



## **Filing Receipt**

**Filing Date - 2024-11-15 02:21:03 PM**

**Control Number - 57065**

**Item Number - 22**



Joe Gimenez

345 Coventry Rd | Spicewood, TX | 78669

713.478.8034

[1129jig@gmail.com](mailto:1129jig@gmail.com)

15 November 2024

The Honorable Commissioners  
Public Utility Commission of Texas  
P.O. Box 13326  
Austin, TX 78711-3326

Re: PUC Docket No. 57065 – Petition for an Order Appointing a Temporary Manager to  
Windermere Oaks Water Supply Corporation


Dear Commissioners,

I have followed the above-referenced matter pending before the Public Utility Commission of Texas ("Commission") and respectfully submit this in response to "Members of the Windermere Oaks WSC Letter to the Public Utility Commission of Texas Re Referral," filing 57065-20, ("Members' Letter").

The undersigned served as the volunteer President of the Windermere Oaks Water Supply Corporation ("WOWSC") Board of Directors from March 9, 2019, through April 15, 2023. As such, I was involved in the rate case in PUC Docket No. 50788. I am a current member of WOWSC, but not its Board.

The Members' Letter requests that the "Texas State Auditor review WOWSC's handling of [the Lower Colorado River Authority (LCRA)] grant to ensure compliance with funding requirements and responsible allocation of resources." See their section "5. Questionable Use of Grant and Loan Funds."

In PUC Docket No. 50788, there were two Requests for Information about the LCRA grant, "Ratepayers 7-28" in 2023 and Commission Staff's Eighth RFI, "Staff 8-9," about the LCRA grant. (Exhibit 1 and 2, respectively) Summarizing those, WOWSC never said that the LCRA matching grant for conservation projects was to be a supplement to the "loan from CoBank for infrastructure upgrades, specifically to install a clarifier" as the Members' Letter claims.



Beyond Commission proceedings, WOWSC communicated about the LCRA project to Members at its Board meetings (Exhibit 3). Videos of WOWSC presentations in 2021 and 2022 demonstrate clear communication to members about those separate projects. (Exhibit 4)

And WOWSC communications to members was part of its testimony to the Commission. Exhibit 2 references a video, now at [www.tinyurl.com/gabe-smith-2022](http://www.tinyurl.com/gabe-smith-2022) (Exhibit 4) of a noticed Zoom call (Exhibit 5) of myself, former WOWSC general manager George Burriss with Gabe Smith, then a LCRA senior account manager who managed oversight of the matching grant to WOWSC. At the 39-minute mark of the recording, Mr. Smith displays a historical graph (Exhibit 6) showing foot-acres of water that the WOWSC had drawn from Lake Travis. At the 41-minute mark, Mr. Smith summarizes:

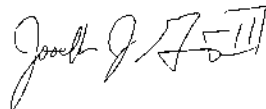
“Y’all are doing outstanding (with regard to reducing water draws from Lake Travis)....That shows you what a good job y’all have done on this....That shows you how good those measures that George implemented for conservation took hold. **That’s exactly what we want to see when we give out those grants for conservation projects. This is showcase, right here. This is wonderful.**” (emphasis added)

Now, drawing from my 2021 testimony (50788-123, pg. 40), the Members’ Letter again demonstrates some WOWSC members’ “stubbornness and their persistent attempts to relitigate issues WOWSC has already been forced to litigate once and only adds to WOWSC’s legal expenses.” The Member letter signers could be verified as the same or mostly the same in the dozen or so petitions they’ve filed over the years. For example, one co-signer is Josie Fuller, a Ratepayer Representative in 50788. The ratepayer 2020 petition for rate case 50788 would likely contain most if not all the same names.

As the Commission considers allegations in the Members’ Letter, I recommend weighing them against this letter’s evidence about: the LCRA grant; the small group of members’ persistence in their vexatious litigation; and, their penchant for providing the Commission with misrepresentations and mischaracterizations, despite past WOWSC transparency.

Thank you for your consideration of this letter. I would be happy to address any questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joe Gimenez". The signature is stylized with a large, looped "J" and a cursive "Gimenez".

Joe Gimenez  
Former WOWSC Board President, 2019-2023  
Current WOWSC Member

# Exhibit 1

**SOAH DOCKET NO. 473-20-4071.WS**  
**DOCKET NO. 50788**

**WOWSC'S SUPPLEMENTAL RESPONSE TO RATEPAYERS SEVENTH RFI**

**RATEPAYERS 7-28:** Reference Windermere's Response to Staff 8-9 and Attachment Staff 8-9, in particular page 4 of 10. Please produce the cost estimates for the 2 projects referred to (which apparently were attached at one time), the records reflecting all costs (paid and incurred) for each of these projects and the annual savings, if any, to Windermere's customers generated by each project

**RESPONSE:** Staff 8-9 only referred to a single LCRA project: the Firm Water Conservation Cost-Share Program. However, WOWSC applied this project to its wastewater and water systems.

The LCRA project cost WOWSC \$34,281 and the LCRA \$14,094. See Attachment Staff 8-9.

An estimation of the annual savings are as follows: (1) \$1,517.84 for raw water cost; (2) \$6,808.06 for COGS water treatment cost. The total estimated annual saving is \$8,325.90. See Supplemental Attachment Ratepayers 7-28.

Prepared by: Mike Nelson  
Sponsored by: Mike Nelson

2/19/2023

**Subject: WOWSC's LCRA Water Conservation Projects' Cost Savings Per Year Estimate**

Year	Pre-Water Conservation				Post-Water Conservation			Pre - Post Delta	Pre/Post Ratio
	2018	2019	2020	3 year average	2021	2022	2-year average		
<b>Acre Feet Used</b>	57.88	57.81	68.31	61.33	47.55	50.12	48.835	12.50	1.256
<b># of Members</b>	259	271	287	272	287	288	288	-16.00	0.944

**A] Raw Water Cost Savings**

Y2022 LCRA Water Cost for: water used up to 59 ac/ft = \$155 per ac/ft

water used over 59 ac/ft = \$310 per ac/ft ==&gt; 100% penalty

unused water below 59 ac/ft = \$77.50 per ac/ft ==&gt; 50% penalty

Pre-Water Conservation water cost \$9,867.30

Post-Water Conservation water cost \$8,349.46

**Raw Water Cost Savings \$1,517.84****B] Cost of Good Sold (COGS) Cost Savings from Reduced Water Treatment****Year 2022 WOWSC Cost of Goods Sold**

57000-5 - COS Chemicals - Water \$11,023.20

57500-5 - COS Electricity - Water \$11,252.26

58000-5 - COS-Sludge Removal - Water \$4,318.54

**Total \$26,594.00****COGS Cost Savings (Total \* 0.256) \$6,808.06****C] Total Cost Savings Estimate per Year \$8,325.90**

Note: The cost saving estimation is pessimistic as the # of Members has increased by sixteen members on the average pre vs post

# Exhibit 2

**WOWSC'S RESPONSE TO STAFF'S EIGHTH RFI**

**STAFF 8-9:** If Windermere's rates are designed to recover only \$171, 337 in legal and accounting expenses, how did Windermere intend to recover the remaining \$68,663 necessary to meet its legal and accounting financial obligations? Please provide a detailed explanation and supporting documents.

**RESPONSE:** WOWSC's did not design its rates to recover \$171,337. See Response to Staff 8-8.

However, WOWSC did utilize money saving options, standby fees, and equity buy-in fees that totaled nearly \$35,000. Money saving options included conservation processes that offset initial expenses with a LCRA partial matching grant. See Attachment Staff 8-9 and LCRA senior account manager Gabe Smith comments at WOWSC Informational Meeting #1 October 17 2022 - YouTube, 38:00-43:00.

In sum, WOWSC recovered the remaining amount with cost-cutting, the grant, standby and equity buy-in fees, and volumetric income.

Prepared by: Joe Gimenez

Sponsored by: Joe Gimenez





## **Windermere Oaks Water Supply Corporation**

424 Coventry Rd  
Spicewood, Texas 78669

2019 Board of Directors:  
Joe Gimenez, President  
Bill Earnest, Vice President  
Mike Nelson, Sec/Treasurer  
David Bertino, Director  
Norman Morse, Director

Valerie Miller  
LCRA  
[valerie.miller@lcra.org](mailto:valerie.miller@lcra.org)  
P O Box 220  
Austin, Texas 78767

October 11, 2019

Valerie,

As addendum to my previous letter in September, this letter is to inform you that Windermere Oaks Water Supply Corporation Board on October 9 authorized additional funds to meet its responsibility for \$34,281 in the projected costs needed to complete the projects outlined in our application for LCRA's Cost Sharing Program.

The Board had previously agreed to a resolution authorizing the use of funds to complete the project at a special called meeting on September 4. We look forward to working with LCRA in this conservation-oriented endeavor.

Please let me know if you need any additional information.

A handwritten signature in black ink, appearing to read 'Joe Gimenez', with a stylized flourish extending from the end.

Joe Gimenez  
President, Board of Directors  
WOWSC



## Firm Water Conservation Cost-Share Program

The Firm Water Conservation Cost-Share Program is designed to encourage and accelerate the adoption of water conservation measures by providing direct funding to LCRA firm water customers to help offset the cost of water efficiency projects and programs established by the customer.

The application should include the following:

- Customer profile
- Project profile
- Authorization
- Project narrative (maximum of three pages)\*
- Detailed project budget\*
- Project timeline\*
- Documentation\*
- Letter certifying funds are available for the completion of project
- Supporting documentation for all matching in-kind and cash contributions
- Documentation of approved funding from other sources

\*Project applications missing any of these documents will not be considered for funding.

Send completed applications to Valerie Miller at [valerie.miller@lcra.org](mailto:valerie.miller@lcra.org) or

Valerie Miller  
Lower Colorado River Authority  
P.O. Box 220  
Austin, TX 78767-0220

All potential applicants are encouraged to call Valerie Miller at 800-776-5272, ext. 4031 prior to submitting an application for more information regarding eligibility requirements.

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## Firm Water Conservation Cost-Share Program Application

Date September 5, 2019

### CUSTOMER PROFILE

Organization Name: Windermere Oaks Water Supply Corporation Tax ID Number: 74-2785317  
 Mailing Address: 424 Coventry Rd  
 City: Spicewood Zip: 78669  
 Physical Address: 424 Coventry Rd  
 City: Spicewood Zip: 78669

Please provide the name and contact information of the project manager who will oversee the implementation of this project.

Contact Name: George Burriss  
 Title: General Manager  
 Mailing Address: 424 Coventry Rd  
 City: Spicewood Zip: 78669  
 Phone: (830) 613-8137 Fax: N/A Email: watermgmt@yahoo.com

Mail should be sent to: ☒ Organization Address ☐ Primary Contact Address

### PROJECT PROFILE

Project Title and Brief Description:

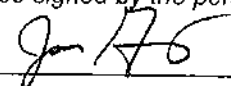
Recycling projects: This application is for financial assistance in implementing 2 small recycling projects: 1) at the Water Treatment Plant to recycle backwash water and 2) at the Wastewater Treatment Plant to recycle effluent in order to discontinue using potable water.

Amount of Cost-Share Funding Requested: \$ 16,240.00 Total Project Cost: \$ 48,375.00

Will the requested funds enable the completion of the overall project? ☒ Yes ☐ No

Is this an emerging technology project? ☐ Yes ☒ No

**AUTHORIZATION** (This application form must be signed by the person authorized to represent the Applicant.)

Name (print): Joe Gimenez Signature:  Date: 10-11-19  
 Title: WOWSC Board President Phone: 713-478-8034 Email: 1129jig@gmail.com

## PROJECT NARRATIVE

The narrative must include the following, if applicable:

1. A concise overview of the proposed project, including the need for the project, project objectives, the target group, the primary strategies for implementation, the conceptual design and/or specifications, and the expected equipment life:

This application includes two small projects for the Windermere Oaks Water Supply Corporation (W.O.S.C.). The Windermere Oaks subdivision is located on Lake Travis in the Spicewood area. The water supply corporation purchases water from L.C.R.A. under Firm Water Contract No. 6269009, and sells the treated water to 263 retail customers. The first project is to recycle the backwash water at the Water Treatment Plant (WTP), and the second project is to use recycled treated effluent for the chlorine feed line at the Waste Water Treatment Plant (WWTP), instead of potable water.

### 1. Backwash Recycle at the Water Treatment Plant

Currently, the backwash water from the filters, along with sludge produced in three clarifiers is flushed into a concrete tank, then pumped into the pressure sewer system. The attached invoice from L.C.R.A. shows that W.O.S.C. purchased 57.9 acre feet of water in 2018. The following chart shows that 43.1 acre feet of water was pumped from the W.T.P. to the community. The difference, 14.8 ac. ft., was the total process water which went to the backwash tank. While these are relatively small numbers, still they represent nearly 4.8 million gallons of water which is dumped into the sewer annually. A conservative estimate is that about fifty percent of this backwash water could be recaptured by recycling it to the head of the W.T.P.

In order to accomplish this goal, pumps would need to be installed in the backwash tank, and the piping necessary to transport the water back to the head of the plant. The costly steps for projects like this would not be necessary, since site acquisition and tank construction have already taken place. Also, T.C.E.Q. has already approved our application to recycle the backwash.

