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Casie Walker, District Clerk
Burnet County, Texas
By: Amy Tippie, Deputy

CAUSE NO. 48292

RENE FFRENCH, JOHN RICHARD DIAL and STUART BRUCE SORGEN,	§	IN THE DISTRICT COURT
Plaintiffs,	§	
vs.	§	BURNET COUNTY, TEXAS
FRIENDSHIP HOMES & HANGARS, LLC, WINDERMERE OAKS WATER SUPPLY CORPORATION, Former and Current Directors DANA MARTIN, WILLIAM EARNEST, THOMAS MICHAEL MADDEN, ROBERT MEBANE, JOE GIMENEZ, MIKE NELSON, DAVID BERTINO and NORMAN MORSE, in their official capacities,	§	
Defendants.	§	33rd JUDICIAL DISTRICT

PLAINTIFFS' RESPONSE TO THE DIRECTOR DEFENDANTS' MOTION FOR PROTECTIVE ORDER

TO THE HONORABLE MARGARET MIRABAL, JUDGE PRESIDING:

COME NOW PLAINTIFFS RENE FFRENCH, JOHN RICHARD DIAL AND STUART BRUCE SORGEN ("Plaintiffs") and file this Response to the Motion for Protective Order of the individual Director Defendants WILLIAM EARNEST, THOMAS MICHAEL MADDEN, DANA MARTIN, ROBERT MEBANE, PATRICK MULLIGAN, JOE GIMENEZ, DAVID BERTINO, MIKE NELSON and DOROTHY TAYLOR (collectively, the "Director Defendants") herein and would show the Court as follows.

I.

Introduction

This lawsuit, at its core, is about redress for blatant financial and other misconduct by local elected officials and about restoring honesty, integrity and accountability to the Board of the Windermere Oaks Water Supply Corporation. No one seriously disputes there has been misconduct involving former Director Dana Martin and her alter ego Friendship Homes and Hangars.[1] No one seriously disputes these acts and omissions have cost the WSC membership $1 million or more in land and cash for which next to nothing was paid.

Inexplicably, the Director Defendants chose to use the WSC's resources not to recover its valuable land but to oppose or prevent such recovery. They have spent more WSC money protecting themselves than would have been required for the WSC to recover the property lost through their misconduct.[2] Rate hikes and fee increases have been the result. These circumstances have garnered the attention of members, users and tenants within the WSC's service area, as well as the attention of the media, the Texas Public Utility Commission and the TCEQ. Everyone wants to know why a water supply corporation that had surplus land worth over $1 million in 2016 is now in financial trouble.

[1] See legal analysis prepared by the WSC's own attorneys attached hereto as Exhibit 1 and incorporated herein.
[2] The Court may recall that in response to TOMA's request for relief in that lawsuit the WSC provided affidavit testimony the WSC could not afford to restore the $203,000 consideration if the land sale were voided. The Director Defendants, however, have caused the WSC to spend more than that on attorneys' fees to prevent recovery of the land.

It is not surprising that Defendants Gimenez, Mebane and Martin find themselves embarrassed, annoyed and even humiliated at having the WSC community see their sworn deposition testimony, but that is a situation entirely of their own making.[3] They have not been honest with the members of the WSC community (or anyone else) since the initial Martin transaction was done in 2016. They have capitalized on an uninformed membership for all these years and now it is finally catching up with them.

Defendants have the burden to plead and prove particular, specific, and demonstrable injury by facts sufficient to justify a protective order. They have not, and cannot, provide the Court with proof of anything worthy of the Court's intervention. First and foremost, the Director Defendants do not object to public distribution of any of the *content* of their deposition testimony; there is nothing about the medium of videotape that warrants protection in this case. They claim that "lies" have been circulated in other contexts, but they cannot point to a single instance of an unclipped videotaped deposition to which they object.[4] They complain about video deposition "clips," but omit to mention that Plaintiffs took down the "clips" voluntarily and have agreed that only the full video depositions are now or will be made available. They complain that they have been accused of organized criminal activity, but they omit to

[3] The Director Defendants are fond of saying that friends and allies have been "strategically exempted" from the defendant group, but that it simply untrue. The decision who to sue was made by the undersigned based on the law and the facts known at the time and as knowledge evolves.
[4] The Director Defendant have complained about the May 26, 2020 letter to Sheriff Calvin Boyd signed by a dozen or so WSC members, though they cannot point to any factual statement they claim is untrue. That letter, however, has nothing to do with the Director Defendants' videotaped depositions and is not addressed by the Director Defendants' proposed protective order.

mention that it was the WSC's own insurer – not Plaintiffs – who first made that allegation. They apparently have been sitting for months on a what they now claim is "threat" against Joe Gimenez. Not even the Director Defendants have taken that single April posting seriously and they make no effort to associate it with any content in the deposition testimony.

This Motion is a thinly veiled effort to continue to keep the WSC membership in the dark as to the activities of their governing officials and should be denied on that basis alone. The individual Defendants insist they have done nothing wrong and say they have nothing to hide; the last thing they as elected officials should be hiding is their own sworn deposition testimony. They have not carried their burden to prove protection is warranted in these circumstances. Accordingly, their Motion should be denied.

II.

The Director Defendants' Failure to Confer

The Director Defendants' claim they conferred with the undersigned concerning their Motion and the form of protective order they propose and could not obtain any agreement. That is simply not true.

Plaintiffs voluntarily took down deposition "clips" and have posted only complete, unclipped tapes ever since. They agreed without the need for this Motion that if depositions are hereafter posted on any website they will be the complete, unclipped depositions. The Director Defendants' counsel never proposed an order with these provisions.

Prior to filing the Motion, their counsel provided two proposed forms of protective order. Both encompassed considerably more than videotaped depositions. A true and correct copy of the last form of order they furnished before filing this Motion is attached hereto as Exhibit 2. By email dated July 12, 2020, a true and correct copy of which is attached hereto as Exhibit 3, the undersigned advised that while she was fully prepared to discuss an order pertaining to videotaped deposition testimony the Director Defendants' proposed order was considerably broader in scope. The undersigned further confirmed that, as had been promised, Plaintiffs agreed that "clips" would be taken down. Instead, there would be continued community access to the entire, unclipped depositions. Plaintiffs are people of their word; they remain prepared to stand by it now, with or without an order.

Not one instance of claimed "unnecessary harassment," including the April 22 post allegedly "threating" Joe Gimenez, was *ever* mentioned to the undersigned prior to the filing of this Motion. The post on which the Director Defendants now rely appears to have been made on Gimenez's FaceBook more than 3 months ago. Plaintiffs seriously question its authenticity. Apparently, even Gimenez himself did not take the alleged "threat" seriously; the undersigned can find no record that it was ever reported to law enforcement or that any other steps were taken. Clearly, nothing remotely untoward has happened to Mr. Gimenez in the more than three months since that single, isolated post.

Far from alleging they have been harassed, the Director Defendants have continuously insisted (and insist in their Motion) that the WSC community is solidly

behind them. They claim that Plaintiffs represent a small minority who complain of the Director Defendants' abuses. The Director Defendants seem to conflate disagreement with harassment. In any event, they have never made the undersigned aware of any alleged incidents of "unnecessary harassment or annoyance" involving dissemination of the complete unclipped video depositions or the written content of their sworn testimony. Their conclusory claim now is simply not credible.

III.

Applicable Standards and Burden of Proof

A party may generally do what it wants with material obtained through the discovery process, as long as it wants to do something legal. *Harris v. Amoco Prod. Co.,* 768 F.2d 669, 683–84 (5th Cir. 1985). Making the depositions of their elected officials available for viewing by the WSC community clearly is legal. Neither the federal rules nor the Texas rules limit the use of discovered documents or information.

Rule 192.6(b) authorizes the Court to make "any order in the interest of justice" to protect the movant from undue burden, unnecessary harassment or annoyance, or invasion of personal, constitutional or property rights. The grounds for protection may not be presumed; the movant must plead and prove one or more of the grounds set forth in the Rule. Although a trial court may exercise some discretion in granting a protective order, such discretion is not without bounds. *In re Collins*, 286 S.W.3d 911, 919 (Tex. 2009) (orig. proceeding). The party seeking a protective order must show particular, specific, and demonstrable injury by facts sufficient to justify a protective order. *Id.*; see

also *In re United Fire Lloyds*, 578 S.W.3d 572, 579 (Tex. App. – Tyler 2019) (orig. proceeding). The party resisting discovery cannot simply make conclusory allegations that the requested discovery is unduly burdensome or unnecessarily harassing. *In re Alford Chevrolet-Geo*, 997 S.W.2d 173, 181 (Tex. 1999) (orig. proceeding); *United Fire Lloyds*, 578 S.W.3d at 581.

"Many deponents consider any deposition harassing and burdensome and perhaps annoying." *In Matter of Issuance of Subpoenas Depositions of Bennett*, 502 S.W.3d 373, 380–81 (Tex. App. – Houston [14th Dist.] 2016) (orig. proceeding). A protective order will not issue, however, without an evidentiary showing of the required grounds. *Id.* "[M]ere embarrassment, without a demonstration that the embarrassment will be particularly serious or substantial, is not enough to demonstrate good cause for a protective order." *Morrow v. City of Tenaha, 2010 WL 3927969, at *3 (E.D. Tex. 2010); see also Culinary Foods, Inc. v. Raychem Corp.,* 151 F.R.D. 297, 301 (N.D.Ill.1993) ("A claim that public disclosure of information will be harmful to a defendant's reputation is not 'good cause' for a protective order").

