



Windermere Oaks Water Supply Corporation

424 Coventry Rd
Spicewood, Texas 78669

2020 - 2021 Board of Directors:

Joe Gimenez, President
Patricia Gerino, Vice President
Mike Nelson, Secretary/Treasurer
Rich Schaefer, Director
Dorothy Taylor, Director

Windermere Oaks Water Supply Corporation (WOWSC) meeting held: Thursday, June 10, 2021 via videoconference using Zoom

2021 - 2022 Board Members Present: Joe Gimenez, Mike Nelson, Rich Schaefer

Minutes

The meeting was called to order at 6:06PM by Joe Gimenez. A quorum was established with three Board Members present.

- 1) Comments from citizens and members who wish to speak on agenda or non-agenda items (3-minute limit per person)
 - i) None

- 2) Approval of Board Meeting Minutes
 - a) Joe encourages all Board Members to carefully review the Board Meeting minutes.
 - b) Only need to review and approve the 16Mar2021 and 27Mar2021, meeting minutes today
 - c) March 16, 2021
 - i) Motion made and carried by all to approve the meeting minutes with minor update from George
 - d) March 27, 2021
 - i) Motion made and carried by all to approve the meeting minutes
 - e) March 14, 2019
 - i) Not discussed
 - f) March 29, 2019
 - i) Not discussed
 - g) April 15, 2019
 - i) Not discussed

- 3) MANAGERS REPORT –
 - a) George was not able to attend and asked Joe to provide updates
 - b) ZEBRA MUSSEL PROJECT – Update on efforts to secure regulatory agencies approvals for installing strainer on the pump manifold on raw water intake barge to remove particles larger than 35 microns with automatic backwash capability.
 - i) George is working to obtain approvals for the strainers. George has contacted TCEQ, LCRA, and TPW. George received initial feedback and is planning to submit an updated request.
 - c) REGULATORY COMPLIANCE REPORTS – Update on results from recent inspections, including but not limited to the 2020 Consumer Confidence Report and Comprehensive Compliance Investigation by the TCEQ.
 - i) TCEQ’s virtual compliance investigation of the WTP had a perfect report. It is to be posted on WOWSC’s website and included in a communication to members.
 - d) CLARIFIER – Update on progress of engineering plans, pricing comparisons, and possible installation for clarifier and storage tank related to system growth.
 - i) George is tracking down different pricing options. Steel prices continue to increase. Strainers may reduce burden on clarifiers.

- e) CONSERVATION REQUIREMENTS – Update on requirements of regulatory agencies to reduce members’ water consumption for conservation efforts.
 - i) WOWSC purchases water from LCRA. In the past LCRA provided general water conservation guidelines. WOWSC’s contract with LCRA now has water conservation guidelines that will be communicated with members.

- 4) TREASURER REPORT –
 - a) Review and acceptance of March, April, and May reports.
 - i) March 2021
 - (1) March Income: \$69.7K
 - (a) Water + Sewer revenue: \$56.9K
 - (b) Standby Fees: \$0.5K
 - (c) Year to date (YTD) Water + Sewer revenue at \$156.5K of YTD budget \$135.0K
 - (d) YTD Standby Fees revenue at \$24.3K versus annual budget \$33.0K
 - (e) YTD Equity Buy-in Fees revenue at \$16.8K versus annual budget \$27.6K
 - (f) YTD Water & Sewer Taps revenue at \$5.2K versus annual budget \$10.4K
 - (2) March Expenses: \$51.8K
 - (a) Legal: \$1.9K
 - (i) YTD Legal at \$44.4K versus annual budget \$250.0K
 - (b) Repairs and Maintenance: \$8.9K
 - (i) YTD Repairs and Maintenance at \$22.5K versus annual budget \$50.0K
 - (3) March Net Income: \$17.9K
 - (4) 2021 Metrics:
 - (a) Debt to Service Coverage Ratio (DSCR): 5.38
 - (b) Debt to Capital Ratio: 0.23
 - (c) Days of Cash on Hand: 177 days
 - (5) 2020 Metrics:
 - (a) DSCR: (0.57)
 - (b) Debt to Capital Ratio: 0.19
 - (c) Days of Cash on Hand: 89 days
 - (6) Motion made and carried by all to accept the March financial report
 - ii) April 2021
 - (1) April Income: \$49.0K
 - (a) Water + Sewer revenue: \$47.8K
 - (b) Standby Fees: \$0.5K
 - (c) Year to date (YTD) Water + Sewer revenue at \$204.3K of YTD budget \$180.0K
 - (d) YTD Standby Fees revenue at \$24.8K versus annual budget \$33.0K
 - (e) YTD Equity Buy-in Fees revenue at \$16.8K versus annual budget \$27.6K
 - (f) YTD Water & Sewer Taps revenue at \$5.2K versus annual budget \$10.4K
 - (2) April Expenses: \$86.1K
 - (a) Legal: \$30.1K
 - (i) YTD Legal at \$74.4K versus annual budget \$250.0K
 - (b) Repairs and Maintenance: \$24.3K
 - (i) Repairs and Maintenance at \$46.8K versus annual budget \$50.0K
 - 1. Repairs from severe freeze at \$10.7K YTD
 - 2. George submitted insurance claims for some of the repairs
 - (3) April Net Income: (\$41.7K)
 - (4) 2021 Metrics:

