will follow on Saturday, December 13, 2025, at 10:00 a.m., also at the Pavilion.

Please click on this link <https://wowsc.org/cswr-town-hall-oct-25-2025> to view CSWR information including their current base rates which are \$49.89 for water and \$63.28 for sewer, a letter from the Board, and background information on who CSWR is.

Sincerely,

WOWSC Board of Directors

Patti Flunker/President

Mark Carpenter/Vice President

Allen Hicks/Secretary, Treasurer

Bill Stein/Director

Karen Yeaman/Director

Exhibit B:

Email dated November 6, 2025, from
pflunkerwowsc@yahoo.com (Town Hall Video
Notice).



CSWR Town Hall Video and Upcoming Vote to Sell to CSWR on December 13, 2025

From:Patti Flunker (pflunkerwowsc@yahoo.com)

To:windermerewater@gmail.com

Date:Thursday, November 6, 2025 at 05:24 PM CST

Message Body

Dear Members,

We hope everyone is doing well and enjoying this beautiful weather. It's been a busy year for Windermere Oaks Water Supply Corporation (WOWSC), and we're now at a turning point that will shape the future of our community.

On October 25, 2025, WOWSC held a Town Hall meeting where representatives from Central States Water Resources (CSWR) presented details on the proposed purchase of our water and wastewater system and answered member questions. The meeting was well attended and informative. For those who couldn't join, the full presentation is available here <https://www.wowsc.org/town-hall-video>

Why This Vote Matters

This sale represents an opportunity for This vote is our opportunity to ensure the WOWSC has a well-run, efficient utility that operates the way it should — responsibly, transparently, and with the resources to serve our community for years to come by professionals in the industry. Additionally this sale if approved, will allow each member to receive a refund check (typically \$3,000–\$4,600 per property) based on the Equity Buy-In Fees paid for their property. Just as importantly, the sale will end years of regulatory burdens, compliance filings, and constant board turnover putting professional management in place that knows how to run a utility like ours, bringing stability to our system.

The Reality Today.

Over the past year, the PUC had to appoint a temporary manager after serious operational failures, and a June 2024 TCEQ inspection found numerous violations in both water and wastewater that had been ignored for years. Currently the WOWSC is now under PUC oversight for four more years, facing required annual audits, financial filings, approval of rates, getting approval on all changes to our bylaws, election procedures, tariff's and many other obligations. Additionally, with the TCEQ identified issues we now have required projects to complete including fencing the 24-acre effluent field and replacing the aging clarifier. Which has not been completed by previous boards and all come with a hefty cost. The violations from TCEQ are listed

herehttps://www.wowsc.org/documents/778/TCEQ_Letter_08282024_Recd_09122024.pdf.

Without change, these expenses along with legal, and regulatory costs — will continue to fall directly on members through assessments and higher rates.

A Practical Solution

To move forward, CSWR is offering to purchase the WOWSC's assets after the board negotiated with CSWR for approximately \$1.1 million. The proceeds will go directly to current members as refunds of the Equity Buy-In Fees paid when each property connected to the system. Any verified infrastructure work completed before closing will increase the final sale amount — meaning the total distribution to members could exceed \$1.1 million.

CSWR is a respected, state-regulated utility with an excellent track record and a strong relationship with the PUC. Their current base rates — \$49.89 for water and \$63.28 for sewer — are a fraction of what nearby providers such as Corix and Aqua charge (often \$200 or more per month in base rates alone). Clearly, CSWR is the right choice for our community.

They also provide modern conveniences like online, phone, and in-person payments at multiple payment centers in Austin and Marble Falls including at HEB, along with assistance programs for seniors and families in need — services WOWSC simply cannot offer under its current structure.

What Your Vote Means

A vote FOR the sale means approving the transfer to CSWR, receiving your refund, and finally ending years of infighting, lawsuits, compliance filings, and rising costs. CSWR will take over daily operations, make necessary upgrades, and bring professional, long-term management to our system.

A vote AGAINST the sale means staying under PUC oversight for at least four more years, facing expensive TCEQ-mandated upgrades that must be paid for by members through assessments and higher rates. Because past boards defaulted on CoBank loans, WOWSC's creditworthiness is poor, leaving no borrowing options — meaning the only funding source would be you, the members.

Ballots and Meeting Packet

You should receive your ballot and meeting packets next week, and the Special Members Meeting will be held on Saturday, December 13, 2025. This vote is our chance to finally turn the page — to secure financial relief, eliminate future assessments, bring the community together and ensure professional, dependable service for years to come.