Here are some examples of circumstances that have been found to warrant entry of a protective order:

- *In re Does 1-10*, 242 S.W.3d 805, 812 (Tex. App. – Texarkana 2007) (orig. proceeding): movant pleaded and proved that disclosure of blogger's identity would violate constitutional right to anonymous free speech.
- *In re Temple-Inland, Inc.*, 8 S.W.3d 459, 462 (Tex. App. – Beaumont 2000) (orig. proceeding): movant pleaded and proved that disclosure of individuals

specifically named on the "restricted mill entry" list would violate constitutional right to privacy.

- *Seattle Times Co. v. Rhinehart*, 467 U.S. 20, 38, 104 S. Ct. 2199, 2210, 81 L. Ed. 2d 17 (1984): movant pleaded and proved that disclosure of the identities of the Aquarian Foundation's donors and members and amounts contributed would violate the First Amendment rights to privacy, freedom of religion, and freedom of association.
- *United States v. $9,041,598.68 (Nine Million Forty One Thousand, Five Hundred Ninety Eight Dollars & Sixty Eight Cents),* 976 F. Supp. 654, 657 (S.D. Tex. 1997): movant pleaded and proved that disclosure of depositions of confidential informants who did not testify at trial would jeopardize physical safety of informants and the progress of government's ongoing criminal investigation.

"[A] strong presumption against entering or maintaining confidentiality orders [in cases of interest to the public] strikes the appropriate balance by recognizing the enduring beliefs underlying freedom of information laws: that an informed public is desirable, that access to information prevents governmental abuse and helps secure freedom, and that, ultimately, [the] government must answer to its citizens." *Gutierrez v. Benavides*, 292 F.R.D. 401, 405 (S.D. Tex. 2013). Courts are especially unwilling to issue a protective order merely to spare a defendant embarrassment where the defendant is an elected official and the issues in the case are matters of public concern. *Morrow, 2010 WL 3927969, at *4.* "In cases where issues of strong public interest

favoring the free dissemination of discovery materials are at play, the normal practice of not according discovery materials the same degree of access as those filed in connection with trial gives way to a presumption of open inspection." *Morrow,* 2010 WL 3927969, at *4 *(*citing *Flaherty v. Seroussi*, 209 F.R.D. 295, 299–300 (N.D.N.Y.2001).

The case of *Morrow v. City of Tenaha* is particular instructive here. *Morrow* involved an official corruption suit against the mayor and certain law enforcement officers of Tenaha, Texas.[5] Depositions taken in the case were designated "confidential" under the parties' protective order. The plaintiffs contested the "confidential" designation and sought to hand the deposition transcripts and videotapes over to the press and the public. The defendants claimed release of the transcripts would result in embarrassment to them and harassment by the media and that publication of excerpts or video "clips" would allow the media to manipulate their testimony.

The court carefully surveyed existing precedent and concluded that the defendants had failed to meet their burden of proof for a protective order. There, as here, the defendants did not support their motion with affidavits or other evidence of embarrassment or harassment. The court stated:

> "Plaintiffs correctly argue that the public has a strong interest in police misconduct and in official corruption and violations of civil rights by public officials. Accordingly, the Court finds that Defendants' unsubstantiated allegations that release of the deposition transcripts in this case will result in embarrassment to the Defendants is not enough to demonstrate good cause for a protective order, especially in light of the strong public interest in the conduct of public officials."

[5] Tenaha is a small town in Shelby County with a population of less than 1,000. The WSC supplies water and wastewater service to that many people or more.

Morrow, 2010 WL 3927969, at *4.

Nor was the court concerned that the use of "clips" might mislead the public: "[w]hile sound bites are a recognized Achilles heel of videotaped depositions, the fact that the media may edit a tape that may or may not be released by the parties does not warrant a protective order barring all public dissemination of the videotape in this case." *Id*. at *5; see also *Van Stry v. McCrea*, 2019 WL 8017842, at *2 (E.D.Tex. 2019) (general references to "emails and financial information" is not sufficient to satisfy the good cause standard for obtaining a protective order). As the court recognized in *McCrea*, only evidence that specific "particularly sensitive matters" will be disclosed will warrant the issuance of a protective order, and then as to only those specific matters. *McCrea*, 2019 WL 8017842, at *1.

The undersigned has not found a reported decision involving a protective order issued with based on the *medium* of the deposition without regard to the content. A request for protection against the taking of a videotaped deposition was rejected in *Masinga v. Whittington,* 792 S.W.2d 940 (Tex. 1990). There, the defendant sought to prevent the videotaping of his deposition on the grounds that the presence of the video camera and technician and the bright lights and atmosphere associated with it would be unnecessarily distracting and stressful, detracting from his ability to give clear and precise answers. The Court applied the familiar standard that "[a] party seeking to avoid the videotaping of a deposition must show particular, specific and demonstrable injury by facts sufficient to justify a protective order." *Id*. at 940. The Court concluded that the defendant's conclusory allegations "amounted to little more than a general

objection to [a] form of discovery authorized by Tex.R.Civ.P. 202(1)." *Id.* at 941. Assuming arguendo that a party may obtain protection against the dissemination of a videotaped deposition when he does not object to same dissemination of the content of the testimony, then he surely is required to show particular, specific and demonstrable injury arising from the very display of the video itself. That more people will watch a video than will read a transcript is not injury. At minimum, the movant must show that the video itself is inherently unfair in some respect.

Contrary to the Director Defendants' unsupported assertion to the contrary, even unfiled discovery materials (such as videotaped depositions) may be "court records" if they concern "matters that have a probable adverse effect upon the general public health or safety, or the administration of public office, or the operation of government, except discovery in cases originally initiated to preserve bona fide trade secrets or other intangible property rights." Tex. R. Civ. P. 76a. Court records are presumptively available to the public and can only be sealed only pursuant to Rule 76a, not via a protective order issued under Rule 192.6.

IV.

Director Defendants Have Failed to Meet Their Burden

The videotaped depositions of Joe Gimenez, Dana Martin and Robert Mebane are being filed herewith to facilitate the Court's determination of this Motion.[6] They are not tendered for *in camera* review and therefore are court records.

The Director Defendants have not moved to seal any depositions and have not shown particular, specific, and demonstrable injury by facts sufficient to justify a protective order as to depositions not on file. Even if the Gimenez, Martin and Mebane depositions were not court records, none of the *content* of these depositions warrants the issuance of a protective order and the Director Defendants admit as much. They make no objection to public dissemination of the complete written transcripts, which include the identical content as the video depositions. Nor do they make any effort to direct the Court to any unclipped video deposition they contend portrays them unfairly.

With regard to depositions not yet taken, the Director Defendants cannot make the required showing. As with the Gimenez, Martin and Mebane depositions, the Director Defendants do not object to public dissemination of the complete transcripts, whatever they may say. Moreover, since those depositions do not yet exist, the Director Defendants cannot carry their burden to show any unclipped video deposition they contend portrays them unfairly. Conclusory allegations of apprehension or concern about what their deposition testimony may reveal or how they may look on videotape falls far short of the requirement that they identify particular, specific and demonstrable injury associated with the publication of their depositions.

[6] A thumb drive is being filed via a separate Appendix. Since this cannot be eFiled, it is being sent to the clerk by mail.

The Director Defendants use the term "cyberbullying," but provide no evidence whatsoever that any "cyberbulling" has occurred or is likely to occur in connection with making the complete, unclipped videotaped depositions available to the WSC community and the public. They claim "[d]irectors are now receiving threats of violence," but point to only a single, stale post of doubtful authenticity that was not reported and apparently was not taken seriously by the one Director Defendant allegedly involved. They point to nothing inherent in the videotaping (or within the content of the depositions themselves, for that matter) that would, if disclosed to the community, reveal particularly private or unnecessarily embarrassing or annoying information about any Director Defendant. To the contrary, they claim they have no objection to the public dissemination of the entire deposition content via the written transcripts.

The Director Defendants have not met the applicable standard even if these were not matters of public concern, but they are. This dispute involves a State regulated entity that provides vital water and wastewater service and the misconduct of the elected officials that run it. That misconduct has spanned a period of years and has now apparently placed a utility provider in financial jeopardy. In particular, the recent rate and fee hike – necessary only because of the loss of $1 million in surplus property and the expenditure of more than $200,000 in attorneys' fees to keep it that way – has garnered the attention not only within the WSC community but also at the Texas Public Utility Commission.

Members of the WSC community have demonstrated they are interested in what their elected officials have to say for themselves about all of this. Dana Martin's

complete videotaped deposition has received more than three thousand (3,000) views.[7] Joe Gimenez's complete videotaped deposition has received more than ten thousand (10,000) views.

This is in part because the Director Defendants themselves have catapulted the Martin transactions into the community spotlight. Any "bullying" that has occurred has been at the hands of the Director Defendants, not otherwise. They have used the WSC's resources to distribute propaganda vilifying Plaintiffs and others in the community who dared to suggest the WSC should recover back the $1 million worth of land that was transferred to Martin and Friendship in 2016 and 2019 for pennies on the dollar or for no consideration at all.[8] Indeed, the Director Defendants have gone so far as to blame Plaintiffs for the recent rate hike.[9]

Members of the WSC community, as well as the Public Utility Commission (which oversees WSC rates and fees), want and deserve to know the truth. Theoretically, there should be no better source for that than the Director Defendants' deposition testimony. The Director Defendants' deposition testimony does not fall within YouTube's privacy policy because it does not include any private information such as government identification number, bank account number, home address, email address or other "uniquely identifiable" information. Moreover, in determining whether

[7] As the undersigned understands it, the number of "views" counts each time someone watches some or all of a deposition videotape. "10,000 views" means that members of the community viewed some or all of the deposition tapes on at least 10,000 occasions.
[8] See examples of "WSC newsletters" attached hereto as Exhibit 4 and distributed to the community by the Director Defendants at WSC expense
[9] See newsletter attached hereto as Exhibit 5 and distributed to the community by the Director Defendants at WSC expense.

content should be removed for a privacy violation YouTube takes into account public interest, newsworthiness and consent. As stated above, the Director Defendants have consented to the public dissemination of the written deposition transcript of the very same testimony. There simply are no privacy implications here.