(a) Debt to Service Coverage Ratio (DSCR): 4.04

(b) Debt to Capital Ratio: 0.24

(c) Days of Cash on Hand: 146 days

(5) 2020 Metrics:

(a) DSCR: 0.30

(b) Debt to Capital Ratio: 0.19

(c) Days of Cash on Hand: 70 days

(6) Motion made and carried by Joe and Mike to accept the April financial report

iii) May 2021

(1) May Income: \$51.9K

(a) Water + Sewer revenue: \$49.1K

(b) Standby Fees: \$0.0K

(c) Year to date (YTD) Water + Sewer revenue at \$253.4K of YTD budget \$225.0K

(d) YTD Standby Fees revenue at \$24.8K versus annual budget \$33.0K

(e) YTD Equity Buy-in Fees revenue at \$18.8K versus annual budget \$27.6K

(f) YTD Water & Sewer Taps revenue at \$5.2K versus annual budget \$10.4K

(2) May Expenses: \$48.5K

(a) Legal: \$21.3K

(i) YTD Legal at \$95.7K versus annual budget \$250.0K

(b) Repairs and Maintenance: \$5.9K

(i) Repairs and Maintenance at \$52.7K versus annual budget \$50.0K

1. Repairs from severe freeze at \$10.7K YTD

(3) May Net Income: (\$1.2K)

(4) 2021 Metrics:

(a) Debt to Service Coverage Ratio (DSCR): 0.82

(b) Debt to Capital Ratio: 0.23

(c) Days of Cash on Hand: 142 days

(5) 2020 Metrics:

(a) DSCR: 1.20

(b) Debt to Capital Ratio: 0.18

(c) Days of Cash on Hand: 81 days

(6) Motion made and carried by all to accept the May financial report

5) PENDING/ANTICIPATED LITIGATION MATTERS—Discuss, consider, and act on pending or anticipated litigation, including:

a) Ffrench, et al., Intervenor-plaintiffs and Double F Hanger Operations, LLC, et al. v. Friendship Homes & Hangars, LLC, Windermere Oaks WSC, et al., Cause No. 48292, 33rdJud. Dist., Burnet County Dist. Ct.

b) Ratepayers Appeal of Water and Sewer Increases by the WOWSC filed with the Public Utility Commission of Texas

c) Appeal of Attorney General ruling filed in Travis County District Court in the case of WOWSC v The Honorable Ken Paxton, Attorney General of Texas, Cause No. D-1-GN-19-006219, for protection of corporate rights and privileges during ongoing litigation including potential settlement of same

d) Windermere Oaks Water Supply Corporation, et al. v. Allied World Specialty Insurance Company; Cause No. 1:21-CV-258-RP, pending in the Western District Court of Texas, Austin Division

e) Pending Public Information Act requests.

6) The Board may go into executive session under Texas Government Code § 551.071 (Consultation with Attorney) to discuss Item 5.

a) Open meeting was paused: 6:18pm

b) Executive Session started: 6:21pm

- c) Executive Session ended: 7:02pm
- d) Open Board Meeting could not resume as a quorum could not be established as Rich was not able to rejoin the open meeting after the executive session ended. WOWSC Board Meeting effectively ended 7:08PM.



Submitted by: Mike Nelson

APPROVED BY WOWSC Board on August 17, 2021

Billing Questions: (830) 598-7511 Ext 1
Water or Sewer Emergency: Phone (830) 598-7511 Ext 2