

WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT
Minutes of Special Meeting of Board of Directors

November 20, 2023

The Board of Directors (the “Board”) of Westwood Shores Municipal Utility District (the “District”) met in regular session, open to the public, at 100 Westwood Drive East, Trinity, Texas 75862, a designated meeting place inside the boundaries of the District and the roll was called of the members of the Board as follows:

Joan Gallagher	President
Robert Stoddard	Vice President
John Wolf	Secretary
Jim Atkinson	Asst. Secretary
Bryan Holmes	Director

All the above were present, thus constituting a quorum.

Also present at the meeting were Rico Rodriguez of Civil Grade Engineers (“Civil Grade”); Joshua Zientek and Frank Mitchell of Mitchell, Zientek & Scruggs, LLP (“MZSLLP”); Pam McKay of Westwood Shores Municipal Utility District (“WSMUD”); Kandy Pfeffer of Elite Bookkeeping; Tony Bonaventure and Juan Rojas of Precision Utility LLC (“Precision”); Kevin Berry and Frank Turner of EEPB; and various members of the public.

CALL THE MEETING TO ORDER AND PLEDGE OF ALLEGIANCE

Director Gallagher called the meeting to order, and Director Atkinson led a recitation of the Pledge of Allegiance.

PUBLIC COMMENTS

Director Gallagher opened the meeting for public comments. Mr. Renfroe introduced himself and expressed that a sewer tap on a property he is developing is located where a driveway is to be installed. The Board requested that Precision investigate the matter further and Mr. Rodriguez outlined some possible solutions. Ms. Keel asked about the potential need to raise the rates again due to the unsuccessful bond authorization election. Director Gallagher explained the sources of funding and future budgetary plans, including funding options such as the recently passed legislation related to the Texas Water Fund.

APPROVAL OF MINUTES OF PRIOR BOARD MEETING(S)

The Board reviewed the minutes of October 16, 2023, regular meeting, October 16, 2023, special meeting, October 30, 2023, special meeting, and November 8, 2023, special meeting. Director Gallagher noted a few requested changes she had provided via email. After a brief discussion, Director Stoddard moved to approve and accept all sets of minutes, as discussed with the requested revisions. Director Wolf seconded the motion. The motion passed by unanimous vote of the Board.

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UPDATE ON FILING AUDIT FOR FYE JUNE 30, 2023;

Director Gallagher noted that at the board meeting on November 8, 2023, the audit was presented and approved, subject to final review and inclusion of comments, and filing was authorized.

ENGINEER'S REPORT

Mr. Rodriguez presented the Engineer's Report, a copy of which is attached as **Exhibit A**. He provided an update on: 1) CCTV of the District's Sanitary Sewer Pipes (Phase 1); 2) Lift Station Nos. 2, 3, and 12 improvements; 3) Water Plant No. 1 - Aeration System; 4) Wastewater Treatment Plant - TPDES renewal; 5) TWDB CWSRF Engineering Feasibility Report; 6) Capital Improvements Plan ("CIP"); 7) Water Quality Investigation; 8) Disposal of old disinfectant chemical waste; 9) Water Plant No.1 GST Supply Line Connection; and 10) Reuse Facility.

There was some discussion about the District owning their own CCTV system and potential cost savings benefits related thereto. Next, Mr. Rodriguez advised that the Lift Stations 2, 3, and 12 Improvements received one (1) bid from 5-T Utilities, Inc. In light of the unsuccessful bond authorization election, he recommended reducing the scope of the project to only Lift Stations 2 and 12. Mr. Zientek expressed that Civil Grade should consult with TWDB to confirm that a reduction in scope will not cause any problems in the future for release of funds and approval of the project due to procurement requirements. Next, Mr. Rodriguez requested authorization to prepare a notice to the public and begin execution of a plan to place Water Plant No. 1 into automatic service. After additional details from the written report, Mr. Rodriguez asked for authorization to begin a preliminary engineering/feasibility study and preparation of an engineer's opinion of probable construction cost for a waterline connection to the ground storage tank at water plant no. 1. Lastly, he provided an update on the reuse agreement and recommended that the Board authorize MZSLLP to work with Westwood Shores Property Owner's Association to enter into a new agreement. After review and discussion of these items, Director Atkinson moved, and Director Holmes seconded, to 1) approve the amended reduction in scope for the CCTV of sanitary sewer pipes and proceeding with the project contingent upon the District's equipment not being sufficient; 2) authorize award of the contract to 5-T Utilities, Inc. in the amount of \$389,489.64 for Lift Station 2 and 12 subject to approval of the reduction in scope by TWDB; 3) authorize Civil Grade and Precision to prepare a public notice and begin execution of a plan to place Water Plant No. 1 into automatic service; 4) authorize Civil Grade to begin a preliminary engineering/feasibility study and preparation of an engineer's opinion of probable construction cost for a waterline connection to the ground storage tank at Water Plant no. 1, not to exceed \$5,000; 5) authorize MZSLLP to begin preparing an effluent discharge agreement in lieu of a reuse agreement; 6) and authorize installation of a 4-inch public waterline extension and Civil Grade to survey the proposed location of the waterline not to exceed \$2,000 for the survey. The motion passed unanimously. Next, Director Stoddard reviewed samples of valves which were pulled out of service to demonstrate the state of disrepair of some facilities in the District. Mr. Rodriguez then explained that an amendment to the District's engineering agreement is required by TWDB. The Board concurred to approve the new agreement and that Directors Stoddard and Wolf would be appointed as the District's representative(s).