According to the article cited by the Director Defendants ("Was that a yes or a no?: depositions in the YouTube era"), a search of YouTube for the word "deposition" turned up more than 2,700 videos. Many of these were actual depositions of high-profile litigants or litigants in high profile cases, presumably posted without consent. YouTube has a complaint process concerning material displayed on its website and expressly reserves the exclusive right to make a final determination of whether a violation of its privacy guidelines has occurred. If there were a violation, YouTube can and will handle it.

V.

The Director Defendants' Proposed Order is Unenforceable

The Director Defendants propose not only that complete, unclipped video depositions be withheld from the WSC community and the public. It also creates purports to create a presumption that if any party's video deposition is posted, the "opposing Party" posted it. Setting aside the obvious issues associated with such a "presumption" in a multiparty case such as this, a burden-shifting provision such as this offends the Texas Supreme Court's requirement that any discovery sanction be "just." See *TransAmerican Nat. Gas Corp. v. Powell*, 811 S.W.2d 913, 917 (Tex. 1991) ("Just"

means that the sanction should be visited upon the offender). Accordingly, such a "presumption" is not enforceable under applicable Texas law.

WHEREFORE, premises considered, Plaintiffs respectfully request that the Motion for Protective Order be denied in all respects and that the receive such other and further relief, at law or in equity, to which they may show themselves justly entitled.

Respectfully Submitted,

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By: /s/ Kathryn E. Allen

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Attorneys for Plaintiffs

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document has been served via eServe to all lead counsel of record on this 27th day of July 2020.

/s/ Kathryn E. Allen
Kathryn E. Allen

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EXHIBIT
tabbies
1
Gimenez

January 25, 2019

Via Email: mollym@abdmlaw.com
and Via USPS Regular Mail
Molly Mitchell
ALMANZA, BLACKBURN, DICKIE & MITCHELL, LLP
2301 S. Capital of Texas Highway, Bldg. H
Austin, Texas 78746

Re: Friendship Homes & Hangars, LLC purchase of real property interests from Windermere Oaks Water Supply Corporation

Dear Molly,

I am writing to you on behalf of my client, the Windermere Oaks Water Supply Corporation ("WOWSC") in connection with real property transactions by Friendship Homes & Hangars, LLC ("Friendship Homes") relating to approximately 10.85 acres of property located on Piper Lane in Spicewood, Texas ("the property"). This letter is sent to you as counsel for Dana Martin and Friendship Homes as a matter of professional courtesy; if you contend that it should be addressed directly to Ms. Martin and/or Friendship Homes, please let me know and we will re-send it as instructed.

As you know, by a contract for sale dated January 19, 2015, closing in early 2016, and continuing until final addendum on February 16, 2017, Friendship Homes purportedly acquired two separate real property interests from WOWSC: 1) title in fee simple to approximately 3.86 acres along the west side of Piper Lane, in Spicewood, Texas, and 2) a "right of first refusal" to purchase an additional approximately 7.01 acres immediately to the west of the purchased property (collectively, "the transactions"). The total price paid by Friendship Homes to WOWSC for both interests was $203,000.

The circumstances surrounding the transactions are problematic for several reasons.

Exhibit 1

Self-interested transaction: First and foremost, the managing member of Friendship Homes is Dana Martin. At all times relevant to the transactions, Ms. Martin also was a member of the board of the seller, WOWSC. While she purportedly recused herself from the ultimate vote on a portion of the transaction on December 19, 2015, at all times she remained a member of the board, and by virtue of that office had a fiduciary duty and a duty of loyalty to WOWSC, which requires that there be no conflict between duty and self-interest.

Actions taken in violation of the Texas Open Meetings Act: As a WOWSC Board member, Ms. Martin is charged with knowledge of the requirements of the Texas Open Meetings Act, and knowing that the meeting notice for the December 19, 2015 meeting was legally insufficient, did not speak up or note for the remainder of the Board that the meeting notice did not meet the requisite legal standard. Instead, she allowed her self-interest to be paramount, so that the meeting could go forward and she could enter into a contract for sale of the property. Further, Ms. Martin was surely aware that the purported "right of first refusal" was not mentioned in the meeting notice, and thus could not be considered or acted upon by the WOWSC Board at that meeting without violating the Texas Open Meetings Act. Again, Ms. Martin allowed her self-interest to be paramount, so that the meeting could go forward and she could obtain that right of first refusal, paying no additional consideration for that real property interest. These matters have been litigated, and are the subject of a final judgment in Cause No. 47531, *TOMA Integrity, Inc. v. Windermere Oaks Water Supply Corporation*, in the 33rd District Court of Burnet County, Texas.

Actions regarding improper appraisal: Prior to the transactions, on information and belief, Ms. Martin worked with Jim Hinton to present what was purported to be an objective appraisal of the property to the WOWSC Board ("the Hinton appraisal") on or about September 1, 2015. This was done so that the WOWSC Board could consider the market value of the property and determine whether to sell the property, and under what price and other terms such transaction should be conducted.

The Hinton appraisal represented that it was intended to comply with all applicable rules and standards, and that its conclusion as to value was to be based on the "Highest and Best Use." The Hinton appraisal concluded that the present use of the property was "vacant land," and further concluded that remained the "highest and best use" for the property. The three comparable properties that were analyzed to determine the open market valuation were likewise "vacant land" properties.

Importantly, the property was (and still is) located amidst multiple hangar facilities at a private airport, Spicewood Airport, and had significant frontage on a taxiway for Spicewood Airport. In such circumstances, and considering the factors of legal permissibility, physical possibility, financial feasibility, and maximum

productivity, the actual highest and best use of the property is for division into multiple airport hangar lots, not simply to be used as "vacant land." Notably, the Hinton appraisal did not take into account any comparable sales of hangar lots in the area. Its improper characterization of the highest and best use of the property, and selection of comparable properties consistent with that improper characterization, resulted in a significant under-valuation of the property. Upon information and belief, these defects violate applicable USPAP standards and render the Hinton appraisal fraudulent, and it was presented to fraudulently induce the WOWSC Board into taking action contrary to the best interests of WOWSC.

The WOWSC Board received the Hinton appraisal for the purpose of evaluating and conducting a potential sale of the property. On information and belief, Ms. Martin was aware of this purpose and intended use when the Hinton appraisal was provided to WOWSC. Also on information and belief, Ms. Martin conferred with Mr. Hinton regarding the appraisal before it was submitted to the WOWSC Board, knew that the actual market value of the property was well above the value presented in the Hinton appraisal, and failed to disclose that information to the WOWSC Board. Upon further information and belief, she was aware that the most likely buyer of the property was an enterprise that she had yet to form, Friendship Homes.

The resulting improper and unfair transactions: In reliance on the appraisal, the WOWSC Board elected to sell approximately 3.86 acres of the property for a price of $203,000 to Ms. Martin's enterprise, Friendship Homes, realizing a value of just over $52,000 per acre. In reality, based on the proper highest and best use of airport hangar lots, the value of the 3.86 acres of the property sold was $700,000, yielding a true value of approximately $181,000 per acre. In addition, in further reliance on the under-valuation of the property contained in the appraisal, the WOWSC Board also transferred a "right of first refusal" to Ms. Martin's enterprise for the remaining 7.01 acres of the property for no additional consideration, with that transaction being completed on February 16, 2017.

Thus, as a result, the WOWSC Board at the very least sold property with a proper market value of $700,000 for a price of $203,000, a difference of $497,000. As a result of the actions related to the Hinton appraisal, material facts as to the transaction were not disclosed to, and upon information and belief, purposefully concealed from, the WOWSC Board. The resulting transaction, being for a price significantly lower than the proper market value at the time, was not fair to WOWSC. The circumstances above would constitute a breach of Ms. Martin's fiduciary duty to WOWSC as a member of the WOWSC Board. Further, to the extent that the actions of Ms. Martin and Friendship Homes relating to the Hinton appraisal were committed in concert with and with the knowledge of Mr. Hinton, they may give rise to an action for civil conspiracy.

Finally, pursuant to the Unimproved Property Contract and as consideration for the transactions, Friendship Homes agreed to grant a 50-foot easement to run from Piper Lane to the west property line of the 3.86 acres that Friendship Homes acquired in fee simple. An inspection of the Burnet County property records finds no such valid and enforceable easement that has been created or granted to WOWSC, indicating that Friendship Homes has failed to perform this contract obligation. The absence of such easement significantly reduces the value of the remaining property. This works to Friendship Homes' significant advantage; absent an easement, the current market value of the remaining property is quite low, and if WOWSC attempts to sell it for its current reduced market value, Friendship Homes can execute its right of first refusal and acquire that portion of the property for a fraction of its potential value. Friendship Homes can then extend an easement through the property it currently owns, which will dramatically increase the value of the remaining property. Thus, by virtue of actions solely within Ms. Martin's and Friendship Homes' control, they will realize a significant appreciation in value on the property which value properly belongs to WOWSC.

This letter is the WOWSC's Board's notice and demand that you 1) preserve all documents, correspondence, records, and communications (including emails, text messages, and phone records) that you have had with Mr. Hinton or with any past or current member of the WOWSC Board regarding the property, the Hinton appraisal, or the transactions, and 2) to meet and confer promptly with WOWSC through its legal counsel to discuss WOWSC's claims against Ms. Martin and Friendship Homes, and a proper resolution thereof.