Based on the estimate of recycling 50% of the backwash, which would be approximately 7.3 ac. ft., then the annual cost for raw water would be reduced by the cost of the water, \$145 per ac. ft., times 7.3 for an annual savings of \$1058.50. All other factors, energy savings, maintenance, etc., would be negligible. The energy to operate the recycle pumps would be the same as the pumps which presently pump this water into the sewer main. The maintenance of this project would amount to replacing a pump every ten years, or so. This project would be completed within 120 days of approval.

The estimate of costs for this project is attached. The estimate of \$23,800, while not a huge number in and of itself, yet is relatively high in relation to the financial savings. For a small utility, it is difficult to argue that the rate payers should take on this project. Nevertheless, the conservation issue is more important than the initial expense. Therefore, it is important to pursue this project, and that is why the possibility of securing the assistance of L.C.R.A. is so attractive, and the water supply company is grateful for the opportunity to submit this application.

### 2. Waste Water Treatment Plant Chlorine Feed

Currently, the treated effluent is disinfected by the injection of chlorine gas into a small water line, which transports the heavily dosed chlorine to a mixing tank. At present this water line is potable water taken directly from the water system main. While this approach effective, it is not a responsible method taken from a conservation perspective. A more desirable approach would be to pump treated effluent through the chlorine injection system. The trade-off here is financial. In order to discontinue the use of potable water and utilize treated effluent, a tank for the effluent would need to be placed near the chlorine injection equipment and a pump installed in this tank would then pump the effluent water through the chlorine injection equipment and then into the tank which mixes chlorinated water with the treated effluent. This addition to the WWTP would require a pump, a tank, the electrical supply to the pump, and electrical controls.

In 2018 a total of 2,182,900 gal, or 6.7 ac. ft. of potable water was used in the chlorination process. The 6.7 ac. ft. would mean an annual savings of \$971.00. While this is a relatively small number, we all need to do what we can to be good stewards of the river. Without the possibility of receiving L.C.R.A. assistance, W.O.S.C. could not implement this project by itself, but with the help of the river authority we can reduce our demand by approximately 6.7 ac. ft. per year.

The total savings for Water and Wastewater processes is anticipated to be approximately 14 acre feet per year. This project would be completed within 60 days after approval, and a breakdown of the costs of this project is attached.

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2. How the cost-share funds will be used:

See details in project narrative.

3. Population of the community in which the project is located:

425

4. The amount of estimated annual water savings associated with project implementation.

a. Water savings estimate (in acre-feet): 14 AC FT annually for WATER and WASTEWATER

b. Cost per acre-foot of water saved: \$2029.50 annually for WATER and WASTEWATER

c. Total up-front cost per acre-foot of water saved and the cost per acre-foot annualized over the lifetime of the project using a discount rate of 5% (not applicable to emerging technology projects):

d. Methodology used to calculate savings and references to any studies or research that helps support these savings estimates. If available, use five years of water use data for recycled water projects (not applicable to emerging technology projects):

e. All assumptions used must include descriptions and/or back-up information:

f. Estimated duration of water savings in the calculations:

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5. How the project will be monitored to quantify savings for the final report and how savings will be tracked over time:

Water pumps are metered.

6. Information on multiple benefits, if any, associated with the project (e.g., energy efficiency, water quality improvement, stormwater control, resiliency of water supply during drought restrictions):

will benefit resiliency of water supply during drought.

7. How the project will be maintained after completion:

routine monitoring and maintenance.

8. Emerging technology project requirements:

a. Percentage of population impacted within service area: \_\_\_\_\_

b. Evidence of innovation (e.g., not widely adopted in region):

c. Availability on multiple technology platforms (e.g., mobile, web):

d. Replicability (the program can be implemented for other water suppliers):

#### **DETAILED PROJECT BUDGET**

**(Include as an attachment when submitting the application.)**

Budget must include the itemized costs and funding sources (see the Sample Budget below), if applicable:

1. Breakdown of all expected project costs.
2. Amount of cost-share funding requested from LCRA.
3. Applicant's contribution.
  - a. Any in-kind contributions to the project and the associated dollar values.
  - b. Any financial contributions to the project.
4. Other funding requested or already committed from other agencies.

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### Sample Budget

Note: This is a sample summary of project costs. Other line items may be necessary in order to convey the required information concerning project budget.

<b><i>Project Costs</i></b>	<b>AMOUNT</b>
Itemized In-Kind Contribution <sup>1</sup>	\$ X
• i.e. Associated salaries and wages, materials, etc.	
Project Materials and Construction	\$ X
• i.e. Estimated cost of construction, materials, conservation equipment, etc.	
Other Related Expenses	\$ X
Total Project Cost	\$ X
<b><i>Funding Sources</i></b>	
Cost-Share Fund Request	\$ X
State/Federal Funds	\$ X
Customer Funding	\$ X
Total Project Cost	\$ X

<sup>1</sup>If some of the project work is being done "in-house" or "in-kind", a brief description is necessary.

### **PROJECT TIMELINE**

Must include the estimated completion dates of all phases of the project. Project must be completed within 12 months, unless otherwise noted.

1. Backwash recycle project would be completed within 120 days of approval.
2. Chlorine Feed project would be completed within 60 days of approval.

### **DOCUMENTATION**

(Include as attachments when the submitting the application.)

1. Letter certifying that funds are available for the completion of project.
2. Supporting documentation for all matching in-kind and cash contributions.
3. Documentation of approved funding from other sources.

## **LCRA awards \$14,094 grant for water recycling projects in Spicewood**

**Water and wastewater recycling projects will help conserve water, reduce waste**

**June 3, 2020**

BURNET COUNTY, Texas – Windermere Oaks Water Supply Corporation in Spicewood will implement two important water recycling projects with help from a \$14,094 grant from the Lower Colorado River Authority.

The cost-share grant will help Windermere Oaks WSC complete a \$48,375 project to recycle about 50 percent of backwash water at its water treatment plant and begin using recycled water in the disinfection process at its wastewater treatment plant.

“Backwash water recycling will help reduce the amount of water we have to take out of Lake Travis,” said George Burriss, Windermere Oaks WSC general manager. “It’s good for us, the folks downstream and for the river.”

“The recycling project at the wastewater plant will allow us to save a couple thousand gallons of fresh potable water by using recycled wastewater during the chlorine disinfection process,” Burriss said.

“Currently, the water being used is taken directly from the main water system.”

The two recycling projects are estimated to save about 12 acre-feet a year, or about 4 million gallons. Windermere Oaks WSC serves 263 retail customers.

“We calculated that this project will deliver an annual 3 percent savings in terms of the treated water we won’t use under our contract with LCRA,” said Joe Gimenez, Windermere Oaks WSC board president.

“These types of money- and water-saving projects warrant significant attention by non-profit corporations like ours. Reinvestments in operational efficiency are hard to come by and we appreciate

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John Hofmann, LCRA executive vice president of Water, said LCRA is proud to support water conservation efforts such as the new projects at Windermere Oaks WSC.

"We applaud Windermere Oaks WSC for pursuing these projects," Hofmann said. "This isn't a huge project in terms of the amount of water saved, but it's a perfect example of how we should all be looking for ways to conserve and use recycled water whenever we can. We encourage other local water suppliers to look for similar ways to use water more efficiently."

Burriss said he is grateful for the grant and looks forward to the projects becoming a reality.

"This grant is a really good thing, and it helps us do a better job," Burriss said. "Even though we buy our water from LCRA, they are helping us promote conservation and reduce waste. We appreciate what they are doing for us."

The grants are awarded through LCRA's Firm Water Conservation Cost-Share Program, which provides funding for water efficiency projects and programs established by LCRA's firm water customers. Customers include cities, utilities, industries, irrigation and recreational water users. Projects funded through the program can include converting irrigated areas using raw or potable water to recycled water, and decreasing utility system water loss through flushing reductions, leak detection and repair, or other efforts.

### **About LCRA**

The Lower Colorado River Authority serves customers and communities throughout Texas by managing the lower Colorado River; generating and transmitting electric power; providing a clean, reliable water supply; and offering outdoor adventures at more than 40 parks along the Colorado River from the Texas Hill Country to the Gulf Coast. LCRA and its employees are committed to fulfilling our mission to enhance the quality of life of the Texans we serve through water stewardship, energy and community service. LCRA was created by the Texas Legislature in 1934 and receives no state appropriations. For more information, visit [lcra.org](http://lcra.org).

### **Media Contact**

Clara Tuma

512-578-3292

[clara.tuma@lcra.org](mailto:clara.tuma@lcra.org)

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# Exhibit 3



# Windermere Oaks Water Supply Corporation

424 Coventry Rd  
Spicewood, Texas 78669

**2019 - 2020 Board of Directors:**  
Joe Gimenez, President  
Bill Earnest, Vice President  
Mike Nelson, Secretary/Treasurer  
Patricia Gerino, Director  
Dorothy Taylor, Director

**Windermere Oaks Water Supply Corporation (WOWSC) meeting held: Thursday, December 19, 2019 at the Spicewood Community Center, 7901 Co Rd 404, Spicewood TX, 78669**

**2019 - 2020 Board Members Present:** Bill Earnest, Patricia Gerino, Joe Gimenez, Mike Nelson, Dorothy Taylor

## Minutes

The meeting was called to order at 6:01PM by Joe Gimenez. A quorum was established with five Board Members present.

- 1) Comments from citizens and members who have signed sign-up sheet to speak (3-minute limit per person)
  - a) No comments
- 2) Review, consider and take action to approve minutes of prior meetings:
  - a) Motion made and carried by all to approve the October 9<sup>th</sup>, October 16<sup>th</sup>, November 14<sup>th</sup>, and November 20<sup>th</sup> meeting minutes
  - b) Tabled review of December 14<sup>th</sup> Special Members meeting minutes until next meeting
- 3) **RECALL PETITION REPORT** – Review results of independent election auditor and ratify as needed.
  - a) December 14<sup>th</sup> Special Members meeting
    - i) Ballots cast in person: 28
    - ii) Ballots cast prior to election: 68
    - iii) Total number of ballots cast: 96
    - iv) Total number of ballots not counted due to defects: 0
    - v) For removal of Joe Gimenez: 56
    - vi) Against removal of Joe Gimenez: 40
    - vii) Petition to remove Joe Gimenez from the WOWSC Board failed. Joe remains on the WOWSC Board of Directors.
- 4) **MANAGER'S REPORT** –
  - a) **INSTALLATION OF GENERATOR** – Update on timeline for completion of installation, including concrete slab, electrical work, possibility of service disruption and options to mitigate.
    - i) 50% deposit was previously paid on the generator which initiated its order. ~ half way through the sixteen-week lead time for the new generator.
    - ii) Electrician was out at the WTP this week to review project plans.
      - (1) Electrician expects ~ 4 hour down time to complete the electrical work.
      - (2) George is investigating renting a generator to keep the pumps running during this ~ 4 hour installation period to avoid pressure loss.
    - iii) The generator's concrete slab was poured today.
  - b) **PRE-TREATMENT FACILITY** – Update on any new bids and plans.
    - i) Complex project
    - ii) Discussions with engineers and contractors are ongoing.
  - c) **SEWER PERMIT RENEWAL** – Update on status.
    - i) WWTP has its own set of rules.

- ii) WWTP permit expires every five years.
- iii) Permit renewal process is ongoing. WOWSC received a temporary permit from TCEQ.
- iv) George learned that a permit is in draft for a ten-year period due to WOWSC's superior compliance during the last permit period.
- d) REVIEW OF TEXT MESSAGING ALERT SYSTEM – Update on question member had regarding why she did not receive text messages about boil notice in November.
  - i) From a discussion with the Rural Water web site technician, Dorothy learned that for alerts to be sent by both text and email the alert needs to be posted in our web site's news section for email and alert section for texts.
- e) INSURANCE RENEWAL – Update on changes presented by insurance company in latest renewal correspondence and discuss D&O insurance coverage.
  - i) WOWSC's insurance is renewed every March. George is providing the insurance company with WTP and WWTP asset evaluations for next year's insurance bill.
- f) TRWA RATE ANALYSIS – Update on TRWA availability for rate analysis.
  - i) Used TRWA's recommended rates for the June 2018 rate increase.
  - ii) George spoke with TRWA analyst James Smith and reached consensus to use WOWSC's Y2019 actuals for a new rate analysis. The new rate analysis is anticipated to be complete within sixty days of providing the Y2019 actuals.
- 5) DIRECTOR ELECTION PROCEDURES – Board will consider and take action on the following regarding election of directors for 2020 Board members for Place 4 and Place 5.
  - a) Determination of whether any candidates are unopposed, whether any director position did not receive candidate applications, and, as applicable, adoption of a resolution declaring any unopposed candidates elected, any director positions without candidates vacant, and direct that resolution be posted.
    - i) Mike read the following Secretary statement regarding the election for the office of WOWSC Board Director, which was to be held on February 1, 2020:

THE STATE OF TEXAS

COUNTY OF BURNET

WINDERMERE OAKS WATER SUPPLY CORPORATION

§  
§  
§  
§  
§  
§

I, the undersigned Secretary of the Board of Directors of Windermere Oaks Water Supply Corporation ("WOWSC"), certify the following with regard to the election for the office of director, which was to be held on February 1, 2020:

- (1) December 13, 2019 was the deadline for persons to file with WOWSC an application to have their name printed on the ballot as a candidate for election to the office of WOWSC Director for Director Place 4 and 5 at the election scheduled for February 1, 2020.
- (2) The only person who filed an application to have her name placed on the ballot as candidates for Director Place 5 is Dorothy Taylor.
- (3) Two (2) positions for the office of director are scheduled to be voted on at the February 1, 2020 election, and only one (1) person submitted an application to have their names placed on the ballot.
- (4) Candidate Dorothy Taylor is unopposed for election to the office of WOWSC Director, Place 5.
- (5) No candidate is up for election for the office of WOWSC Director, Place 4.

