

WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

February 18, 2025

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
Bryan Holmes	Secretary
Sidney Craig	Asst. Secretary
Donald Brunswick	Director

All of which were present, thus constituting a quorum.

Also present at the meeting were Rico Rodriguez of Civil Grade Engineers (“Civil Grade”); Joshua Zientek and Daniel Scruggs of Mitchell, Zientek & Scruggs, LLP (“MZSLLP”); Pam McKay of the District; Kevin Berry and Samantha Kingston of EEPB; Bill Blich of Blich Associates, Inc. (“BAI”) (remote); Jacob Williams of H2O Innovation (“H2O”); and members of the public.

CALL THE MEETING TO ORDER AND PLEDGE OF ALLEGIANCE

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

PUBLIC COMMENTS

There were no public comments presented at this time.

APPROVAL OF MINUTES OF PRIOR BOARD MEETING(S)

The Board reviewed the minutes of the January 20, 2025, regular meeting. After a brief review, Director Stoddard moved to approve the minutes, subject to the discussed revisions, and revisions to prior minutes specifically to address the official intent to reimburse resolutions, as discussed, and Director Craig seconded the motion. The motion passed unanimously.

ENGINEER’S REPORT

Mr. Rodriguez presented the Engineer’s Report, a copy of which is attached as **Exhibit A**. He presented updates contained within the written report, including: 1) Lift Station Improvements (Phase 2); 2) Lead and Copper Rule Revision (“LCRR”) – Lead Service Line Replacement Project (“LSLRP”): Phase 1; 3) Water Quality & Water Plant No. 1 Improvements; and 4) 2025 Funding (PIF and Bond). Director Craig inquired as to the lift station improvements that were previously proposed. Director Brunswick discussed the scope of potentially affected properties within the District related to the Lead and Copper Service Line Replacement Project. There was a brief discussion regarding PFAS. Lastly, there were discussions regarding funding options and related

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timelines. Director Stoddard moved, and Director Craig seconded, to accept the Engineer's Report. The motion passed unanimously.

OPERATOR'S REPORT

Mr. Williams presented the Operator's Report, a copy of which is attached as **Exhibit B**, and gave an update on the number of connections, the call analytics that occurred, normal operations throughout the month, accountability, and fire hydrant repair(s). There was significant discussion regarding water accountability, specifically related to the well pumpage data. There was discussion regarding a review of well no. 2 and a corresponding lowering of the well, including the costs of doing so. Mr. Rodriguez and Mr. Williams discussed the potential costs and the impacts of needing stainless steel as part of the project. Mr. Williams then presented an issue regarding electrical concerns related to new lift station pumps. He suggested a course of action which involves installing a new control panel at Coral Gables Lift Station, installing a new pump, and then moving the current 5 h.p. pump at the Coral Gables Lift Station to Lift Station #16. He noted that he had received a bid of \$7,500 to install the new control panel. The Board concurred in authorizing H2O to purchase pumps to have on hand for emergency repairs at a cost not to exceed \$50,000. Director Craig then inquired as to additional details that could be provided on the invoices going forward to which Mr. Williams noted that such details would be added, as discussed.

Director Stoddard then moved, and Director Craig seconded, to authorize the operations and maintenance committee to approve the well no. 2 lowering bid in an amount not to exceed \$25,000, authorize the cost of approximately \$7,500 to install a new control panel at Coral Gables Lift Station, and to approve the Operator's Report. The motion carried unanimously.

Director Gallagher discussed an item related to TCEQ and a Sanitary Sewer Overflow Initiative that began in December of 2014. Director Stoddard commended Mr. Karnes, of Westwood Landscape, the District's landscaper, for his assistance with some repairs that H2O was addressing.

OFFICE REPORT

Ms. McKay presented the Office Report, a copy of which is attached as **Exhibit C**. She provided an update on the billing revenue, delinquent charges, disconnects notices, terminations, service orders, taps completed, customer services requests, cut-offs, office expenses, and My360 subscriber's updates. There was discussion regarding a valve that failed to close properly and resulted in an undetected leak at the Westwood Shores POA pool. The customer subsequently received a large usage bill after the fact. Director Craig moved to approve a credit to the Westwood Shores POA, as discussed. Director Holmes seconded said motion, which carried unanimously.