Please reply in writing indicating that you understand WOWSC's demands and will preserve all information described above, and will agree to meet and confer with WOWSC through its legal counsel within the next thirty days. In the event that you fail to do so, WOWSC will have no choice but to pursue all available avenues of relief, including pursuing litigation against Ms. Martin and Friendship Homes.

We look forward to your prompt response to this correspondence.

Sincerely,

Jose E. de la Fuente

JEF:cad

CAUSE NO. 48292

RENE FFRENCH, JOHN RICHARD DIAL, AND STUART BRUCE SORGEN, INDIVIDUALLY AND AS REPRESENTATIVES FOR WINDERMERE OAKS WATER SUPPLY CORPORATION INTERVENOR PLAINTIFFS	§	IN THE DISTRICT COURT
v.	§	33RD JUDICIAL DISTRICT
FRIENDSHIP HOMES & HANGARS, LLC, WINDERMERE OAKS WATER SUPPLY CORPORATION, AND ITS DIRECTORS WILLIAM EARNEST, THOMAS MICHAEL MADDEN, DANA MARTIN, ROBERT MEBANE, PATRICK MULLIGAN, JOE GIMENEZ, DAVID BERTINO, MIKE NELSON, AND DOROTHY TAYLOR, DEFENDANTS	§	BURNET COUNTY, TEXAS

AGREED PROTECTIVE ORDER

Having come before the Court by agreement of Intervenor Plaintiffs Rene Ffrench, John Richard Dial, and Stuart Bruce Sorgen, Individually and as Representatives for Windermere Oaks Water Supply Corporation ("Plaintiff" or "Plaintiffs" as appropriate), and Defendants Friendship Homes & Hangars, LLC, Windermere Oaks Water Supply Corporation, and Its Current or Former Directors William Earnest, Thomas Michael Madden, Dana Martin, Robert Mebane, Patrick Mulligan, Joe Gimenez, David Bertino, Mike Nelson, and Dorothy Taylor ("Defendant or "Defendants" as appropriate) (collectively, the "Parties" or "Party" as appropriate), the Court finds that good cause exists for the entry of this Agreed Protective Order ("Protective Order") in that the preparation and trial of the above-captioned action (the "Lawsuit") will require the discovery of documents, testimony, information, or things claimed by one or more of the Parties to contain confidential business or commercial information, and the ends of justice will be served by entry

Exhibit 2

of an order setting forth procedures for and rules governing discovery, copying, use and return of documents, deposition transcripts and videos, interrogatory answers and other materials. This Protective Order strikes an appropriate balance between, on the one hand, the Parties' privacy, confidentiality, and proprietary interests and, on the other hand, the interests in the Parties' need for full discovery.

The Court retains the right to determine the admissibility of and the classification of any item covered by or designated under this Protective Order and to modify this Protective Order on its own accord or on Motion of a Party or non-Party. Further, the Parties may agree, under Rule 11, Tex. R. Civ. P., to modify the terms of this Protective Order.

Accordingly, **IT IS HEREBY ORDERED** that:

This Protective Order shall govern "CONFIDENTIAL INFORMATION." CONFIDENTIAL INFORMATION shall refer to documents, material, testimony, or information that is designated "Confidential" or "Attorney's Eyes Only" **and is maintained, produced, or disclosed by any Party or any non-party witness voluntarily, in response to discovery requests, or in response to a subpoena issued to the producing entity or person (hereafter collectively referred to as "the Producing Entity") in connection with the Lawsuit, including, but not limited to, any type of document or testimony; any taped, recorded, written, electronic, digital, or typed matter, including the originals and all marked copies, whether different from the originals by reason of any notation made on such copies or otherwise; all deposition testimony; all interrogatories, requests for production, and requests for admission, including all responses thereto; and any physical objects or other items or any other information gained by inspection of any tangible thing made available by the Producing Entity.**

Any Producing Entity shall have the right, in compliance with the terms of this Order, to designate material he or it makes available as "Confidential" or "Attorney's Eyes Only."

The Parties desire that CONFIDENTIAL INFORMATION designated in accordance with this Protective Order shall be treated according to the terms of this Protective Order, and the dissemination of the CONFIDENTIAL INFORMATION is restricted as provided herein.

1. Each page of CONFIDENTIAL INFORMATION that a Producing Entity designates shall be stamped with the legend "Confidential" or "Attorney's Eyes Only" prior to its production or, if inadvertently produced without such legend, by promptly upon discovery of such inadvertent omission, furnishing written or electronic notice to the receiving Party(ies) that the information or document shall be designated as "Confidential" or "Attorney's Eyes Only" under this Protective Order. Stamping such a legend on the cover of a multi-page document or on an electronic storage medium (such as, but not limited to, a CD-ROM) designates all pages of such document and/or all contents of such electronic storage medium, unless otherwise indicated by the Producing Entity. Any stamping or marking shall be made so as not to interfere with the legibility of each such stamped or marked document.

2. The "Confidential" or "Attorney's Eyes Only" designation shall be limited to confidential, proprietary, trade secret or private information that is used by a Producing Entity in, or pertaining to, its business or, in the case of an individual, also his personal affairs, which information is generally not known and which that Producing Entity would normally not reveal to third parties or, if disclosed, would require such third parties to maintain in confidence, and that the designating Party believes, in good faith, to be confidential.

3. Nothing in this Protective Order shall be construed to permit a Party to designate documents, material or information produced by the other Party as CONFIDENTIAL

INFORMATION, absent agreement of all Parties or absent further Order of the Court. Further, CONFIDENTIAL INFORMATION does not include documents, material or information that are:

A. INDEPENDENTLY DEVELOPED BY THE RECEIVING OR POSSESSING PARTY WITHOUT USE OF OR RELIANCE UPON ANY OF A PRODUCING ENTITY'S CONFIDENTIAL INFORMATION;

B. RIGHTFULLY ACQUIRED BY THE RECEIVING OR POSSESSING PARTY FROM AN INDEPENDENT, NON-PARTY SOURCE, WITHOUT RESTRICTIONS AS TO USE OR OBLIGATIONS AS TO CONFIDENCE;

C. PUBLICLY AVAILABLE IN SUBSTANTIALLY THE SAME FORM IN WHICH IT WAS PROVIDED BY THE PRODUCING ENTITY CLAIMING CONFIDENTIALITY;

D. REQUIRED BY LAW TO BE MADE AVAILABLE TO THIRD PARTIES; OR

E. PUBLIC KNOWLEDGE BY MEANS NOT IN VIOLATION OF THIS PROTECTIVE ORDER.

4. CONFIDENTIAL INFORMATION designated as "Confidential" may be used by the Party(ies) receiving it only for purposes of this Lawsuit and may not be disclosed by the Party to any person without the prior written consent of the Party producing it or an order of the Court; except that, a Party may disclose to third Parties his or its own CONFIDENTIAL INFORMATION, and CONFIDENTIAL INFORMATION may also be disclosed to:

a. the Court;

b. counsel for the Parties, to be used for purposes of this Lawsuit only;

c. counsel's employees, and third-party vendors and providers, to be used for purposes of this Lawsuit only;

d. any outside expert or prospective expert retained or anticipated to be retained in connection with this Lawsuit by any Party, and any witness, consultant, or prospective witness associated with discovery, preparation for trial and/or the trial of this Lawsuit, provided that prior to any disclosure of CONFIDENTIAL INFORMATION to such persons, such persons will have signed a document agreeing to be bound by the terms of this Protective Order. The attorney retaining such person will retain the signed agreement, to be made available to the other Parties or the Court, as reasonably necessary and under proper terms

and conditions;

e. the Parties and their respective members, officers, directors, spouses, and employees, to be used for purposes of this Lawsuit only; and

f. witnesses in depositions and in any proceeding before the Court, including hearings on motions brought by the Parties, to be used for purposes of this Lawsuit only; provided that, as applicable, the deposition, hearing, or proceeding transcript is designated as CONFIDENTIAL under Paragraph 14 or 15 below.

5. Information designated as "Attorney's Eyes Only" shall be retained by counsel for the Parties in this litigation and their respective staff (which shall not include in-house counsel for the Parties or the Parties' affiliates) and may only otherwise be disclosed to:

A. retained counsel for the parties in this litigation and their respective staff (which shall not include in-house counsel for the parties or the parties' affiliates);

B. actual or potential outside, specially retained experts or consultants (and their administrative or clerical staff, not including the current employees, officers, members, or agents of parties or affiliates of parties);

C. court reporters and attendant videographers and outside litigation support services and personnel engaged in connection with this litigation, who, prior to any disclosure of Classified Information to such person, have signed a document agreeing to be bound solely as to testifying experts, have been designated in writing by notice to all counsel by the terms of this Protective Order (such signed document to be maintained by the attorney retaining such person);

D. the Court and its staff and any other tribunal or dispute resolution officer duly appointed or assigned in connection with this litigation; and

E. any person who was an author, addressee, or intended or authorized recipient of the Attorney's Eyes Only information and who agrees in writing to keep the information confidential, provided that such persons may see and use the Attorney Eyes Only information in this litigation and no other purpose, but not retain a copy.

6. No person who has agreed to be bound, or who is ordered bound, by this Protective Order may use or disclose any CONFIDENTIAL INFORMATION, except as provided herein.

7. If documents, material, information or testimony is sought in discovery in this Lawsuit from a person (including any business entity) who is not a Party, and such person or any

Party reasonably believes that the information sought is CONFIDENTIAL INFORMATION, such person or Party may designate such information as "Confidential" in accordance with the provisions of this Protective Order.