WITNESS MY HAND, this 19th day of December, 2019.

By: Mike Nelson 12/19/19  
Mike Nelson, Secretary  
Board of Directors of  
Windermere Oaks Water Supply Corporation

- ii) Joe read the following resolution declaring unopposed candidate Dorothy Taylor as a WOWSC Board Director and cancelling the February 1, 2020 Directors election:

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF WINDERMERE OAKS WATER SUPPLY CORPORATION  
DECLARING UNOPPOSED CANDIDATE DOROTHY TAYLOR AS DIRECTOR OF  
WINDERMERE OAKS WATER SUPPLY CORPORATION AND  
CANCELLING FEBRUARY 1, 2020 DIRECTORS ELECTION**

**WHEREAS**, Windermere Oaks Water Supply Corporation ("WOWSC") is a nonprofit water supply corporation, operating under the authority of Chapter 67 of the Texas Water Code and the holder of retail water utility and sewer service Certificates of Convenience and Necessity Nos. 12011 and 20662 issued by the Public Utility Commission of Texas;

**WHEREAS**, the terms of WOWSC Director Place 4 and WOWSC Director Place 5 expire in 2020;

**WHEREAS**, WOWSC posted notice of the opportunity for candidates to submit applications to run for the two open positions on its Board of Directors (the "Board") pursuant to Texas Water Code Section 67.0052(b);

**WHEREAS**, WOWSC made director candidate application forms available at WOWSC's main office, made director candidate application forms available by mail or electronically, upon request, and such forms remained available until December 13, 2019, the deadline to submit such forms;

**WHEREAS**, only one (1) person submitted an application for Director Place 5, Dorothy Taylor, thus creating an unopposed election for WOWSC Director Place 5 pursuant to Texas Water Code Section 67.0055; and

**WHEREAS**, WOWSC received no candidate applications for Director Place 4.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WINDERMERE OAKS WATER SUPPLY CORPORATION THAT:**

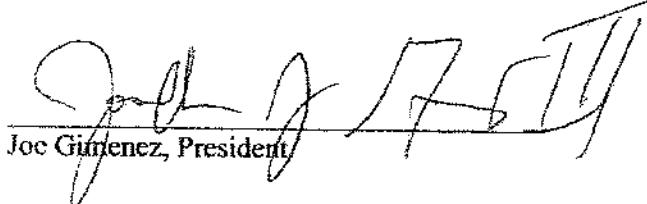
1. The above recitals are true and correct.
2. The Directors Election was duly called, and the Secretary of WOWSC has duly certified in writing that Dorothy Taylor is unopposed for election to the office of WOWSC Director, Place 5, in accordance with applicable Texas law.
3. Dorothy Taylor is declared elected to serve a two (2) year term on the Board of Directors of WOWSC, subject to her taking her oath and any other appropriate actions, as required by law.
4. No candidate submitted an application for WOWSC Director Place 4, and thus Director Place 4 will remain vacant until that position's term expires or until the

WOWSC Board appoints a director to Place 4 in accordance with WOWSC Bylaws and applicable law, whichever occurs first.

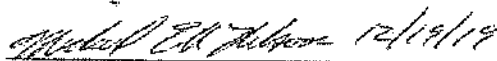
5. The directors election called for February 1, 2020 will not be held, and a copy of this Resolution Declaring Dorothy Taylor as Director of WOWSC and Canceling the February 1, 2020 Director's Election will be posted at the WOWSC main office and read into the record at the annual meeting.
6. It is further found and determined that notice of the date, place and subject of this meeting was posted in accordance with the terms and provisions of Texas Government Code § 551 at least 72 hours preceding the scheduled time of this meeting and that the terms and provisions of said Texas Government Code § 551 have been complied with.
7. The Board of Directors of WOWSC authorizes its President, General Manager, and WOWSC legal counsel to take any action necessary to implement the terms of this Resolution.

This resolution is hereby PASSED AND APPROVED this 19<sup>th</sup> day of December, 2019 by vote of 5 in support, 0 against, and 0 abstaining.

WINDERMERE OAKS  
WATER SUPPLY CORPORATION

  
Joe Gimenez, President

ATTEST:

  
Mike Nelson, Secretary/Treasurer

- (1) Oath is part of application to become a WOWSC Board Director
- (2) Motion made and carried by all to approve the resolution
- b) Finalize and approve the notice and agenda for 2.1.2020 member meeting.
  - i) WOWSC Annual Members meeting to start immediately after the WO POA Annual meeting completes
  - ii) Proposed agenda:
    - (1) Call meeting to order
    - (2) Announce number of members and call quorum
    - (3) Members comments
    - (4) Review and approve the Y2019 Annual Members meeting minutes (March 9, 2019)
    - (5) December 19<sup>th</sup> WOWSC Board meeting approved resolution declaring unopposed candidate Dorothy Taylor as a WOWSC Board Director and cancelling the February 1, 2020 Directors election
    - (6) Report by Joe Gimenez, Board President, on main topics and activities for Y2019 and Y2020
    - (7) Report by George Burriss, Corporation Manager
      - (a) Five-year plan
    - (8) Review of Y2019 P&L, Y2019 balance sheet, and approved Y2020 budget by Mike Nelson, Secretary / Treasurer
    - (9) Adjourn



iii) Motion made and carried by all to approve proposed agenda

- 6) **PUBLIC INFORMATION OFFICERS REPORT** - Review and adopt PIO report presented to membership at December 14 meeting.
- a) Recently received four new PIA requests
  - b) Total of 54 PIA requests this year
  - c) Joe read the following PIO report:

## **WOWSC PIO Report – December 14, 2019**

Prepared by Joe Gimenez

Public Information Officer, President, Chief Administrative Officer

**The Texas Public Information Act** (the "Public Information Act" or the "Act") gives the public the right to request access to government information. The Act is triggered when a person submits a written request to a governmental body. The request must ask for records or information already in existence. The Act does not require a governmental body to create new information, to do legal research, or to answer questions. In preparing a request, a person may want to ask the governmental body what information is available.

Although the Act makes most government information available to the public, some exceptions exist. If an exception might apply and the governmental body wishes to withhold the information, the governmental body generally must, within ten business days of receiving the open records request, refer the matter to the OAG for a ruling on whether an exception applies. If the OAG rules that an exception applies, the governmental body will not release the information. If a governmental body improperly fails to release information, the Act authorizes the requestor or the OAG to file a civil lawsuit to compel the governmental body to release the information.

### **Key Dates and Information**

Total PIA requests in 2018 – 3

**March 9, 2019** – New Board members Joe Gimenez and Bill Earnest are elected to serve with re-elected member Mike Nelson.

**March 29, 2019** – At second meeting of 2019 Board, Gimenez advises Board of three PIA requests with requests for 15 different pieces of information. Gimenez had begun fulfilling requests but asked Board members Bertino and Morse, who were not officers, to serve as PIO. They declined. Motion carries to appoint Gimenez as temporary Public Information Officer. Legal team to investigate use of volunteer non-board member.

**April 15, 2019** – At third Board meeting, Gimenez advises that five additional requests have been received for approximately 40 different pieces of information.

**May 8, 2019** – To acknowledge laws about PIOs, Board approves Gimenez as Chief Administrative Officer. No new PIA requests received.

**July 10, 2019** – Gimenez advised that WOWSC had received 11 additional PIA requests, for a total of 19 since March 9. Board approves paying \$416 per month to PIO for services, subject to cessation when requests slow down or stop.

**December 14, 2019** – A total of 45 PIA requests have been received by WOWSC.

# Public Information Act Requests Received Since March 9, 2019

1- Rene French March 19	25 - Danny Flunker July 24
2- Danny Flunker PIA March 21	26 - Danny Flunker July 24 - 2nd
3 - Dick Dial March 21	27 - Danny Flunker July 25
4-Dick Dial April 2	28 - Danny Flunker Aug 1
5 - Dick Dial April 4	29 -Patti Flunker Aug 2
6 -Rene French April 4	30 - Danny Flunker Aug 5
7 - Danny Flunker April 4	31 -- Mark McDonald Aug 23
8 - Danny Flunker April 11	32 -- Mark McDonald Aug 23 - 2nd request
9 - Bruce Sorgen May 12	33 - Danny Flunker Aug 26
10 - Danny Flunker May 17	34 - Bruce Sorgen Aug 28
11 - Danny Flunker May 28	35 - Danny Flunker Sept. 2
12 - Danny Flunker June 5	36 - Danny Flunker Sept. 26
13 - Danny Flunker June 10	37 - Danny Flunker Sept. 26
14 - Danny Flunker June 14	38 - Rob Van Eman 10-9
15 - Danny Flunker June 20	39 - Bruce Sorgen 10-11
16 - Danny Flunker June 21	40 - Danny Flunker 10-14
17 - Danny Flunker June 24	41 - Josie Fuller 10-21
18 - Danny Flunker June 26	42 - Patti Flunker 10-21
19 -Danny Flunker July 8	43 - Bruce Sorgen 11-11
20 - Danny Flunker July 15	44 - Dana Martin 12-2
21 -Patti Flunker July 16	45 - Dana Martin 12-6
22 -Anita Dismuke July 18	
23 -Rene Ffrench July 19	
24 -Patti Flunker July 22	

## 2019 FILINGS WITH ATTORNEY GENERAL'S OFFICE

**Complaint ID#754626 (March 12, 2019)** – Related to May 20, 2018, PIA request, Danny Flunker filed complaint alleging the WOWSC failed to respond appropriately to a request for information related to letter sent to previous attorney. AG's office closed case on May 28, 2019 after certification of response.

**Complaint ID#788478 (August 15, 2019)** – Related to June 20, 2019, PIA request, Danny Flunker filed complaint alleging the WOWSC failed to respond appropriately to a request for information related to correspondence between WOWSC, its attorney and insurance carrier. AG's office has closed the case.

**Request for Determination ID#781033 (August 15, 2019)** – WOWSC seeks decision as to whether it must produce information in response to Danny Flunker PIA request for legal invoices. WOWSC files administrative case Cause No. D-1-GN-19-006219 in Travis County requesting court to declare that WOWSC is relieved from compliance with Attorney General's ruling OR2019-22667 in order to protect privileged information related to ongoing lawsuits.

- d) Received one additional PIA complaint since this report. It is a different complaint on the same case with regards to the request for legal invoices.
  - e) Motion made and carried by all to adopt the PIO report and publish it on our website
- 7) LCRA GRANT - Review draft press release for LCRA conservation project grant award, make edits as necessary and take action to approve for release by LCRA.
- a) George received a request from the LCRA for the following press release on the \$14,094 LCRA grant for water recycling projects at its water and wastewater treatment plants.



## NEWS RELEASE

Date

### LCRA AWARDS \$14,094 GRANT FOR WATER RECYCLING PROJECTS IN SPICEWOOD

*Water and wastewater recycling projects will help conserve water, reduce waste*

*Note to editors: Click photo to download. Suggested cutline: LCRA representatives present a \$14,094 grant to the Windermere Oaks Water Supply Corporation for water recycling projects at its water and wastewater treatment plants. The grant is part of LCRA's Firm Water Conservation Cost-Share Program. Pictured, from left to right, are: xxx.*

BURNET COUNTY, Texas – Windermere Oaks Water Supply Corporation in Spicewood will implement two important water recycling projects with help from a \$14,094 grant from the Lower Colorado River Authority.

The cost-share grant will help Windermere Oaks WSC complete a \$48,375 project to recycle about 50 percent of backwash water at its water treatment plant and begin using recycled water in the disinfection process at its wastewater treatment plant.

"Backwash water recycling will help reduce the amount of water we have to take out of Lake Travis," said George Burriss, Windermere Oaks WSC general manager. "It's good for us, the folks downstream and for the river."

"The recycling project at the wastewater plant will allow us to save a couple thousand gallons of fresh potable water by using recycled wastewater during the chlorine disinfection process," he said. "Currently, the water being used is taken directly from the main water system."

The two recycling projects are estimated to save about 12 acre-feet a year, or about 4 million gallons. Windermere Oaks WSC serves 263 retail customers.

"We calculated that this project will deliver annual three percent savings in terms of the treated water we won't use under our contract with LCRA. These types of money- and water-saving projects warrant significant attention by non-profit corporations like ours. Reinvestments in operational efficiency are hard to come by and we appreciate LCRA enabling such a meaningful opportunity."

