

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

November 18, 2024

The Board of Directors (the “Board”) of Westwood Shores Municipal Utility District (the “District”) met in regular session, open to the public, at **Westwood Shores Clubhouse, 100 Westwood Drive East, Trinity, Texas 75862**, 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
Vacant	Director
Vacant	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”); Juan Rojas and Thomas Villanueva of Precision Utility LLC (“Precision”); Kevin Berry of EEPB; Bill Blich of Blich Associates, Inc. (telephonically); and various members of the public.

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

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

**APPOINTMENT OF NEW DIRECTOR**

Director Gallagher explained that the Board has met several different candidates. Two candidates, Mr. Sidney Craig and Mr. Donald Brunswick, introduced themselves and provided personal and professional background information. Director Holmes moved to appoint Mr. Craig and Mr. Brunswick to the Board to fill the vacant director positions. Director Stoddard seconded the motion, and the motion passed unanimously. After Mr. Zientek assisted the new directors in completing various documents, including Oaths of Office and Director Bonds, Director Stoddard moved to accept the director’s documents, amend the District Registration Form, and designate Director Holmes to be Secretary, Director Craig to be Assistant Secretary, and Director Brunswick to be a Director. Director Holmes seconded the motion, and the motion passed unanimously.

**PUBLIC COMMENTS**

Mr. Wright thanked the board, asked about the discoloration of the water, and noted concerns related to the constituents of a water sample. He asked about the District’s water treatment methods. Mr. Robinson asked about the status of the District’s water rates and future plans. Mr. Acosta spoke to the Board about clouded and discolored water and communications to the public.

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**OPERATOR PROPOSALS**

Ms. Robin Secrest and Mr. Jacob Williams from H2O Innovation (“H2O”) gave a presentation and answered questions from the Board. Next, Mr. Damon Brown, of Waterworks Utilities (“Waterworks”) also gave a presentation and answered questions from the Board. Director Stoddard moved to select H2O as the new District Operator, subject to review by MZSLLP, amendment of the draft agreement to increase the pre-approval amount to \$5,000, inclusion of final comments in the draft agreement, and execution by both parties. Director Holmes seconded the motion which passed unanimously. The Board then asked that H2O Innovation coordinate a start date and transition with Precision. The Board expressed that the transition should occur on December 16, 2024.

**APPROVAL OF MINUTES OF PRIOR BOARD MEETING(S)**

The Board reviewed the minutes from the October 21, 2024, regular meeting. After a brief review, Director Stoddard moved to approve the minutes, as presented, and Director Holmes 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 provided an update on: 1) Lift Station Improvements (Phase 2); 2) additional water quality updates; 3) Water Plant No. 1 Improvements; 4) coordination of FEMA Response; 5) EPA Lead and Copper Rule updates, including required customer communications; and 6) future bond reimbursement items. He gave an update on working with FEMA for reimbursements from natural disaster emergency repairs and gave update on the Lead and Copper Rule notice that is required to be sent to customers. Lastly, there was a brief update on the projects to be reimbursed from future bond issuance. Mr. Blich weighed in on when the next bond issuance should proceed. Mr. Zientek gave a brief outline of the bond issuance process. Director Holmes moved to authorize Civil Grade to design and advertise WP1 treatment improvement project using the existing funds, authorize the engineer to coordinate a response to FEMA on an hourly basis not to exceed \$25,000, the issuance of the required Lead and Copper Rule Notice to customers, as needed, and authorize the Civil Grade to prepare a summary of costs for the next bond issuance. Director Stoddard seconded the motion, and the motion passed unanimously.

**OPERATOR’S REPORT**

Mr. Rojas 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, and accountability, and fire hydrant repair(s). Director Gallagher asked some questions about invoices from World Wide Power and Mr. Rojas stated they should not be paid because the inspections were not authorized. Next, Director Gallagher asked several questions about the Precision invoices. There was some discussion about the transition to the new operator and the scheduling. Director Stoddard moved to approve the Operator’s Report. Director Brunswick seconded the motion, and the motion passed unanimously.

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**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. She also presented one payment plan request. Ms. McKay then asked that the Board authorize termination of service on all accounts that are 60 days past due. There was also discussion about a customer that has not paid their late fees for some time. Director Stoddard moved to approve the Office Report, approve the six-month payment plan, and the cut off notice to past-due customers, as discussed. Director Craig seconded the motion which passed unanimously. Director Holmes presented a customer credit proposal for the purchase of water filtering systems. After lengthy discussion, the Board decided to table the idea for discussion at a later date.

**APPRAISAL DISTRICT'S TAX ASSESSOR'S REPORT**

Director Gallagher presented the Appraisal District's Tax Assessor's Report, which includes the Delinquent Tax Collections Report, a copy of which is attached as **Exhibit D**. Director Stoddard moved to accept the Appraisal District's Tax Assessor's Report. Director Craig seconded the motion, and the motion passed unanimously.

**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**. He noted concerns related to revenue amounts, expenses, and anticipated maintenance and operations tax collection timetables. Director Gallagher asked about projected costs from Precision. Mr. Rojas advised that he is unaware of any expected expenses out of the ordinary. Mr. Berry mentioned a potential Magnaflow invoice in the amount of approximately \$65,000. Director Gallagher noted that there was a large expense for the rate order litigation. Director Stoddard explained there was a fee of office check for Mr. Wolf for today's meeting that needed to be removed and not paid. Director Gallagher recommended deducting \$14,000 from the Precision invoice and holding the EFS check, and the Board concurred. Mr. Berry asked if we could pay Trinity Rural Water Supply Corporation ("TRWSC") could paid through ACH. Director Stoddard moved to approve the Bookkeeper's Report including the checks for payment, as noted, approve payment to TRWSC via ACH, and approve the resolution for amendment of the bank signers, adding the new directors and removing Ms. McKay. Director Brunswick seconded the motion, and the motion passed unanimously.

**DIRECTORS' REPORTS**

The Board concurred that the new members of the construction and operations committee will be Director Stoddard and Director Brunswick. Next, the Board created a website committee with the new members being Director Brunswick and Director Craig. Director Gallagher gave an update on communications with the City of Trinity and ongoing negotiations. She said that the communications were still ongoing, and she has another meeting scheduled. Director Stoddard moved to approve new committee member assignments. Director Craig seconded the motion, and the motion passed unanimously.

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**ATTORNEY'S REPORT**

Mr. Zientek gave an update on recent Public Information Act requests to which MZSLLP is continually responding noting that they appear to be related to the ongoing PUC litigation. He also reminded the new board members that they will be required to complete Texas Open Meetings Act and Public Information Act trainings.

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

The Board scheduled the next regular Board meeting to be on December 16, 2024, 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 1:47 p.m. for consultation with the attorney.

**RECONVENED IN OPEN SESSION**

The Board reconvened in Open Session at 1:52 p.m. There was no action taken at the time of the meeting.

**ADJOURNMENT**

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

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Approved this December 16, 2024.



WESTWOOD SHORES MUNICIPAL  
UTILITY DISTRICT

/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