8. A Party may contest a producing person's or Party's "Confidential" or "Attorney's Eyes Only" designation by notifying the designating person or Party, via email or in writing, that the Party objects to the particular confidentiality or attorney's eyes only designation. Those involved shall work together in good faith to attempt to resolve the designation objection. If no resolution is reached, the Party objecting to the particular "Confidential" or "Attorney's Eyes Only" designation may file a motion with the Court seeking determination of the objection. The Producing Entity shall be given notice under the Texas Rules of Civil Procedure of any such hearing and shall have the right and opportunity to defend such designation at the hearing on the referenced motion. No Party shall allow the disclosure of the designated information, documents, or items in connection with such a motion, pending the determination of the Motion, except as allowed by the terms of this Protective Order.

9. A dispute as to the confidentiality of specific documents, material or information shall not be grounds for delay of or for a refusal to produce such documents, material, or information in discovery. All of the documents, material or information that have been designated CONFIDENTIAL INFORMATION and are the subject of the dispute regarding confidentiality will be considered "CONFIDENTIAL INFORMATION" and shall be treated as designated by the Party as "Confidential" or "Attorney's Eyes Only" in accordance with the terms of the Protective Order, unless and until the Court rules otherwise.

10. Whenever CONFIDENTIAL INFORMATION is to be referred to or disclosed in a hearing, deposition or any other proceeding in this Lawsuit, any Producing Entity claiming

confidentiality may seek to exclude from the room any person who is not entitled to receive CONFIDENTIAL INFORMATION and may request that the Court seal, or provide other protections concerning, any record of such proceedings.

11. Any Party may designate a deposition or portion thereof as "Confidential" by denominating by page and line those portions of the deposition which are to be considered "Confidential" within thirty (30) days of receiving the final certified transcript and so informing all other Parties of such designation. Each Party shall mark the transcript and each copy thereof in its possession, custody, or control as "Confidential" in accordance with the designation provided. Until the thirty-day (30) period to designate deposition testimony as "Confidential" has passed, the entire deposition transcript shall be treated as "Confidential" under this Protective Order. Any Party that initiates, schedules, or notices a deposition in this Lawsuit shall provide a copy of this Protective Order to any court reporter, videographer or other person hired to record the deposition. Any portion of a deposition designated as "Confidential" shall only be filed of record or otherwise used in accordance with the terms of this Protective Order. Additionally, all Parties are proscribed from posting on the internet, including on You Tube, any video of a Party's deposition testimony, regardless of whether the deposition testimony includes CONFIDENTIAL INFORMATION. If any portion of a video of deposition testimony of a Party to this case is posted on the internet, including on You Tube, it shall be presumed that the opposing Party posted the information. For instance, if video of deposition testimony of a Defendant is posted on the internet, it shall be presumed that the Plaintiffs posted the video. Likewise, if video of deposition testimony of a Plaintiff is posted on the internet, it shall be presumed that a Defendant posted the video. Additionally, if any Party distributes deposition testimony to a non-Party in this case, the Party may only distribute the testimony in full.

12. In addition to the terms otherwise specified herein, third parties to this Lawsuit may elect to avail themselves of and shall agree to be bound by the terms and conditions of this Protective Order, as if they had stipulated to it at the time of entry. Such third parties in these instances must state their agreement, in writing, to be bound by this Order.

13. All documents, material, and information produced by a third party in this Lawsuit in connection with discovery request or a Subpoena shall be treated by the Parties as CONFIDENTIAL INFORMATION for thirty (30) calendar days after production, in order to allow the Parties to review and assess the documents and information for confidentiality and proper designation under this Protective Order.

14. Any Party interested in filing in the Lawsuit any CONFIDENTIAL INFORMATION, including any portion thereof that would disclose confidential material, shall file a motion to have the CONFIDENTIAL INFORMATION filed under seal or *in camera* and shall otherwise comply with applicable Texas Rules of Civil Procedure and the rules, procedures, or orders of this Court. When filing the motion, response, or other submission, the filing party shall cite to the Court the grounds for filing the CONFIDENTIAL INFORMATION under seal or *in camera*. Whenever possible, disputes regarding confidentiality designations should be resolved before CONFIDENTIAL INFORMATION or any document containing or referencing it is filed in the Lawsuit. For any item of CONFIDENTIAL INFORMATION for which a designation dispute has not been resolved, that item and any document containing or referencing it will be filed under seal (at least provisionally).

15. Notwithstanding any other provision herein, if a Party wishes to include a document, or portions of a document marked as "Confidential" or "Attorney's Eyes Only" in a pleading or other paper to be filed with the Clerk, that Party shall serve the pleadings or other paper

on opposing parties but shall not file it. Service alone shall constitute filing for the purpose of any deadline. For seven (7) days following service, no Party shall file the pleading or other paper with the Clerk except pursuant to a ruling on a motion for a Temporary Sealing Order under Rule 76a. Immediately thereafter, if no motion for a Temporary Sealing Order has been granted, the Party who served the pleading or other paper shall file it unsealed with the Clerk. If a Party wishes to offer a document, or portions of a document marked as "Confidential" or "Attorney's Eyes Only" in evidence, any Party may, at the time the document is offered, move for a Temporary Sealing Order.

16. A Party who learns of an unauthorized disclosure of CONFIDENTIAL INFORMATION by it or by any person to whom the Party has disclosed CONFIDENTIAL INFORMATION pursuant to this Protective Order shall immediately: (a) issue written notice of the unauthorized disclosure to the designating party; (b) use his or its best efforts to retrieve all copies of the CONFIDENTIAL INFORMATION subject to unauthorized disclosure; and (c) inform all persons to whom unauthorized disclosure was made of the terms of this Protective Order.

17. Nothing in this Protective Order prevents any Party or other person from seeking modification of this Protective Order or from objecting to any disclosure, discovery, or designation that he or it believes to be otherwise improper. In particular, nothing in this Protective Order precludes any Party or other person from seeking and obtaining, on an appropriate showing, such additional protection for any information, document, or thing as the Party or other person may consider appropriate in the circumstances.

18. Nothing in this Protective Order prevents any attorney of record from complying with his or her ethical duties under Rule 1.03 of the Texas Disciplinary Rules of Professional

Conduct. In the event an attorney believes he or she cannot comply with his or her obligations under Rule 1.03 with regard to specific Confidential Information because of this Protective Order, such attorney may move for an order permitting the narrowest possible disclosure of Confidential Information to his or her client to allow the attorney to comply with his or her ethical obligations, but shall comply with this Protective Order unless and until the Court affords relief.

19. Should any court, administrative agency, person or entity subpoena production of CONFIDENTIAL INFORMATION from a Party who obtained from a Producing Entity such CONFIDENTIAL INFORMATION under the terms of this Protective Order, such Party shall promptly notify the Producing Entity of the pendency of such subpoena before disclosing such information.

20. Inadvertent production or other disclosure of documents subject to work-product immunity, the attorney-client privilege, or other legal privilege that protects information from discovery shall not constitute a waiver of the immunity, privilege, or other protection in any state or federal proceeding under applicable law; provided that the Producing Entity promptly notifies the receiving party in writing when it becomes aware of such inadvertent production. On notification, the receiving Party shall immediately return the inadvertently-produced materials and all copies, and shall delete the material and all copies from any litigation-support or other database. The receiving Party shall destroy notes and work product reflecting the contents of such inadvertently-produced privileged materials. No further uses or disclosures shall be made of the inadvertently-produced privileged materials, and the recipient shall take all reasonable and appropriate steps to retrieve the materials, and all copies, from any person to whom the recipient has provided them. Any Party or individual having inadvertently received such privileged materials need not wait for notice from the Producing Entity before complying with the above and

is expected to comply with the requirements of this Paragraph as soon as it is known or should be reasonably known that the materials, and information contained therein, is privileged. If the Party returning such materials does not agree with the privilege designation, the Party returning such materials shall write a letter to the Producing Entity, setting forth the reasons for asserting that the materials in question are not privileged. If the issue cannot be resolved between the Parties and any non-Party involved, the Producing Entity shall file a motion with the Court, no later than thirty (30) days of the completion of such meet-and-confer efforts, to seek a determination on the material's privilege status and shall produce a copy of the material in issue to the Court for *in camera* inspection. Any inadvertent disclosure of privileged information shall not operate as a waiver in any other state or federal proceeding, and the Parties' agreement regarding the effect of inadvertent disclosure of privileged information shall be binding on non-parties.

21. Inadvertent or unintentional production of documents, material or information containing CONFIDENTIAL INFORMATION that are not designated according to this Protective Order is not a waiver in whole or in part of a claim for confidential treatment. In addition, CONFIDENTIAL INFORMATION produced or disclosed by the Parties or a Producing Entity before the entry of this Protective Order may be subsequently designated according to this Protective Order. The receiving Party shall not be in violation of this Protective Order for any disclosure of undesignated CONFIDENTIAL INFORMATION before the receiving Party was placed on notice of the producing or disclosing party's designation of such CONFIDENTIAL INFORMATION.

22. A Producing Entity that inadvertently fails, at the time of the production, to designate documents, material, or information as CONFIDENTIAL INFORMATION pursuant to this Protective Order shall be entitled to make a correction. Such correction, and notice thereof,

shall be made in writing, accompanied by substitute copies of each document, material or information appropriately designated as CONFIDENTIAL INFORMATION under this Protective Order. Those individuals who reviewed the documents, material or information prior to notice of the inadvertent misdesignation or lack of designation by the producing party shall return all copies of such inadvertent misdesignated or undesignated documents, material or information and honor the provisions of this Protective Order with respect to the use and disclosure of any CONFIDENTIAL INFORMATION contained therein. Within seven (7) business days after receipt of the substitute copies, the receiving Party shall return the previously unmarked documents, material or information and all copies.