"We applaud Windermere Oaks WSC for pursuing these projects, and we're proud to help support these efforts," said John Hofmann, LCRA executive vice president of Water. "This isn't a huge project in terms of the amount of water saved, but it's a perfect example of how we should all be looking for ways to conserve and use recycled water whenever we can. We encourage other local water suppliers to look for similar ways to use water more efficiently."

Burriss said he is grateful for the grant and looks forward to the projects becoming a reality.

"This grant is a really good thing, and it helps us do a better job," Burriss said. "Even though we buy our water from LCRA, they are helping us promote conservation and reduce waste. We appreciate what they are doing for us."

The grants are awarded through LCRA's Firm Water Conservation Cost-Share Program, which provides funding for water efficiency projects and programs established by LCRA's firm water customers. Customers include cities, utilities, industries, irrigation and recreational water users. Projects funded through the program include converting irrigated areas using raw or potable water to recycled water, and decreasing utility system water loss, such as flushing reductions or leak detection and repair.

## About LCRA

The Lower Colorado River Authority serves customers and communities throughout Texas by managing the lower Colorado River; generating and transmitting electric power; providing a clean, reliable water supply; and offering outdoor adventures at more than 40 parks along the Colorado River from the Texas Hill Country to the Gulf Coast. LCRA and its employees are committed to fulfilling our mission to enhance the quality of life of the Texans we serve through water stewardship, energy and community service. LCRA was created by the Texas Legislature in 1934 and receives no state appropriations. For more information, visit [lcra.org](http://lcra.org).

## Media Contact

Clara Tuma  
512-578-3292  
[clara.tuma@lcra.org](mailto:clara.tuma@lcra.org)

- b) Motion made and carried by all to approve the press release

## 8) FINANCIAL REPORT – The Treasurer will provide overview of previous month's financial report and present expense report(s) for approval.

- a) November Income: \$30.7K
  - i) November Water + Sewer revenue: \$30.5K
  - ii) Year to date (YTD) Water + Sewer revenue at \$341.3K of YTD budget \$325.4K
  - iii) YTD Equity Buy-in Fees revenue at \$46.0K versus annual budget \$27.6K
  - iv) YTD Water & Sewer Taps revenue at \$19.0K versus annual budget \$10.4K
- b) November Expenses: \$47.4K
  - i) \$25.4K legal fees paid in November
- c) November Net Income: (\$16.6K)
- d) YTD Net Income: \$77.3K
- e) YTD Legal/Appraisal at \$121.0K of annual budget \$38.0K
- f) YTD Water + Sewer Repairs at \$23.9K of annual budget \$45.0K
- g) November 2019 Metrics:
  - i) Debt to Service Coverage Ratio (DSCR): (0.44)
    - (1) Three month rolling average: (0.07)
  - ii) Debt to Capital Ratio: 0.15
    - (1) Three month rolling average: 0.15
  - iii) Days of Cash on Hand: 176 days
    - (1) Three month rolling average: 196 days
- h) November 2018 Metrics:
  - i) DSCR: 0.05
  - ii) Debt to Capital Ratio: 0.18
  - iii) Days of Cash on Hand: 190 days
- i) Motion made and carried by all to accept the November Financial Report .

- 9) **CONSIDERATION AND POSSIBLE ACTION ON BUDGET FOR 2020** – The budget committee will present for adoption a budget for next fiscal year.
  - a) Not included in Y2020 budget: Consensus reached to not include the following items.
    - i) Signage for George Burris Water Treatment Facility of WOWSC
    - ii) NewGen Strategies workshop for financial guidance
    - iii) WOWSC server with back-up separate from WOWSC's financial server for directors' email and work space and electronic storage of WOWSC files
  - b) George expects LCRA to cut the grant check soon
  - c) Legal fees
    - i) Legal fees through November ~\$121,000
    - ii) Legal bill in December of \$45,000 plus a new bill. Y2019 legal fees ~\$170,000
    - iii) Y2020 legal fees budget: \$110,000
  - d) Budget includes \$11,000 for a Y2019 financial audit
  - e) Budget does not include:
    - i) \$17500 from Title Company being held until successful ending of TOMA lawsuits
    - ii) insurance reimbursement of any legal fees
    - iii) generator project
    - iv) water recycling projects
  - f) Budget projects a loss of \$34.5K with \$110,000 legal fees projection
  - g) Motion made and carried by all to approve the Y2020 budget with discussed modifications
- 10) **REVIEW OF MEMBER COMMUNICATION** – The Board will consider and take possible action regarding correspondence to membership to summarize present and ongoing challenges facing the WOWSC, the corresponding significant expense of WOWSC funds, and how all the above may impact members individually.
  - a) Joe prepared draft of Member communication for review
  - b) Draft includes:
    - i) Lawsuit costs
    - ii) Dispersant field agreement with SAPA
    - iii) Five-year plan
    - iv) Texas Supreme Court's denial of the petition for review presented by TOMA Integrity, Inc., and John Dial against the WOWSC that sought to overturn the decision of the 6<sup>th</sup> Court of Appeals which was in our corporation's favor.
- 11) **Executive Session under Texas Government Code § 551.071(1) and (2) regarding:**
  - a) Jay Grissom Letter to WOWSC advising of intent to take issues to small claims court.
  - b) Ffrench, et al., Intervenor-plaintiffs and Double F Hangar Operations, LLC, et al. v. Friendship Homes & Hangars, LLC, Windermere Oaks WSC, et al., Cause No. 48292, 33rd Jud. Dist., Burnet County Dist. Ct.; and
  - c) Discuss legal issues related to notice, ballots and communications regarding recall petition procedures sent by non-Board Members and legal remedies necessary to implement applicable procedures.
    - i) Executive session started at 7:24PM
    - ii) Executive session ended at 7:57PM
- 12) **Consideration and possible action on items discussed in Executive Session.**
  - a) Resumed open meeting at 8:00PM
  - b) Motion made and carried by all to modify the Member communication to include the \$17,500 being held in trust until the successful ending of the TOMA lawsuits and for Joe and Mike to work with our attorneys on the draft to complete it and then to send it to our Members with the Annual Members meeting notice.
- 13) **Consideration and possible action on establishing business hours and holiday schedule for WOWSC.**
  - a) Joe read the following resolution adopting WOWSC corporate business hours and holiday schedule:

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF WINDERMERE OAKS WATER SUPPLY CORPORATION  
ADOPTING CORPORATE BUSINESS HOURS  
AND HOLIDAY SCHEDULE**

**WHEREAS**, Windermere Oaks Water Supply Corporation ("WOWSC") is a nonprofit water supply corporation, operating under the authority of Chapter 67 of the Texas Water Code and the holder of retail water utility and sewer service Certificates of Convenience and Necessity Nos. 12011 and 20662 issued by the Public Utility Commission of Texas;

**WHEREAS**, the WOWSC Board of Directors (the "Board") desires to establish a standing policy regarding Corporate business hours in observance of state and federal holidays, and to establish specific business hours and dates upon which WOWSC will be effectively closed for Corporate business during the holiday season;

**WHEREAS**, the Corporate business hours hereby established are different than the WSC operating hours for the water and sewer utility system, which shall remain operational day-to-day and year round; and

**WHEREAS**, the standing policy on Corporate business hours and specific holiday schedule of WOWSC through January 4, 2021 is hereby adopted by the Board as further established below.

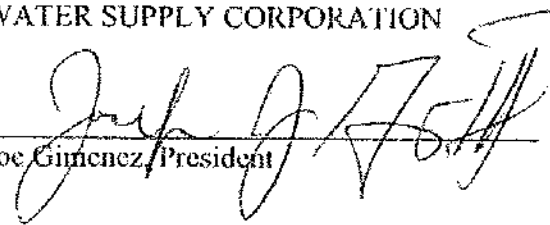
**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WINDERMERE OAKS WATER SUPPLY CORPORATION THAT:**

1. The above recitals are true and correct.
2. The Board of Directors of WOWSC hereby adopts this standing policy and holiday schedule relating to WOWSC Corporate business hours and dates of closure for WOWSC during the 2019 and 2020 holiday season.
3. WOWSC shall be closed in observance of all state and federal holidays.
4. WOWSC shall be closed for Corporate business from December 23, 2019 through January 3 2020, and shall reopen for Corporate business on January 6, 2020.
5. WOWSC shall be closed for Corporate business on Friday November 27, 2020.
6. WOWSC shall be closed for Corporate business from December 21, 2020 through January 1, 2021, and shall reopen for Corporate business on Monday January 4, 2021.
7. The aforementioned state and federal holidays, and specific dates of closure, shall not constitute business days for the Corporation.

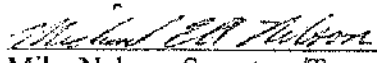


This resolution is hereby PASSED AND APPROVED this 19<sup>th</sup> day of December, 2019 by vote of 5 in support, 0 against, and 0 abstaining.


WINDERMERE OAKS  
WATER SUPPLY CORPORATION

  
Joe Gutierrez, President

ATTEST:

  
Mike Nelson, Secretary/Treasurer

- b) Motion made and carried by all to approve the resolution establishing WOWSC corporation business hours and holiday schedule.
- 14) Per member request, update on Request for Attorney General Opinion RQ-0313-KP regarding the authority of a political subdivision to regulate public comment sessions during open meetings under Government Code section 551.007 submitted by Blanco County Attorney.
  - a) Our attorneys found no new developments as of Dec 17<sup>th</sup>
- 15) New business and discussion and possible action on agenda for next meeting.
  - a) December 14<sup>th</sup> and 19<sup>th</sup> Board meeting minutes
  - b) Manager's report
    - i) Generator
    - ii) Pretreatment
  - c) December financials
  - d) February 1<sup>st</sup> Y2020 Annual Members meeting
  - e) Executive Session on lawsuits and manager's compensation
- 16) Set date, time, and place for next meeting.
  - a) Wednesday, January 15<sup>th</sup>, at 6:00PM at Spicewood Community Center
- 17) Motion made and carried by all to adjourn at 8:08PM

  
Submitted by: Mike Nelson  
APPROVED BY WOWSC Board on January 23, 2020

Billing Questions: (830) 598-7511 Ext 1  
Water or Sewer Emergency: Phone (830) 598-7511 Ext 2



# Windermere Oaks Water Supply Corporation

424 Coventry Rd  
Spicewood, Texas 78669

**2019 - 2020 Board of Directors:**  
Joe Gimenez, President  
Bill Earnest, Vice President  
Mike Nelson, Secretary/Treasurer  
Dorothy Taylor, Director

**Windermere Oaks Water Supply Corporation (WOWSC) meeting held: Wednesday, November 20, 2019 at the Spicewood Community Center**

**2019 - 2020 Board Members Present:** Bill Earnest, Joe Gimenez, Mike Nelson, Dorothy Taylor

## Minutes

Before the meeting was called to order, Gimenez asked the audience for a moment of silence to remember WOWSC member Rob Van Eman, who had died earlier that day in a plane crash.

The meeting was called to order at 6:01PM by Joe Gimenez. A quorum was established with all four Board Members present.

- 1) Comments from citizens and members who have signed sign-up sheet to speak (3-minute limit per person).
  - a) Mikki Bertino: Why wasn't David invited to our last meeting when Norman Morse was invited?
  - b) Marsha Westerman:
    - i) At last meeting motions were made after Executive Session
    - ii) Does the Board have Directors and Officers insurance?
      - (1) Gimenez: yes.
  - c) Rene Ffrench:
    - i) Requested that we add to next Board meeting agenda a discussion on Directors and Officers insurance
    - ii) Requested update on Blanco county attorney's seeking clarification on Texas Open Meetings Act regarding discussion on each item prior to the Board acting on it.
  - d) Danny Flunker:
    - i) Sent email today to Board regarding his understanding for public comment at Texas Open Meetings.
    - ii) Joe Gimenez had four attorneys at yesterday's deposition likely costing ~\$12,000
- 2) **ADOPTION OF TRWA RECOMMENDATIONS FOR MEMBER COMMENTS** – Consideration and possible action on TRWA published guidance on public comment procedures, rules of decorum, and best practices to establish comprehensive WOWSC public comment policy for members.
  - a) TRWA provided its water company members, including WOWSC, with guidance on public comment procedures for Open Meetings so as to be in compliance with new state law HB 2840.
  - b) Public is to be provided an opportunity to comment on any agenda item prior to the Board acting on the item
  - c) Joe read the proposed WOWSC Public Comment Policy that is based on TRWA's guidance
  - d) One provision of policy is to "have sign-up sheet available 10 minutes prior to meeting." but WOWSC would remove from its proposed policy 'at the System's Main Office' in sentence "have sign-up sheet available 10 minutes prior to meeting and at the System's Main Office." WOWSC does not have an office with staff
  - e) Hold Public Comment on each agenda item for all signed-up members at beginning of each Board meeting.
  - f) Member Comments
    - i) Rene Ffrench:
      - (1) Thanks for using previous Board meeting's method
      - (2) Requested Board be courteous, respectful, and attentive to members' comments
      - (3) Is discussion the same as action?
      - (4) Believes action is where the Board takes a vote.
      - (5) Believes it should be contiguous.