Let's move the community forward together. Please watch your mailbox, review your ballot carefully, and vote in this important election. If you have any questions please email us at windermerewsc@gmail.com

Sincerely,

WOWSC Board of Directors

Patti Flunker, Allen Hicks, Mark Carpenter, Bill Stein and Karen Yeaman

www.wowsc.org

Exhibit C:

Email from Patti Flunker to Sandy Neilson citing
Texas Utilities Code §182.052.

From: Patti Flunker pflunkerwowsc@yahoo.com
Subject: Re: New Website Contact - Member Contact List
Date: December 3, 2025 at 7:26 AM

To: Sandy Neilson sneilz@me.com

Cc: Allen Hicks ahicksdirector5@gmail.com, Mark Carpenter mcarpenter@customhomesofaustin.com, ktyeaman@gmail.com, wp_stein@yahoo.com, curtis@jeffreyranch.com, Samantha Jeffrey samantha@spicewoodus.com

PF

Ms. Neilson,

Your request has been received and has been reviewed. After reading your request, let me point you to Article 7, Section 7 of the Corporation's current bylaws, which provides that: "The officer or agent having charge of the membership books shall make, at least ten (10) days before each meeting of members, a complete list of the members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of and the number of memberships held by each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the operations office of the Corporation and shall be subject to inspection by any member at any time during usual business hours." Please note the word "inspection" of the list.

Texas Business Organizations Code §22.158 likewise requires that the list be prepared and made available for inspection, with any copying performed at the member's expense. Neither the bylaws nor §22.158 authorize or require electronic transmission or distribution of the list, and the Corporation will not be providing it electronically. Production is strictly limited to in-person inspection.

Also, we want to make you aware that Texas Utilities Code §182.052, which supersedes any conflicting provisions in other statutes or in the Corporation's bylaws, prohibits the disclosure of customer personal information, including addresses. As such, the member addresses contained in the voting list will be redacted in order to comply with state law. This approach is consistent with the procedures and practices followed by previous boards.

Your email references the opportunity to inspect the list in person, which is the correct procedure under the bylaws. However, we did not see your email until this morning, as you sent it at approximately 8:00 p.m. last night. Accordingly, we are treating your request as received today. WOWSC has no employees, and therefore only directors may meet you and provide supervised access to the voting list. As you know, there are five directors, and access must be scheduled around the availability of one of them. We require a minimum of 24 hours' notice to ensure that a director can meet you. We do not have office hours because we do not have an office. The water treatment plant contains a secure room that stores the SCADA computer and other utility records, but it is not an office where people work throughout the day. We are, however, happy to schedule a mutually convenient time to accommodate your inspection request.

Additionally, as determined by the Public Utility Commission of Texas in its final order concerning WOWSC governance of elections, contractors are prohibited from participating in or handling any aspect of member elections or voting materials. This restriction was imposed because prior boards improperly involved

materials. This restriction was imposed because prior boards improperly involved contractors in election administration including handling the ballots. Accordingly, only directors, not contractors, may provide access or oversight of election-related documents.

The water treatment plant is an active utility facility so for safety, security, and regulatory reasons, only a limited number of individuals may be present inside the plant at one time, and all access must be supervised by a director. These procedures are identical to those followed by previous boards, including during the period when Mr. Jimenez and those aligned with him were in control of WOWSC.

The list will be available by scheduled appointment, and we will meet you at the water treatment plant located at 424 Coventry Road, Windermere.

Please provide your available days and times this week, and indicate how many individuals will accompany you so that we can schedule your inspection in compliance with facility access limitations.

Your request for electronic delivery is not authorized and will not be provided.

Regards,
WOWSC Board of Directors

Get [Outlook for Android](#)

From: Sandy Neilson <sneilz@me.com>
Sent: Tuesday, December 2, 2025 8:06:05 PM
To: pflunkerwowsc@yahoo.com <pflunkerwowsc@yahoo.com>
Cc: Allen Hicks <ahicksdirector5@gmail.com>; Mark Carpenter <mcarpenter@customhomesofaustin.com>; ktyeaman@gmail.com <ktyeaman@gmail.com>; wp_stein@yahoo.com <wp_stein@yahoo.com>; curtis@jeffreyranch.com <curtis@jeffreyranch.com>; Samantha Jeffrey <samantha@spicewoodus.com>
Subject: Re: New Website Contact - Member Contact List

WOWSC Board,

Consider this a formal request for a complete list of the members entitled to vote, including complete contact information of such members, and the number of memberships held by each member per the Windermere Oaks Water Supply Corporation Bylaws (pg5) Article 7 MEMBERS, 7. Voting List.