23. Upon final disposition of this Lawsuit (whether by judgment, settlement or otherwise), including all appeals, all Producing Parties shall be promptly notified of such disposition and each Producing Parties, at his or its respective election, shall either request that all CONFIDENTIAL INFORMATION he or it respectively designated under this Protective Order be returned or destroyed. In response, the other Party(ies) will comply with the instruction of the requesting Party by either destroying the CONFIDENTIAL INFORMATION and providing a letter certifying such destruction or returning the CONFIDENTIAL INFORMATION and destroying all copies, extracts and summaries of such CONFIDENTIAL INFORMATION as requested. For archival purposes, the attorneys in the law firms of record representing the Parties may retain one copy of all pleadings, transcripts, exhibits, written discovery responses, documents, including portions designated under this Protective Order, and any written work product that mentions or includes CONFIDENTIAL INFORMATION.

24. Upon final disposition of this Lawsuit (whether by judgment, settlement or otherwise), including all appeals, the provisions of this Protective Order shall continue to be

binding, except with respect to those filings, documents, materials and information that are or become a matter of public record.

25. This Protective Order, under the terms set forth, is binding upon the Parties and their respective attorneys (including the paralegals, and clerical and other employees of such attorneys), successors, executors, personal representatives, administrators, heirs, legal representatives, assigns, subsidiaries, divisions, employees, agents, independent contractors, or other persons or organizations over which they have control.

26. The Court shall retain jurisdiction over all persons and Parties subject to this Order to the extent necessary to modify this Order, enforce its obligations, or to impose sanctions for any violation.

27. Nothing in this Protective Order shall prevent any Party from seeking further or additional protection, or removing protection, for CONFIDENTIAL INFORMATION.

28. Additional Parties may be added to this action as allowed under the applicable Texas Rules of Civil Procedure. Before receiving CONFIDENTIAL INFORMATION, a new Party must agree to be bound by the terms of this Protective Order as if the Party had stipulated to it at the time of original entry. No newly added Party shall have access to CONFIDENTIAL INFORMATION until the Party is subject to the terms of this Protective Order.

29. The provisions of this Protective Order shall not affect, nor does this Protective Order limit, the use or admissibility of CONFIDENTIAL INFORMATION (or references to that material) as evidence at trial, or during any arbitration, mediation, hearing, or similar proceeding in this Lawsuit, or as part of the record on appeal, provided that any Party may seek an appropriate Order of the Court to protect such CONFIDENTIAL INFORMATION, including provisions for use of such materials under seal. The provisions of this Protective Order shall not prejudice the

rights of the Parties with respect to the use or protection of CONFIDENTIAL INFORMATION at trial or other such addressed proceedings. Absent Court order to the contrary, the use or production of CONFIDENTIAL INFORMATION at trial by any Party, under seal or under such other terms as required by the Court to maintain the confidentiality of that material, does not waive the protection of such CONFIDENTIAL INFORMATION required under this Protective Order in subsequent proceedings or in any other case.

Signed this ____ day of _____, 2020.

_____
THE HONORABLE MARGARET MIRABAL
DISTRICT COURT JUDGE PRESIDING

AGREED AS TO FORM AND CONTENT:

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Protective Order

kathryn allen <kallen@keallenlaw.com>

Sun 7/12/2020 2:55 PM

To: sobrien@enochkever.com <sobrien@enochkever.com>
Cc: Jose de la Fuente <jdelafuente@lglawfirm.com>; Molly Mitchell <mollym@abdmlaw.com>

I started going through the draft protective order you circulated. It is considerably broader than what is needed to address the concerns you express. In particular, I'm quite certain every deposition transcript, discovery response and document produced will hereafter be designated as confidential. You've told me you are concerned about edited depo clips on You Tube. I'm willing to enter into an order that says we will not do that. Beyond that, there simply isn't much (maybe nothing) in this case that is really confidential and/or ought not to be disclosed, particularly to the ratepayers of the WOWSC. If you want to focus your proposed order on that aspect, I've agreed conceptually and I'll be glad to look at it. I've dealt with orders like the one you have proposed, however, and they are invariably problematic.

Thanks.

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Exhibit 3

Windermere Oaks Water Supply Corporation

Committed to Providing Clean, Safe Water for All Our Residents

January 28, 2020

Dear WOWSC Member:

We want to make this short and simple and to the point.

Because a few of your neighbors escalated their legal actions in late 2019 against your non-profit water supply corporation and members of the 2015, 2018 and 2019 Boards of Directors, we are experiencing significant negative cash flow problems in early 2020. Our legal bills are absorbing available funds for the operation, maintenance, and necessary upgrades to your water system that WOWSC committed to in 2019 and 2020.

Even after multiple court rulings in *favor* of WOWSC in these suits, and combined with the division the member plaintiffs have created in this neighborhood, their continuing legal assaults are forcing our Board to raise **your water rates – significantly – to cover ongoing legal expenses and maintain and operate our plant facilities. Upon consultation with TWRA representatives, our base rate water bill will be increased, possibly as much as $50 per month, and we may need to revisit that later in the year if the increased revenues are still insufficient to pay our bills.**

In 2018 and 2019 we spent approximately $210,000 in legal fees. Recent legal bills from late 2019 to be paid in 2020 already are nearing $100,000. With no end in sight of the Plaintiffs' continued legal attack, the Board projects a $180,000 loss (if rates are not raised) given the increase to our legal fee budget projections to $250,000 this year. To put this in perspective, the legal defense of our corporation may amount to $1,000 for each of our 250+ customers this year – or more.

Our Board hopes you will join us in asking **this small group to stop the lawsuits** and stop wasting money that **we all** ultimately end up paying in higher rates. We want our community to keep our non-profit water supply corporation, but the lawsuits are forcing us to consider all options – including bankruptcy, the sale of assets, or sale of the corporation – to ensure our continued water service. It should not be this way.

Let us get back to the business of running the water supply corporation effectively and efficiently. We will discuss these items at the annual member meeting Saturday February 1 at the Spicewood Community Center, at the conclusion of the WO POA meeting.

Joe Gimenez, President Mike Nelson, Secretary/Treasurer
The WOWSC Legal Subcommittee

Exhibit 4

Windermere Oaks Water Supply Corporation

Committed to Providing Clean, Safe Water for All Our Residents

January 2, 2020

Dear WOWSC Member,

Your Board of Directors is dedicated to the continuing success of the water company in 2020. We look forward to the New Year and the hope it brings for resolution of dissensions of the past and the beginnings of community cooperation and peace. We hope with this letter to update you on significant events relating to 2019 and our look forward.

Of great importance, our Board in November initiated a rate analysis process which may result in higher water and sewer rates in 2020. We feel compelled to explain why. In the three years since the sale of WOWSC land reduced debt after completion of the wastewater treatment plant, a small but persistent and insistent group of members have launched multi-faceted offensives against our non-profit corporation and Board, resulting in the significant expense of WOWSC funds. As 2019 ended, we estimate our total legal fees neared $175,000, far exceeding the $38,000 originally budgeted.

The good news is that the group's first lawsuit seems pretty much resolved in WOWSC's favor. On December 13, the Texas Supreme Court denied hearing an appeal of a decision by the 6th Court of Appeals that favored our company with regard to execution of the 2016 land transaction (that is, the court declined to void that transaction as the plaintiffs had requested). The litigants have indicated they will appeal to the Texas Supreme Court to reconsider its denial in 2020. We believe their effort will be denied, again. But in defending our corporation in just that lawsuit and appeal, we spent approximately $40,000 this year alone. Adding in previous year's expenses, our successful defense against this suit cost WOWSC nearly $100,000.

In May, the group filed yet another lawsuit and expanded it in November. We don't want to belabor every allegation in their 50+page petition that, among other things, seeks money damages against ten current and former directors, out of their own pockets. We do believe that the litigants' claims against the water company, and its directors, are completely without merit. We believe that the members who brought the suit don't even have legal standing to bring most of the claims alleged. That hasn't yet stopped them, and we are being forced to deal with these matters at the courthouse. There is a large gap between the opinion of these members that the WOWSC got a "bad deal" out of the 2016 sale and their severe allegations against the company and its directors compared to the opinion of nearly every one of the current and former directors. (There is also an equally large gap between respectful discourse in public comment, and the relentless antagonistic and downright threatening behavior of these same members at our meetings.)

The legal costs in defense against the active lawsuit are even more staggering than the first lawsuit. They have required our current and former directors' participation in three full-day depositions, and they have issued requests for several more. They've heaped discovery requests upon us in wide-ranging fishing expeditions looking for anything to allege wrongdoing. Our legal bills to defend our corporation and directors in this case alone, including the costs related to responding to an avalanche of discovery and depositions, are nearing $100,000.

Adding to our costs is the legal guidance we must routinely seek in order to respond to other aspects of the group's persistent aggressions. We have employed our legal team to guide us through the 46 Public Information Act requests filed this year alone, most from this small group. Because we are in litigation with this group, we had to file, in Travis County District Court, an appeal of an Attorney General staff attorney's letter ruling on an issue related to privileged communications regarding the lawsuits. We also had to secure

services from one of our Board members to serve at the Public Information Officer, at $416 per month, to reduce the costs of otherwise relying on paralegals who would charge $150 per hour. While individuals do have the legal right to submit Public Information Act requests to WOWSC, and WOWSC endeavors to comply with Texas law in responding to each such request, that process has costs.

