 WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT

### Minutes of Meeting of Board of Directors

**Special Session, August 1, 2022**

The Board of Directors (the “Board”) of Westwood Shores Municipal Utility District (the “District” or “WWS MUD”) met in special session, for a budget workshop meeting, open to the public, at 75 Cottonwood Road, 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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| |  |  | | --- | --- | | Jim Atkinson | President | | Mike McClung | Vice President | | Robert Bluis | Secretary | | John Wolf | Director | | Ken Bateman | Director | |  |
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All the above were present thus constituting a quorum.

Also present at the meeting were Roy Aristizabal, Operator, Inframark, Water Infrastructure Operations; Rico Rodriguez, District Engineer, Civil Grade Engineers; Joshua Zientek and Frank Mitchell, Attorneys, Mitchell & Zientek, LLP (“MZLLP”); Pam McKay, WWS MUD Office Manager; Kandy Pfeffer, WWS MUD Bookkeeper; and various members of the public (see attached Sign-in Sheet).

**CALL THE MEETING TO ORDER AND PLEDGE OF ALLEGIANCE**

President Atkinson called the meeting to order at 10:00 a.m. and the Pledge of Allegiance was recited.

The meeting was then turned over to the attorneys.

**REVIEW PROPOSALS AND QUALIFICATIONS SUBMITTED FOR AUDITOR SERVICES**

Attorney Zientek stated that four requests were sent out, but only two proposals were sent in. One was not able to attend this meeting. McCall Gibson Swedlund Barfoot PLLC, Certified Public Accountants, Houston, Texas, did attend the meeting and presented their proposal and qualifications. Their estimated cost was between $27,500 and $32,500, based on the estimated time.

Vice President McClung wanted to know when the MUD could expect to receive the audit with the physical year ending June 30th. The presenter said it typically takes 25 to 60 days with the deadline around November 15th.

A motion to engage McCall Gibson Swedlund Barfoot as the new auditors and to send the current auditors, Axley & Rode, a letter of termination was made by Vice President McClung. Director Bateman seconded the motion. The motion was unanimously approved

**REVIEW AND CONSIDER IMPLEMENTATION OF DISTRICT RATE STUDY REPORT 2022**

Mr. Phillip Givens, Rate Consultant of Superior Management, explained how a rate study is implemented. He then gave a lengthy and thorough explanation of the rate structure and equity with supporting data why the Board should consider changing the water rates.

No action by the Board was taken at this time. This will help in making rate order and budget adjustments.

Attorney Zientek said that this rate study analysis and whatever changes we have in the rate order would come into play after our financial advisor, Joe Morrow, starts helping this year in setting the tax rate.

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

The Board did not enter Executive Session.

**DISCUSS PENDING BUSINESS AND MATTERS FOR FUTURE AGENDAS**

Next Board of Directors meeting is scheduled for the third Monday in August at the Westwood Shores Municipal Utility District, 75 Cottonwood Rd., on August 15, 2022, at 9:30 a.m.

Attorney Zientek said the budget would be amended after the new tax rate had been approved.

Approved this August 15, 2022.

(SEAL)

WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT

/s/Robert Bluis

Secretary, Board of Directors

Reports will be available upon request.