

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

September 6, 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:

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| 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 Liza Prudhomme-Mireles, Will Jordan, Todd Burrer, Hunter Maze, and Harley Permenter of Inframark Water Infrastructure Operations (“Inframark”); Rico Rodriguez and Shaelynn Moore of Civil Grade Engineers (“Civil Grade”); Tony Bonaventure and Juan Rojas of Precision Utility, LLC (“Precision”); Joshua Zientek and Frank Mitchell of Mitchell, Zientek & Scruggs, LLP (“MZSLLP”); Joe Morrow of Hilltop Securities Inc. (“Hilltop”); Pam McKay of Westwood Shores Municipal Utility District (“WSMUD”); 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. Henderson asked a question about the smell from the sewer plant. Inframark responded to the issue. Mr. Robinson asked about collaborating with the Westwood Shores Property Owners Association (“WSPOA”) on road repair and drainage issues. There was extensive discussion related to road repair and the authority of the District. Mr. Zientek and Mr. Mitchell explained concerns related utilizing public funds to repair private roads. After this Discussion, the Board requested that MZSLLP research additional legal options for the District to potentially assist with road repair.

UPDATE ON TWDB COMPLIANCE NOTIFICATION

Director Gallagher presented a proposal from Burton Accounting, P.L.L.C. (“Burton”) for services to satisfy the material deficiencies in the District’s audit noted by the Texas Water Development Board (“TWDB”) at a cost estimate of \$ 2,500-3,000. Director Stoddard moved to approve the agreement from Burton, as presented at a cost estimate of \$ 2500-3000. Director Holmes seconded the motion and the motion passed unanimously.

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CONSIDER PROPOSALS FOR OPERATOR SERVICES

After representatives from Precision exited the meeting, Mr. Jordan opened and presented the proposal from Inframark. Mr. Burrer gave some insight into the company, its services, and history. There were several questions from the public and the Board. Mr. Burrer, Mr. Jordan, and Ms. Prudhomme-Mireles provided responses and additional clarifications. The Board asked about the transitional period should the District choose to utilize a different operator. After the close of the presentation, the representatives from Inframark exited the meeting and the representatives from Precision returned. Mr. Bonaventure presented the proposal for Precision. There were several questions and discussion from the Board and the public. The Board concurred defer making a decision to allow for additional time to research both companies further. Mr. Zientek reminded the Board about the rules regarding the Texas Open Meetings Act and discussions outside of meetings.

2023 BOND ELECTION MATTERS

Mr. Morrow and Mr. Rodriguez presented the information regarding the bond election and the analysis of ballot proposal language. Mr. Rodriguez presented the Bond Election Engineers Report covering the land, improvements, and facilities, along with supporting documents, to be purchased or constructed, along with their estimated cost. There was some discussion about using funds for road improvements and limitations. Director Holmes moved approve the Engineer's Report and authorize it to be filed at the office of the District and open to inspection by the public and to proceed with the bond election in November. Director Stoddard seconded the motion and the motion passed unanimously. Director Wolf moved to approve the Engineer's Report in the amount \$15,000,000 for the Bond Authorization Election and related amendments to the District's Order Calling Election and Notice of Election, as needed.. Director Holmes seconded the motion and the motion passed unanimously.

UPDATE ON DISTRICT INSURANCE RENEWAL

Director Holmes noted that there is only a renewal proposal from TML to consider as they are the only company willing to work with the District at this time. He then reviewed the policy and included coverages and corresponding premiums. The Board asked Director Holmes to get a quote from TML to reduce the flood and earthquake coverage and we will decide at the regular meeting.

DISCUSS PENDING BUSINESS AND MATTERS FOR FUTURE AGENDAS

The Board concurred that the next regular board meeting would be on September 18, 2023, at 9:30 a.m.

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

The Board did not enter Executive Session pursuant to Texas Government Code Section 551.071.

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ADJOURNMENT

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

Approved this October 16, 2023.



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UTILITY DISTRICT

/s/John Wolf
Secretary, Board of Directors