- ii) Mark McDonald: House Bill 2840 says Public Comment should be before Board acts on each item
  - iii) Mikki Bertino:
    - (1) Proposal was lengthy. What order does TRWA recommend?
      - (a) Board response: TRWA recommends Public Comment be placed at the beginning of Board meetings.
    - (2) Meeting agenda often is vague and does not provide sufficient information for public comment. Public comment could be more meaningful after hearing Board discussion on a given topic.
  - iv) Danny Flunker:
    - (1) Fourth change of Public Comment Policy
  - g) Blanco county requested an opinion from Attorney General on: time allowed per speaker and when to let public speak
  - h) TRWA's recommendation is consistent with guidance from our attorneys.
  - i) Motion made and carried by all to adopt the WOWSC Public Comment Policy that is based on TRWA's guidance with modification of removing note regarding having a sign-up sheet at WOWSC's main office.
- 3) REPLACEMENT OF VACANCY -- Article 8, Section 9 of the WOWSC Bylaws state that "Any vacancy occurring in the board of directors may be filled by affirmative vote of the remaining directors, though less than a quorum of the board. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office." Following the resignation of Board member David Bertino, the Board will consider and act upon filling the vacancy.
- a) Joe received an application from Patricia Gerino to fill David Bertino's vacant Director seat, Place 4.
  - b) Patricia owns and runs an Aerial Photography business and is VP of the Spicewood Airport and Pilots Association (SAPA)
  - c) Member Comments
    - i) Rene Ffrench
      - (1) Directors need to read WOWSC's ByLaws and Articles of Incorporation and need to sign affirmation of reading them.
    - ii) Danny Flunker
      - (1) Patricia Gerino is VP of SAPA
  - d) Motion made and carried by all to accept Patricia Gerino as Board Director Place 4 for the remainder of this term.
  - e) Gerino agreed to certify that she had read bylaws and articles before taking seat at future meeting.
- 4) MANAGERS REPORT --
- a) UPDATE ON CAUSE OF ELECTRICAL OUTAGE -- Low water pressure caused boil water notice on 11/11. Discuss cause and WOWSC response to TCEQ requirements.
    - i) Dedicated 480V main electrical line to Water Treatment Plant (WTP) failed
    - ii) Water pressure dropped to 20 psi and normally runs at 55 psi
    - iii) PEC power reliability was not the greatest prior to installation of the new WTP ten years ago
    - iv) The device that holds the fuse in place failed
    - v) PEC has no explanation as to why the failure occurred
    - vi) Three main electrical lines run into the WTP. Only one of the three lines failed.
    - vii) Failure could have been from a defective device or the age of device (~10 years old)
    - viii) Fuses are subjected to power spikes on the lines
    - ix) The part was replaced by PEC within a few hours
    - x) WOWSC needs to follow TCEQ's contamination rules when pressure drops
      - (1) Samples need to be taken after pressure is restored
        - (a) There is a 24-hour incubation of the provided samples at the lab
        - (b) Lab testing occurs after the incubation period
    - xi) A back-up generator would have kicked-in quickly after the power outage to keep the water pressure at 55 psi
    - xii) Plenty of clean water was available in the WTP tank, but the water pressure at the plant dropped to 20 psi as the pumps were off, had no power.
    - xiii) WOWSC submitted samples to TCEQ and received okay.
  - b) GENERATOR -- Update on status of purchase and installation.
    - i) Generator is on order with a sixteen-week lead time. ~8 weeks remain before the generator arrives
    - ii) Work starting soon at WTP to build the generator's concrete slab
  - c) PRE-TREATMENT FACILITY -- Update on any new bids and plans.

- i) George spoke with TCEQ regarding surface water intake pre-treatment options
- ii) Options are limited on the types of equipment that work for surface water intake
- iii) Lake Travis is one of the clearest bodies of water in Texas
- iv) Lake Travis' water turbidity goes from 10 to 2000 during storms and flood events
- v) New clarifiers would deal with the storm and flood events
- vi) Lowest cost estimate is \$385,000 so far
- vii) Board is holding off on signing loan papers until the pre-treatment project cost is understood
- viii) WO had an old substandard WTP when WO had only ~fifty members. At that time the flow of water could be slowed down with so few members.
- ix) With 250 current members the water flow cannot be slowed down
- x) Presently using the old WTP tanks as pretreatment and the effectiveness is highly dependent on the operator. A new pre-treatment system's quality would not be operator dependent.
- xi) Joe signed paperwork today for the LCRA projects to reduce water usage
  - (1) LCRA approved grant to reduce WTP and WWTP water usage
- d) UV TREATMENT – Provide board with briefing on UV light treatments, costs, benefits.
  - i) Complicated issue
  - ii) UV disinfection compliments clarifiers in pre-treatment
  - iii) UV does not kill pathogens but renders them to where they cannot reproduce
  - iv) Adding chlorine to water is likely biggest boon to public health
  - v) Will still need to add chlorine to water
  - vi) UV can reduce the amount of chlorine that needs to be added
  - vii) Clearer the water, the better UV works
  - viii) Once clarifiers are added, adding UV disinfection should be considered
  - ix) Clarifiers cost ~\$400,000
  - x) UV disinfection costs ~\$35,000
  - xi) Maintenance issues on UV disinfection is considerable. Bulbs need to be cleaned and replaced.
  - xii) Considerable energy is needed to power UV lights
  - xiii) UV often improves taste and odor of water
  - xiv) Quantity of pathogens modifies the amount of chlorine added to the water
  - xv) Reducing the amount of chlorine added to the water reduces the amount of chlorine by-products which are thought to be carcinogenic.
  - xvi) Joe requested George write a paragraph on UV disinfection and add it to the one-page description of the Pre-Treatment facility that is now part of the five year plan.
- e) Member Comment
  - i) Rene Ffrench: Where are the samples collected after a power outage?
    - (1) George: Water samples are collected at the end points of water mains.
  - ii) Mikki Bertino: Did not receive alert for Boil Water Notice along with other neighbors. But, did receive Board meeting notice.
- 5) FINANCIAL REPORT – The Treasurer will provide overview of previous month's financial report and advice especially on legal expenses incurred for defending the corporation against two lawsuits, gaining legal advice on Public Information Act requests, the petition for removal, and conforming with bylaws for the petition for removal.
  - a) October Income: \$50.7K
    - i) October Water + Sewer revenue: \$37.6K
    - ii) Year to date (YTD) Water + Sewer revenue at \$310.9K of YTD budget \$295.8K
    - iii) YTD Equity Buy-in Fees revenue at \$46.0K versus annual budget \$27.6K
    - iv) YTD Water & Sewer Taps revenue at \$19.0K versus annual budget \$10.4K
  - b) October Expenses: \$30.6K
    - i) \$7.2K legal fees paid in October
  - c) October Net Income: \$20.1K
  - d) YTD Net Income: \$93.9K
  - e) YTD Legal/Appraisal at \$95.6K of annual budget \$38.0K

- f) YTD Water + Sewer Repairs at \$22.8K of annual budget \$45.0K
  - g) October 2019 Metrics:
    - i) Debt to Service Coverage Ratio (DSCR): 0.54
      - (1) Three month rolling average: 0.80
    - ii) Debt to Capital Ratio: 0.15
      - (1) Three month rolling average: 0.16
    - iii) Days of Cash on Hand: 193 days
      - (1) Three month rolling average: 211 days
  - h) October 2018 Metrics:
    - i) DSCR: 0.05
    - ii) Debt to Capital Ratio: 0.19
    - iii) Days of Cash on Hand: 192 days
  - i) WTP is now ten years old and has two variable speed pumps. Wear and tear on pumps. ~\$5,000 to repair each pump. Y2019 budget included pump repair. Pumps are run at optimum point of performance curve. Our WTP and WWTP are too small to gather mass quantities of data for predictive maintenance.
    - i) Should we consider purchasing a spare pump as lead times are three to four months?
  - j) Four attorneys attended Joe's deposition: two for WOWSC, one attorney for current and previous Board members named in suit, and one attorney for the Title Company. Legal fees could be ~\$160,000 this year to defend the corporation.
  - k) Member Comment
    - i) Danny Flunker: Requested Troupe Brewer, attorney at Lloyd Gosselink, introduce himself.
  - l) Motion made and carried by all to accept the October Financial Report
- 6) CONSIDERATION OF BUDGET FOR 2020 – The budget committee will advise on its progress in creating a budget, with particular attention to: (a) a performance bonus for the manager in view of the pumping barge restoration project (b) an amendment to manager contract adjusting fee for inflation (c) WOWSC paying for manager's insurance related to license (d) signage for George Burriss Water Treatment Facility of Windermere Oaks Water Supply Corporation (e) CPA audit of financial records for 2018 and/or 2019 (f) financial planning workshop provided by NewGen Strategies.
- a) Joe requested the above topics be included in our budget.
  - b) George went well above and beyond keeping water service to all of our members after the flood knocked away our water intake barge; and the repair of the pumping barge required significant effort outside the current contract.
  - c) Manager contract does not have an adjustment clause for inflation. George is a key man for WOWSC. ~3% inflation adjustment is recommended. WOWSC needs to remain competitive in George's compensation.
  - d) George pays for his own manager's top license insurance. Corix provides proof of insurance to George for their operators. George provides proof of insurance to WOWSC.
  - e) Signage for George Burriss Water Treatment Facility of WOWSC should be added to budget with the caveat that it needs to be compliant with WO POA, so maybe affixed to the building
  - f) WOWSC has a CPA for bookkeeping and a different CPA for filing taxes. George requested quotes for 2018 and 2019 financial audits. WOWSC has never had a financial audit. Y2019 financial audit quote from our bookkeeper was to not exceed \$11K.
  - g) NewGen Strategies workshop for financial guidance, ~\$5,000 budget proposed
    - i) TRWA did a good job with our previous rate study and follows TCEQ rules
    - ii) NewGen gives guidance for five-year financial planning, matching expected financial status with operations and expectations for infrastructure improvements. NewGen can apply rate studies to plans for infrastructure improvements and will charge for it. NewGen knows water and waste water rates.
  - h) WOWSC server with back-up separate from WOWSC's financial server for directors' email and work space and for electronic storage of WOWSC files.
  - i) Cyber security should be considered
  - j) Member Comments
    - i) Patti Flunker
      - (1) WOWSC is not required to do a cyber security risk assessment.

- (2) Discussing personnel should be in Executive Session
- (3) Salary rates study can be purchased

- 7) **CONSIDERATION OF PROCESS FOR RATE INCREASE** – In view of 2019 expenditures on legal counsel for litigation, public information act requests, petition for removal, election procedures, open meeting act compliance, revision of bylaws, as well as preceding item for operational expenses, the Board will discuss whether a rate increase should be explored.
  - a) No end in sight for on-going litigation
  - b) Ask TRWA to do rate analysis. Rate analysis for both WTP and WWTP.
  - c) Use a complete year of data, Y2019, for rate analysis
  - d) Include in Y2020 budget analysis
  - e) Member Comments
    - i) None
- 8) **CONSIDERATION OF MEMBER COMMUNICATION** – The Board will consider and take possible action regarding correspondence to membership to summarize present and ongoing challenges facing the WOWSC, the corresponding significant expense of WOWSC funds, and how all the above may impact members individually.
  - a) Member Comments
    - i) None
  - b) Motion made and carried by all to authorize legal committee to work with attorneys to draft a Member communication on items above with regards to rates and ongoing litigation
- 9) **Executive Session under Texas Government Code § 551.071(1) and (2) regarding:**
  - a) Jay Grissom Letter to WOWSC advising of intent to take issues to small claims court.
  - b) Ffrench, et al., Intervenor-plaintiffs and Double F Hangar Operations, LLC, et al. v. Friendship Homes & Hangars, LLC, Windermere Oaks WSC, et al., Cause No. 48292, 33rd Jud. Dist., Burnet County Dist. Ct.; and
  - c) Discuss legal issues related to notice, ballots and communications regarding recall petition procedures sent by non-Board Members and legal remedies necessary to implement applicable procedures.
    - i) Entered session at 8:00PM
    - ii) Exited session at 9:20PM
- 10) **DISCUSSION AND APPROVAL OF PROCESS REQUIRED BY PETITION FOR REMOVAL** – Board will discuss and take possible action regarding removal petition for Director Joe Gimenez in accordance with WOWSC bylaws and applicable law including, but not limited to, establishing petition hearing procedures, authorizing communications with members regarding removal petition and hearing, and establish date(s), venue(s), and voting procedures.
  - a) Reconvened Open Board meeting at 9:23PM
  - b) Joe recused himself from this agenda item
  - c) Bill Earnest became presiding officer and read Special Member Meetings resolution to meeting attendees

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF WINDERMERE OAKS WATER SUPPLY CORPORATION  
CALLING SPECIAL MEMBERS MEETING**

WHEREAS, Windermere Oaks Water Supply Corporation ("WOWSC") is a nonprofit water supply corporation, operating under the authority of Chapter 67 of the Texas Water Code and the holder of retail water utility Certificate of Convenience No. 12011 issued by the Public Utility Commission of Texas;

WHEREAS, on October 9, 2019 the Board of Directors of WOWSC (the "Board") received a petition for the removal of Director Joe Gimenez signed by over 10% of the WOWSC membership;

WHEREAS, Article VIII, Section 9 of the WOWSC's Bylaws require such a petition to be voted at the next regular or special meeting of the membership;

WHEREAS, Article VII, Section 2 of the WOWSC's Bylaws allows the Board, by resolution, to call a special meeting of the membership;

WHEREAS, for the purposes of voting on the removal petition submitted to the Board on October 9, 2019, and to allow Director Gimenez the opportunity to be heard in person or by counsel, to present witnesses and other evidence in rebuttal of the charges against him, and to question other witnesses, with the persons bringing charges against him having those same rights, the Board desires to call a special meeting of the membership of the WOWSC;

WHEREAS, the Board hereby appoints Vice President Bill Earnest as the Presiding Officer over the petition proceeding at the special meeting of the membership, and hereby approves the formation of a subcommittee to facilitate the preparation of documents, correspondence, and other items relevant to the petition proceeding, which shall consist of the Presiding Officer, Mr. Earnest, and Director Dorothy Taylor; and

WHEREAS, notice of the special membership meeting shall provide additional information on procedures related to the removal petition proceeding, including those related to voting and other procedures as may be established by the Presiding Officer for the efficient and orderly conduct of the proceeding, and such notice will be subsequently issued in accordance with the deadlines prescribed by WOWSC Bylaws.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WINDERMERE OAKS WATER SUPPLY CORPORATION THAT:

1. The above recitals are true and correct.
2. The Board of Directors of WOWSC hereby calls a special meeting of the WOWSC membership to be held on the 14<sup>th</sup> day of December 2019, at 9:00 AM at the Spicewood Community Center, located at 7901 County Road 404, Spicewood TX, 78669.

