



Windermere Oaks Water Supply Corporation

424 Coventry Rd
Spicewood, Texas 78669

2023 - 2024 Board of Directors

Richard Schaefer, President
Dorothy Taylor, Vice President
Rene Ffrench, Secretary/Treasurer
Jeff Anderson, Director
Jeff Walker, Director

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DRAFT - MINUTES of the WOWSC Special Board Meeting held 11 October 2023

1. CALL TO ORDER.

Meeting started at 10:01 AM by Rene Ffrench in the Ellington Field - Signature Flight Support Company Conference Room, 11811 N. Brantley Ave., Houston Texas 77034 (location open to the public), with Zoom Conference Capability as on the posted Agenda for the Public to observe and participate in the Meeting.

2. ROLL CALL.

Jeff Anderson, Jeff Walker, and Rene Ffrench were present, establishing a quorum of the board. Richard Schaefer and Dorothy Taylor were not personally present, they may have been on the Zoom meeting but the sign-in procedure for the public Zoom meeting did not require attendees to be identified. 15 people attended by Zoom, and 6 remained anonymous.

3. OPEN COMMENTS PERIOD: Comments from citizens and members who wish to speak on agenda or non-agenda items (3-minute limit per person).

The Zoom conference call had been opened at 9:50 but minor difficulties precluded allowing attendees to sign up for a Comment period. So in turn each of the 11 attendees on the call at 10:04 were asked if they wanted to make comments. A Zoom attendee identified as Paul requested that the charges presented to D. Taylor and the charges presented to R. Schaefer be posted on the WOWSC Web Site. At the end of the meeting, Scott Miller, another Zoom attendee, asked for a copy of the minutes.)

4) CONSIDERATION, DISCUSSION, AND APPROPRIATE ACTION to:

A) Review to accept both Members' Petitions with the Charges that were served to R. Schaefer and D. Taylor during the Board Meeting on 15 September 2023 to call for a Members' Special Meeting to vote on the removal of R. Schaefer and D. Taylor from the board of Directors. The Credentials Committee will present the petitions' validated signatures to assure that the number of signatures from qualified members in good standing is equal to or greater than 10% of the eligible WOWSC members and that both charged directors received the written charges at least 20 days before any requested Members' Special Meeting dates.

i) Subcommittee Review of Each Petition. The minutes from the Credentials Committee (CC) meetings were presented by Jeff Walker and each of the two removal petitions was examined page by page for member account notations by the CC. It was noted that annotated copies of both petitions with CC notations were sent first to Jeff Anderson to review on September 29th and were then forwarded to Cole Ruiz. The R Schaefer Petition included 13 signature pages and 53 signatures. After CC review using the membership printout provided by Lori Cantrell on Sept 22 of 302 listed accounts and a list of 5 names on a Past Due list, the Schaefer petition had 52 valid signatures. The D. Taylor Petition included 12 signature pages and 51 signatures. After CC review, the Taylor petition had 50 valid signatures.

Based on the count of validated signatures on each of the two petitions, 17.51% of valid members petitioned for a removal vote on Mr. Schaefer, and 16.86% of valid members petitioned for a removal vote on Ms. Taylor. Both of those percentages are greater than the minimum Ten Percent required in the WOWSC Bylaws. At 10:23 a motion was made by Jeff Anderson and seconded by Jeff Walker to accept each of the two petitions from the WOWSC members as valid. The vote was three in affirmative, and the petitions were accepted by vote of the BOD.

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ii) BOD Review of Written Notice to Charged Directors. The BOD then discussed the bylaws required presentation of the written charges to each of the directors. It was noted that at the time that both of the members' petitions were delivered to the WOWSC Sec/Treasurer during the Sep 15th Open Board meeting, the petitioners' spokesperson presented a copy of the written charges against Mr. Schaeffer to him at the BOD front table and a copy of the written charges against Ms. Taylor to her at the BOD front table. To validate that each of the charged directors understood that the start of the required 20 day period required by the bylaws between the presentation of the written charges and any possible Special Members' Meeting date, both a first class mail copy of the charges and a certified mail copy of the charges against Mr. Schaefer were posted from the Lakeway Post office on Sep 28, 2023. A vote to accept that each of the written Charges were delivered to each of the two directors with an effective date of 15 Sep 2023 was taken. The motion was by R. Ffrench and the second was by J. Walker and all directors present voted in the affirmative. Therefore the 20 day waiting period was completed on Oct 5th from the personal presentation and on Oct 18th from the validation mailings.