In December, we were required to hold, by this small group's petition effort, a rare members' meeting, complete with mailed ballots, for the purpose of addressing this group's recall petition against Director Joe Gimenez. WOWSC took painstaking efforts to conduct this unusual proceeding according to the letter of the law. They gained only 56 votes, far short of the 127 votes needed to remove a director. But here too, legal and other expenses related to the process, calling, and conducting the meeting exceeded $15,000.

Suffice it to say that we understand that there may be disagreements as to any course of action the WSC's Board of Directors may take with respect to any issue; we understand that not every member will agree with every decision a Board makes. The Board itself often has its own internal disagreements, and we encourage honest and civil discussion and debate. However, based on the information known by the current board, both this board and former members of WOWSC boards have, at all times, acted in the best interests of the corporation. Our strong financial position, the high quality of our water, and the long-term planning for asset replacement and upgrades attests to this.

Sadly, this small group of members have persisted against the Board because they have an "axe to grind" against a third party, leaving the corporation and directors stuck in the middle. The 2016 real estate deal is directly or indirectly involved in every single one of the above-mentioned situations where the WOWSC is forced to defend itself through the expense of funds on legal advice or compliance with legal requirements of discovery and the like. Lawsuits, lawful responses to PIA requests, and response to the recall petition are related and involve one or more of the same individuals.

Moving forward, our immediate goal is to bring these pointless suits to a close and therefore end the corresponding expenditure of your water company's funds. But until this group stops or the courts finally put an end to things, we must continue to defend against these lawsuits. We must continue to respond to their Public Information requests. And we will continue to communicate with our members about the misinformation that the group spreads in the neighborhood. All this costs money – your money. And it may cost even more in 2020. We unfortunately must evaluate this possibility through the rate analysis process.

Meanwhile, we are trying our best to keep the water company moving forward. We amended the 2016 land contract to fix a number of flaws, and as part of the new agreement could gain $20,000 from the title company if all the litigation is resolved this year. That would happen if the litigants were to withdraw their lawsuits, or once we prevail in court. This year we finished repair of our pumping barge and recouped $59,000 from the insurance company. We purchased a generator to comply with state regulations. We were granted $14,000 by the LCRA for a $34,000 WOWSC investment in a backwash process that will reduce WOWSC use of water and save us an estimated three percent per year on this investment. We agreed on a no-cost expansion plan for a dispersant field through an agreement with the Spicewood Airport Pilot's Association. We earned approval for a lower rate loan to eventually pay off a higher rate balloon note which comes due in 2021. And we've returned our focus to a five-year plan for infrastructure repair and replacement. The plan has gone mostly untended in the last three years.

Our board is dedicated to the continuing success of the water company. After all, water is a necessity of life and becomes more precious as this region grows. Unfortunately, the most significant challenge we face is the cost involved in defending against the ongoing legal maneuvers of this small group of people. We will continue our defense for the long-term survival of our water company, but we sincerely hope that these continued expenditures will cease to be necessary someday soon.

Sincerely,

« Back to News & Notices

Texas Supreme Court Ruling

December 13, 2019

Today, the Texas Supreme Court today denied the petition for review presented by TOMA Integrity, Inc., and John Dial against the Windermere Oaks Water Supply Corporation. Their petition sought to overturn the decision of the 6th Court of Appeals which was in our company's favor.

This should be the final word on the case in which a previous Board did not properly post parts of the agenda items related to the sale of 4.3 acres of water company land. The trial and appeals courts' judgments, that the violation did not warrant court intervention in voiding the land sale, is therefore upheld.

The Supreme Court's notice can be found in the section "Orders on Petitions for Review," about two-thirds down that section and is the 25th case listed. Here is the link to the Supreme Court's website with the announcement:

https://www.txcourts.gov/supreme/orders-opinions/2019/december/december-13-2019/

Our members have indicated their desire for better communications. The Board is preparing more around this and other developments for mailing in coming weeks.

Windermere Oaks Water Supply Corporation

Committed to Providing Clean, Safe Water for All Our Residents

December 3, 2019

Dear WOWSC member,

This letter serves as formal notice from the Windermere Oaks Water Supply Corporation Board of Directors of the Special Membership Meeting which shall be held on Saturday December 14th, 2019 at 9:00 AM at the Spicewood Community Center, 7901 County Road 404, Spicewood TX, 78669. The purpose of this special meeting is to hold a hearing on the petition to remove Director Joe Gimenez from the WOWSC Board. This correspondence also includes the Agenda for the December 14th Special Membership Meeting, as well as the official ballot for voting on the removal petition. You may either vote in person at the December 14th meeting, or by using the ballot included in this mailing and returning it to WOWSC in the return envelope (enclosed) as instructed on the ballot by December 13th. As a reminder, the charges facing Director Gimenez are those specifically presented in the petition to remove him, and are as follows:

> "Joe Gimenez's fiduciary duties are compromised in representation of the members as President on both the WOPOA/WOWSC in addition to being elected as Public Information Officer where he receives $5,000 annually from WOWSC."

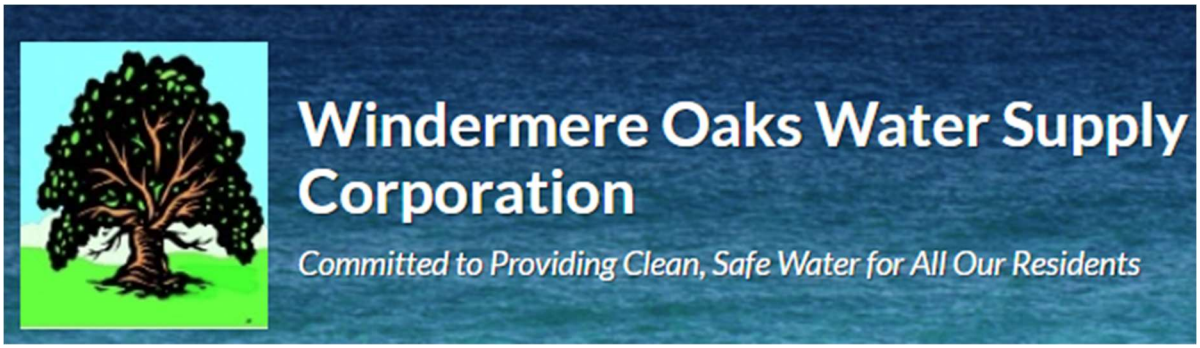
The WOWSC Board strongly recommends that you attend the December 14th meeting to hear from both sides before voting on the petition to remove Director Gimenez.

I, Vice President Bill Earnest, am the Presiding Officer over this petition proceeding. At the start of the meeting, I will allow for member comments but only to the extent those comments are not construed as arguments or evidence regarding the charges facing Director Gimenez. Any such arguments, evidence, or any related comment shall be reserved for the formal portion of the proceeding designated for the Petitioners' Representative to state the case for removal and to present and question any witnesses. To that end, I will require those members bringing the petition to remove Director Gimenez (the "Petitioners") to designate a representative by the start of the meeting on December 14th. This representative may be one of the Petitioners or hired legal counsel, and who shall conduct the direct case and present all evidence, arguments, and shall call and question witnesses on behalf of the Petitioners.

At the meeting, and following public comments, I will take appearances and the Petitioners' representative should introduce him or herself for the record at that time. I will also make predicate Findings of Fact for the record (for example, a finding that a petition was duly submitted). Each side will then have one hour total to present their case to use as they see fit, which time will include any opening statement and closing argument, direct examination of witnesses called by the side, and cross-examination of witnesses called by the other side. As the Presiding Officer, I will keep time for both sides.

Sincerely,

Bill Earnest
Vice President of WOWSC and Presiding Officer of Removal Petition Proceeding



November 11, 2019

Dear WOWSC Member,

Regarding recent correspondence you may have received purporting to be a special-called membership meeting on November 23, 2019.

On behalf of the Board of Directors, this letter serves to notify you that this meeting was NOT called by the WOWSC Board of Directors, and while WOWSC members may call special members meetings, the members attempting to call this meeting failed to comply with WOWSC Bylaws and applicable state law.

The subject of this proposed meeting is a petition for the removal of Director and Board President Joe Gimenez. On October 9, 2019, the petition was properly filed with the Board containing signatures of over 10% of the WOWSC members. With those signatures, this is a valid removal petition. However, the petition itself and the writing filed with the Secretary/Treasurer to call a special-called membership meeting are separate, independent requirements. The petition itself made no mention of a special meeting, and served the sole purpose of initiating the removal petition process established in our Bylaws. Speaking to the petition itself, WOWSC Bylaw Article 8 Section 9 requires that written charges be presented to the Board Secretary/Treasurer, and that those written charges "must be accompanied by a petition signed by at least ten (10%) of the members of the Corporation."

Members may call special meetings of the membership, but such action requires at least 10% of the membership to support the calling of such a meeting, and this support must be indicated through a writing filed with the Secretary/Treasurer of the WOWSC. This provision exists to ensure that the statutory threshold of 10% of the membership required to call a special membership meeting has been met. This is an essential procedural requirement to ensure orderly conduct of WOWSC and membership activities, and the filing with the WOWSC Secretary/Treasurer, who maintains current membership lists among other duties, is necessary to accomplish that goal. Additional requirements and coordination with the Board are necessary given the unique nature of the recall petition and required membership meeting.

Again, a valid petition containing written charges with at least 10% of the members as signatories thereto was submitted to the Board on October 9, 2019. However, the Board is aware that the letter

sent to you asserted new, additional charges against Director Gimenez beyond those on the original petition. To be clear, the written charges accompanied by the signed petition are the only charges facing Director Gimenez pursuant to the applicable law and bylaws, and any subsequent attempt to add or expand such charges – without following the same petition process as was followed on October 9th – is invalid as to the existing petition proceeding. This requirement, that the charges be reflected in the petition itself, exists to protect the all parties, including WOWSC's members, so as to allow them to be fully aware of the charges with respect to which they may take the significant action of signing a petition to potentially remove one of WOWSC's directors. Those charges as presented in the petition to remove Director Gimenez are:

> "Joe Gimenez's fiduciary duties are compromised in representation of the members as President on both the WOPOA/WOWSC in addition to being elected as Public Information Officer where he receives $5,000 annually from WOWSC."