3. The Board of Directors of WOWSC hereby authorizes the Presiding Officer and the petition subcommittee, with the advice of and in coordination with legal counsel for WOWSC, to take all necessary steps to implement this resolution and prepare for the special meeting of the membership.

PASSED AND APPROVED this the 20<sup>th</sup> day of November, 2019 by a vote of 3 in favor, 0 against, and 1 abstaining.

  
Bill Earnest, Vice President

  
Mike Nelson, Secretary/Treasurer

  
Dorothy Taylor, Director

abstaining  
Joe Gimenez, President

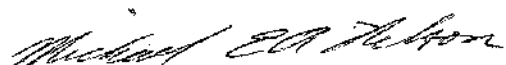
**WINDERMERE OAKS  
WATER SUPPLY CORPORATION**

- d) Member Comment
    - i) Danny Flunker:
      - (1) Resolution was to be discussed in front of the membership
      - (2) Proposal for ballots
    - ii) Mark McDonald: Plans to hold meeting on November 23<sup>rd</sup> will continue regardless. Invited everyone present to attend.
  - e) Motion made and carried by all three remaining Board Directors to adopt resolution as presented
- 11) Consideration and possible action on items discussed in Executive Session.
- a) Member Comments
    - i) Mark McDonald: Is it less expensive to pay Mr. Grissom \$1500?
    - ii) Danny Flunker: Small claims court cost is a few hundred dollars
  - b) Motion made and carried by all to direct legal counsel to respond to Mr. Grissom and his threat of litigation to settle before reaching small claims court.
- 12) New business and discussion and possible action on agenda for next meeting.
- a) Approve minutes from previous Board meetings
  - b) Managers' report
  - c) November financial report
  - d) Y2020 WOWSC Election
  - e) Y2020 annual budget
  - f) D&O insurance review
  - g) Member Comment
    - i) Danny Flunker: Requested update to Sept 18<sup>th</sup> minutes

13) Set date, time, and place for next meeting

a) Target Thursday, December 19<sup>th</sup>, at 6:00PM at Spicewood Community Center

14) Motion made and carried by all to adjourn at 9:38PM



Submitted by: Mike Nelson

APPROVED BY WOWSC Board on December 19, 2019



# Windermere Oaks Water Supply Corporation

424 Coventry Rd  
Spicewood, Texas 78669

**2019 - 2020 Board of Directors:**  
Joe Gimenez, President  
Bill Earnest, Vice President  
Mike Nelson, Secretary/Treasurer  
David Bertino, Director  
Dorothy Taylor, Director

**Windermere Oaks Water Supply Corporation (WOWSC) meeting held: Wednesday, October 9, 2019**

**2019 - 2020 Board Members Present:** Bill Earnest, Joe Gimenez, Mike Nelson, Dorothy Taylor

## Minutes

The meeting was called to order at 6:00PM by Joe Gimenez. A quorum was established with four Board Members present.

1. Mark McDonald: Submitted two signed hard copies of petition for removal of Joe Gimenez from the WOWSC Board
2. Patti Flunker: Joe Gimenez discussed harassment with her boss at TRWA. Patti Flunker quit her position at TRWA.
3. Dorothy Taylor is newest member of our WOWSC Board and took her seat following appointment by Board at September meeting.
4. David Bertino sent letter announcing his resignation:

October 9, 2019

To the WOWSC Board and Members,

I David A Bertino Jr effective October 9, 2019 tender my resignation on the WOWSC board. Due to my new duties at work and the direction of this board, I will not be able to fulfill the duties that are required as a WOWSC board member. Please except this letter of resignation, read it at the meeting, and document it in the Meeting minutes.

Sincerely,

David A Bertino Jr.

- 1.
5. **RULES FOR PUBLIC COMMENT** – Board will consider adopting a sign-up sheet for member comments on specific agenda items, with comments limited to three minutes. (Comments on non-agenda items will be accommodated in item 12).
  1. Limit of three minutes per item per person
  2. Member Comment
    1. Danny Flunker: Move member public comment to start of meeting
  3. Motion made and carried to adopt a sign-up sheet for member comments on specific agenda items, with comments limited to three minutes per person per item.



6. Christine Mulligan: Thanked Joe Gimenez for his service and reminded meeting attendees that our members voted him into office at our last election.
7. Review, consider and take action to approve minutes of prior meetings/
  1. September 18 Special Meeting Minutes
    1. Motion made and carried to approve the September 18<sup>th</sup> Special Board Meeting Minutes
  2. September 18 Regular Meeting Minutes
    1. Motion made and carried to approve the September 18<sup>th</sup> Regular Board Meeting Minutes
8. EFFLUENT WATER AGREEMENT WITH SPICEWOOD AIRPORT PILOTS ASSOCIATION – Consideration of contract amendments, if any, requested by SAPA. Motion to adopt contract was passed Sept. 18 meeting, pending future review and consideration of any requested amendments from SAPA.
  1. At our September 18, 2019 Board meeting, the Board approved the contract providing WOWSC's effluent water to SAPA.
  2. The Board president of SAPA signed the contract and noted one minor typo → added 'r' to the word "treasure" to make it "treasurer".
  3. Member Comment
    1. Janey Richardson:
      1. Will SAPA pay for the effluent water?
        1. Board's response: SAPA will pay for all expenses with regards to the project.
      2. Who is Andrew Heller?
        1. Board's response: Andrew Heller is President of the SAPA.
    2. Marsha Westerman: Will SAPA pay for the engineering study?
      1. Board's response: SAPA will pay for all expenses with regards to the project.
    3. Mark McDonald: Will existing pipe be used for the effluent?
      1. George's response: No. The project requires new piping.
    4. Robb Van Eman:
      1. Will SAPA contract be posted?
        1. Board's response: Board to ask attorneys if the contract should be posted.
      2. Who represented SAPA?
        1. Board's response: Gary Young and Dana Martin
      3. Requested copy of the contract
        1. Board's response: Please send reminder request
  4. Motion made and carried to approve updated contract providing WOWSC's effluent water to SAPA.
9. ETHICS AND CONFLICT OF INTEREST POLICY – Review and pass resolution memorializing Board action in adopting new Policy Governing Ethics and Conflicts of Interests, thereby binding all current and future Board members to the standards set forth in the Policy.
  1. Joe read the resolution for our new WOWSC Conflict of Interest Policy
  2. Board had approved our new WOWSC Conflict of Interest Policy at the September 18, 2019 Board meeting but resolution summarizing it was read.
  3. Member Comments:
    1. Mark McDonald:
      1. Where will the policy be kept?
        1. Board's response: Our new Conflict of Interest Policy will be kept on our website.
      2. Who determines what is a conflict of interest?
        1. Board's Response: The WOWSC Board decides what is a conflict of interest.
    2. Patti Flunker: Questioned why she needed to send a letter regarding WOWSC's Conflict of Interest Policy.
    3. Rob Van Eman: Any sanctions in policy?
      1. Board's response: Read policy for details
    4. Jade Winters: Who wrote our new policy?
      1. Board's response: Our attorneys provided a standard policy used by other water supply corporations they represent.

5. Mikki Bertino: Not all members come to our Board meetings
  4. Motion made and carried to approve resolution
  5. Dorothy to add signed resolution to website
10. SIX MONTH REVIEW OF PROGRESS IN 'KEEPING THE MAIN THING THE MAIN THING' -- Discussion about Board and water company accomplishments since March 9, 2019, including:
1. finishing repair of pumping barge
  2. securing \$59,000 in insurance recovery for pump platform
  3. getting approval for new, lower interest rate loan to pay off higher interest rate balloon note
  4. applying to LCRA for investment matching for conservation project that reduces WOWSC water use
  5. approving purchase and installment of generator for compliance with TCEQ
  6. offering contract proposal to SAPA for increasing size of available dispersant fields for effluent water
  7. establishing process for handling unprecedented number of Public Information Act requests (37)
  8. establishing ETHICS AND CONFLICT OF INTEREST POLICY by Board vote and for adherence by future Boards
  9. re-establishing annual meeting date to comply with bylaws
  10. developing managerial report for Board oversight
  11. status of annual budget
  12. company goals for next six months
    1. Member's Comments
      1. Robb Van Eman: Missed a few items. WOWSC filed lawsuit against Texas Attorney General.
      2. Janey Richardson: Can there be more communication sent out to all members from the Board?
      3. Brad Davis: Can meetings be moved to Saturday?
      4. Mikki Bertino: David Bertino went out on the river to find our missing barge, helped George to get the water turned back on quickly to the community, and saved thousands of dollars of cost to WOWSC.
11. MANAGER'S REPORT (George Burriess) --
1. LCRA CONSERVATION GRANT -- Manager to provide update on change in WOWSC contribution to LCRA Cost Sharing project for water conservation.
    1. Previous WOWSC share estimate for both projects was ~\$32K.
    2. George learned from the LCRA that the projected savings needs to be averaged over two years which increases WOWSC's cost to ~\$34K.
    3. Members Comments
      1. Mikki Bertino: How many years to recoup \$34K?
        1. Board's response: Estimate 3% return on money spent for both projects. Might be a little lower now as the estimated cost increased \$2000. Keeps WOWSC under existing contract avoiding renegotiation of LCRA contract.
    4. Motion made and carried for Joe to write a letter to LCRA stating WOWSC has the funds for these projects.
  2. GENERATOR PURCHASE UPDATE--Manager will provide update on contract, deposit, schedule for installation.
    1. WOWSC paid \$35K to our supplier who placed an order for the generator.
  3. COST ESTIMATES FOR FIVE YEAR PLANPROJECT--Progress on development of cost estimates for pre-treatment facility and other projects.
    1. WOWSC applied for \$500K loan from COBANK who approved it.
    2. Ten-year old cost estimate for pre-treatment clarifier was \$150K but the price has gone up considerably due to the increased cost of steel. Possibly \$400k.
    3. George is working on proposals with an engineer and is approaching other vendors for quotes
    4. WOWSC does not have a clarifier. WOWSC has a settling tank.
    5. Members Comments:
      1. Patti Flunker: Are we in good financial status? Rates were raised? Recommended COBANK as a lender to our Board in the past.