B) Review, and approve the Balloting Procedures document for the Members' Special Meeting that includes the Special Meeting Ballot; an example Special Meeting Notice posting the meeting date, time, and location; the Special Meeting mailing packet; and determine the presiding director of the meeting.

i) Approval of Ballot. The ballot to be included in the Balloting Procedures document was reviewed in detail along with the ballot collection process. This ballot process has been adjusted to preclude the PUC identified voting irregularities. One official ballot would be mailed to each member in good standing in the members' meeting information packet with a postage paid ballot return envelope. The ballot would have a member identification mailing label affixed to the top of the ballot as well as for the return address on the provided ballot return envelope. The envelope containing the member's completed ballot will be mailed or delivered only to the independent balloting agent (IBA) office and not to the WOWSC office. The mailed and delivered ballot envelopes will be kept sealed and brought to the Members' Special Meeting for opening and counting only by the IBA and his/her qualified assistants. Upon opening, each envelope will be retained in a separate container. The member's ballot will then be hand labeled with a unique number in the small box at the top of the ballot coupon and in the small box at the base of the ballot instruction section. The uniquely numbered ballot coupon will then be cut from the submitted ballot form. The labeled and numbered top part of the ballot will be segregated and retained. The cut-off ballot coupon will then be put in the stack of ballot coupons for vote counting by the IBA and retention.

When a member has decided to vote in person at the special meeting, each member will register with the IBA who will determine if a mailed or delivered ballot has been received. When a pre-meeting ballot has not been received, the IBA will provide a blank ballot that is a different color than the pre-meeting ballot AND the IBA will annotate the members' account number at the top of the full ballot sheet. When the member has voted on the ballot, the full ballot will be turned in to the IBA and uniquely numbered identically to the pre-meeting ballot process, the colored ballot coupon cut-off, and the colored ballot

coupon will then be put in the stack of ballot coupons for vote counting by the IBA and retention. The hand labeled and uniquely numbered top part of the ballot will be segregated and retained.

When the Presiding Director has issued the Last Call for colored Ballot collection during the meeting, the remaining ballots will be collected and the Official Vote Report Form will be completed by the IBA and presented to the Presiding Director to be read to the membership during the meeting.

A request to include a blank space on the ballot between the two voting choices was made by Jeff Walker to improve the readability of the ballot. The suggestion was approved by the directors and would be a small change to the ballot that was examined in the drafted procedure document.

An official ballot will be included in the Members' Special Meeting Packet that will be mailed to the members as soon as is possible with the intent being to have the information in the members' hands at least 10 days before the meeting or by Oct 25th. A motion was made by Rene Ffrench to accept the drafted ballot with the improved spacing and was seconded by Jeff Walker. The vote to accept was unanimous.

ii) Scheduling of the Members' Special Meeting. The petitioning members requested that the Special Members' Meeting be held either Oct 21st, Oct 28th, or November 4th during the September 15th board meeting. In consideration of the Members' Special Meeting timeline, the Oct 21st date is too close. It was determined that the Oct 28th and Nov 4th dates would still meet the timeline. Discussion followed that the preferred date of the directors present would be Nov 4th. It was noted that an email inquiry sent last week from the CC to Mr. Schaefer, asking for input as to which of the dates Oct 21, Oct 28, and Nov 4 would be bad for his attendance, had no reply. Similarly, an email inquiry sent last week from the CC to Ms. Taylor, asking for input as to which of the dates Oct 21, Oct 28, and Nov 4 would be bad for her attendance, had no reply. In preparation for the potential meeting dates, the Spicewood Community Center had been tentatively reserved for the morning of Nov 4th with the Center manager and, since the Spicewood Community Center was already booked for a chili cook-off on Oct 28, a large hangar on the airfield had been tentatively reserved for the 28th. It was discussed that following the Member's meeting an Open Board Meeting may be needed for board action items. Based on the discussion of dates, Mr. Anderson made a motion that the Members' Special Meeting happen at 10:00 AM on Nov 4th at the Spicewood Community Center with a board meeting reserved to happen at the conclusion of the Members' Meeting. A Resolution for the Members' Special Meeting to be held at 10am Nov 4th at the Community Center with the allowance of a board meeting immediately following was made by Mr. Anderson and seconded by Mr. Walker. A vote on the resolution was unanimous. The reservation to use the Spicewood Community Center will be made by Rene Ffrench.

iii) Approval of the Members' Special Meeting Packet. The Special Meeting mailing packet to be mailed to each member by Oct 25th will be composed of the following items:

- a) A postage paid envelope addressed to the WOWSC Member using a glue-on label with the return address on this envelope being to Mr. Frank Reilly of Potts & Reilly PC of Horseshoe Bay, Texas.
- b) A letter notice from WOWSC clarifying the intent of the meeting and announcing the date, time and location of the Special Members' Meeting.
- c) A copy of the legal Notice/Agenda of the meeting.

