



Windermere Oaks Water Supply Corporation

Committed to Providing Clean, Safe Water for All Our Residents

Dear WOWSC Members:

Your neighborhood water company has lots of good news and some updates for you:

- We saw one of the wettest months of May on record – and our customers still bought 51% (488,000 gallons) more water this year than last! All those new lawns, we guess. But, the LCRA is now requiring more water conservation efforts from WOWSC members as part of our contract with them. You will begin seeing more communications about how our community needs to SAVE WATER, especially in the summertime, to comply. Two of the three most trying weekends lie ahead, when heavy water usage strains our system's 1990s storage system. Please do everything you can to minimize water use during July 4 and Memorial Day weekends.
- Your neighborhood water company continues to be in total compliance with all the regulatory agencies. The WOWSC has passed with flying colors on three major TCEQ reviews this year – A wastewater plant inspection in January, a water plant inspection in April, and its yearly Consumer Confidence Report (posted on the www.wowsc.org and on the pavilion bulletin board). Great job WOWSC, Water Management Inc., and Corix Utilities!
- The Plaintiffs who have sued the water company in two major lawsuits since 2018 lost a major part of their case in early May. (They'd lost their first suit in February 2020, when the Texas Supreme Court affirmed the trial court's denial of their request to void the land sale at issue). The judge dismissed all claims, including for \$1,000,000 in personal liabilities and damages, against seven current and former water board directors reaching back to 2015. The judge however let trial move forward for an eighth former director, the buyer of the land at issue, as well as the water company itself. That is set for August. As a result, the company will incur fewer legal fees going forward. But by state law, the water company is mandated to pay for the legal fees of the volunteer directors since judgment was found in their favor. Of course, the Plaintiffs may appeal their loss (again). Our legal team has been very gracious with their payment requirements of WOWSC. We remain hopeful about recovery of some fees from the insurance company.

- The Plaintiffs still have a *lis pendens* on property the water company could sell to raise money. That prevents the Board from moving forward with marketing and selling the property to apply sale proceeds toward water storage tanks. Hopefully, the lawsuit will end in the fall, releasing the *lis pendens*. Otherwise, larger portions of system improvements may need to be delayed, or costs could be passed to members.
- The rate protest lawsuit filed by the Plaintiffs' allies against the company for the 2020 rate increase (to pay for the legal fees in the other two cases and stay solvent) should be resolved in the next few months as well. It too has been incredibly expensive to litigate and you can follow it at <https://tinyurl.com/WOWSC-rate-case1>. Regardless of the Public Utility Commission's decision about the 2020 rate, members will pay for that rate protest in the form of higher monthly fees -- and those cannot be protested. A surcharge increase is likely.

Sadly, as you can see, the handful of members pursuing every option available (lawsuits, rate case, Public Information Act requests) to legally reverse the 2016 land sale continue their efforts – and will continue to cost our members additional money in the months and years ahead. There is little we can do about it. They hold most all the cards. Efforts to mediate with them have been unsuccessful (on the rate case and the land sale case). We strongly encourage your review of testimony about the situation, available at <https://tinyurl.com/WOWSC-rate-case1>.

We hope you have a great summer and please conserve water! As we go about increasing our storage system and installing a new clarifier tank, your voluntary conservation efforts will be incredibly important this summer. The strains on our system are real, but they will be overcome.

Sincerely,

Joe Gimenez Patricia Gerino Mike Nelson Dorothy Taylor Rich Schaefer

Windermere Oaks Water Supply Corporation
 424 Coventry Rd. PO Box 610, Spicewood, Texas 78669
 Billing Questions: (830) 598-7511 Ext 1 windermerewater@gmail.com
 Water or Sewer Emergency: Phone (830) 598-7511 Ext 2