1. Board's response: Don't think today's members should pay up front for a large capital project that has a forty-year life span versus members paying for it over its lifetime. The COBANK loan will be used to pay-off our existing loan plus new projects over 20 years at a lower interest rate than our existing loan.
2. Mark McDonald: Standby fees
3. Danny Flunker: Why are airport lots not under standby fees?
4. REGULATORY COMPLIANCE—Manager will provide detailed overview of regulatory compliance services of Utilities Inc. and progress in maintaining compliance.
  1. Compliance is a function of many many details. Certificate of Convenience and Necessity with State of Texas enables WOWSC. WOWSC follows Chapter 290 of Texas State Code requirements including facility construction, operators capability, quality levels. George is of the opinion the State of Texas owns our utilities and allows WOWSC to operate them.
    1. George approaches the relationship with TCEQ as though they are the owner of our utilities, and we are the operator. George handed out a sample of our monthly operating report that is submitted to TCEQ monthly
    2. Copies of the report and test data are kept at our facilities for their yearly audit
    3. George showed our facilities' monitoring plan which the operators follow
      1. George shared monitoring plan with the Board
    4. How is WOWSC WTP doing?
      1. Consumer confidence report is on our website and is also posted at the WO pavilion. TCEQ compiles the consumer confidence report without review by WOWSC. No violations were reported.
      2. Each year TCEQ sends out a compliance enforcement officer who writes reports. Our last report stated WOWSC needed to paint the pipes in the pump room. The pipes were painted to the specified colors and pictures were then sent to TCEQ.
5. SEWER SYSTEM PERMIT RENEWAL—Report status of renewal process.
  1. WTP permit expires every five years. Every five years the permit renewal process takes ~ one year. Received TCEQ response stating the permit request is administratively complete. George believes we are on track to receive our permit by end of year.
6. EASEMENT RELEASE REQUEST—Update, easement release requesting Center Cove.
7. Jeff Hagar and George learned WOWSC does not have easement rights inside the Center Cove lots. This is in the Center Cove Covenants amendments. No easement release is needed from WOWSC for work performed inside the lot lines. Members Comments:
  1. Earl Miller: Is effluent water monitored?
    1. George's response: Yes. All changes to WTP and WWTP require TCEQ approval. TCEQ takes core samples of effluent water spray fields.
12. Executive Session under Texas Government Code § 551.071(1) and (2) regarding: a. Ffrench, et al., Intervenor-plaintiffs and Double F Hangar Operations, LLC, et al. v. Friendship Homes & Hangars, LLC, Windermere Oaks WSC, et al., Cause No. 48292, 33<sup>rd</sup> Jud. Dist., Burnet County Dist. Ct.; and b. TOMA Integrity, Inc., et al. v. Windermere Oaks WSC, Cause No. 47531, 33<sup>rd</sup> Jud. Dist., Burnet County Dist. Ct., on appeal at 6th Ct. of Appeals, No. 06-19-00005-CV.c. Appeal of Attorney General ruling filed in Travis County Court in the case of WOWSC v The Honorable Ken Paxton, Attorney General of Texas, for protection of corporate rights and privileges during ongoing litigation.
  1. Entered session at 7:37PM
  2. Exited session at 8:14PM
  3. Members Comments
    1. Robb Van Eman:
      1. WOWSC attorneys have filed lawsuit against Texas Attorney General. Why did our attorneys sue the Texas Attorney General?
      2. What is the cost to sue the Texas Attorney General? What's in the budget?
    2. John Young: Loan needed to pay-off balloon payment.
  4. Motion made and carried to move this agenda topic up due to length of previous agenda topics and need to meet with lawyers when they are available

13. Consider and/or act on matters reviewed in the immediately preceding Executive Session agenda item.
  1. Joe motioned to move agenda item "Member comments" before Board convened in executive session. Motion carried.
  2. Item B: TOMA filed with the Texas Supreme Court and our WOWSC attorneys responded to the Supreme Court that they will respond as needed (to save cost).
  3. Joe read the following statement:

STATEMENT REGARDING FILING IN TRAVIS COUNTY COURT

This past May, WOWSC received a Public Information Act request that requested our legal invoices from the time period covering the entirety of the WSC's lawsuit with TOMA Integrity.

At the advice of our attorneys, and for the sole purpose of asserting privileges lawfully available to us to protect our position during this litigation, WOWSC requested a ruling from the Attorney General that we could withhold these invoices under those privileges while the lawsuit is ongoing.

This past August, the Attorney General ruled that while we may redact certain information within those invoices, the remainder must be released.

Upon review of this ruling by our legal team, they determined that the Attorney General's office did *not* apply the privileges to the full extent authorized by law, and that compliance with the AG's August ruling would put the WSC at a disadvantage during the remainder of the lawsuit with TOMA Integrity.

Pursuant my authority as Board President and Public Information Officer and at the advice of our legal counsel, I directed our legal team to file an administrative appeal of the August Attorney General ruling to protect the rights of the WSC while the lawsuit remains ongoing.

This is not a new legal proceeding with the Attorney General, but rather an appeal of a staff attorney ruling in a matter now ongoing since May of this year.

The WOWSC board remains in compliance with the Open Meetings Act, and has followed the advice of its attorneys in doing so.

I will not comment any further on the specifics of pending litigation with TOMA Integrity and the interrelated appeal of the Attorney General's ruling, as that is detrimental to our legal rights as a corporation, the parties involved, and the membership.

Again and to be clear, this appeal involving the Attorney General is simply and solely to protect our position during the pendency of the underlying litigation with TOMA Integrity.

Were the request for privileged information to be withdrawn, the appeal of the Attorney General's decision would of course become moot.

Any request for information that *does not* request privileged information (as has been the case with almost all of the 37 PIA requests submitted to the WSC this year) has been processed and will be processed without the involvement of the Attorney General.

However, we cannot afford to jeopardize our legal position while the suit with TOMA Integrity remains ongoing.

The Board certainly finds it unfortunate and regrettable that the public dialogue is not productive, but of course every member should feel free to speak his or her mind as they see fit, and as always, may speak at public comment at any open meeting of the Board.

4. PIA response resolution was read:
  1. Resolution approving and authorizing the continuing defense of the WSC's position of protecting attorney-client privileged information in response to PIA requests, including maintaining all pending appeals in court, at the direction of the Board President/Public Information Officer.
  2. Limited and finite PIA appeals process for attorney client privilege
5. Member comment
  1. Robb Van Eman: Statement from attorney is misleading.
  2. Janey Richardson: Attorney invoices were requested.
  3. Mike Burdette: Throwing away money
  4. Danny Flunker: Filed PIA and sent response to Texas Attorney General
  5. Jade Winters: Should our attorneys file in Burnett County instead of Travis County?
6. Motion made and carried to approve resolution authorizing the continuing defense of the WSC's position of protecting attorney client privileged information in response to PIA requests including maintaining all pending appeals in court at the direction of the Board President/Public Information Officer.

14. FINANCIAL REPORT –Treasurer Mike Nelson to discuss monthly financial reports.

1. Dorothy found a \$1000 error on page 1 of the September report for MM+ (Money Market)
2. September Income: \$36.7K
  1. September Water + Sewer revenue: \$36.3K
  2. Year to date (YTD) Water + Sewer revenue at \$273.3K of YTD budget \$266.3K
  3. YTD Equity Buy-in Fees revenue at \$36.8K versus annual budget \$27.6K
  4. YTD Water & Sewer Taps revenue at \$15.5K versus annual budget \$10.4K
3. September Expenses: \$48.1K
  1. \$23.7K legal fees paid in September
4. September Net Income: (\$11.4K)
5. YTD Net Income: \$73.8K
6. YTD Legal/Appraisal at \$88.4K of annual budget \$38.0K
7. YTD Water + Sewer Repairs at \$20.6K of annual budget \$45.0K
8. September 2019 Metrics:
  1. Debt to Service Coverage Ratio (DSCR): (0.31)
    1. Three month rolling average: 0.93

2. Debt to Capital Ratio: 0.16
  1. Three month rolling average: 0.16
3. Days of Cash on Hand: 219 days
  1. Three month rolling average: 220 days
9. September 2018 Metrics:
  1. DSCR: 0.20
  2. Debt to Capital Ratio: 0.19
  3. Days of Cash on Hand: 187 days
10. Member Comment
  1. Earl Miller: Do we keep income from taps and buy-in fees in separate accounts from WTP & WWTP?
    1. Board response: No
  2. Joe Gimenez: Cash on hand is very positive.
  3. Robb Van Eman: Any financial risk to WOWSC?
  4. Danny Flunker: Insurance did not cover TOMA legal expenses
11. Motion made and carried to accept the September Financial Report noting the \$1000 error on page 1 for MM+
15. ADOPTION OF ELECTION PROCEDURES FOR THE ANNUAL MEMBERS MEETING –Board will consider possible action needed to begin adoption of election procedures for 2020 annual meeting.
  1. Select credentials committee volunteer: Janey Richardson
  2. Motion made and carried for Janey Richardson, Mike Nelson, and Bill Earnest to comprise the credentials committee.
    1. Note: Two of the three Credentials committee members (Bill and Mike) were selected at the March 9 Board meeting. A third member was needed, so the Board accepted Janey Richardson.
16. Comments from citizens and members who have signed sign-up sheet to speak (3-minute limit per person).
  1. Joe Gimenez:
    1. Our WOWSC Bylaws provide in article 8 section 9 for removal of Board Member. Joe read part of the section to meeting attendees, advising that a hearing for removal would occur at a members' meeting and that the next members' meeting was the annual meeting.
    2. Annual Member Meeting is targeted for Saturday, February 1<sup>st</sup>.
    3. Review with our legal team the removal of a Board Member.
  2. Robb Van Eman:
    1. Bylaws allow members to call a special Member Meeting for removal of a Board Member.
    2. Requested Joe resign.
  3. Danny Flunker:
    1. Requested public comments be placed at beginning of Board meeting agenda.
    2. Provided attorney invoices had redactions.
  4. Sandy Nigh:
    1. Moved here one year ago. Legal fees are a concern.
    2. Requested meetings be moved to the weekends.
  5. Mikki Bertino:
    1. What is the process for members to call a special Members Meetings?
      1. Board's response: In our WOWSC Bylaws, a Majority of Memberships (50% plus one) is needed to call a special Members Meeting.
    2. Requested Board members' vote be entered into the meeting notes when it's not unanimous.
17. New business and discussion and possible action on agenda for next meeting.
  1. Y2020 WOWSC Annual Members Meeting and election procedures next steps
18. Set date, time, and place for next meeting

1. Saturday, October 26<sup>th</sup>, at 9:00AM

19. Motion made and carried to adjourn at 8:45PM



Submitted by: Mike Nelson

APPROVED BY WOWSC Board on December 19, 2019

Billing Questions: (830) 598-7511 Ext 1

Water or Sewer Emergency: Phone (830) 598-7511 Ext 2



# Windermere Oaks Water Supply Corporation

424 Coventry Rd  
Spicewood, Texas 78669

## 2019 - 2020 Board of Directors:

Joe Gimenez, President  
Rich Schaefer, Director  
Mike Nelson, Secretary/Treasurer  
Patricia Gerino, Director  
Dorothy Taylor, Director

**Windermere Oaks Water Supply Corporation (WOWSC) meeting held: Saturday, February 1, 2020 at the Spicewood Community Center, 7901 Co Rd 404, Spicewood TX, 78669**

**2019 - 2020 Board Members Present:** Patricia Gerino, Joe Gimenez, Mike Nelson, Rich Schaefer, Dorothy Taylor

## Minutes

The meeting was called to order at 11:15AM by Joe Gimenez.

1. Presiding director announces the total number of members present at the meeting. Presiding director will then announce that a quorum of the membership is present and that the meeting may proceed.
  - a. Announced total number of members present: 38 and meeting may proceed.
2. Comments from citizens and members who have signed sign-up sheet to speak (3-minute limit per person).<sup>1</sup>
  - a. Patti Flunker
    - i. Requested four minutes for members to speak
    - ii. Change in ByLaws for Membership fee
      1. Informed Board the Tariffs and ByLaws do not match
      2. Believes State law says to send out ballot to all members to vote on ByLaws change
      3. All members do not have opportunity to vote as not all members attended today's Annual Members meeting
      4. Mark Zeppa wrote how to become an investor owned utility when members no longer want to be a non-profit water supply corporation.
      5. Proposes dissolving water supply corporation and become investor owned utility
  - b. Danny Flunker
    - i. Requested at last meeting a PowerPoint presentation for Annual Meeting
    - ii. Recommends folks review depositions
    - iii. No attorney was involved in the land deal
    - iv. Brought binders and handouts and placed them on the tables for folks to review
    - v. Easements showed up that were not previously recorded
  - c. Bruce Sorgen
    - i. Dana bias on our Boards shown with the two vacancy replacements
    - ii. Volunteers are on our Boards and not paid professionals
    - iii. Believes WOWSC is a water coop and not a non-profit water supply corporation
    - iv. Board meetings are difficult to sit through
    - v. Legal representatives attend every Board meeting
  - d. Dick Dial
    - i. Discovered land sale January 2017
    - ii. WOWSC legal representatives are ethically challenged

<sup>1</sup> The Board is not allowed to take action on any subject presented that is not on the agenda, nor is the Board required to provide a response; any substantive consideration and action by the Board will be conducted under a specific item on a future agenda at a regular meeting of the Board.