- d) A copy of the Removal Charges presented to Mr. Richard Schaefer at the September 15th Open Board Meeting.
- e) A copy of the Removal Charges presented to Ms. Dorothy Taylor at the September 15th Open Board Meeting.
- f) One official ballot to be mailed in or delivered to the Agent collecting and counting ballots for the Members' Special Meeting to vote on Removal of Director(s) before the November 3rd. This official ballot is the only ballot authorized to vote before the Nov 4th meeting.
- g) An official postage paid envelope addressed to Mr. Frank Reilly of Potts & Reilly PC of Horseshoe Bay, Texas who will be collecting all mailed in or delivered ballots. This envelope will have an official glue-on label with the Member's Account number and return address. This official envelope must be used to mail or deliver the supplied ballot.

A motion to approve the Members' Special Meeting Packet was made by Jeff Anderson and seconded by Jeff Walker. The vote was unanimous in approval.

iv) Appointment of Presiding Director. The presiding director of the Members' Special Meeting will be Mr. Jeff Walker who volunteered for the work. A motion was made by Jeff Anderson and seconded by Rene Ffrench. The motion carried unanimously.

v) Approval of Balloting Procedures and Independent Balloting Agent. A drafted Balloting Procedures Document was presented and reviewed to contain Mr. Reilly as the independent balloting agent (IBA); the date, time and location previously approved in resolution, the approved Ballot; the approved Special Members' Notice/Agenda; the approved Members' Notification Letter; the ballot process; the Timeline of Events leading up to the Members' Special Director Removal Voting Meeting; an example of the prepaid envelope to be included in the mailed Members' Special Meeting packet; a blank Official Voting Results Report form; a copy of the September 15, 2023 Charges in the Richard Schaefer Removal Petition; and a copy of the September 15, 2023 Charges in the Dorothy Taylor Removal Petition. The Balloting Procedure is a total of 16 pages and was signed by Jeff Walker, Jeff Anderson, and Rene Ffrench at 11:05 AM during the Special Board Meeting. The Members' Special Meeting Packet is a subset of documents included in the 2023 Members' Special Meeting Balloting Procedure

C) Discuss and approve an Independent Balloting Agent for the Special Meeting voting process.

The requirement to select by Resolution the Independent Balloting Agent (IBA) to assist with the collection, counting and reporting of the membership votes was discussed and Mr. Frank Reilly who has done this task multiple times in the past for the past board was recommended. It was discussed in detail that the voting at Special Members' Meeting is not an election as discussed in WSC 67 and BC 22 concerning membership Annual Elections of directors. It was discussed that this vote is a membership accept/reject vote similar to a vote for a membership controlled Bylaw amendment as a simple yes/no and not a candidate election vote. A motion to accept the resolution was made by R. Ffrench and seconded by J. Anderson. The vote was unanimous in favor of Mr. Reilly to be the IBA for the Nov 4th meeting with authority to retain Mr. Reilly for the balloting process delegated to Rene Ffrench.

D) Select appropriate dates, times, and locations for the Members' Special Meeting:

See item B) 2) of these minutes for this discussion and voting.

E) Review a drafted Members' Special Meeting Notice.

A drafted Notice/Agenda for the Members' Special Meeting was discussed and it was pointed out that since there are two separate removal petitions that have been presented by the membership, the sequence of proceedings when discussing each petition must be separate from the other petition. This was pointed out by Cole Ruiz in his guidance email to the board. This Agenda of the Special Members' Meeting will include the location, date, and time of the Members' Special Meeting. It will be included as a document in the Members' Special Meeting Packet. Because of the importance of the sequence of events to be followed during the Members' Special Membership Meeting, a script of tasks and timing will be used. A motion was made by Jeff Walker and seconded by Rene Ffrench to approve the Notice/Agenda. The vote was unanimous in approval.

A motion was made by Jeff Anderson and seconded by Jeff Walker to adjourn. The vote was unanimous in approval. The meeting adjourned at 11:14 am.

A link to the Zoom meeting video is: <https://www.youtube.com/watch?v=g9suiKbcNVA>

To Be Presented for Approval of the WOWSC Board on November 4th, 2023

Draft completed by: L. Rene Ffrench – Secretary/Treasurer on October 12th, 2023

Attachments to the draft minutes:

1. A copy of the approved 2023 Members' Special Meeting Balloting Procedure
2. A copy of the submitted Credentials Committee minutes
3. Petition hand-signed by 53 Members to remove R. Schaefer from the Board
4. Petition hand-signed by 51 Members to remove D. Taylor from the Board

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