The Board will discuss proceedings, procedures, and meeting date(s)/time(s) related to the removal petition at the upcoming Board meeting on Thursday November 14th. We encourage all interested members to attend this meeting.

_____

Bill Earnest – Vice President

Windermere Oaks Water Supply Corporation

Committed to Providing Clean, Safe Water for All Our Residents

July 10, 2019

Dear Water Supply Corporation Customer,

We would like to share with you some good news regarding your water company as well as some developments we are working to resolve.

First, we have recently posted the results of the Consumer Confidence Report for 2018. This summary recounts our compliance with Environmental Protection Agency regulations as monitored by the Texas Commission on Environmental Quality. In all 12 areas monitored, no violations were found. We are pleased with the continuing effort of our manager and operating company to produce water which meets or exceeds state and federal water quality requirements.

Secondly, our water intake pumping barge went back online in April. Temporary pumps had supplied water to our system after the October 16 flood severely damaged the barge. There were concerns that normal summer time decreases in lake levels could impact the temporary pumps' efficiency. The hard work of our manager removed these concerns and the repaired pumps have been operating well.

Third, our financial position is very strong. We base this statement on new reviews we initiated to evaluate our financial health. Our debt to service coverage ratio, debt to capital ratio, days cash on hand are all very positive. Without going into a lot technical detail here about what they mean, you should put aside any doubts which may have arisen in the last few years about our financial situation.

Fourth, in mid-June, an appellate court ruled in favor of WOWSC and sided with the lower trial court's judgment rendered last year with regards to a land sale by WOWSC in 2016 and related agenda items. In sum, while a previous board did not properly post parts of the agenda items related to the land sale, the violation did *not* warrant the court's intervention in voiding the land sale. This is a victory for WOWSC because voiding the land sale would have had serious financial implications for WOWSC.

Unfortunately, the Board is now dealing with yet another, *new* lawsuit that was filed in late May against WOWSC and former Board members. The plaintiffs claim various rights as 'shareholders' against the former Board members as related to the land sale in 2016.

As a result of the various lawsuits filed against WOWSC (which remain ongoing) and our continuing compliance with responses to numerous Public Information Act requests, WOWSC's 5-month expenditures on legal services have already totaled $63,000, exceeding our 12-month budget by $25,000. We are concerned about this steep additional cost for 2019 and will be attempting various measures to contain those costs going forward.

In our next letter to you, we hope to have more good news about operational improvements we've made. Several are in the works. For now, we hope this letter succeeds in giving you an idea about developments at your water supply company.

Sincerely,

Your Windermere Oaks Water Supply Corporation Board of Directors

Windermere Oaks Water Supply Corporation

Committed to Providing Clean, Safe Water for All Our Residents

DATE: February 11, 2020
TO: ALL WINDERMERE OAKS WSC MEMBERS & CUSTOMERS
RE: NOTICE OF RATE/TARIFF CHANGES EFFECTIVE MARCH 23, 2020

At its February 1, 2020 Annual Board meeting, the Board of Directors of WOWSC voted unanimously to increase water and wastewater utility rates and revise our Tariff accordingly. The new rates will be in effect beginning for utility service between March 23 through the April 2020 reading, and will be reflected on bills you receive in late April/early May. The rate changes are detailed below.

The amount of the rate increase was determined through an analysis of the Corporation's 2019 operating expenses by the Texas Rural Water Association. The rate analysis considered all the operating expenses we incurred, including $169,000 in legal fees. This historically high amount reflected legal defense costs incurred due in large part to two lawsuits brought against WOWSC by TOMA Integrity, Inc. and by Rene Ffrench, John Richard Dial, and Stuart Bruce Sorgen. The Board also committed to revisiting these rates again in September. If the legal battles continue, or if other operational expenses arise, the Board may need to increase rates again. The Board also committed to reducing rates once the suits against it are dropped, settled, or decided in its favor.

The following sections of the Tariff, modified:

Section G. Rates and Service Fees

7. Monthly Charges

a.----Base Rate / Service Availability Charge

(1) Water Service

The minimum water Service Availability Charge (5/8" x 3/4" & 3/4 " meter) shall be $90.39

(2) Sewer Service

The minimum sewer Service Availability Charge (5/8" x 3/4" & 3/4 " meter) shall be $66.41

OLD RATES:

Section G. Rates and Service Fees

7. Monthly Charges

a.----Base Rate / Service Availability Charge

(1) Water Service

The minimum water Service Availability Charge (5/8" x 3/4" & 3/4 " meter) shall be $50.95

(2) Sewer Service

The minimum sewer Service Availability Charge (5/8" x 3/4" & 3/4 " meter) shall be $40.12

The above new rates become effective MARCH 23, 2020

The Windermere Oaks Water Supply Corporation achieved perfect results for water quality in 2019 from the Texas Commission on Environmental Quality. The legal expenses we are incurring to defend our corporation far exceed the expenses necessary to continue to provide clean drinking water and to effectively treat our effluent. It is our hope that once the legal expenses subside, we can lower these rates to a level reflective of those costs *without* ongoing litigation. If you have any questions, please email WindermereWater@gmail.com or call (830) 613-8137 and someone will get back to you. A copy of the revised tariff will be filed with the Water Utilities Division, Public Utility Commission of Texas, PO Box 13326, Austin, Texas 78711-3326.

From the Board of Directors of Windermere Oaks Water Supply Corporation.

FAQs regarding WOWSC 2020 Rate Increase

On February 12 the Windermere Oaks Water Supply Corporation announced a rate change for water utility service. Here are responses to questions we've been asked.

Why are the rates increasing?

The amount of increase was determined after analysis performed in consultation with Texas Rural Water Association (TRWA) staff of the WSC's 2019 operating expenses, which included $169,000 in legal fees, and of the FY 2020 budget for WOWSC. The analysis considered all expenses, specifically taking into account unprecedented legal expenses facing WOWSC. These historically high legal fees have and will be incurred in large part due to two lawsuits brought against WOWSC by TOMA Integrity, Inc., and by Rene Ffrench, John Richard Dial, and Stuart Bruce Sorgen.

What were the legal fees in 2018?

The Board paid $38,000 in legal and appraisal fees in 2018. In late 2018, it budgeted the same amount for 2019. The Board did not anticipate that Dial, Ffrench, and Sorgen would file another suit in 2019.

What is the status of the lawsuits?

There are two suits.

The 2017 lawsuit brought against WOWSC by TOMA Integrity Inc. asked for a 2016 real estate transaction to be voided, and that relief was denied by a district court judge in **July 2018**. The litigants did not stop, but continued filing *multiple* appeals all the way up to the Texas Supreme Court. Upon denial of review of their appeal by the Texas Supreme Court, the litigants appealed *yet again* by requesting a rehearing of the denial of review of their appeal. On February 14, 2020, the Texas Supreme Court denied this rehearing request , and the suit by TOMA Integrity against WOWSC is *finally* over after 2 years. The trial and appellate court judges concluded that the 2015 WOWSC Board omitted a necessary item from a meeting agenda regarding this transaction, but they *all* upheld the trial court's denial of the remedy sought by TOMA Integrity and held the land transaction was *not* void.

The 2019 lawsuit is much broader. It alleges all sorts of false and misleading charges against both WOWSC and its current and former directors, seeks to void the 2016 land transaction (again), and seeks money damages against ten current and former directors out of their own pockets. We believe the claims are completely without merit. As of this writing, many of the matters are pending before a judge.

In the first lawsuit, why did the Board not want the land sale to be voided?

Three different attorneys/law firms have advised three different sets of Board members that unilaterally breaking the underlying real estate contract could have been financially disastrous for the water corporation. Attempting to undo the contract, through lawsuits, would have cost

the corporations additional hundreds of thousands of dollars in legal fees and the outcome (of actually undoing the contract) would have been uncertain. Those litigation costs would have been passed to ratepayers, and would possibly have had further negative outcomes. Therefore, the Boards did not want to be forced by the plaintiffs into an expensive legal action with such a questionable outcome.

What can I do about these higher rates?

We have a small system of only about 254 paying members. Because the corporation has been forced to fend off lawsuits that would cause great damage to it financially, the legal fees have become our largest operating expense.

To date, the plaintiffs have been unsuccessful with their allegations and complaints. We believe they will continue to be similarly unsuccessful with this second lawsuit. But defending ourselves against them means that the high legal fees (an expense of the WSC) have to be recovered from our rate payers.

Consider asking the plaintiffs why they are pursuing these claims that are costing you so much. They do not improve our water system. Their pursuit of 10 former board members' money demonstrates that they are pursuing personal vendettas through the court system. It should not be this way.

What are the new rates?

The water service availability charge increases to $90.39, up from $50.95, per month.
The sewer service availability charge increases to $66.41, up from $40.12, per month.
The total increase per month is $65.73.

When do the rates go into effect?

The water company sent 30-day notice on February 14 to members. The rates go into effect when meters are read in April, for service between March 23 and the April meter reading. The bill you receive at the end of April, due May 15, will reflect the increase.

The Board has committed to revisiting these increased rates no later than September 2020 for further evaluation and possible alteration. It is our hope that once the legal expenses subside, we can lower these rates to a level reflective of those costs *without* ongoing litigation and we can get back to the business of running your water supply corporation.