The officer or agent having charge of the membership books for the memberships of the Corporation shall make, at least ten (10) days before each meeting of members, a complete list of the members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of and the number of memberships held by each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the registered office of the Corporation and shall be subject to inspection by any member at any time during usual business hours.

Since tomorrow marks 10 days from the special members meeting please either promptly deliver said list to me via email or advise

Since tomorrow marks 10 days from the special members meeting please either promptly deliver said list to me via email, or advise me as to where I, and other members, can access this list as early as tomorrow.

Respectfully,
Sandy Neilson
512-327-0955
sneilz@me.com

On Dec 2, 2025, at 3:49 PM, Sandy Neilson <sneilz@me.com> wrote:

Thank you, Ms. Jeffrey.

On Dec 2, 2025, at 1:36 PM, Samantha Jeffrey <samantha@spicewoodus.com> wrote:

Good Afternoon,

I have been instructed to let anyone looking for information to contact Patti Flunker directly. She has been copied on this response as well.

Thank you,

Samantha Jeffrey
Spicewood Utility Services
512-568-6148
<Outlook-jjwnjfs.png>
From: Patti Flunker <pflunkerwowsc@yahoo.com>
Sent: Monday, December 1, 2025 4:16 PM
To: Samantha Jeffrey <samantha@spicewoodus.com>; Sandy Neilson <sneilz@me.com>
Cc: Mark Carpenter <mcarpenter@customhomesofaustin.com> <mcarpenter@customhomesofaustin.com>; Allen Hicks <ahicksdirector5@gmail.com>; curtis@jeffreyranch.com <curtis@jeffreyranch.com>
Subject: Re: New Website Contact - Member Contact List

Yes along with their address. Thanks. Every single person that has emailed us was sent a ballot and was sent to the correct address that you gave me and that we had on record.

The law is clear in saying that we send it to the last known address they gave us. Thanks

Patti

Get Outlook for Android
From: Samantha Jeffrey <samantha@spicewoodus.com>
Sent: Monday, December 1, 2025 4:10:25 PM
To: Sandy Neilson <sneilz@me.com>
Cc: Patti Flunker <pflunkerwowsc@yahoo.com>; Mark Carpenter <mcarpenter@customhomesofaustin.com> <mcarpenter@customhomesofaustin.com>; Allen Hicks <ahicksdirector5@gmail.com>; curtis@jeffreyranch.com <curtis@jeffreyranch.com>
Subject: Re: New Website Contact - Member Contact List

Patti,

Would you like for me to send the Member list with contact info?

Thank you,

Samantha Jeffrey
Spicewood Utility Services
512-568-6148
<Outlook-yvx5qz5j.png>
From: Sandy Neilson <no-reply@ruralwaterimpact.com>
Sent: Monday, December 1, 2025 1:19 PM
To: Samantha Jeffrey <samantha@spicewoodus.com>
Subject: New Website Contact - Member Contact List

You have received the following message via the Contact Us form on your website. You may click REPLY to reply to the sender.

Date: Dec 01, 2025 1:19:46 PM

Contact Name: Sandy Neilson

Exhibit D:

Official WOWSC Alert dated October 18, 2025, sent via no-reply@ruralwaterimpact.com, demonstrating the corporation's secure communication capability.



Alert from Windermere Oaks WSC

From: Windermere Oaks WSC (no-reply@ruralwaterimpact.com)

To: jgimeneziii@yahoo.com

Date: Saturday, October 18, 2025 at 06:08 PM CDT

Message Body

Alert from Windermere Oaks WSC: Update on Links - Town Hall Meeting Saturday October 25th to Discuss Sale of WOWSC

Date: Oct 18, 2025

Members are invited to attend a Town Hall at 9:30 a.m. at the Windermere Pavilion on Oct. 25th where a representative from **Central States Water Resources (CSWR)** will provide information on their offer to purchase the WOWSC water and wastewater assets. Please click on link to read letter from board on this purchase and what it means to you. [WOWSC BOD Letter on CSWR and System](#).

Click on this link to see CSWR current rates [CSWR Current Rates](#) Click on this link for all the information on CSWR [CSWR](#)

For details, visit: [<https://rw1.co/NDB12>]

To unsubscribe: <https://wowsc.org/unsubscribe.html?i=89816&e=jgimeneziii@yahoo.com> .