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SOAH NO. 473-20-4071.WS

PUC DOCKET NO. 50788

RATEPAYERS APPEAL OF THE	§	BEFORE THE STATE OFFICE
DECISION BY THE WINDERMERE	§	
OAKS WATER SUPPLY	§	OF
CORPORATION TO CHANGE WATER	§	
AND SEWER RATES	§	ADMINISTRATIVE HEARINGS

**RATEPAYERS' REPRESENTATIVES SECOND REQUEST FOR INFORMATION TO WINDERMERE OAKS WATER SUPPLY CORPORATION**

COMES NOW, the Ratepayers' Representatives of the Windermere Oaks Water Supply Corporation and serves its Second Request for Information ('RFI") on Windermere Oaks Water Supply Corporation, questions RFI 2-1 through RFI 2-12 pursuant to 16 Texas Administrative Code (TAC) §22.144, of the Commission's Procedural Rules,

Ratepayers request that Windermere Oaks Water Supply Corporation ("Corporation" or "WOWSC") provide the following information and answer the following questions under oath. The questions shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 20 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These questions are continuing in nature. If there is a relevant change in circumstances, Windermere must submit an amended answer, under oath, as a supplement to its original answer. State the name of the witness for each question and can vouch for the truth of that answer.

Provide responses to the RFI's by filing with the Commission solely through the Interchange on the Commission's website and provide notice, by email, to all other parties that the

pleading or document has been filed, unless otherwise ordered by the presiding officer pursuant to the Order Suspending Rules in Docket 50664

Respectfully submitted,

*Josephine Fuller*

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*Patti Flunker*

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## CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic email on November 5, 2020 in accordance with the Order Suspending Rules, issued in Project 50664.

*Josephine Fuller*

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Josephine Fuller, Ratepayer Representative

*Patti Flunker*

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Patti Flunker, Ratepayer Representative

## **RATEPAYERS SECOND REQUEST FOR INFORMATION 2-1 THROUGH 2-12**

- RFI 2.1 Admit or Deny the WOWSC Bylaws and/or Articles of Incorporation do not provide for indemnification of Directors of the WOWSC, including Former and/or Current Directors.
- RFI 2.2 Admit or Deny, the WOWSC Board of Directors voted unanimously for advancement of legal cost for the defense of claims against Former and Current Directors according to Texas Business Organizations Code (BOC) Chapter 8, §8.101 - §8.105 at the November 14, 2019 board meeting.
- RFI 2.3 Please list all WOWSC Directors who voted at the November 14, 2019 board meeting to advance legal defense expenses to Former and Current Directors for past and future legal defense cost/fees?
- RFI 2.4 Did the WOWSC Directors which voted to advance legal defense cost/fees to Former and Current Directors at the November 14, 2019 WOWSC board meeting listed in the answer to RFI 2.3 vote as a disinterested and/or independent governing person(s) as required in BOC Chapter 8, §8.103?
- RFI 2.5 Admit or Deny each director that voted for the advancement of legal defense expenses for Former and Current WOWSC Directors past and future legal defense cost/fees are named defendants in Cause 48292 in the 33<sup>rd</sup> Judicial District Court, Burnet County Texas.
- RFI 2.6 Are the legal fees for the defense of Former and Current Directors approved at the November 14, 2019 WOWSC board meeting authorized under BOC Chapter 8, as Mandatory Indemnification or Permissive Indemnification?
- RFI 2.7 Please provide all affirmations or sworn statements submitted to the WOWSC Corporation by Former and Current WOWSC Directors for legal defense expenses, specifically affirmations permitted in compliance with BOC Chapter 8, §8.104 referring to the payment or reimbursement after the corporation receives an affirmation and undertaking of the Former Directors and Current Directors to repay the WOWSC Corporation any amounts paid or reimbursed to them by the WOWSC if indemnification is prohibited by law.
- RFI 2.8 Please state the date WOWSC received affirmations and/or or sworn statements for advancement of legal defense expenses from the Former and Current Directors listed below;

Joe Gimenez – Current board president  
Dorothy Taylor – Current board member  
Mike Nelson – Current board secretary  
Bill Earnest – Former board member  
Pat Mulligan – Former board member  
Mike Madden – Former board member  
Dana Martin – Former board member  
Bob Mebane – Former board member  
Norm Morse – Former Board member

RFI 2.9 What were the legal expenses in 2019 prior to the Former and Current WOWSC Directors submission of their affirmations and/or or sworn statements to the WOWSC Corporation as required by BOC, Chapter 8, §8.104 and §8.105?

RFI 2.10 Please provide any type of Resolution or Agreement, etc. the WOWSC Board approved/passed, to advance legal expenses for past and future legal defense cost/fees to Former and Current Directors including but not limited to the following Directors;

Joe Gimenez – Current board president  
Dorothy Taylor – Current board member  
Mike Nelson – Current board secretary  
Bill Earnest – Former board member  
Pat Mulligan – Former board member  
Mike Madden – Former board member  
Dana Martin – Former board member  
Bob Mebane – Former board member  
Norm Morse – Former Board member

RFI 2.11 If the WOWSC board voted to advance legal fees under BOC Chapter 8, please provide the name(s), title, individual, etc. who will be determining “reasonable attorney fees” as stated in §8.104 and §8.001(3)(B) for the Former and Current Directors’ legal expenses?

RFI 2.12 Please state which provision from BOC Chapter 8, §8.103 listed below did the board used for determining indemnification of Former and Current Directors at the November 14, 2019 board meeting;

(1) a majority vote of the governing persons who at the time of the vote are disinterested and independent, regardless of whether the governing persons who are disinterested and independent constitute a quorum;

- (2) a majority vote of a committee of the governing authority of the enterprise if the committee:
- (3) special legal counsel selected by the governing authority of the enterprise, or selected by a committee of the governing authority, by vote in accordance with Subdivision (1) or (2);
- (4) the owners or members of the enterprise in a vote that excludes the ownership or membership interests held by each governing person who is not disinterested and independent; or
- (5) a unanimous vote of the owners or members of the enterprise.