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OPERATOR'S REPORT

Mr. Bonaventure presented the Operator's Report, a copy of which is attached as **Exhibit B**. He noted that upon receiving a bit more data he will be able to present an accurate single family connection count and will also begin reporting on water accountability. Mr. Bonaventure also noted other aspects of the report and stated they have been able to access the SCADA data and will be meeting with the TRWSC soon. He also stated that landscape maintenance has been completed. After a review of proposals for landscaping which were received and consideration of the fact that the bidders may not have been made aware of the full scope of the required landscaping, the Board concurred that Precision would continue mowing until a future decision is made. The construction committee will follow up on this item. Mr. Bonaventure noted that the winterization will be completed this week. He then noted that there is a large amount of silt in the wastewater treatment plant and a desilting project estimate was presented. Mr. Zientek noted that there will need to be three (3) bids solicited due to the project proposal amount. Mr. Bonaventure also noted that there was a paddle assembly that needed emergency repair and that both need replacement. The bids are being prepared but the Board concurred to authorize moving forward as two separate projects. The bids for both projects are not to exceed \$40,000 for the two separate projects. He also gave an update on the valve survey and identified over fifty (50) valves that are considered and need to be located and inspected. Director Wolf moved to approve the Operator's Report and Director Atkinson seconded the motion. The motion passed unanimously.

Director Stoddard stepped out of the meeting temporarily during the Operator's Report but returned prior to the vote.

BOOKKEEPER'S REPORT

Ms. Pfeffer presented and reviewed the Bookkeeper's Report including checks presented for approval, a copy of which is attached as **Exhibit C**. Director Stoddard moved to approve the Bookkeeper's Report and checks presented for payment. Director Atkinson seconded the motion and the motion passed unanimously. Ms. Pfeffer exited the meeting at this time. Mr. Turner and Mr. Berry with EEPB spoke with the Board regarding a proposal for bookkeeping services. After some discussion, Director Holmes moved to: 1) give Elite Bookkeeping a thirty (30) day notice of termination and 2) approve the bookkeeper services agreement, subject to final revisions, and engage EEPB as the new bookkeeper with a transition amount not to exceed \$10,000. Director Stoddard seconded the motion and the motion passed unanimously.

OFFICE REPORT

Ms. McKay presented the Office Report, a copy of which is attached as **Exhibit D**. She provided an update on the billing revenue, delinquencies, taps completed, customer services requests, cut offs, and office expenses. Ms. McKay discussed purchasing a tablet assist with meter reading. She gave an update on Neptune and completing a webinar to learn more about Neptune's capabilities. Ms. McKay also gave an update on the generator repairs explaining that the company is coming out on December 4, 2023, to do the repairs / maintenance and payment has already been made. Director Gallagher gave an update on the District's website. Director Stoddard moved to

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approve Off Cinco by January 1st not to exceed \$3,000 for the website creation. Director Atkinson seconded the motion and the motion passed unanimously.

APPRAISAL DISTRICT'S TAX ASSESSOR'S REPORT

Director Gallagher presented the report from the appraisal district tax office, a copy of which is attached as **Exhibit E**. Director Atkinson moved to approve the Appraisal District's Tax Assessor's report and Director Stoddard seconded the motion. The motion passed unanimously.

DIRECTORS' REPORTS

Next, the District's committees provided updates on the various tasks which are in progress. Director Stoddard asked Precision if the District's Chevrolet Silverado Pickup Truck is needed. After Mr. Rojas advised that further investigation is needed, the Board discussed District owned real estate and if any could be sold. Next, Director Atkinson explained that there was no update on Entergy Billing and advised the item could be removed from the agenda. Director Gallagher gave an update on previous communications related to additional water sources for the District. She explained that the City of Trinity would not have capacity to serve the District for at least two (2) years. She then explained that there was no update on the District's Records Retention Policy but requested that, if any directors, consultants, or employees have District records, that they be brought to the District Office for storage. Lastly, Director Gallagher gave an update on a meeting with the Republican Women of Trinity County and funding options noting that they were unaware of any remaining funds. She clarified that the Trinity County Judge will work with grant writers to help pursue funds. Mr. Zientek reminded the Board of the need to complete an accounting letter of the funds which were received from Trinity County.

ATTORNEY'S REPORT

Mr. Zientek noted that there is no update on the POA property communications. The Board then conducted the election canvassing. The results from Trinity County were 189 for and 191 against. Mr. Zientek provided additional details on applying for standby fees with the TCEQ. He explained that there was no update on the Marina Village facilities. Director Stoddard moved to approve the Order Canvassing the November 2023 Bond Authorization Election and Director Atkinson seconded the motion. The motion passed unanimously.

DISCUSS PENDING MATTERS FOR FUTURE AGENDAS, INCLUDING SCHEDULING OF THE NEXT MEETING DATE

The Board concurred that the next regular board meeting would be December 18, 2023.

EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, SECTION 551.071, ET. SEQ.

The Board entered Executive Session pursuant to Texas Government Code Section 551.076

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at 12:48 p.m. for consultation with the attorney.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 1:11 p.m. Director Gallagher moved to make the counter offer as discussed and Director Holmes seconded the motion. The motion passed unanimously.

ADJOURNMENT

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

Approved this December 18, 2023.



WESTWOOD SHORES MUNICIPAL
UTILITY DISTRICT

/s/John Wolf
Secretary, Board of Directors

LIST OF EXHIBITS

- Exhibit A - Engineer's Report
- Exhibit B - Bookkeeper's Report
- Exhibit C - Operator's Report
- Exhibit D - Office Report
- Exhibit E - Appraisal District's Tax Assessor's Report