Director Craig discussed a number of IT related items that he suggested be addressed. Director Stoddard moved to address the various IT and security related items that were presented by Director Craig. Director Holmes seconded said motion, which passed unanimously.

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APPRAISAL DISTRICT'S TAX ASSESSOR'S REPORT

The Board reviewed the Appraisal District's Tax Assessor's Report, which includes the Delinquent Tax Collections Report and an update from the District's delinquent tax attorney, a copy of which is attached as Exhibit D. The Board concurred to accept the Appraisal District Tax Assessor's Report. Director Stoddard motioned, seconded by Director Holmes, to approve the Appraisal District's Tax Assessor's Report and the Delinquent Tax Attorney report. The motion carried unanimously with Director Craig outside of the meeting during the agenda item.

FINANCIAL ADVISOR'S REPORT

Mr. Blich presented the Financial Advisor's Report and specifically addressed the consideration of engaging an arbitrage compliance consultant. He presented an agreement with Arbitrage Compliance Specialists and briefly discussed the terms. After discussion, Director Craig moved, and Director Brunswick seconded the motion, to authorize the execution of the agreement with Arbitrage Compliance Specialists. The motion carried unanimously with Director Stoddard absent for the vote.

BOOKKEEPER'S REPORT

Mr. Berry presented and reviewed the Bookkeeper's Report including checks for approval, a copy of which is attached as Exhibit E. The Board and Mr. Berry discussed items that had come in after the reporting period. Mr. Berry also discussed with the Board the current budget and a comparison to actuals. There was brief discussion regarding the transition to the new bank with the District. Director Brunswick discussed several invoices that came in after the operator transition that were still outstanding and asked that a list be compiled to address these outstanding invoices. Furthermore, Mr. Williams agreed to not charge the District for subcontractor work and pay the subcontractor directly. He also agreed to approve subcontractor invoices timely.

Director Stoddard discussed a number of potential surplus property items, including the jet machine and corresponding truck. Mr. Zientek discussed the implications and rules related to selling surplus property of the District, including any nuance related to selling real property. The Board concurred that a more final list should be prepared for presentation and approval at an upcoming board meeting.

After review and discussion, Director Stoddard moved to approve the Bookkeeper's Report, including the checks and disbursements, as presented therein. Director Craig seconded said motion, which passed unanimously.

DIRECTORS' REPORTS

Director Brunswick provided a brief update on the operations and maintenance committee's activities. Director Craig discussed a review of the sewer system that had occurred and provided a brief update, particularly related to the measurement of fill within each manhole. Director Brunswick briefly stepped out of the meeting during this agenda item. The Board concurred in

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requesting H2O continue a review of the system and corresponding manholes. Director Stoddard moved to approve the Directors' Reports. Director Craig seconded said motion, which passed unanimously.

ATTORNEY'S REPORT

Mr. Zientek noted that annually there is a requirement for filing the Special Purpose District Financial and Tax Report with the Comptroller. Director Stoddard moved to approve the Special Purpose District Financial and Tax Report filing with the Comptroller. Director Brunswick seconded the motion. The motion passed unanimously.

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

The Board scheduled the next regular Board meeting on March 17, 2025, at 9:30 a.m.

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

The Board entered Executive Session pursuant to Texas Government Code Sections 551.071 at 12:32 p.m. for consultation with the attorney.

RECONVENED IN OPEN SESSION

The Board reconvened in Open Session at 1:01 p.m. Director Stoddard moved to purchase fire extinguishers at approximately \$1,600 and the corresponding maintenance agreement. Director Brunswick seconded said motion, which passed unanimously.

ADJOURNMENT

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

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Approved this March 17, 2025.



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/s/Bryan Holmes
Secretary, Board of Directors

LIST OF EXHIBITS

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