- iii. Handed out copies of WOWSC's Demand Letter to Friendship Homes and Hangars and asked folks to read the Demand Letter
    - iv. Why isn't D&O paying for attorney fees?
      - 1. To date, insurance has refused to pay attorney fees
        - a. At the Jan 23<sup>rd</sup> WOWSC Board Meeting, Board approved retaining an attorney to provide insurance coverage advice and counsel
  - e. Robert Wells
    - i. Windermere Oaks owner for 28 years
    - ii. WOWSC Boards have been good and Boards have been bad
    - iii. Legal defense is costing our community money
    - iv. Need to come to a resolution and stop wasting money on legal fees
    - v. Appears to be a witch hunt against one of our neighbors
    - vi. Need to move forward
  - f. Marsha Westerman
    - i. Budget questions
      - 1. Meals and entertainment: TRWA conventions, conventions
      - 2. Legal: \$250,000
  - g. Charlene Freesom
    - i. Budget
      - 1. \$250,000 for attorney fees is obscene
      - 2. How to resolve the lawsuit and stop wasting money on legal fees?
      - 3. When do members get to vote on it?
      - 4. What do the litigants want?
        - a. Answer: Litigants want the sold property returned to WOWSC
      - 5. Believes it will take several people to work on a solution
  - h. Sandy Nielsen
    - i. Thanks community members who have served on Boards
    - ii. How can we expect volunteers to serve on Boards when they get sued
    - iii. Has been in Windermere Oaks for ten years
    - iv. Cares about Windermere Oaks and our community
    - v. Understands stress placed on Board members who are under suit
    - vi. Lawsuits are not always as they seem
    - vii. Similar group of people are involved in filing the lawsuits
  - i. Josie Fuller requested update on AG lawsuit
- 3. Approval of Member Meeting minutes of March 9, 2019.
  - a. Motion made and carried by all to approve the minutes for our March 9, 2019 Annual Member Meeting Minutes
- 4. Presiding Director to read the December 19, 2019 Board approved Resolution declaring unopposed candidate of WOWSC election. Presiding director introduces newly elected director and declares them as board member to assume the position of director immediately.
  - a. Joe read the following resolution that was previously read at the December 19, 2019 WOWSC Board meeting:

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF WINDERMERE OAKS WATER SUPPLY CORPORATION  
DECLARING UNOPPOSED CANDIDATE DOROTHY TAYLOR AS DIRECTOR OF  
WINDERMERE OAKS WATER SUPPLY CORPORATION AND  
CANCELLING FEBRUARY 1, 2020 DIRECTORS ELECTION**

**WHEREAS**, Windermere Oaks Water Supply Corporation ("WOWSC") is a nonprofit water supply corporation, operating under the authority of Chapter 67 of the Texas Water Code and the holder of retail water utility and sewer service Certificates of Convenience and Necessity Nos. 12011 and 20662 issued by the Public Utility Commission of Texas;

**WHEREAS**, the terms of WOWSC Director Place 4 and WOWSC Director Place 5 expire in 2020;

**WHEREAS**, WOWSC posted notice of the opportunity for candidates to submit applications to run for the two open positions on its Board of Directors (the "Board") pursuant to Texas Water Code Section 67.0052(b);

**WHEREAS**, WOWSC made director candidate application forms available at WOWSC's main office, made director candidate application forms available by mail or electronically, upon request, and such forms remained available until December 13, 2019, the deadline to submit such forms;

**WHEREAS**, only one (1) person submitted an application for Director Place 5, Dorothy Taylor, thus creating an unopposed election for WOWSC Director Place 5 pursuant to Texas Water Code Section 67.0055; and

**WHEREAS**, WOWSC received no candidate applications for Director Place 4.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WINDERMERE OAKS WATER SUPPLY CORPORATION THAT:**

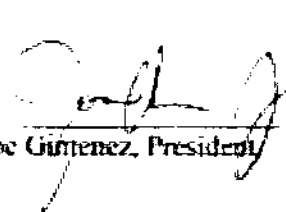
1. The above recitals are true and correct.
2. The Directors Election was duly called, and the Secretary of WOWSC has duly certified in writing that Dorothy Taylor is unopposed for election to the office of WOWSC Director, Place 5, in accordance with applicable Texas law.
3. Dorothy Taylor is declared elected to serve a two (2) year term on the Board of Directors of WOWSC, subject to her taking her oath and any other appropriate actions, as required by law.
4. No candidate submitted an application for WOWSC Director Place 4, and thus Director Place 4 will remain vacant until that position's term expires or until the

WOWSC Board appoints a director to Place 4 in accordance with WOWSC Bylaws and applicable law, whichever occurs first.

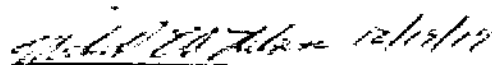
5. The directors election called for February 1, 2020 will not be held, and a copy of this Resolution Declaring Dorothy Taylor as Director of WOWSC and Canceling the February 1, 2020 Director's Election will be posted at the WOWSC main office and read into the record at the annual meeting.
6. It is further found and determined that notice of the date, place and subject of this meeting was posted in accordance with the terms and provisions of Texas Government Code § 551 at least 72 hours preceding the scheduled time of this meeting and that the terms and provisions of said Texas Government Code § 551 have been complied with.
7. The Board of Directors of WOWSC authorizes its President, General Manager, and WOWSC legal counsel to take any action necessary to implement the terms of this Resolution.

This resolution is hereby PASSED AND APPROVED this 19<sup>th</sup> day of December, 2019 by vote of 5 in support, 0 against, and 0 abstaining.

WINDERMERE OAKS  
WATER SUPPLY CORPORATION

  
Joe Gutierrez, President

ATTEST:

  
Mike Nelson, Secretary/Treasurer

Dorothy Taylor ran unopposed for Director Place 5

5. Update reports
  - a. Report of corporation manager (to include report on system's operations, update of projects and strategic plan for 2020.
    - i. George Burriss is WOWSC's manager
    - ii. 12 new taps were installed last year vs ~3 per year historically
    - iii. Operations:
      1. WOWSC use two CPAs
        - a. First does taxes
        - b. Second does all bookkeeping
      2. Continued and completed repairs from Y2018 flood
      3. WOWSC has 253 members
      4. Enlarged area that WOWSC serves. Updated permit with state of Texas.
      5. Improved website
      6. Reports were sent to TCEQ

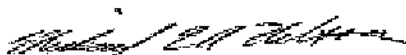
- a. Zero violations in Y2019
    - 7. New water treatment plant (WTP) was built in 2007
    - 8. New waste water treatment plant (WWTP) was built in 2014
  - iv. 2020 projects
    - 1. Complete installation of WTP generator
    - 2. Water reduction projects at WTP and WWTP
    - 3. Airport to use treated effluent water on grass landing strip
    - 4. Maintenance projects
    - 5. Help WO POA with projects
  - v. Five year plan
    - 1. Installation of generator at WTP to maintain water pressure
      - a. Generator is in place and electrical connections have been completed
      - b. Installing 1000 gallon propane tank in the next few weeks
    - 2. Pretreatment replacement and upgrade is on hold as WOWSC is spending 40% of revenue on legal defense
  - vi. Named WOWSC WTP after George Burriss
  - b. Treasurer's report of Board approved 2020 Budget, Y2019 Balance Sheet, Y2019 P&L
    - i. Reviewed handouts with members
      - 1. Y2019 Summary of Income/Expense
      - 2. Y2019 Balance Sheet
      - 3. Y2019 Profit and Loss Budget Performance
        - a. Ordinary income from water services was \$113K higher than budget
        - b. Operating expenses were \$128.8K higher than budget
          - i. Legal expenses were \$128.6K higher than budget
        - c. Net ordinary income was \$2.7K less than budget
    - ii. Y2020 Budget
      - 1. Reviewed Y2020 budget handout
      - 2. Legal expenses budget = \$250K
      - 3. Projected loss = \$137.5K with revenue projection using current rates
        - a. This budget does not include rate increase in water services revenue projection
6. Report of Board President to summarize events and accomplishments of the corporation in the past year as well as the financial challenges going forward, and discuss possible options to address the significant budgeted deficit caused by ongoing litigation, including but not limited to: (a) rate increases; (b) declaration of bankruptcy; or (c) sale of the corporation to a private utility company.
  - a. Did not anticipate the nuclear bomb lawsuit
  - b. George did great job on repairing the barge
  - c. Received an LCRA grant for the WTP and WWTP water saving projects
  - d. Airport project is at no cost to WOWSC and it increases WOWSC's effluent water dispersent field area
  - e. WOWSC water is better than at many other utilities
  - f. WOWSC operations are solid
  - g. WOWSC issues are with legal defense costs and could possibly affect ability to qualify for loans
  - h. Pretreatment needs to be replaced and upgraded. Need loan to fund pretreatment project.
  - i. The Texas State Attorney General lawsuit stems from a PIA response and is with respect to protection of WOWSC's attorney client privilege.
  - j. \$15,000 cost to WOWSC to hold the recall vote. Board worked to follow our ByLaws and state laws on the recall petition. Distracted by some members actions to hold their own meeting.
  - k. Nuclear bomb lawsuit was filed in May 2019 and was recast in November 2019 & December 2019.
    - i. Joe encourages members read the second lawsuit
    - ii. Defending the second lawsuit is the majority of the budgeted \$250,000 for attorney fees
    - iii. Bruce Sorgen, Rene Ffrench, Dick Dial are suing for \$1M from current and previous Board Directors
  - l. Rate increases to generate cash to pay attorney fees.
    - i. Discuss rate increase in Board meeting immediately after this Annual Member Meeting
    - ii. Working with legal team to pay legal invoices spread over months

- m. 46 PIA requests since last Annual Member Meeting. After three months of free PIA services, Joe requested \$416 per month for role at WOWSC's PIO. ~\$2400 billed to date for PIO.
  - n. Per Bruce Sorgen second lawsuits wants \$1M from WOWSC Board Directors.
  - o. Action Item: Can insurance responses be shared? Attorney, Troupe Brewer to determine if insurance denial of coverage for legal fees can be shared.
  - p. WOWSC has engaged legal representation for insurance to cover legal costs of second lawsuit (nuclear bomb). Insurance company has denied paying legal costs for second lawsuit.
  - q. Sale of the corporation to a private utility company would increase rates
  - r. TRWA does rate analysis of all Texas utilities
7. Approval of Bylaw Amendment regarding Membership Fees – The Board previously took action to increase membership fees, i.e. one-time fees for initiating a WOWSC membership, from \$350 to \$402.50. The change in membership fee is reflected in WOWSC's tariff but the current Bylaws still provide the former fee of \$350. WOWSC Bylaws require member approval (by quorum vote) of bylaw amendments involving matters affecting memberships, i.e. membership fees, and thus this amendment to Article 10, Section 6 is presented to our members for approval:

All persons lawfully receiving or applying to receive public utility service from the Corporation shall pay a membership fee of ~~\$350.00~~ \$402.50 as a condition precedent to lawfully receiving utility service...All applicants for restored service whose memberships have been forfeited to the Corporation shall pay a membership fee of ~~\$350.00~~ \$402.50 in addition to any reconnection charges. All transferees of memberships as provided by these bylaws shall pay a membership fee of ~~\$350.00~~ \$402.50.

- a. Patti Flunker recommends removing Membership Fees from the ByLaws and only have it in the Tariff.
  - b. Vote:
    - i. Cast: 30
    - ii. For: 20
    - iii. Against: 10
  - c. Motion passes
8. Closing comments by presiding director and announcement of New Board of Directors meeting to elect officers, appoint new board member, consider rate hike, and select audit type upon adjournment.

1) Motion made and carried by all to adjourn at 1:12PM



Submitted by: Mike Nelson

APPROVED BY WOWSC Board on March 27, 2021

# Exhibit 4

<https://tinyurl.com/2021-2022-videos>



## Spicewood News

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President report March 16, 2022

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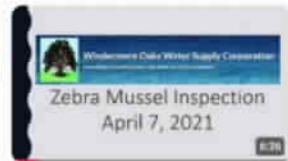
WOWSC Informational Meeting #1 October 17 2022

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WOWSC Board President to Members for 2021

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Zebra Mussel Fact Finding April 7 2021

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Threats to WOWSC - Excerpted from March 16, 2021 Meeting Recording of the...

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WOWSC Presidents Report March 16, 2021 Meeting Recording Video

74 views · 3 years ago

# Exhibit 5



# WINDERMERE OAKS WATER SUPPLY CORPORATION

424 COVENTRY ROAD, SPICEWOOD, TX 78669

## NOTICE OF WATER COMPANY INFORMATIONAL PRESENTATION

The Windermere Oaks Water Supply Corporation will conduct an  
Informational Members Presentation

**Monday October 17, 2022 at 12:30 p.m.**

**Via Zoom**

Meeting ID: 830 9523 8363

Passcode: 293809

Toll-Free Number: 1-888-992-1129

Invite

Link: <https://us02web.zoom.us/j/83095238363?pwd=S0tjM0JvaDltMlBDSkdSIFZlF2ZFRQT09>

or

<https://tinyurl.com/wowsc-info1>

An Information-only presentation by the Windermere Oaks Water Supply Corporation General Manager and an LCRA representative will commence at the time noted above via Zoom. **A quorum of Board members will NOT be in attendance.** A recorded version of the Zoom call will be posted to the WOWSC YouTube page following the presentation.

### **AGENDA:**

#### **1) WATER MANAGER REPORT**

- a) **INTERCONNECTION** – Report on the status of filing with the Texas Commission on Environmental Quality regarding the emergency connection established with Ridge Harbor/Corix Utilities for the purpose of ensuring continuous service to WOWSC members.
- b) **NEW TANK INSTALLATION** – Update on progress of new tank installation and retrofitting of old tank as clarifier.
- c) **ZEBRA MUSSEL FILTRATION** – Update on efforts to minimize negative effects of zebra mussels in the intake pipes from pump barge to water plant.
- d) **PUMP MAINTENANCE** – Update on installation of new high service pump.

#### **2) LOWER COLORADO RIVER AUTHORITY – LCRA Senior Account Manager Gabe Smith will provide information about the relationship between LCRA and firm-water contract holders, like the Windermere Oaks Water Supply Corporation.**

This meeting is not a meeting of the Windermere Oaks Water Supply Corporation's Board of Directors or Membership, and is intended only for the purposes of disseminating information to the Windermere Oaks Water Supply Corporation's Membership.

# Exhibit 6



Corix is the primary contact for this contract

## Water Use

